



FY18 Q3
Earnings Presentation

March 22, 2018



Today's Presenters

Brian Kearney

Investor Relations

Sean Connolly

President and Chief Executive Officer

Dave Marberger

Chief Financial Officer



Forward-Looking Statements & Non-GAAP Measures

Note on Forward-looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Readers of this document should understand that these statements are not guarantees of performance or results. Many factors could affect our actual financial results and cause them to vary materially from the expectations contained in the forward-looking statements, including those set forth in this document. These risks and uncertainties include, among other things: the ability and timing to obtain required regulatory approvals and satisfy other closing conditions for the pending divestitures of our Del Monte processed fruit and vegetable business in Canada; our ability to achieve the intended benefits of recent and pending acquisitions and divestitures, including the recent spin-off of our Lamb Weston business; the continued evaluation of the role of our Wesson oil business; general economic and industry conditions; our ability to successfully execute our long-term value creation strategy; our ability to access capital; our ability to execute our operating and restructuring plans and achieve our targeted operating efficiencies from cost-saving initiatives and to benefit from trade optimization programs; the effectiveness of our hedging activities, and our ability to respond to volatility in commodities; the competitive environment and related market conditions; our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; the ultimate impact of any product recalls and litigation, including litigation related to the lead paint and pigment matters; actions of governments and regulatory factors affecting our businesses, including the ultimate impact of recently enacted U.S tax legislation and related regulations or interpretations; the availability and prices of raw materials, including any negative effects caused by inflation or weather conditions; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; the costs, disruption, and diversion of management's attention associated with campaigns commenced by activist investors; and other risks described in our reports filed from time to time with the Securities and Exchange Commission. We caution readers not to place undue reliance on any forward-looking statements included in this document, which speak only as of the date of this document. We undertake no responsibility to update these statements, except as required by law.

Note on Non-GAAP Financial Measures

This document includes certain non-GAAP financial measures, including adjusted diluted EPS from continuing operations, organic net sales, adjusted gross profit, adjusted operating profit, adjusted corporate expenses, adjusted SG&A, adjusted gross margin, adjusted operating margin, and adjusted equity method investment earnings. Management considers GAAP financial measures as well as such non-GAAP financial information in its evaluation of the Company's financial statements and believes these non-GAAP measures provide useful supplemental information to assess the Company's operating performance and financial position. These measures should be viewed in addition to, and not in lieu of, the Company's diluted earnings per share, operating performance and financial measures as calculated in accordance with GAAP.

Certain of these non-GAAP measures, such as organic net sales, adjusted operating margin, and adjusted diluted EPS from continuing operations, are forward-looking. Historically, the Company has excluded the impact of certain items impacting comparability, such as, but not limited to, restructuring expenses, the impact of the extinguishment of debt, the impact of foreign exchange, the impact of acquisitions and divestitures, hedging gains and losses, impairment charges, the impact of legacy legal contingencies, and the impact of unusual tax items, from the non-GAAP financial measures it presents. Reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are not provided because the Company is unable to provide such reconciliations without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the occurrence and the financial impact of such items impacting comparability and the periods in which such items may be recognized. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.



Sean Connolly

President and Chief Executive Officer



Key Takeaways

- Continued progress on our transformation
- Underlying sales trends continue to improve
- Increased investments to drive brand saliency, enhanced distribution and consumer trial of new innovation
- Higher investments with retail customers in the face of inflation pressuring near-term gross margin
- M&A activity continued
- Raising full year adjusted EPS guidance



Investor Day Commitments

Increase Margins

Improve Top Line

Build a Winning
Company



Investor Day Commitments

Fiscal Year 2018 Priority

Increase Margins

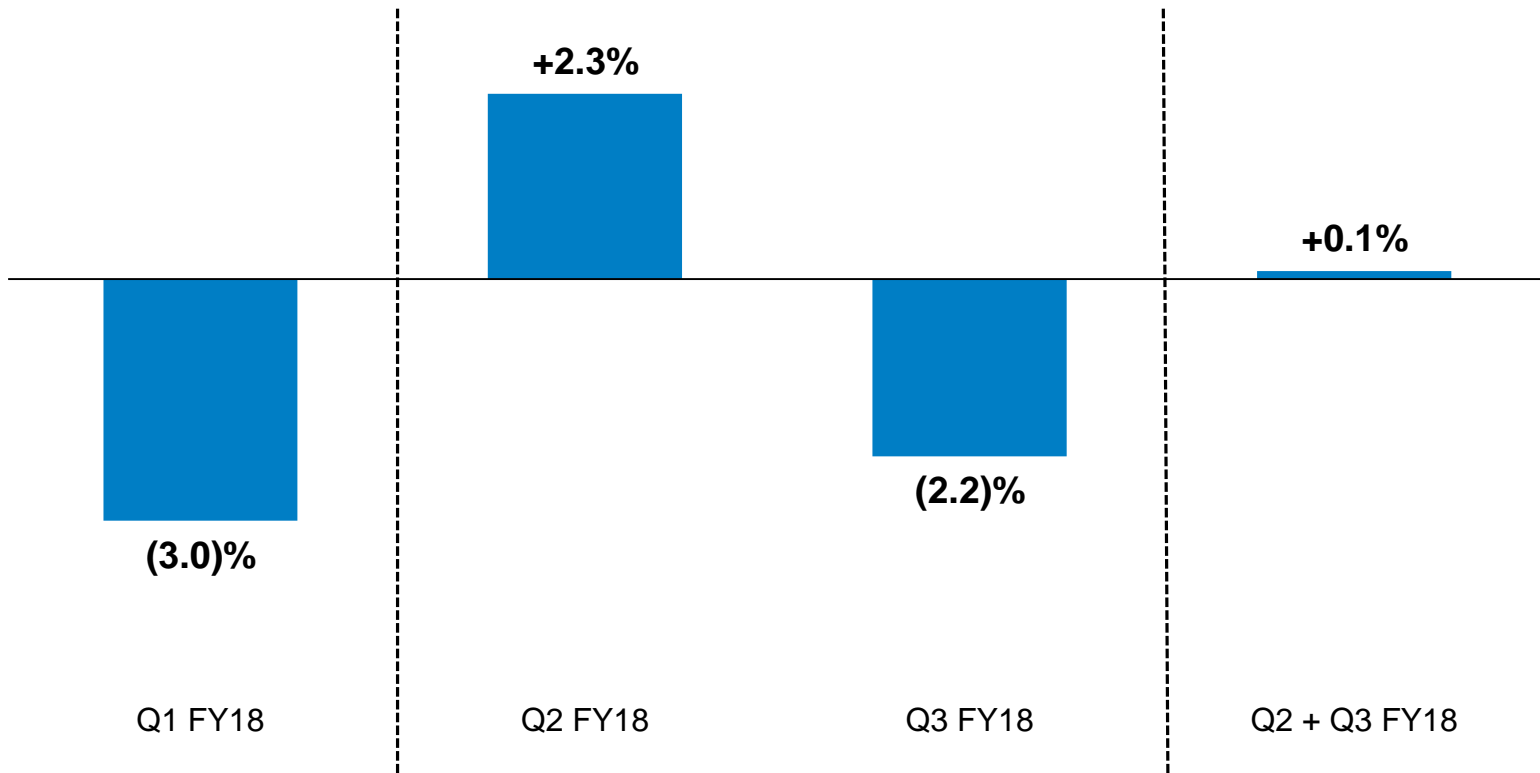
Improve Top Line

Build a Winning
Company



Quarterly Shift in Revenue

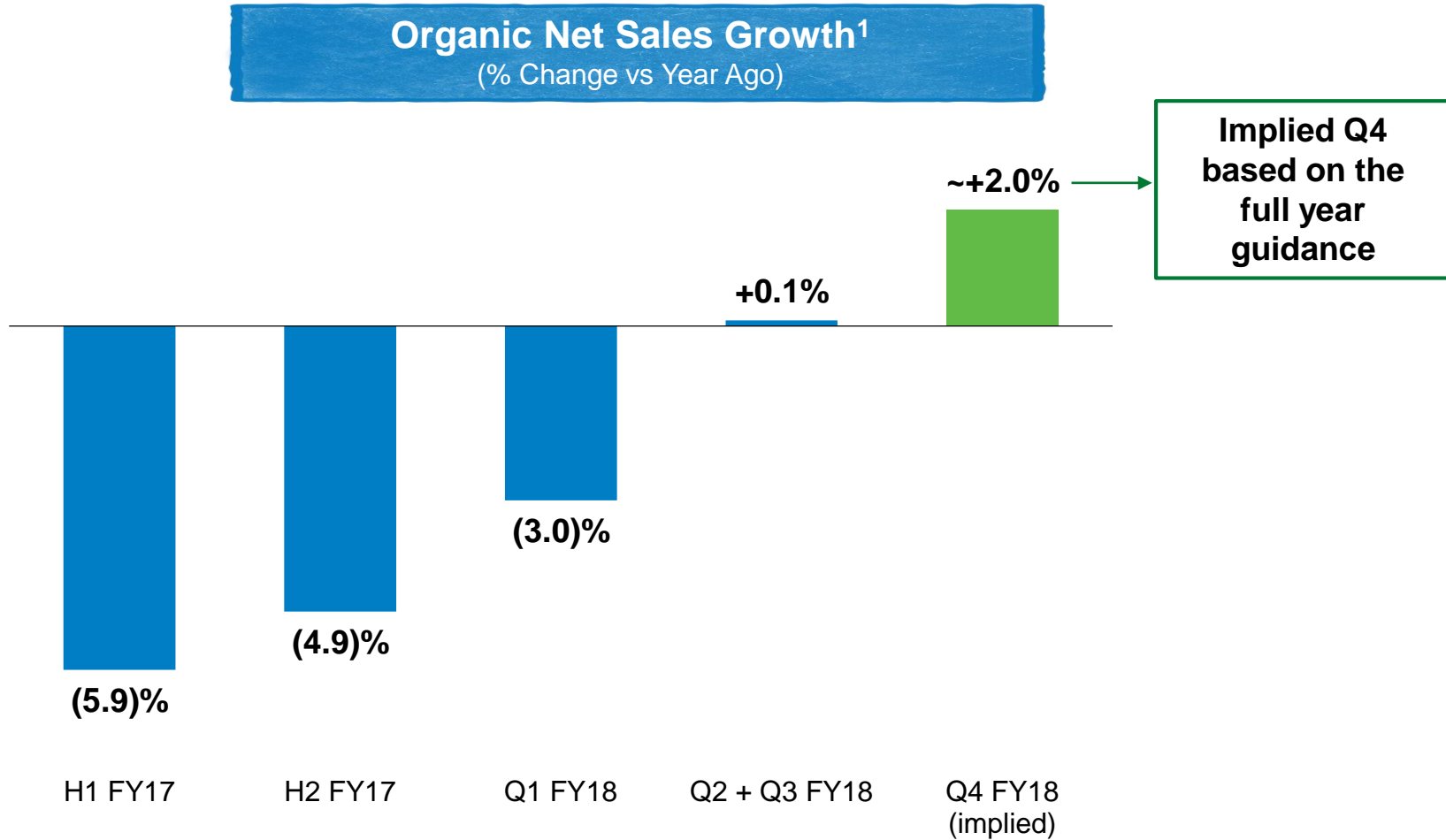
Organic Net Sales Growth¹ (% Change vs Year Ago)



1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).
Note: Organic net sales growth is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Topline Trends Continue to Improve

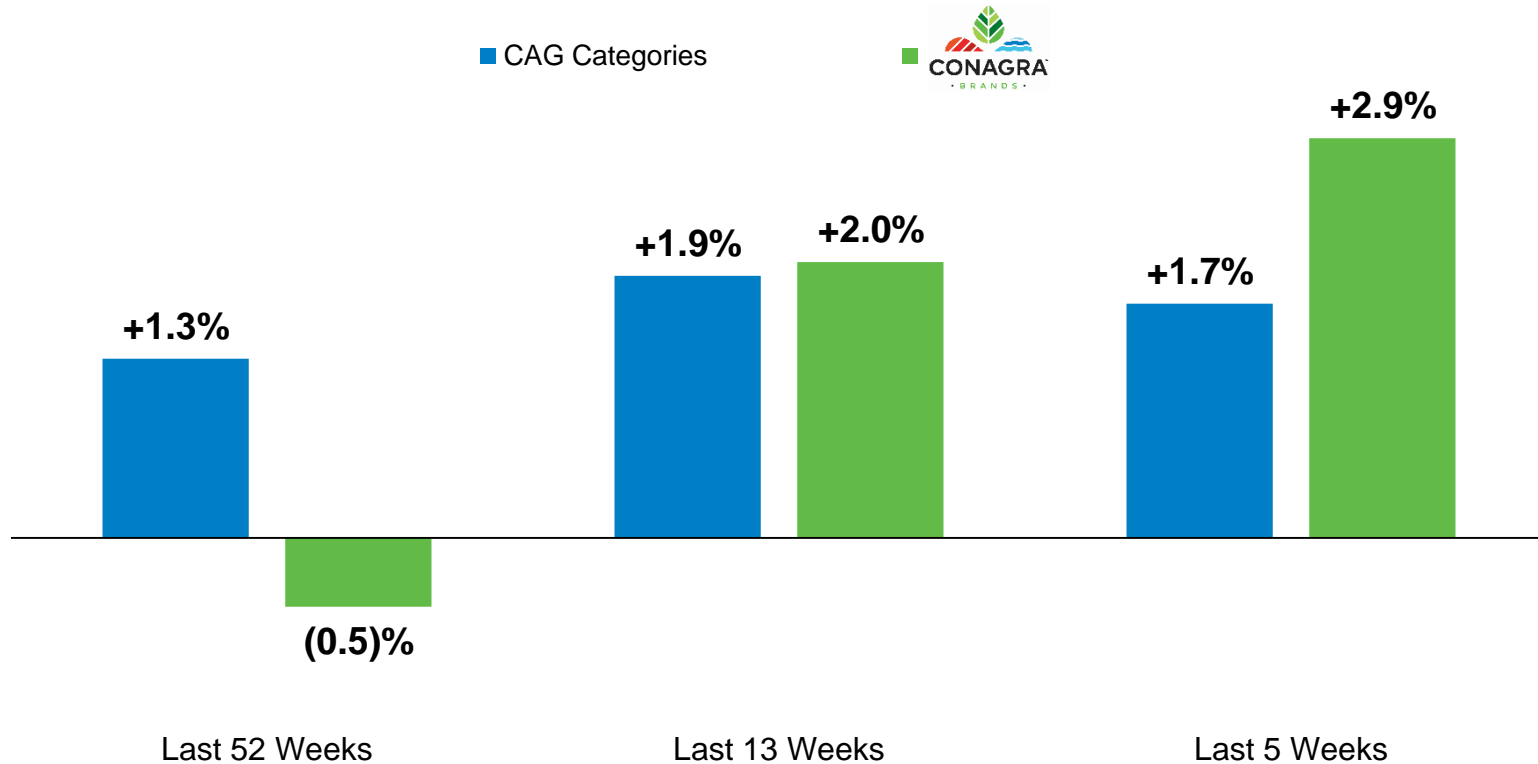


1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Note: Organic net sales growth is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Growing Share Across Portfolio

