



FY25 Q2 Earnings Presentation

December 19, 2024

Legal Disclosure



Note on Forward-Looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws. Examples of forward-looking statements include statements regarding the company's expected future financial performance or position, results of operations, business strategy, plans and objectives of management for future operations, and other statements that are not historical facts. You can identify forward-looking statements by their use of forward-looking words, such as "Outlook", "may", "will", "anticipate", "expect", "believe", "plan", "should", or comparable terms. Readers of this document should understand that these forward-looking statements are not guarantees of performance or results. Forward-looking statements provide our current expectations and beliefs concerning future events and are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements. These risks, uncertainties, and factors include, among other things: risks associated with general economic and industry conditions, including inflation, reduced consumer confidence and spending, recessions, increased energy costs, supply chain challenges, labor shortages, currency rate fluctuations, and geopolitical conflicts; risks related to our ability to deleverage on currently anticipated timelines, and to continue to access capital on acceptable terms or at all; risks related to the company's competitive environment, cost structure, and related market conditions; risks related to our ability to execute operating and value creation plans and achieve returns on our investments and targeted operating efficiencies from cost-saving initiatives, and to benefit from trade optimization programs; risks related to the availability and prices of commodities and other supply chain resources, including raw materials, packaging, energy, and transportation, weather conditions, health pandemics or outbreaks of disease, actual or threatened hostilities or war, or other geopolitical uncertainty; risks related to our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; risks associated with actions by our customers, including changes in distribution and purchasing terms; risks related to the effectiveness of our hedging activities and ability to respond to volatility in commodities; disruptions or inefficiencies in our supply chain and/or operations; risks related to the ultimate impact of, including reputational harm caused by, any product recalls and product liability or labeling litigation, including litigation related to lead-based paint and pigment and cooking spray; risks related to the seasonality of our business; risks associated with our co-manufacturing arrangements and other third-party service provider dependencies; risks associated with actions of governments and regulatory bodies that affect our businesses, including the ultimate impact of new or revised regulations or interpretations including to address climate change or implement changes to taxes and tariffs; risks related to the company's ability to execute on its strategies or achieve expectations related to environmental, social, and governance matters, including as a result of evolving legal, regulatory, and other standards, processes, and assumptions, the pace of scientific and technological developments, increased costs, the availability of requisite financing, and changes in carbon pricing or carbon taxes; risks related to a material failure in or breach of our or our vendors' information technology systems and other cybersecurity incidents; risks related to our ability to identify, attract, hire, train, retain and develop qualified personnel; risk of increased pension, labor or people-related expenses; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; risk relating to our ability to protect our intellectual property rights; risks relating to acquisition, divestiture, joint venture or investment activities; the amount and timing of future dividends, which remain subject to Board approval and depend on market and other conditions; the amount and timing of future stock repurchases; 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.

Additional Notes

This presentation may contain references to industry market data. Although we believe industry information to be accurate, it is not independently verified by us and we do not make any representation as to the accuracy of that information. Note that some table calculations may not foot due to rounding.



Sean Connolly

President and Chief Executive Officer

Key Messages



- Conagra is winning with the consumer and returned to growth in Q2, despite ongoing economic pressures
 - Volume and organic net sales positive
 - Investments drove strong market share performance
- Two factors will pressure H2:
 - Higher than expected inflation
 - Unfavorable FX
- Updating FY25 guidance

