

\$800.0 million, cash dividends paid of \$342.3 million, repayments of long-term debt of \$242.3 million, and a net increase in short-term borrowings of \$249.1 million.

The Company had cash and cash equivalents of \$236.6 million at May 26, 2019 and \$128.0 million at May 27, 2018, of which \$144.8 million at May 26, 2019, and \$121.6 million at May 27, 2018, was held in foreign countries. We believe that our foreign subsidiaries have invested or will invest any undistributed earnings indefinitely, or that any undistributed earnings will be remitted in a tax-neutral transaction, and, therefore, do not provide deferred taxes on the cumulative undistributed earnings of our foreign subsidiaries.

Our preliminary estimate of capital expenditures for fiscal 2020 is approximately \$400 million.

Management believes that existing cash balances, cash flows from operations, existing credit facilities, and access to capital markets will provide sufficient liquidity to meet our repayment of debt, including any repayment of debt or refinancing of debt, working capital needs, planned capital expenditures, and payment of anticipated quarterly dividends for at least the next twelve months.

OFF-BALANCE SHEET ARRANGEMENTS

We use off-balance sheet arrangements (e.g., leases accounted for as operating leases) where sound business principles warrant their use. We also periodically enter into guarantees and other similar arrangements as part of transactions in the ordinary course of business. These are described further in *"Obligations and Commitments"* below.

Variable Interest Entities Not Consolidated

We lease or leased certain office buildings from entities that we have determined to be variable interest entities. The lease agreements with these entities include fixed-price purchase options for the assets being leased. The lease agreements also contain contingent put options (the "lease put options") that allow or allowed the lessors to require us to purchase the buildings at the greater of original construction cost, or fair market value, without a lease agreement in place (the "put price") in certain limited circumstances. As a result of substantial impairment charges related to our divested Private Brands operations, these lease put options became exercisable. We are amortizing the difference between the put price and the estimated fair value (without a lease agreement in place) of the property over the remaining lease term within SG&A expenses. During fiscal 2018, we purchased two buildings that were subject to lease put options and recognized net losses totaling \$48.2 million for the early exit of unfavorable lease contracts. During fiscal 2017, one of these lease agreements expired, and we reversed the applicable accrual and recognized a benefit of \$6.7 million in SG&A expenses.

As of May 26, 2019 and May 27, 2018, there was one remaining leased building subject to a lease put option for which the put option price exceeded the estimated fair value of the property by \$8.2 million, of which we had accrued \$1.6 million and \$1.2 million, respectively. This lease is accounted for as an operating lease, and accordingly, there are no material assets and liabilities, other than the accrued portion of the put price, associated with this entity included in the Consolidated Balance Sheets. We have determined that we do not have the power to direct the activities that most significantly impact the economic performance of this entity. In making this determination, we have considered, among other items, the terms of the lease agreement, the expected remaining useful life of the asset leased, and the capital structure of the lessor entity.

OBLIGATIONS AND COMMITMENTS

As part of our ongoing operations, we enter into arrangements that obligate us to make future payments under contracts such as lease agreements, debt agreements, and unconditional purchase obligations (i.e., obligations to transfer funds in the future for fixed or minimum quantities of goods or services at fixed or minimum prices, such as "take-or-pay" contracts). The unconditional purchase obligation arrangements are entered into in our normal course of business in order to ensure adequate levels of sourced product are available. Of these items, debt, notes payable, and capital lease obligations, which totaled \$10.72 billion as of May 26, 2019, were recognized as liabilities in our Consolidated Balance Sheets. Operating lease obligations and unconditional purchase obligations, which totaled \$1.75 billion as of May 26, 2019, were not recognized as liabilities in our Consolidated Balance Sheets, in accordance with U.S. GAAP.