Domestic Retail Sales (% Change vs Prior Year Period)

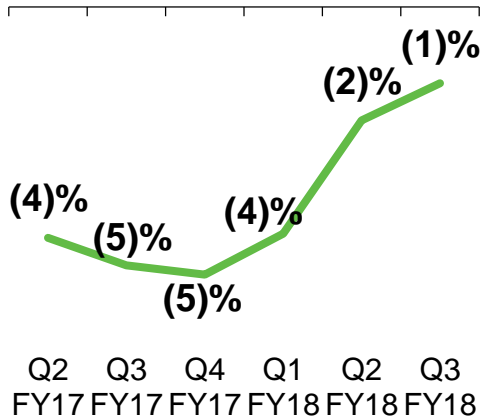




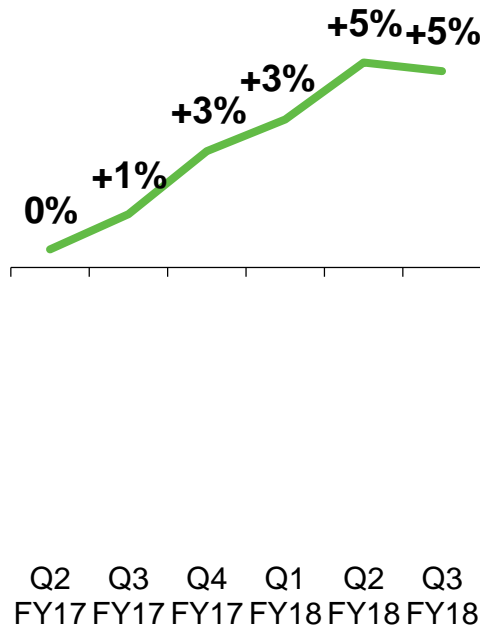
Higher Quality Revenue Base

Domestic Retail Scanner Data

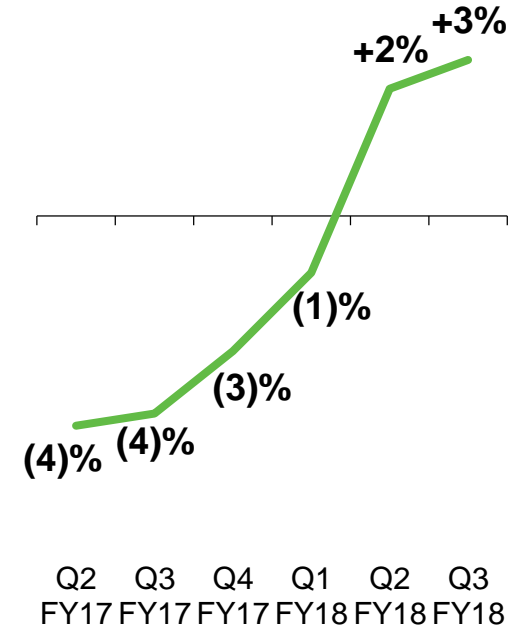
Avg. Weekly TPDs (% Change vs Year Ago)



Base Sales Velocity (% Change vs Year Ago)



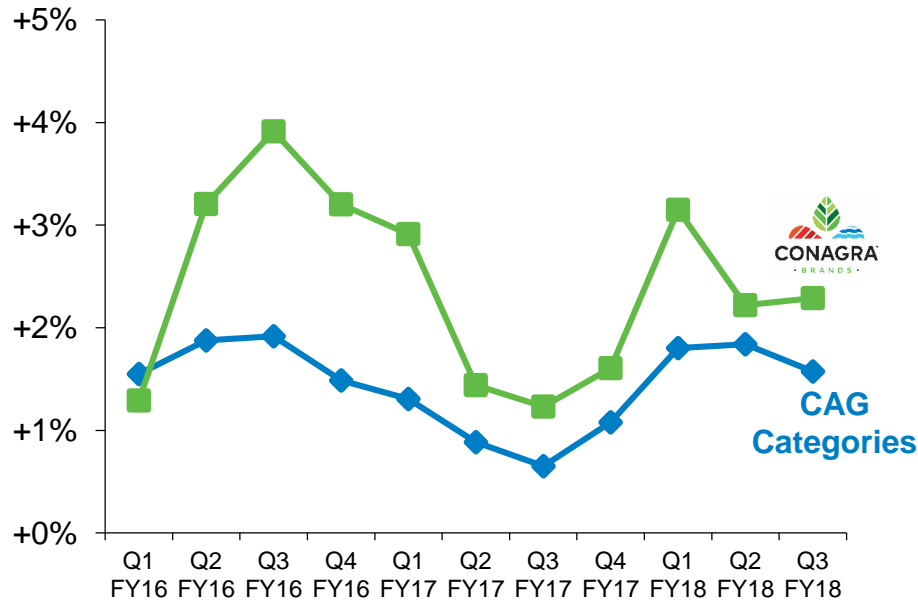
Base Dollar Sales (% Change vs Year Ago)



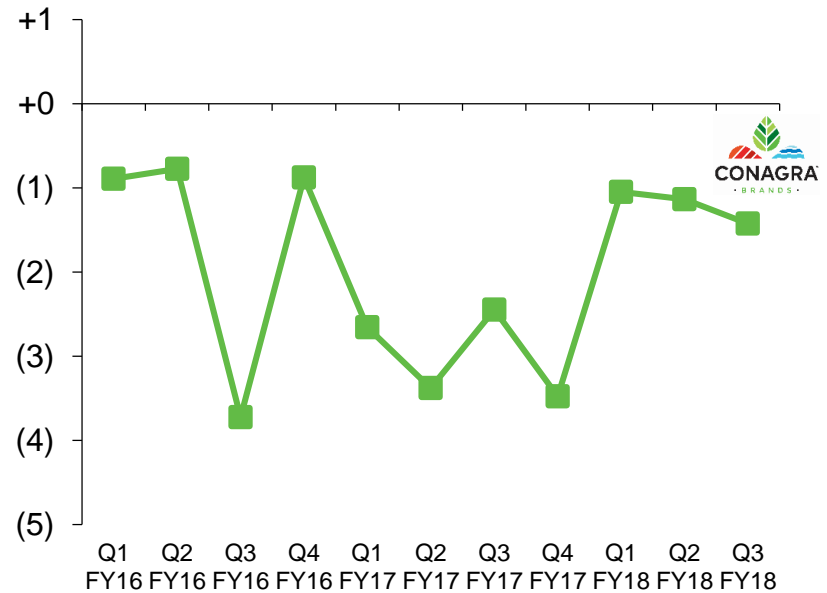


Higher Quality Revenue Base

Domestic Retail Average Unit Price
(% Change vs Year Ago)



% Sold on Promotion
(Percentage Point Change vs Year Ago)





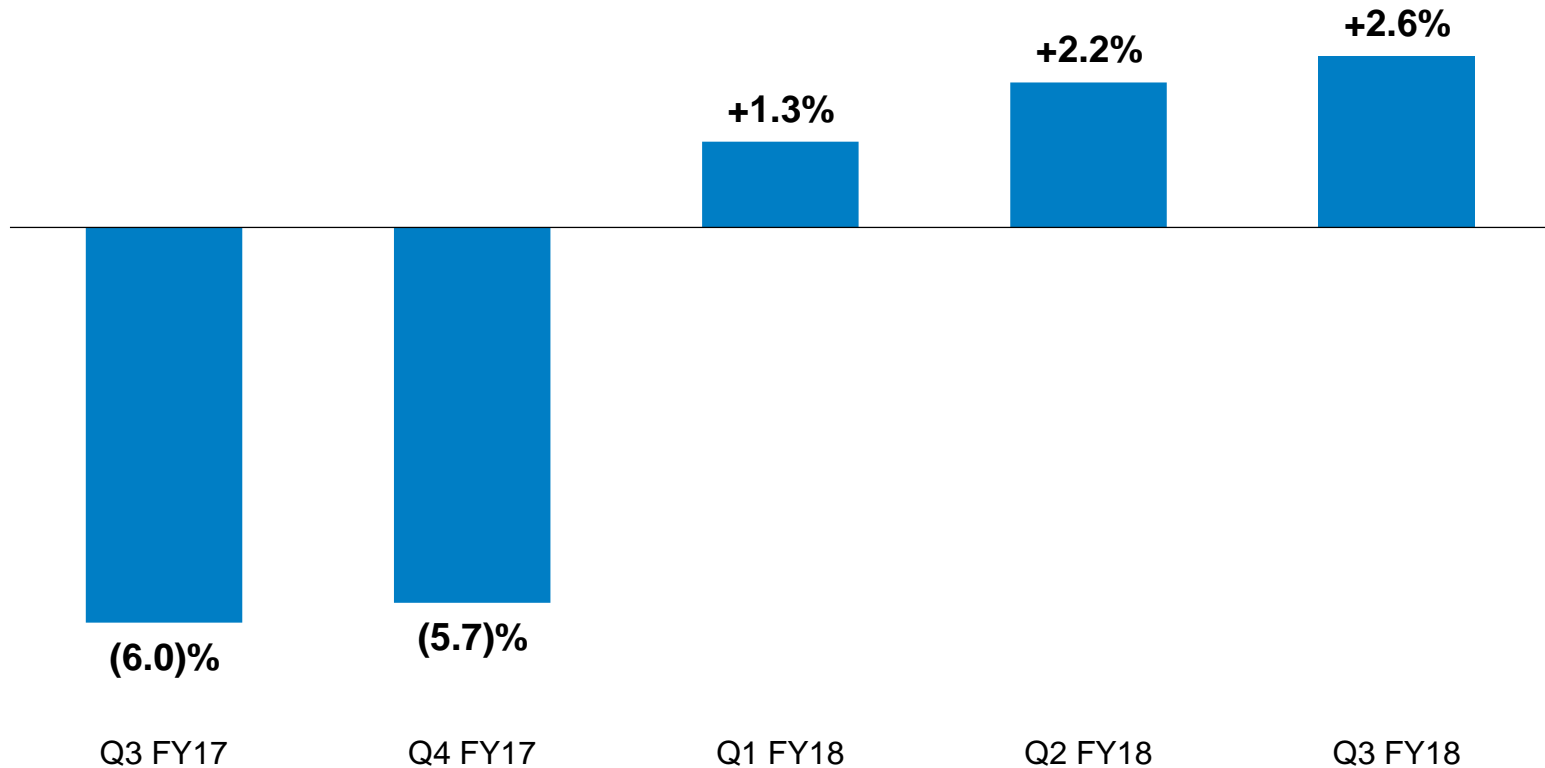
Innovation is Driving Our Momentum





Refrigerated & Frozen Continues Growth

Refrigerated & Frozen Organic Net Sales¹ (% Change vs Year Ago)

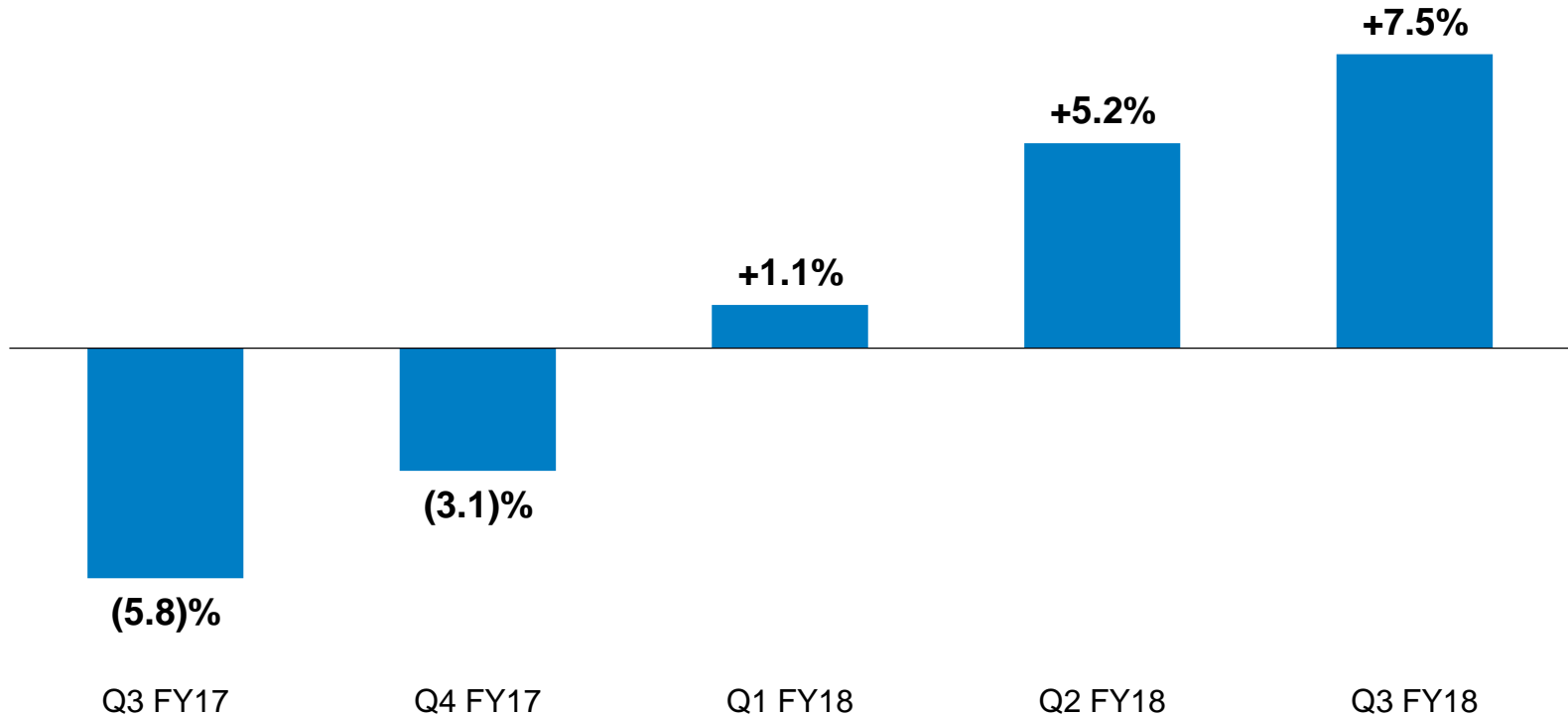


1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).
Note: Organic net sales growth is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Frozen Consumption Remains Strong