Economic Pressures Continue to Impact Consumer Behavior

Value-Seeking Behavior Continues



Manufacturers Investing to Return to Growth

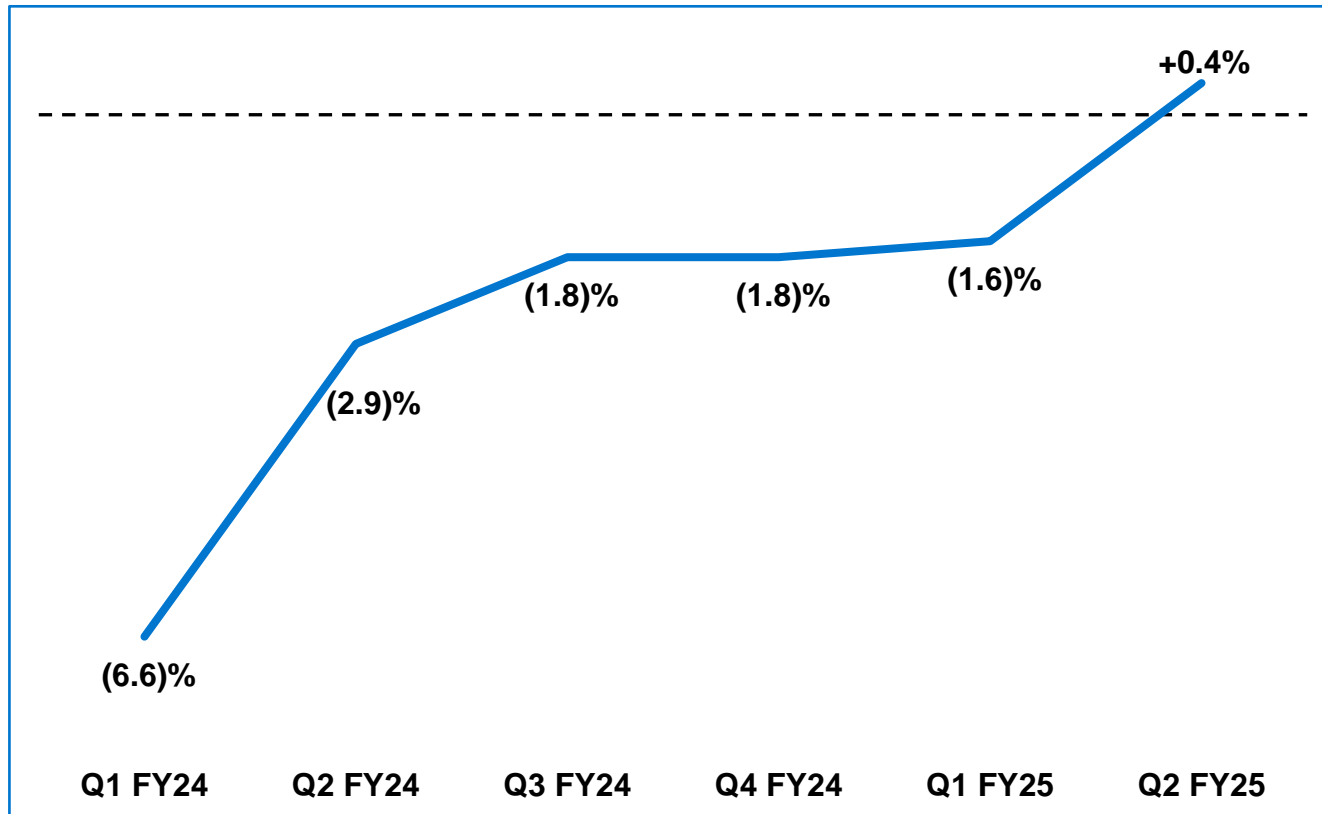


• ————— **Results differ by category & company** ————— •

Conagra Returned to Growth in Q2



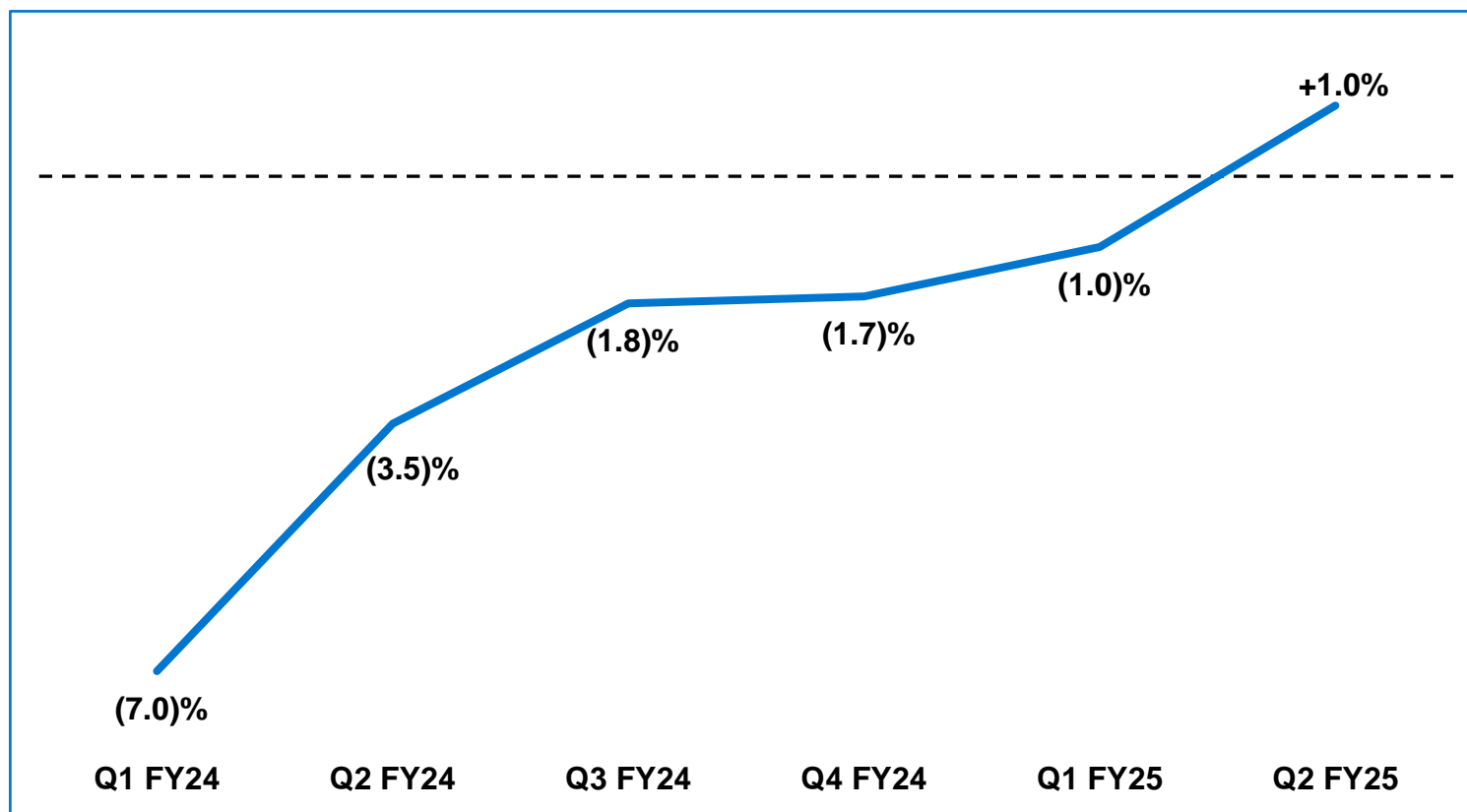
Total Conagra Organic Shipments (Conagra Volume, % Change vs. YA)