A summary of our contractual obligations as of May 26, 2019, was as follows:

Contractual Obligations	Payments Due by Period (in millions)				
	Total	Less than 1 Year	1-3 Years	3-5 Years	After 5 Years
Long-term debt	\$ 10,556.6	\$ —	\$ 2,747.6	\$ 2,287.0	\$ 5,522.0
Capital lease obligations	165.4	20.6	41.0	29.4	74.4
Operating lease obligations	312.6	52.1	86.4	59.7	114.4
Purchase obligations ¹ and other contracts	1,483.5	1,195.3	223.4	53.2	11.6
Notes payable	1.0	1.0	—	—	—
Total	\$ 12,519.1	\$ 1,269.0	\$ 3,098.4	\$ 2,429.3	\$ 5,722.4

¹ Amount includes open purchase orders and agreements, some of which are not legally binding and/or may be cancellable. Such agreements are generally settleable in the ordinary course of business in less than one year.

We are also contractually obligated to pay interest on our long-term debt and capital lease obligations. The weighted-average coupon interest rate of the long-term debt obligations outstanding as of May 26, 2019, was approximately 4.7%.

As of May 26, 2019, we had aggregate unfunded pension and postretirement benefit obligations totaling \$131.7 million and \$87.8 million, respectively. These amounts are not included in the table above as the unfunded obligations are remeasured each fiscal year, thereby resulting in our inability to accurately predict the ultimate amount and timing of any future required contributions to such plans. Based on current statutory requirements, we are not obligated to fund any amount to our qualified pension plans during the next twelve months. We estimate that we will make payments of approximately \$14.2 million and \$10.8 million over the next twelve months to fund our pension and postretirement plans, respectively. See Note 19 "Pension and Postretirement Benefits" to the consolidated financial statements and "Critical Accounting Estimates - Employment Related Benefits" contained in this report for further discussion of our pension obligations and factors that could affect estimates of this liability.

As part of our ongoing operations, we also enter into arrangements that obligate us to make future cash payments only upon the occurrence of a future event (e.g., guarantees of debt or lease payments of a third party should the third party be unable to perform). In accordance with U.S. GAAP, such commercial commitments are not recognized as liabilities in our Consolidated Balance Sheets. As of May 26, 2019, we had other commercial commitments totaling \$5.3 million, of which \$3.7 million expire in less than one year and \$1.6 million expire in one to three years.

In addition to the other commercial commitments, as of May 26, 2019, we had \$56.4 million of standby letters of credit issued on our behalf. These standby letters of credit are primarily related to our self-insured workers compensation programs and are not reflected in our Consolidated Balance Sheets.

In certain limited situations, we will guarantee an obligation of an unconsolidated entity. We guarantee certain leases resulting from the divestiture of the JM Swank business completed in the first quarter of fiscal 2017. As of May 26, 2019, the remaining terms of these arrangements did not exceed four years and the maximum amount of future payments we have guaranteed was \$1.2 million. In addition, we guarantee a lease resulting from an exited facility. As of May 26, 2019, the remaining term of this arrangement did not exceed eight years and the maximum amount of future payments we have guaranteed was \$19.1 million.

We also guarantee an obligation of the Lamb Weston business pursuant to a guarantee arrangement that existed prior to the Spinoff and remained in place following completion of the Spinoff until such guarantee obligation is substituted for guarantees issued by Lamb Weston. Pursuant to the separation and distribution agreement, dated as of November 8, 2016 (the "Separation Agreement"), between us and Lamb Weston, this guarantee arrangement is deemed a liability of Lamb Weston that was transferred to Lamb Weston as part of the Spinoff. Accordingly, in the event that we are required to make any payments as a result of this guarantee arrangement, Lamb Weston is obligated to indemnify us for any such liability, reduced by any insurance proceeds received by us, in accordance with the terms of the indemnification provisions under the Separation Agreement.

Lamb Weston is a party to an agricultural sublease agreement with a third party for certain farmland through 2020 (subject, at Lamb Weston's option, to extension for two additional five-year periods). Under the terms of the sublease agreement, Lamb