Conagra Frozen Retail Sales (% Change vs Year Ago)

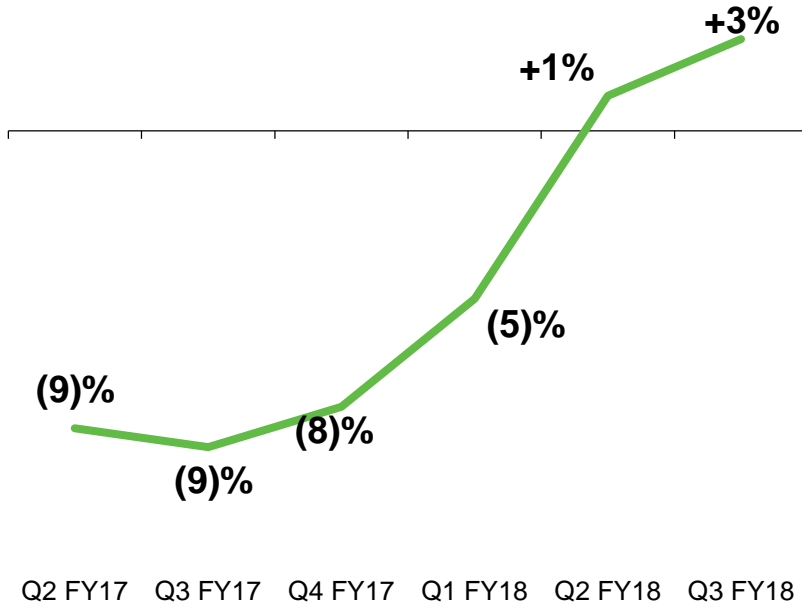




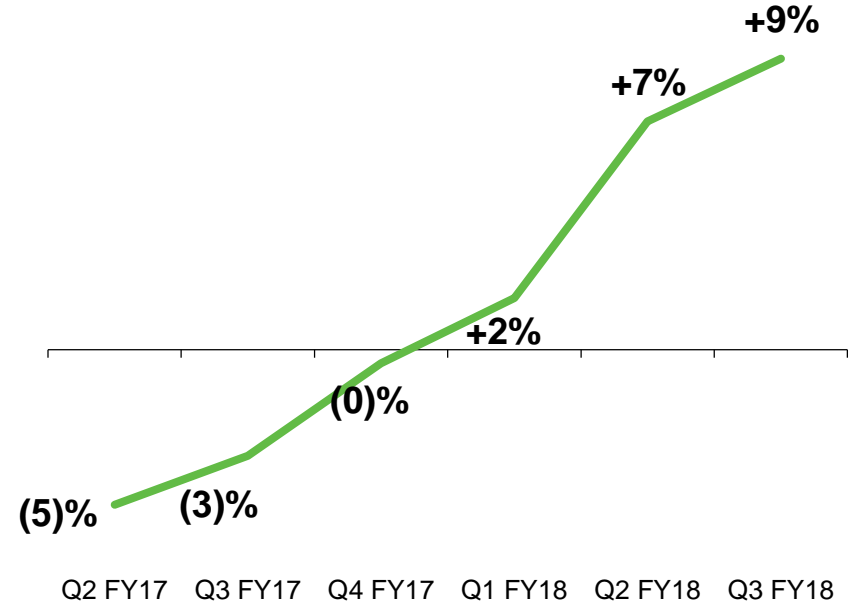
Base Sales Growth Aided by Distribution

Conagra Frozen – Domestic Retail Scanner Data

Avg. Weekly TPDs (% Change vs Year Ago)



Base Dollar Sales (% Change vs Year Ago)

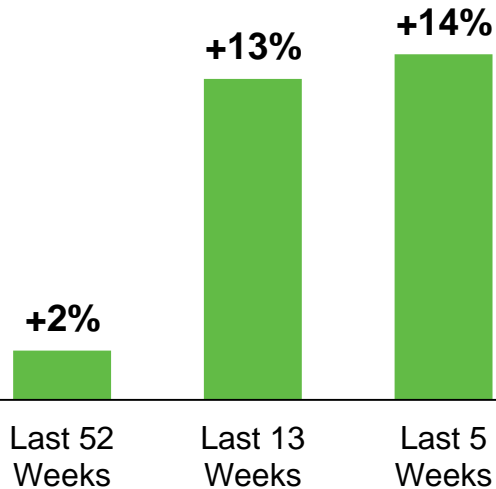


Continued Strong Growth in Frozen Meals

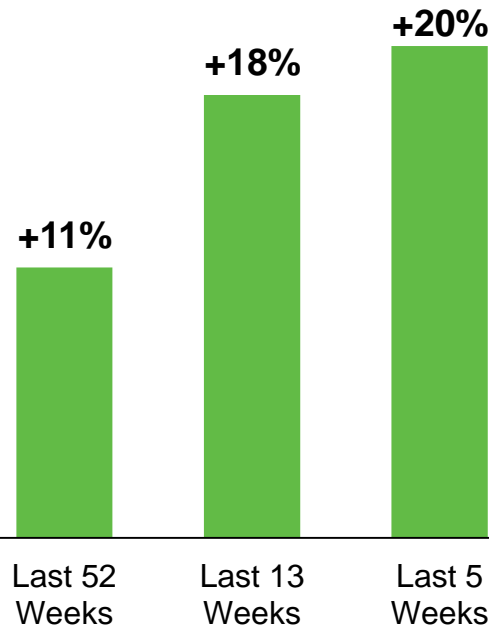
Frozen Single Serve Meals Retail Sales

(\$ Consumption, % Change vs Year Ago)

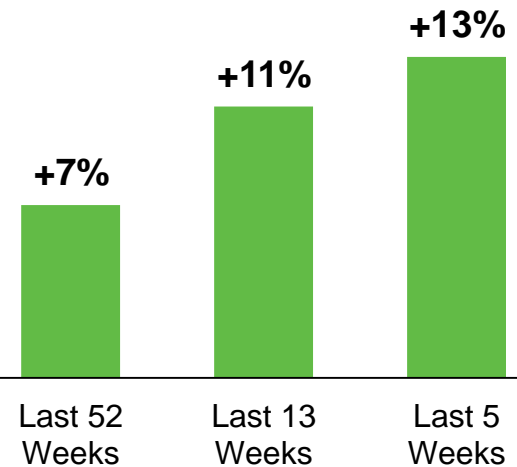
American Classics



Active Lifestyle



Comfort



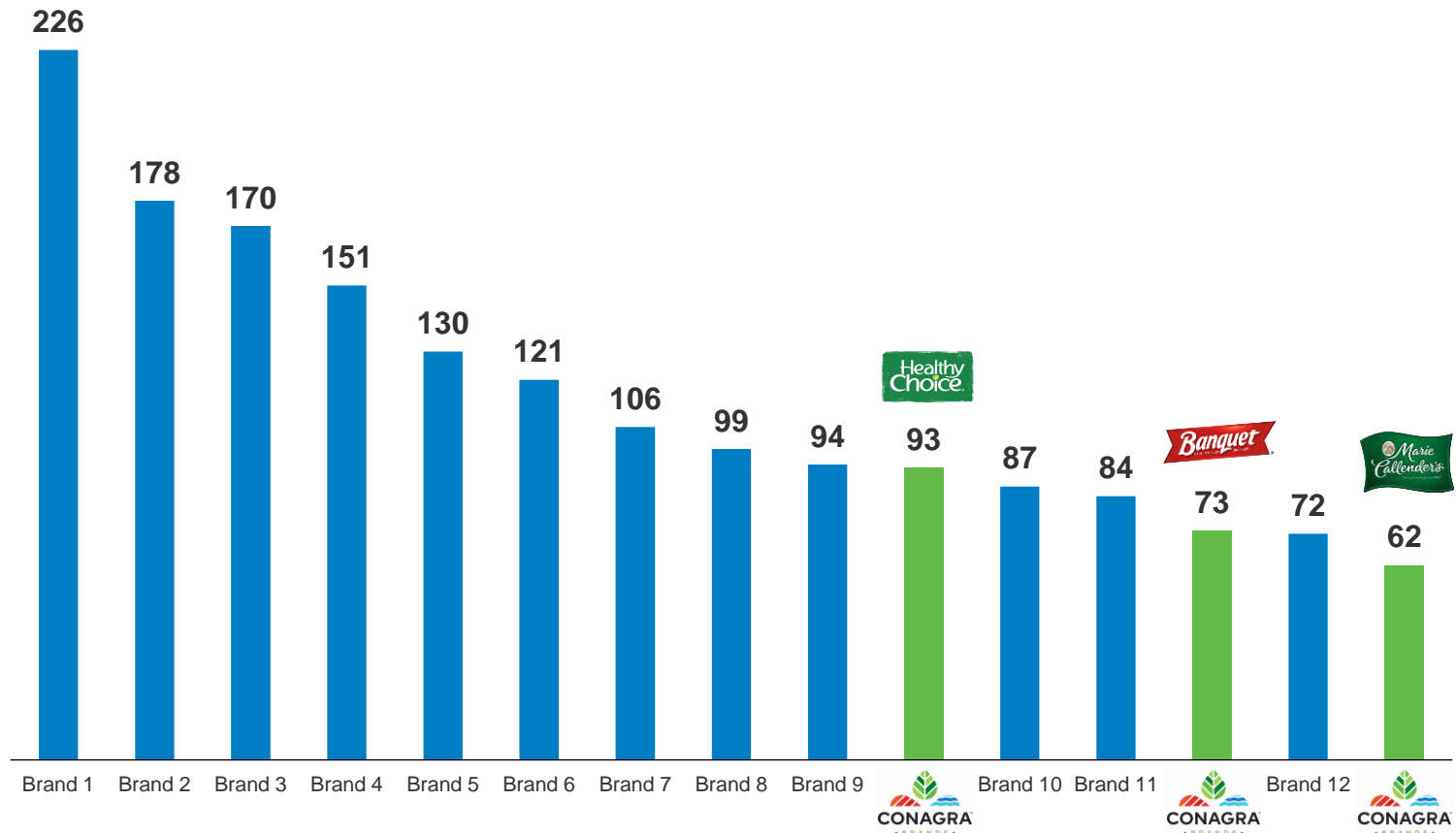
More Coming for Frozen in Fiscal 2019





Growth Opportunity by Achieving Fair Share of Shelf Space

Distribution Fair Share Index (Frozen Single-Serve Meals)



Source: IRI MA POS data, CAG Custom DB, TUS-MULO, 26 weeks ending January 21, 2018

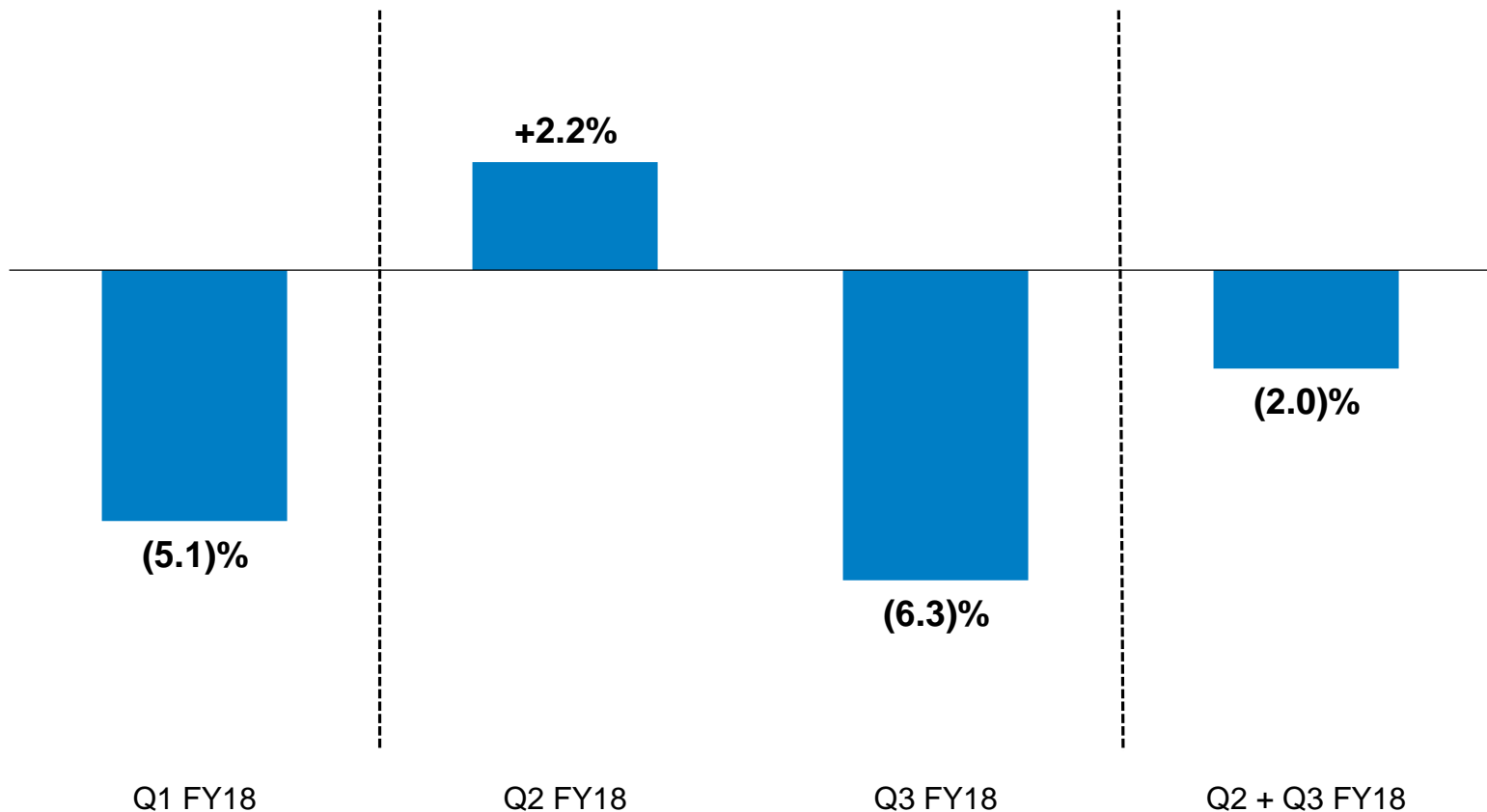
Top 15 brands by dollar sales

Note: Fair share index calculated as share of Total Points of Distribution (TPDs) divided by share of total dollar sales



Early Days in Grocery & Snacks

Grocery & Snacks Organic Net Sales¹ (% Change vs Year Ago)

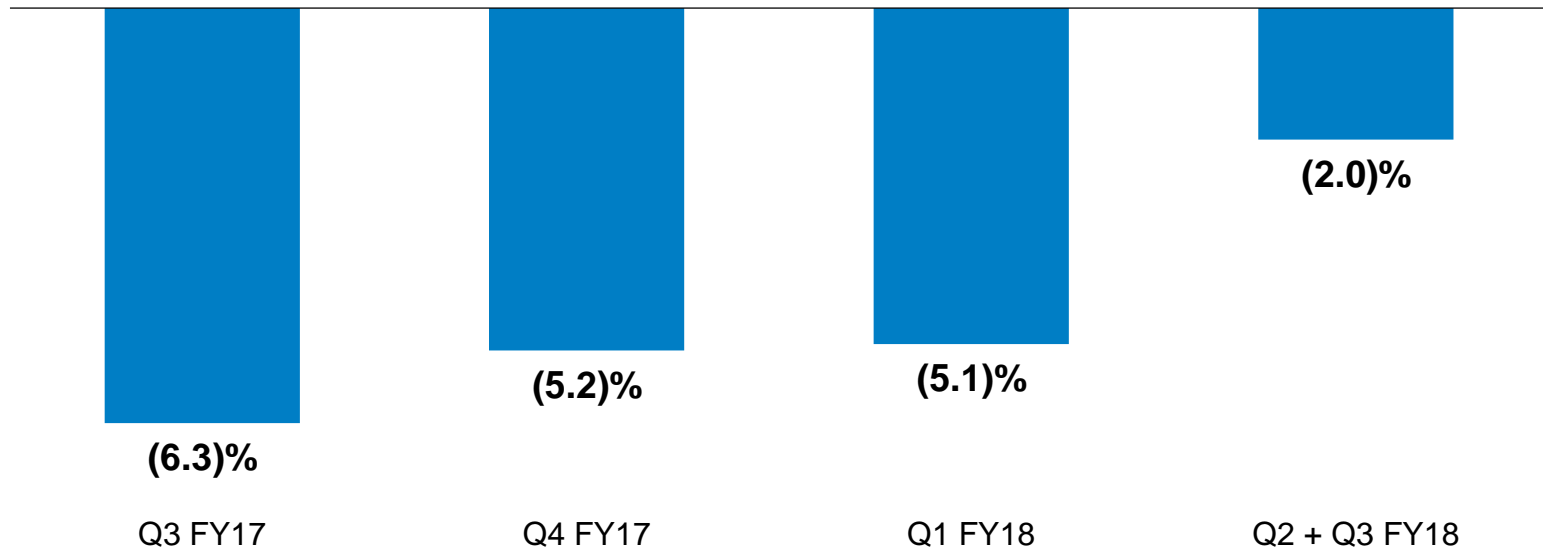


1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).
Note: Organic net sales growth is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Early Days in Grocery & Snacks

Grocery & Snacks Organic Net Sales¹ (% Change vs Year Ago)

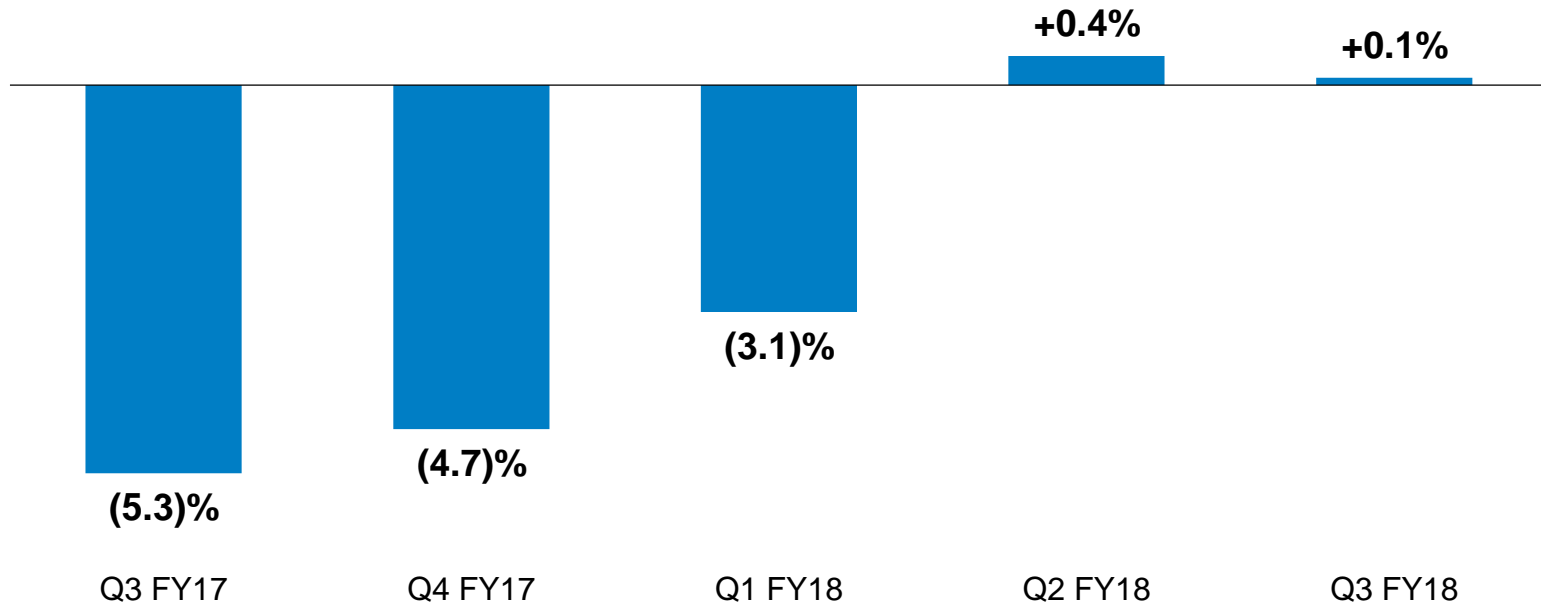


1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).
Note: Organic net sales growth is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Grocery & Snacks Consumption Growing

Grocery & Snacks Retail Sales (% Change vs Year Ago)

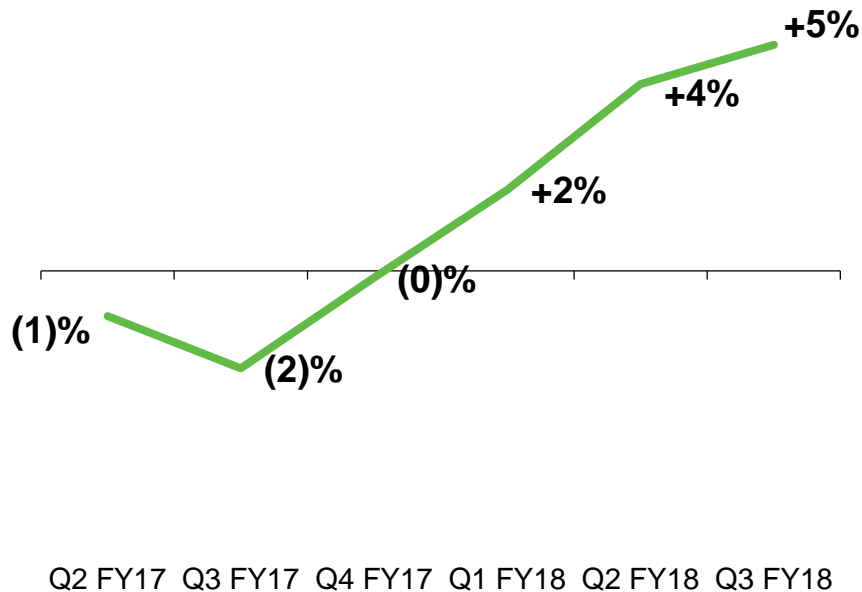




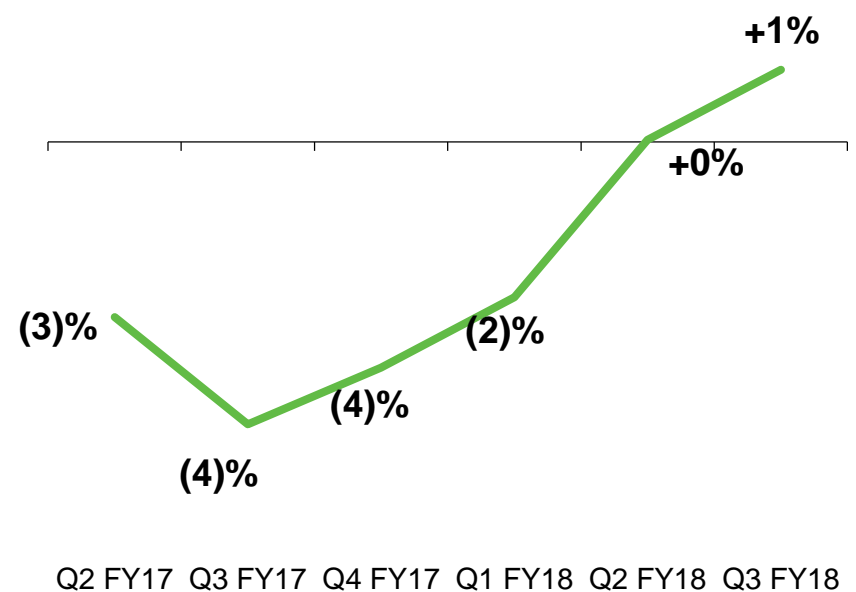
Base Trends Exceeding Expectations

Grocery & Snacks – Domestic Retail Scanner Data

Base Sales Velocity (% Change vs Year Ago)



Base Dollar Sales (% Change vs Year Ago)



Growth from Iconic and Acquired Brands

Retail Dollar Sales Growth (13-Week % Change vs Year Ago)



+4.6%



+1.5%



+6.7%



+7.3%



+1.6%



+10.1%



+71.5%



+30.9%



+9.4%



+2.3%



Grocery & Snacks Innovation Will Accelerate in FY19





Investing With Retail Customers to Drive Brand Saliency and Trial

PRE-SHOP

SHOP

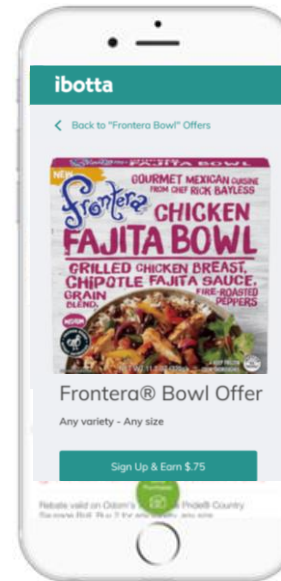
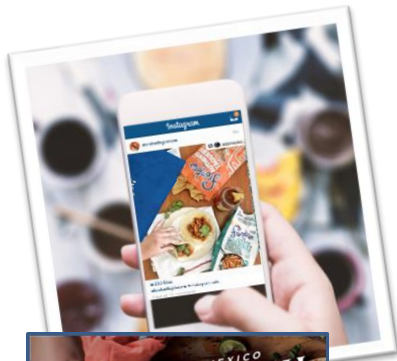


SOCIAL

TARGETED DIGITAL MEDIA

DIGITAL INCENTIVE

IN STORE DEMOS

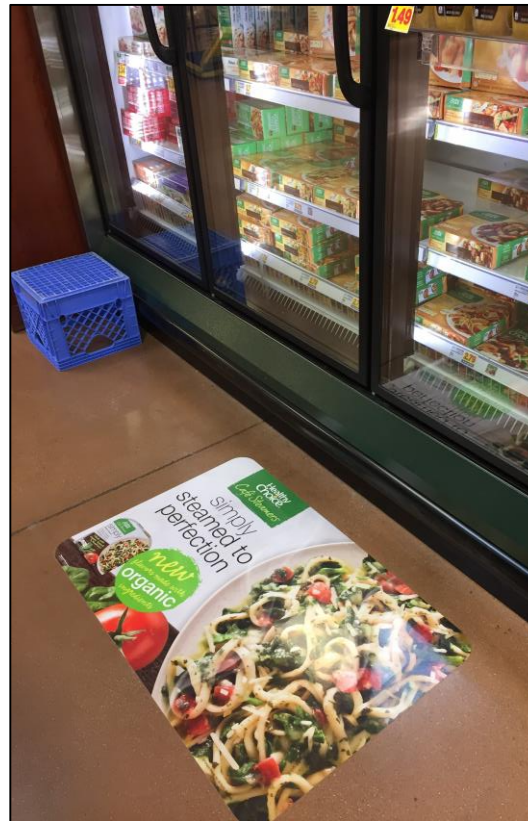


Investing With Retail Customers to Drive Enhanced Distribution and Trial

Premium Locations



Floor Talk

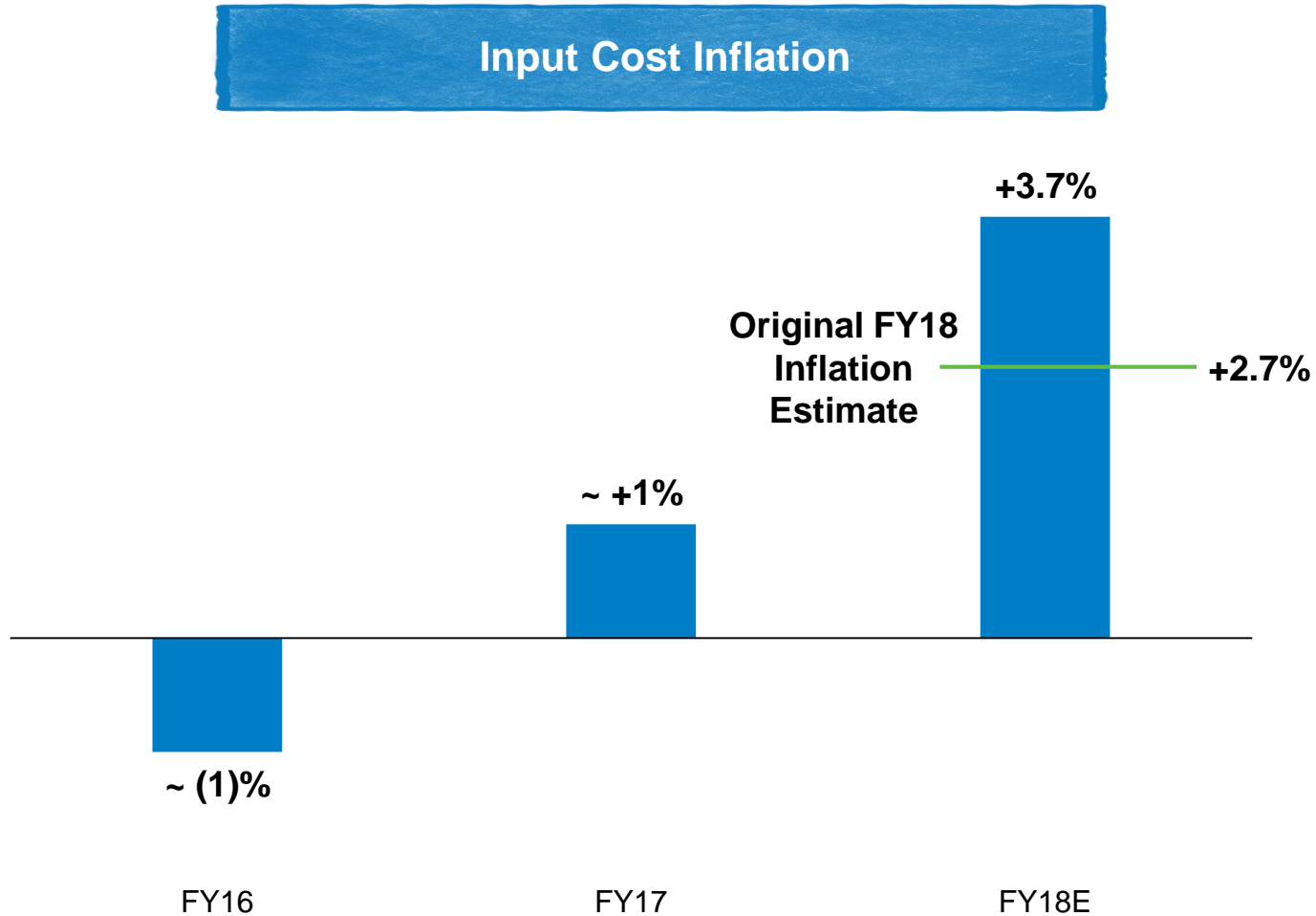


Shelf Signage





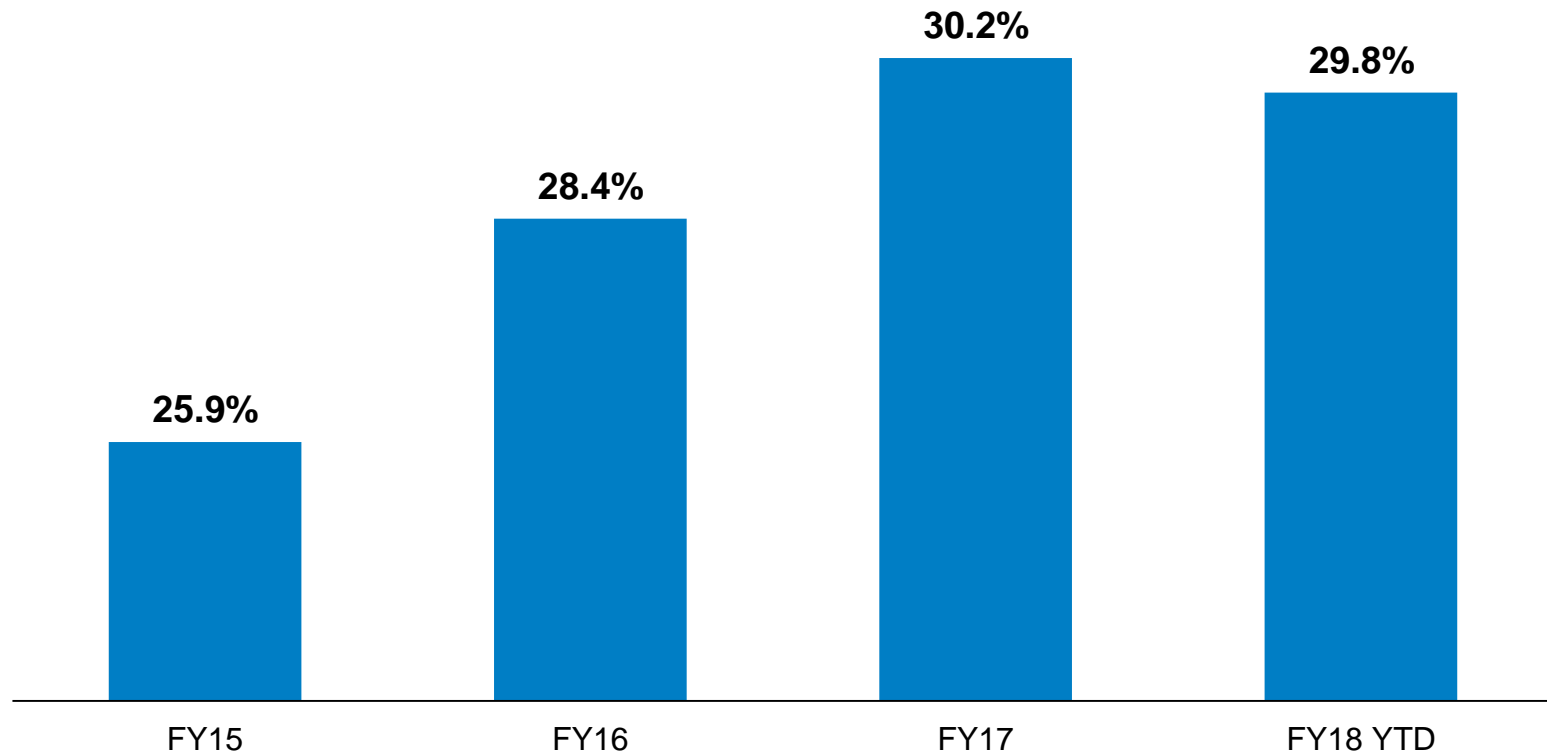
Acutely Inflationary Environment





Near-Term Adj. Gross Margin Pressure

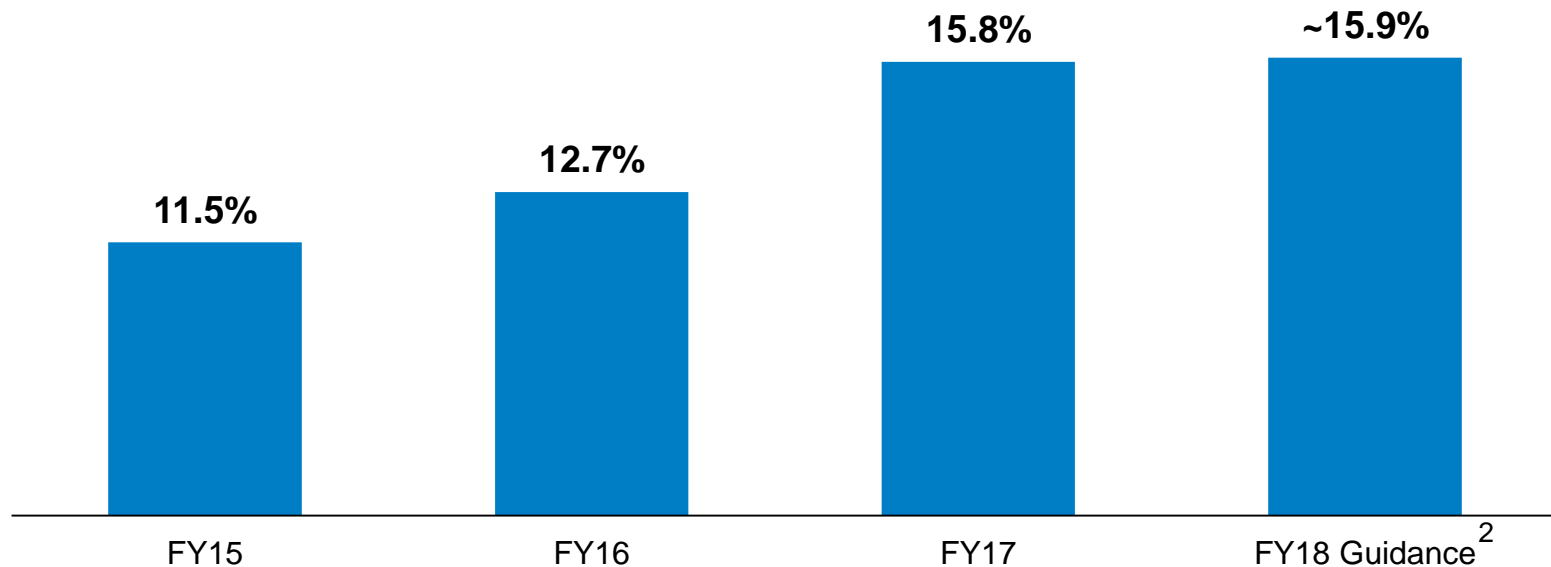
Adj. Gross Margin





Adj. Operating Margin Remains Strong

Adj. Operating Margin¹



1. Adjusted operating margin excludes equity method investment earnings.

2. The inability to predict the amount and timing of future items makes a detailed reconciliation of these forward-looking financial measures impracticable.

Note: "Adjusted" financial measures and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.



M&A Activity Continuing

**Modernizing
Acquisitions**

**Synergistic
Acquisitions**

Divestitures



Summary

- Continued progress on our transformation
- Underlying sales trends continue to improve
- Increased investments to drive brand saliency, enhanced distribution and consumer trial of new innovation
- Higher investments with retail customers in the face of inflation pressuring near-term gross margin
- M&A activity continued
- Raising full year adjusted EPS guidance



Dave Marberger

Chief Financial Officer



Performance Summary

| Dollars in millions, except per share data Increase/(Decrease) | Q3 FY18 | Q3 FY17 | vs YA |
|---|---------|---------|-----------|
| Net Sales | \$1,994 | \$1,981 | +0.7% |
| Organic Net Sales ¹ | | | (2.2)% |
| Adj. Gross Profit | 598 | 625 | (4.3)% |
| Adj. Gross Margin | 30.0% | 31.6% | (155) bps |
| A&P | 78 | 91 | (13.7)% |
| A&P as % of NS | 3.9% | 4.6% | (65) bps |
| Adj. SG&A | 200 | 202 | (1.1)% |
| Adj. SG&A as % of NS | 10.0% | 10.2% | (18) bps |
| Adj. Op. Profit ² | 320 | 332 | (3.6)% |
| Adj. Op. Margin ² | 16.1% | 16.8% | (72) bps |
| Adj. Diluted EPS from cont. ops. | \$ 0.61 | \$ 0.48 | +27.1% |

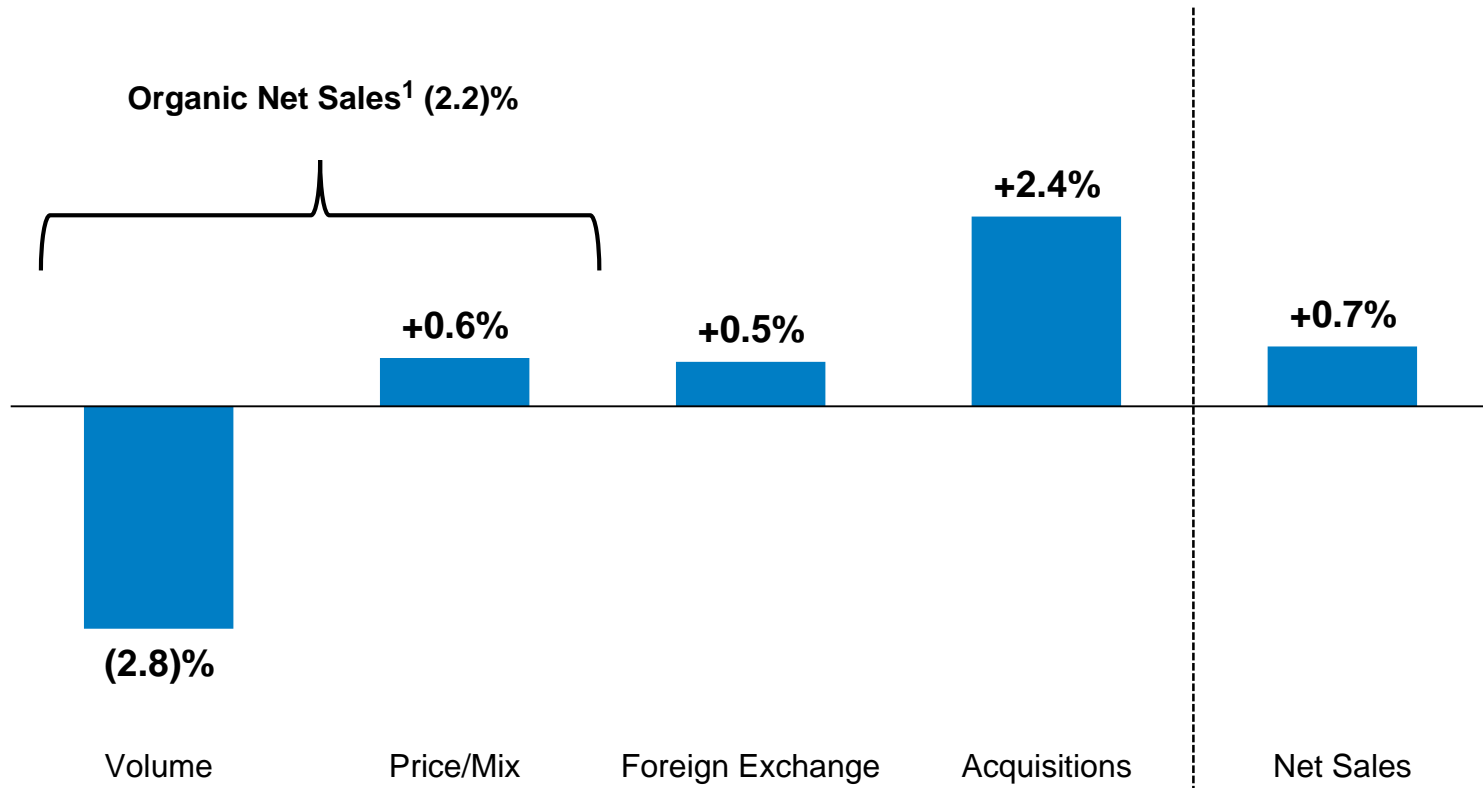
1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).

2. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings.

Note: "Adjusted" financial measures and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.



Q3 Net Sales Bridge vs Year Ago



1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Note: Organic net sales is non-GAAP. See the end of this presentation for a reconciliation of this measure to the most directly comparable GAAP measure.



Continued Investment Despite Higher Inflation

Total Conagra During 2018 Q3

Adjusted Gross Margin

| | |
|---------------|---------------|
| 2018 Q3 | 30.0% |
| 2017 Q3 | 31.6% |
| Change | (1.6)% |

Year-over-Year Drivers

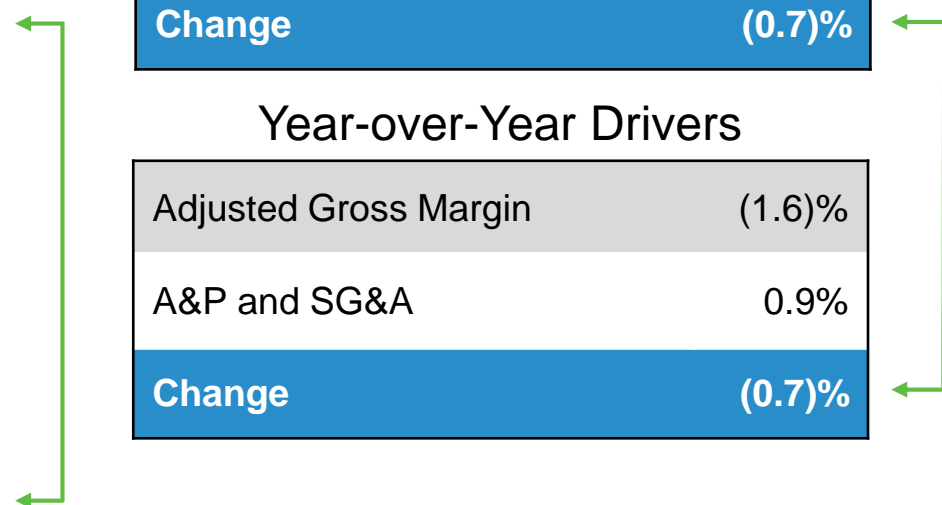
| | |
|---|---------------|
| Inflation at 3.7% | (2.5)% |
| Investments with retailers | (0.8)% |
| Realized productivity (incl. op. offsets), Price/Mix, Other | 1.7% |
| Change | (1.6)% |

Adjusted Operating Margin¹

| | |
|---------------|---------------|
| 2018 Q3 | 16.1% |
| 2017 Q3 | 16.8% |
| Change | (0.7)% |

Year-over-Year Drivers

| | |
|-----------------------|---------------|
| Adjusted Gross Margin | (1.6)% |
| A&P and SG&A | 0.9% |
| Change | (0.7)% |



1. Adjusted operating margin excludes equity method investment earnings.
 Note: "Adjusted" financial measures and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.



Q3 Financial Summary by Segment

| Dollars in millions Increase/(Decrease) | Net Sales | | | Adj. Op. Profit ¹ | | Adj. Op. Margin ¹ | |
|--|----------------|-------------------|-------------------------------|------------------------------|---------------|------------------------------|-----------------|
| | Q3 FY18 | Reported vs YA | Organic ² vs YA | Q3 FY18 | vs YA | Q3 FY18 | vs YA |
| Grocery & Snacks | \$838 | (1.3)% | (6.3)% | \$178 | (16.0)% | 21.3% | (374) bps |
| Refrigerated & Frozen | 689 | 3.2% | 2.6% | 127 | (0.6)% | 18.4% | (70) bps |
| International | 223 | 8.9% | 3.6% | 30 | 66.5% | 13.3% | +460 bps |
| Foodservice | 244 | (6.0)% | (6.0)% | 24 | (13.4)% | 9.8% | (85) bps |
| Corporate Expense | - | - | - | (38) | (27.4)% | - | - |
| Total | \$1,994 | +0.7% | (2.2)% | \$320 | (3.6)% | 16.1% | (72) bps |

1. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings.

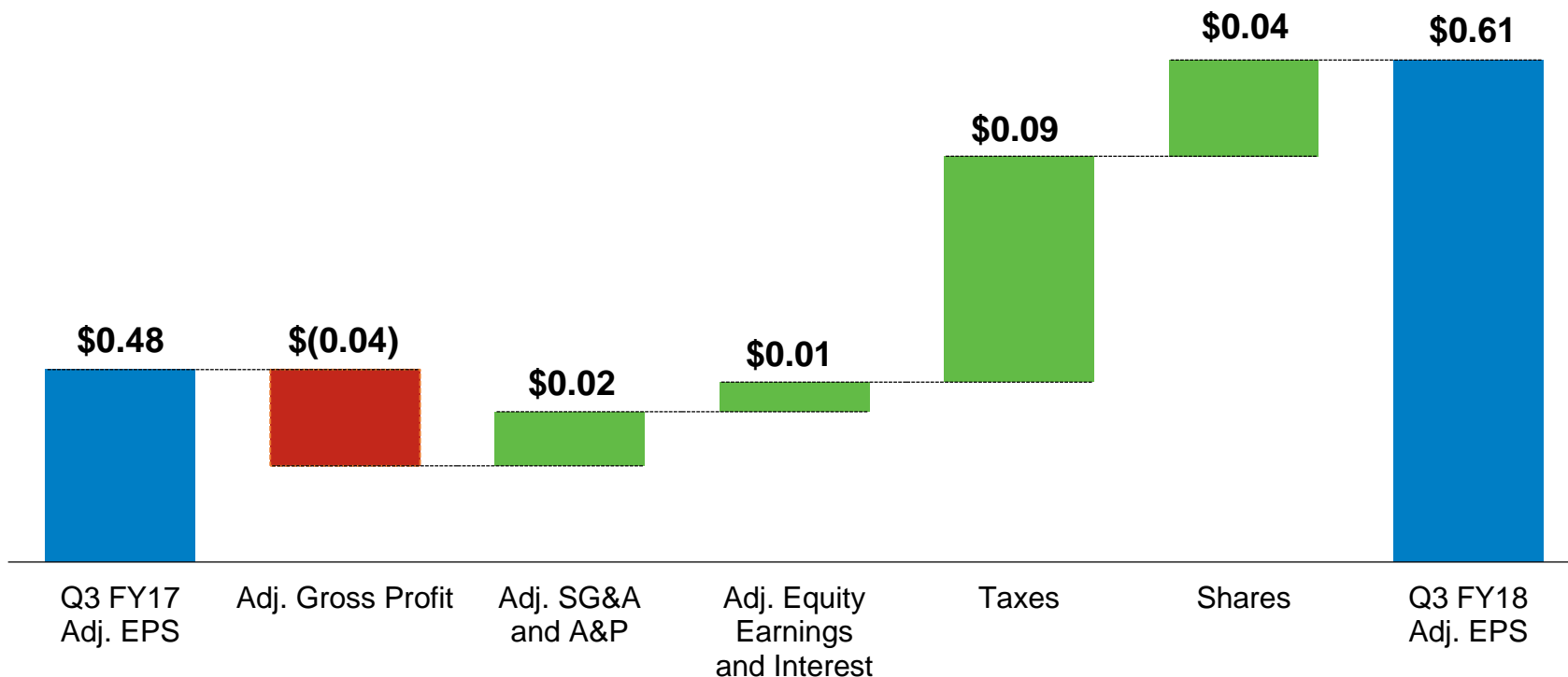
2. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).

Note: "Adjusted" financial measures and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.



Adjusted EPS Bridge

FY18 Drivers of Adjusted Diluted EPS from Cont. Ops. vs YA





Key Balance Sheet & Cash Flow Metrics

| YTD through Q3 (dollars in millions) | FY18 | FY17 |
|---|-------|-------|
| Net Cash Flow from Operating Activities – cont. ops. | \$808 | \$804 |
| Capital Expenditures | 176 | 159 |
| Dividends Paid | 258 | 329 |
| Share Repurchases | \$860 | \$595 |

| (dollars in millions) | February 25, 2018 | May 28, 2017 |
|-----------------------|----------------------|-----------------|
| Debt | \$3,663 | \$2,996 |
| Cash | 133 | 251 |
| Ending Net Debt | \$3,530 | \$2,745 |



Pension Contribution

Details

- \$300 million voluntary pension contribution on Feb. 26, 2018
- Funded via 1-yr term loan at 3-month LIBOR + 0.75%

Benefits

- Contribution is tax deductible at pre-tax reform tax rate
- Reduces FY18 cash taxes by ~\$105 million
- Reduces pension liability
- Reduces certain annual fees starting in Fiscal 2019



FY18 Outlook^{1,2}

| Key Financial Metrics | As of CAGNY | Updated |
|---------------------------------------|--|---|
| Organic Net Sales Growth ³ | Near high end of range of (2)% to Flat | Near high end of range of (2)% to Flat |
| Reported Net Sales Growth | 100-150 bps higher than organic growth | 150 bps higher than organic growth |
| Adj. Op. Margin ⁴ | Near low end of range of 15.9% to 16.3% | Near low end of range of 15.9% to 16.3% |
| Inflation Rate | 3.7% | 3.7% |
| Effective Tax Rate | 29% to 30% | 29% to 30% |
| Adj. Diluted EPS from cont. ops. | Near high end of range of \$1.95 to \$2.02 | \$2.03 to \$2.05 |
| Share Repurchases ⁵ | \$1.1 billion | \$1.1 billion |

1. The inability to predict the amount and timing of future items makes a detailed reconciliation of these forward-looking financial measures impracticable.
2. "Adjusted" financial measures and organic net sales are non-GAAP financial measures. The FY18 Outlook includes the Wesson oil business for the full fiscal year.
3. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions).
4. Adjusted operating margin excludes equity method investment earnings.
5. Subject to market and other conditions. Assumes no large synergistic acquisitions.



Q&A



Reconciliation Tables



Reconciliation of organic net sales

| (dollars in millions) | H1 FY17 | H2 FY17 | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q2+Q3 FY18 |
|------------------------------------|------------|------------|------------|------------|------------|------------|
| Net Sales | \$ 3,984.0 | \$ 3,842.9 | \$ 1,804.2 | \$ 2,173.4 | \$ 1,994.5 | \$ 4,167.9 |
| Impact of foreign exchange | 19.4 | 9.8 | (3.2) | (8.5) | (10.9) | (19.4) |
| Net sales from acquired businesses | (6.4) | (30.1) | (31.0) | (29.5) | (46.7) | (76.2) |
| Net sales from divested businesses | (71.1) | - | - | - | - | - |
| Organic Net Sales | \$ 3,925.9 | \$ 3,822.6 | \$ 1,770.0 | \$ 2,135.4 | \$ 1,936.9 | \$ 4,072.3 |

| (dollars in millions) | H1 FY16 | H2 FY16 | Q1 FY17 | Q2 FY17 | Q3 FY17 | Q2+Q3 FY17 |
|------------------------------------|------------|------------|------------|------------|------------|------------|
| Net Sales | \$ 4,411.8 | \$ 4,252.3 | \$ 1,895.6 | \$ 2,088.4 | \$ 1,981.2 | \$ 4,069.6 |
| Net sales from divested businesses | (237.5) | (230.6) | (71.1) | - | - | - |
| Organic Net Sales | \$ 4,174.3 | \$ 4,021.7 | \$ 1,824.5 | \$ 2,088.4 | \$ 1,981.2 | \$ 4,069.6 |

| % Change | H1 FY17 | H2 FY17 | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q2+Q3 FY18 |
|---|---------|---------|---------|---------|---------|------------|
| Net Sales | (9.7)% | (9.6)% | (4.8)% | 4.1% | 0.7% | 2.4% |
| Impact of foreign exchange (pp) | 0.4 | 0.2 | (0.2) | (0.4) | (0.5) | (0.5) |
| Net sales from acquired businesses (pp) | (0.3) | (0.9) | (1.6) | (1.4) | (2.4) | (1.8) |
| Net sales from divested businesses (pp) | 3.7 | 5.4 | 3.6 | - | - | - |
| Organic Net Sales | (5.9)% | (4.9)% | (3.0)% | 2.3% | (2.2)% | 0.1% |



Reconciliation of organic net sales

| | Grocery & Snacks | Refrigerated & Frozen | International | Foodservice | Total Conagra Brands |
|--------------------------------------|------------------|-----------------------|---------------|-------------|----------------------|
| Q3 FY18 (Dollars in millions) | | | | | |
| Net Sales | \$ 838.3 | \$ 688.5 | \$ 223.4 | \$ 244.3 | \$ 1,994.5 |
| Impact of foreign exchange | - | - | (10.9) | - | (10.9) |
| Net sales from acquired businesses | (42.7) | (4.0) | - | - | (46.7) |
| Organic Net Sales | \$ 795.6 | \$ 684.5 | \$ 212.5 | \$ 244.3 | \$ 1,936.9 |

| | Grocery & Snacks | Refrigerated & Frozen | International | Foodservice | Total Conagra Brands |
|--------------------------------------|------------------|-----------------------|---------------|-------------|----------------------|
| Q3 FY17 (Dollars in millions) | | | | | |
| Net Sales | \$ 849.0 | \$ 667.2 | \$ 205.2 | \$ 259.8 | \$ 1,981.2 |
| Net sales from divested businesses | - | - | - | - | - |
| Organic Net Sales | \$ 849.0 | \$ 667.2 | \$ 205.2 | \$ 259.8 | \$ 1,981.2 |

| | Grocery & Snacks | Refrigerated & Frozen | International | Foodservice | Total Conagra Brands |
|---|------------------|-----------------------|---------------|-------------|----------------------|
| % Change | | | | | |
| Net Sales | (1.3)% | 3.2% | 8.9% | (6.0)% | 0.7% |
| Impact of foreign exchange (pp) | - | - | (5.3) | - | (0.5) |
| Net sales from acquired businesses (pp) | (5.0) | (0.6) | - | - | (2.4) |
| Net sales from divested businesses (pp) | - | - | - | - | - |
| Organic Net Sales Growth | (6.3)% | 2.6% | 3.6% | (6.0)% | (2.2)% |

| | | | | | |
|------------------|--------|------|------|---------|--------|
| Volume (Organic) | (4.1)% | 1.8% | 0.8% | (13.2)% | (2.8)% |
| Price/Mix | (2.2)% | 0.8% | 2.8% | 7.2% | 0.6% |



Reconciliation of Adjusted Gross Profit and Adjusted Gross Margin

(dollars in millions)

| | 2018 | | 2017 | | | 2016 | 2015 |
|--|------------|------------|------------|------------|------------|------------|------------|
| | Q3 | Q3 YTD | Q3 | Q3 YTD | Q4 YTD | Q4 YTD | Q4 YTD |
| Net Sales | \$ 1,994.5 | \$ 5,972.1 | \$ 1,981.2 | \$ 5,965.2 | \$ 7,826.9 | \$ 8,664.1 | \$ 9,034.0 |
| Gross Profit | \$ 598.8 | \$ 1,776.1 | \$ 621.0 | \$ 1,813.1 | \$ 2,342.1 | \$ 2,429.2 | \$ 2,296.2 |
| Net expense related to planned divestiture | 0.6 | 0.6 | - | - | 0.5 | | |
| Net expense related to restructuring plans | (0.1) | 5.6 | 4.7 | 11.7 | 17.2 | 49.0 | 22.6 |
| Corporate hedging derivative losses (gains) | (0.8) | (1.9) | (0.5) | (0.4) | 5.1 | (16.4) | 24.6 |
| Adjusted Gross Profit | \$ 598.5 | \$ 1,780.4 | \$ 625.2 | \$ 1,824.4 | \$ 2,364.9 | \$ 2,461.8 | \$ 2,343.4 |
| Gross Margin | 30.0% | 29.7% | 31.3% | 30.4% | 29.9% | 28.0% | 25.4% |
| Year-over-year change in Gross Margin | (132) bps | (65) bps | | | | | |
| Adjusted Gross Margin | 30.0% | 29.8% | 31.6% | 30.6% | 30.2% | 28.4% | 25.9% |
| Year-over-year change in Adjusted Gross Margin | (155) bps | (77) bps | | | | | |
| Year-over-year % change in Adjusted Gross Margin | (4.3)% | (2.4)% | | | | | |



Reconciliation of Adjusted Operating Profit and Adjusted Operating Margin

Company operating profit: Total operating profit for segments consisting of earnings before interest expense and equity method investment earnings, and income taxes.

Segment operating profit: Total operating profit for segments consisting of earnings before general corporate expense, interest expense, equity method investment earnings, and income taxes.

(dollars in millions)

Income from continuing operations before income taxes and equity method investment earnings

Interest expense, net

Company operating profit

General corporate expense

Segment operating profit

| | | 2018 | | 2017 | | | 2016 | 2015 | | | | | |
|----|-------|------|---------|------|--------|--------|---------|--------|---------|----|---------|----|---------|
| | | Q3 | Q3 YTD | Q3 | Q3 YTD | Q4 YTD | Q4 YTD | Q4 YTD | | | | | |
| \$ | 228.8 | \$ | 785.4 | \$ | 225.6 | \$ | 655.8 | \$ | 729.5 | \$ | 108.8 | \$ | 584.6 |
| | 39.8 | | 114.2 | | 45.7 | | 158.0 | | 195.5 | | 295.8 | | 328.2 |
| \$ | 268.6 | \$ | 899.6 | \$ | 271.3 | \$ | 813.8 | \$ | 925.0 | \$ | 404.6 | \$ | 912.8 |
| | 86.6 | | 171.7 | | 105.2 | | 254.1 | | 313.3 | | 818.5 | | 296.6 |
| \$ | 355.2 | \$ | 1,071.3 | \$ | 376.5 | \$ | 1,067.9 | \$ | 1,238.3 | \$ | 1,223.1 | \$ | 1,209.4 |

(dollars in millions)

Company operating profit

Adjustment to the gain on sale of Spicetec and J.M. Swank businesses

Net expense related to restructuring plans

Net expense related to goodwill and intangible impairment charges

Net expense related to acquisitions and planned divestitures

Net expense related to early extinguishment of debt

Net expense related to salaried Pension Plan Lump Sum Settlement

Net expense related to pension valuation adjustment

Net expense (benefit) related to legal matters

Corporate hedging derivative losses (gains)

Net expense related to early exit of an unfavorable lease contract by purchasing the building

Net expense related to integration of former Ralcorp business

Adjusted company operating profit

Adjusted company operating margin

Year-over-year change

Year-over-year change in adjusted company operating margin

| | | 2018 | | 2017 | | | 2016 | 2015 | | | | | |
|----|----------|------|--------|------|--------|--------|---------|--------|---------|----|---------|----|---------|
| | | Q3 | Q3 YTD | Q3 | Q3 YTD | Q4 YTD | Q4 YTD | Q4 YTD | | | | | |
| \$ | 268.6 | \$ | 899.6 | \$ | 271.3 | \$ | 813.8 | \$ | 925.0 | \$ | 404.6 | \$ | 912.8 |
| | - | | - | | 0.2 | | (197.4) | | (197.4) | | - | | - |
| | 14.7 | | 33.2 | | 13.7 | | 47.6 | | 63.6 | | 281.8 | | 47.7 |
| | - | | - | | 1.1 | | 208.6 | | 304.2 | | 50.1 | | 25.7 |
| | 3.1 | | 11.7 | | - | | - | | - | | - | | - |
| | - | | - | | 32.7 | | 93.3 | | 93.3 | | 23.9 | | 24.6 |
| | - | | - | | 13.8 | | 13.8 | | 13.8 | | - | | - |
| | - | | 4.1 | | - | | - | | - | | 348.5 | | 6.9 |
| | - | | - | | - | | - | | (5.7) | | 5.0 | | (7.0) |
| | (0.8) | | (1.9) | | (0.5) | | (0.4) | | 5.1 | | (16.4) | | 24.6 |
| | 34.9 | | 34.9 | | - | | - | | - | | - | | - |
| | - | | - | | - | | - | | - | | - | | 5.0 |
| \$ | 320.5 | \$ | 981.6 | \$ | 332.3 | \$ | 979.3 | \$ | 1,233.3 | \$ | 1,097.5 | \$ | 1,040.3 |
| | 16.1% | | 16.4% | | 16.8% | | 16.4% | | 15.8% | | 12.7% | | 11.5% |
| | (3.6)% | | 0.2% | | | | | | | | | | |
| | (72) bps | | 2 bps | | | | | | | | | | |



Adjusted operating margin (Adjusted operating profit / Net Sales)

Grocery & Snacks Segment operating profit reconciliation

(dollars in millions)

Grocery & Snacks Segment operating profit

| | | |
|--|--|--|
| Net expense related to restructuring plans | | |
| Net expense related to intangible impairment charges | | |
| Net expense related to planned divestiture | | |
| Net expense related to acquisitions and planned divestitures | | |

Adjusted Grocery & Snacks operating profit

Adjusted Grocery & Snacks operating margin

Year-over-year change

Year-over-year change in adjusted Grocery & Snacks operating margin

| 2018 | |
|-----------------|-----------------|
| Q3 | Q3 YTD |
| \$ 175.6 | \$ 551.6 |
| 0.4 | 10.6 |
| - | - |
| - | - |
| 2.4 | 11.0 |
| \$ 178.4 | \$ 573.2 |
| 21.3% | 23.1% |
| (16.0)% | (7.5)% |
| (374) bps | (211) bps |

| 2017 | | |
|-----------------|-----------------|-----------------|
| Q3 | Q3 YTD | Q4 YTD |
| \$ 202.1 | \$ 602.8 | \$ 653.7 |
| 9.1 | 15.4 | 15.4 |
| 1.1 | 1.1 | 1.1 |
| - | - | - |
| - | - | - |
| \$ 212.3 | \$ 619.3 | \$ 670.2 |
| 25.0% | 25.2% | 20.9% |

Refrigerated & Frozen Segment operating profit reconciliation

(dollars in millions)

Refrigerated & Frozen Segment operating profit

| | | |
|--|--|--|
| Net expense related to restructuring plans | | |
| Net expense related to acquisitions and planned divestitures | | |

Adjusted Refrigerated & Frozen operating profit

Adjusted Refrigerated & Frozen operating margin

Year-over-year change

Year-over-year change in adjusted Refrigerated & Frozen operating margin

| 2018 | |
|-----------------|-----------------|
| Q3 | Q3 YTD |
| \$ 126.1 | \$ 356.5 |
| 0.1 | 0.1 |
| 0.7 | 0.7 |
| \$ 126.9 | \$ 357.3 |
| 18.4% | 17.3% |
| (0.6)% | 3.6% |
| (70) bps | 18 bps |

| 2017 | | |
|-----------------|-----------------|-----------------|
| Q3 | Q3 YTD | Q4 YTD |
| \$ 128.7 | \$ 338.9 | \$ 445.8 |
| (1.1) | 6.1 | 6.1 |
| - | - | - |
| \$ 127.6 | \$ 345.0 | \$ 451.9 |
| 19.1% | 17.1% | 17.0% |



Adjusted operating margin (Adjusted operating profit / Net Sales)

International Segment operating profit reconciliation

(dollars in millions)

International Segment operating profit (loss)

Net expense related to restructuring plans

Net expense related to goodwill and intangible impairment charges

Adjusted International operating profit

Adjusted International operating margin

Year-over-year change

Year-over-year change in adjusted International operating margin

| 2018 | |
|----------------|----------------|
| Q3 | Q3 YTD |
| \$ 29.5 | \$ 68.6 |
| 0.2 | 1.1 |
| - | - |
| \$ 29.7 | \$ 69.7 |
| 13.3% | 11.0% |
| 66.5% | 39.2% |
| 460 bps | 279 bps |

| 2017 | | |
|----------------|----------------|----------------|
| Q3 | Q3 YTD | Q4 YTD |
| \$ 18.1 | \$ (157.8) | \$ (168.9) |
| (0.3) | 0.3 | 0.3 |
| - | 207.5 | 207.5 |
| \$ 17.8 | \$ 50.0 | \$ 38.9 |
| 8.7% | 8.2% | 4.8% |

Foodservice Segment operating profit reconciliation

(dollars in millions)

Foodservice Segment operating profit

Net expense related to restructuring plans

Adjusted Foodservice operating profit

Adjusted Foodservice operating margin

Year-over-year change

Year-over-year change in adjusted Foodservice operating margin

| 2018 | |
|----------------|----------------|
| Q3 | Q3 YTD |
| \$ 24.0 | \$ 94.6 |
| - | - |
| \$ 24.0 | \$ 94.6 |
| 9.8% | 12.0% |
| (13.4)% | 13.7% |
| (85) bps | 170 bps |

| 2017 | | |
|----------------|----------------|-----------------|
| Q3 | Q3 YTD | Q4 YTD |
| \$ 27.8 | \$ 81.4 | \$ 105.1 |
| - | 1.8 | 1.8 |
| \$ 27.8 | \$ 83.2 | \$ 106.9 |
| 10.7% | 10.3% | 9.9% |



Adjusted operating margin (Adjusted operating profit / Net Sales)

Corporate Expense Reconciliation

(dollars in millions)

Corporate Expense

| | | |
|---|--|--|
| Net expense related to restructuring plans | | |
| Net expense related to early extinguishment of debt | | |
| Net expense related to pension valuation adjustment | | |
| Net expense related to salaried pension plan lump sum settlement | | |
| Net expense related to early exit of an unfavorable lease contract by purchasing the building | | |
| Corporate hedging derivative losses (gains) | | |
| Adjusted Corporate Expense | | |
| Year-over-year change | | |

| | | 2018 | |
|--|----|-------------|-----------------|
| | | Q3 | Q3 YTD |
| | \$ | 86.6 | \$ 171.7 |
| | | 14.0 | 21.4 |
| | | - | - |
| | | - | 4.1 |
| | | | - |
| | | 34.9 | 34.9 |
| | | (0.8) | (1.9) |
| | \$ | 38.5 | \$ 113.2 |
| | | (27.4)% | (8.3)% |

| | | 2017 | | |
|--|----|-------------|-----------------|-----------------|
| | | Q3 | Q3 YTD | Q4 YTD |
| | \$ | 105.2 | \$ 254.1 | \$ 313.3 |
| | | 6.0 | 24.0 | 24.0 |
| | | 32.7 | 93.3 | 93.3 |
| | | - | - | - |
| | | 13.8 | 13.8 | 13.8 |
| | | - | - | - |
| | | (0.5) | (0.4) | 5.1 |
| | \$ | 53.2 | \$ 123.4 | \$ 182.8 |



Reconciliation of Adjusted SG&A

(dollars in millions)

| | 2018 | | 2017 | |
|---|------------|------------|------------|------------|
| | Q3 | Q3 YTD | Q3 | Q3 YTD |
| Net Sales | \$ 1,994.5 | \$ 5,972.1 | \$ 1,981.2 | \$ 5,965.2 |
| Selling, general, and administrative (SG&A) expenses | \$ 330.2 | \$ 876.5 | 349.7 | \$ 999.3 |
| Adjustment to the gain on sale of Spicetec and J.M. Swank businesses | - | - | 0.2 | (197.4) |
| Advertising and promotion expenses | 78.2 | 219.1 | 90.7 | 252.8 |
| Net expense related to restructuring plans | 14.8 | 27.6 | 9.0 | 35.9 |
| Net expense related to goodwill and intangible impairment charges | - | - | 1.1 | 208.6 |
| Net expense related to planned divestiture | - | - | - | - |
| Net expense related to acquisitions and planned divestitures | 2.5 | 11.1 | - | - |
| Net expense related to early extinguishment of debt | - | - | 32.7 | 93.3 |
| Net expense related to salaried Pension Plan Lump Sum Settlement | - | - | 13.8 | 13.8 |
| Net expense related to pension valuation adjustment | - | 4.1 | - | - |
| Net expense related to early exit of an unfavorable lease contract by purchasing the building | 34.9 | 34.9 | - | - |
| Net expense (benefit) related to legal matters | - | - | - | - |
| Adjusted SG&A expenses | \$ 199.8 | \$ 579.7 | \$ 202.2 | \$ 592.3 |
| Year-over-year change | (1.1)% | (2.1)% | | |
| % of Net Sales | 10.0% | 9.7% | 10.2% | 9.9% |
| Year-over-year change in adjusted SG&A expenses | (18) bps | (22) bps | | |
| A&P year-over-year change | (13.7)% | (13.3)% | | |
| A&P % of Net Sales | 3.9% | 3.7% | 4.6% | 4.2% |
| Year-over-year change in A&P | (65) bps | (57) bps | | |



Reconciliation of Adjusted Equity Method Investment Earnings

| | 2018 | 2017 |
|---|----------------|----------------|
| | Q3 | Q3 |
| Equity Method Investment Earnings | \$ 29.0 | \$ 21.8 |
| Net benefit related to liquidation of HURC JV | (4.3) | - |
| Adjusted Equity Method Investment Earnings | \$ 24.7 | \$ 21.8 |
| Year-over-year change | 13.6% | |



Reconciliation of Adjusted Diluted EPS from continuing operations

Diluted EPS from continuing operations

| | | |
|---|--|--|
| Adjustment to the gain on sale of Spicetec and J.M. Swank businesses | | |
| Net expense related to restructuring plans | | |
| Net expense related to acquisitions and planned divestitures | | |
| Net expense related to pension remeasurement | | |
| Net expense related to goodwill and intangible impairment charges | | |
| Net expense related to early extinguishment of debt | | |
| Net expense related to salaried Pension Plan Lump Sum Settlement | | |
| Net expense related to early exit of an unfavorable lease contract by purchasing the building | | |
| Net benefit related to gain on substantial liquidation of an international joint venture | | |
| Net tax expense related to Wesson valuation allowance adjustment | | |
| Net tax benefit related to tax reform adjustments | | |
| Net expense related to unusual tax items | | |
| Rounding | | |

Adjusted Diluted EPS from continuing operations

Year-over-year change

| | 2018 | | 2017 | |
|--|---------|---------|---------|---------|
| | Q3 | Q3 YTD | Q3 | Q3 YTD |
| | \$ 0.87 | \$ 1.76 | \$ 0.41 | \$ 0.89 |
| | - | - | - | (0.16) |
| | 0.03 | 0.06 | 0.02 | 0.07 |
| | 0.01 | 0.02 | - | - |
| | - | 0.01 | - | - |
| | - | - | - | 0.43 |
| | - | - | 0.05 | 0.14 |
| | - | - | 0.02 | 0.02 |
| | 0.06 | 0.06 | - | - |
| | (0.01) | (0.01) | - | - |
| | 0.20 | 0.19 | - | - |
| | (0.59) | (0.58) | - | - |
| | 0.05 | 0.10 | (0.02) | (0.03) |
| | (0.01) | - | - | - |
| | \$ 0.61 | \$ 1.61 | \$ 0.48 | \$ 1.36 |
| | 27.1% | 18.4% | | |



Reconciliation of Grocery & Snacks organic net sales

| FY17 (Dollars in millions) | Q2 | Q3 | Q4 |
|------------------------------------|-----------|-----------|-----------|
| Net Sales | \$ 853.2 | \$ 849.0 | \$ 749.4 |
| Net sales from acquired businesses | (5.7) | (7.6) | (17.3) |
| Organic Net Sales | \$ 847.5 | \$ 841.4 | \$ 732.1 |

| FY16 (Dollars in millions) | Q2 | Q3 | Q4 |
|------------------------------------|-----------|-----------|-----------|
| Net Sales | \$ 906.1 | \$ 898.0 | \$ 772.5 |
| Net sales from divested businesses | - | - | - |
| Organic Net Sales | \$ 906.1 | \$ 898.0 | \$ 772.5 |

| % Change | Q2 | Q3 | Q4 |
|---|-----------|-----------|-----------|
| Net Sales | (5.8)% | (5.5)% | (3.0)% |
| Net sales from acquired businesses (pp) | (0.7) | (0.8) | (2.2) |
| Net sales from divested businesses (pp) | - | - | - |
| Organic Net Sales | (6.5)% | (6.3)% | (5.2)% |



Reconciliation of Grocery & Snacks organic net sales

| FY18 (Dollars in millions) | Q1 | Q2 | Q3 | Q2+Q3 |
|------------------------------------|-----------|-----------|-----------|--------------|
| Net Sales | \$ 745.8 | \$ 900.4 | \$ 838.3 | \$ 1,738.7 |
| Net sales from acquired businesses | (27.6) | (28.4) | (42.7) | (71.1) |
| Organic Net Sales | \$ 718.2 | \$ 872.0 | \$ 795.6 | \$ 1,667.6 |

| FY17 (Dollars in millions) | Q1 | Q2 | Q3 | Q2+Q3 |
|------------------------------------|-----------|-----------|-----------|--------------|
| Net Sales | \$ 757.2 | \$ 853.2 | \$ 849.0 | \$ 1,702.2 |
| Net sales from divested businesses | - | - | - | - |
| Organic Net Sales | \$ 757.2 | \$ 853.2 | \$ 849.0 | \$ 1,702.2 |

| % Change | Q1 | Q2 | Q3 | Q2+Q3 |
|---|-----------|-----------|-----------|--------------|
| Net Sales | (1.5)% | 5.5% | (1.3)% | 2.1% |
| Net sales from acquired businesses (pp) | (3.6) | (3.3) | (5.0) | (4.1) |
| Net sales from divested businesses (pp) | - | - | - | - |
| Organic Net Sales | (5.1)% | 2.2% | (6.3)% | (2.0)% |



Reconciliation of Refrigerated & Frozen organic net sales

FY17 (Dollars in millions)

| | Q2 | Q3 | Q4 |
|------------------------------------|----------|----------|----------|
| Net Sales | \$ 740.7 | \$ 667.2 | \$ 640.2 |
| Net sales from acquired businesses | (0.7) | (0.9) | (4.2) |
| Organic Net Sales | \$ 740.0 | \$ 666.3 | \$ 636.0 |

FY16 (Dollars in millions)

| | Q2 | Q3 | Q4 |
|------------------------------------|----------|----------|----------|
| Net Sales | \$ 826.8 | \$ 708.9 | \$ 674.5 |
| Net sales from divested businesses | - | - | - |
| Organic Net Sales | \$ 826.8 | \$ 708.9 | \$ 674.5 |

% Change

| | Q2 | Q3 | Q4 |
|---|---------|--------|--------|
| Net Sales | (10.4)% | (5.9)% | (5.1)% |
| Net sales from acquired businesses (pp) | (0.1) | (0.1) | (0.6) |
| Net sales from divested businesses (pp) | - | - | - |
| Organic Net Sales | (10.5)% | (6.0)% | (5.7)% |



Reconciliation of Refrigerated & Frozen organic net sales

FY18 (Dollars in millions)

| | Q1 | Q2 | Q3 |
|------------------------------------|----------|----------|----------|
| Net Sales | \$ 615.7 | \$ 758.1 | \$ 688.5 |
| Net sales from acquired businesses | (3.4) | (1.1) | (4.0) |
| Organic Net Sales | \$ 612.3 | \$ 757.0 | \$ 684.5 |

FY17 (Dollars in millions)

| | Q1 | Q2 | Q3 |
|------------------------------------|----------|----------|----------|
| Net Sales | \$ 604.6 | \$ 740.7 | \$ 667.2 |
| Net sales from divested businesses | - | - | - |
| Organic Net Sales | \$ 604.6 | \$ 740.7 | \$ 667.2 |

% Change

| | Q1 | Q2 | Q3 |
|---|-------|-------|-------|
| Net Sales | 1.8% | 2.3% | 3.2% |
| Net sales from acquired businesses (pp) | (0.5) | (0.1) | (0.6) |
| Net sales from divested businesses (pp) | - | - | - |
| Organic Net Sales | 1.3% | 2.2% | 2.6% |



Reconciliation of Adjusted Income Tax Expense from continuing operations

| FY18 Q3 | Income from continuing | | Income from continuing | | Effective Tax Rate ¹ |
|---|------------------------|--------------------|------------------------|--------------|---------------------------------|
| | operations | Income Tax Expense | operations before | income taxes | |
| Reported | \$ 349.2 | \$ (91.4) | \$ 257.8 | | -35.5% |
| Impact of noncontrolling interest | (0.9) | (0.4) | (1.3) | | |
| Restructuring plans | 10.8 | 3.9 | 14.7 | | |
| Costs related to acquisitions and planned divestitures | 2.1 | 1.0 | 3.1 | | |
| Costs related to early exit of an unfavorable lease | 25.6 | 9.3 | 34.9 | | |
| Corporate hedging derivative gains | (0.6) | (0.2) | (0.8) | | |
| Gain on substantial liquidation of an international joint venture | (2.9) | (1.4) | (4.3) | | |
| Tax expense related to Wesson valuation allowance adjustment | 78.6 | (78.6) | - | | |
| Tax benefit related to tax reform adjustments | (236.7) | 236.7 | - | | |
| Unusual tax items | 19.4 | (19.4) | - | | |
| Adjusted | \$ 244.6 | \$ 59.5 | \$ 304.1 | | 19.7% |

1) Effective Tax Rate = Income Taxes as a % of Income from continuing operations before income taxes

| FY17 Q3 | Income from continuing | | Income from continuing | | Effective Tax Rate ¹ |
|--|------------------------|--------------------|------------------------|--------------|---------------------------------|
| | operations | Income Tax Expense | operations before | income taxes | |
| Reported | \$ 179.5 | \$ 67.9 | \$ 247.4 | | 27.4% |
| Impact of noncontrolling interest | (0.5) | (0.3) | (0.8) | | |
| Restructuring plans | 8.9 | 4.8 | 13.7 | | |
| Adjustment to the gain on sale of Spicetec and J.M. Swank businesses | 0.1 | 0.1 | 0.2 | | |
| Early retirement of debt | 21.1 | 11.6 | 32.7 | | |
| Goodwill & intangible impairment charges | 0.7 | 0.4 | 1.1 | | |
| Salaried pension plan lump sum settlement | 8.5 | 5.3 | 13.8 | | |
| Corporate hedging derivative gains | (0.3) | (0.2) | (0.5) | | |
| Unusual tax items | (7.1) | 7.1 | - | | |
| Adjusted | \$ 210.9 | \$ 96.7 | \$ 307.6 | | 31.4% |