Domestic Retail Drove Conagra's Q2 Growth



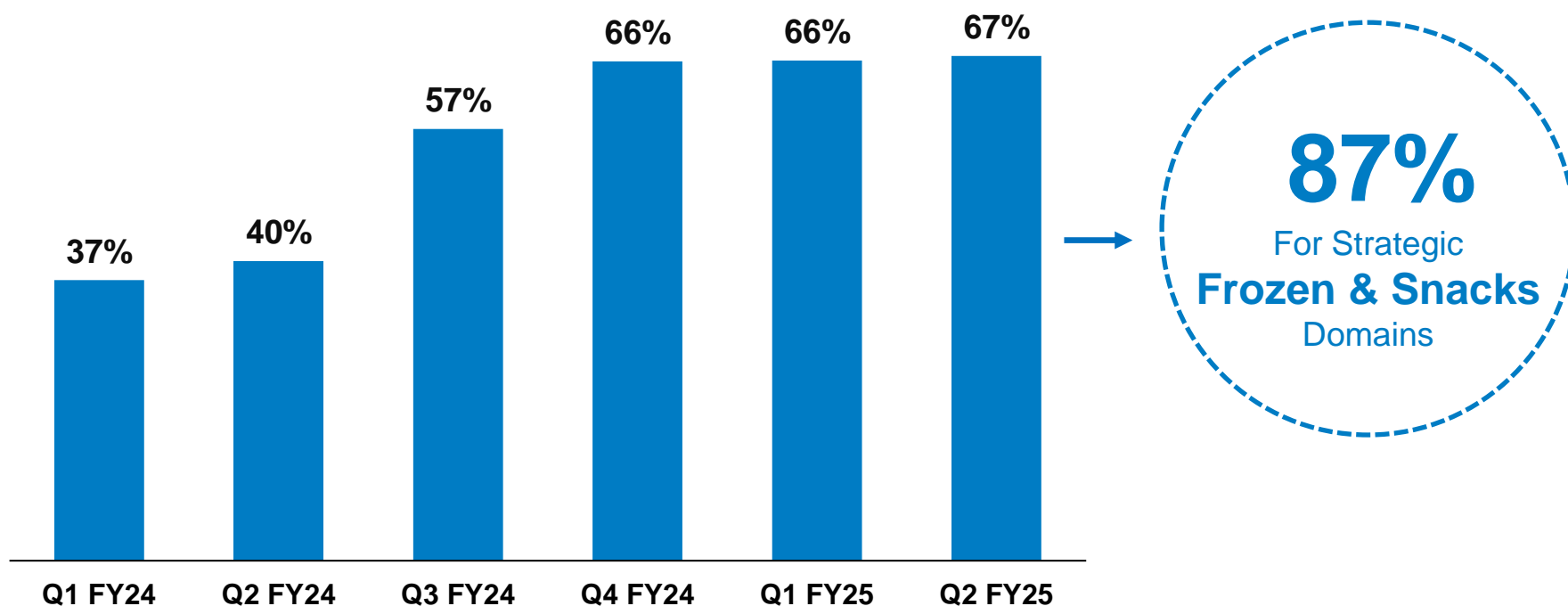
Total Conagra Domestic Retail Organic Shipments (Conagra CSU Volume, % Change vs. YA)



Conagra's Share Performance Remained Strong



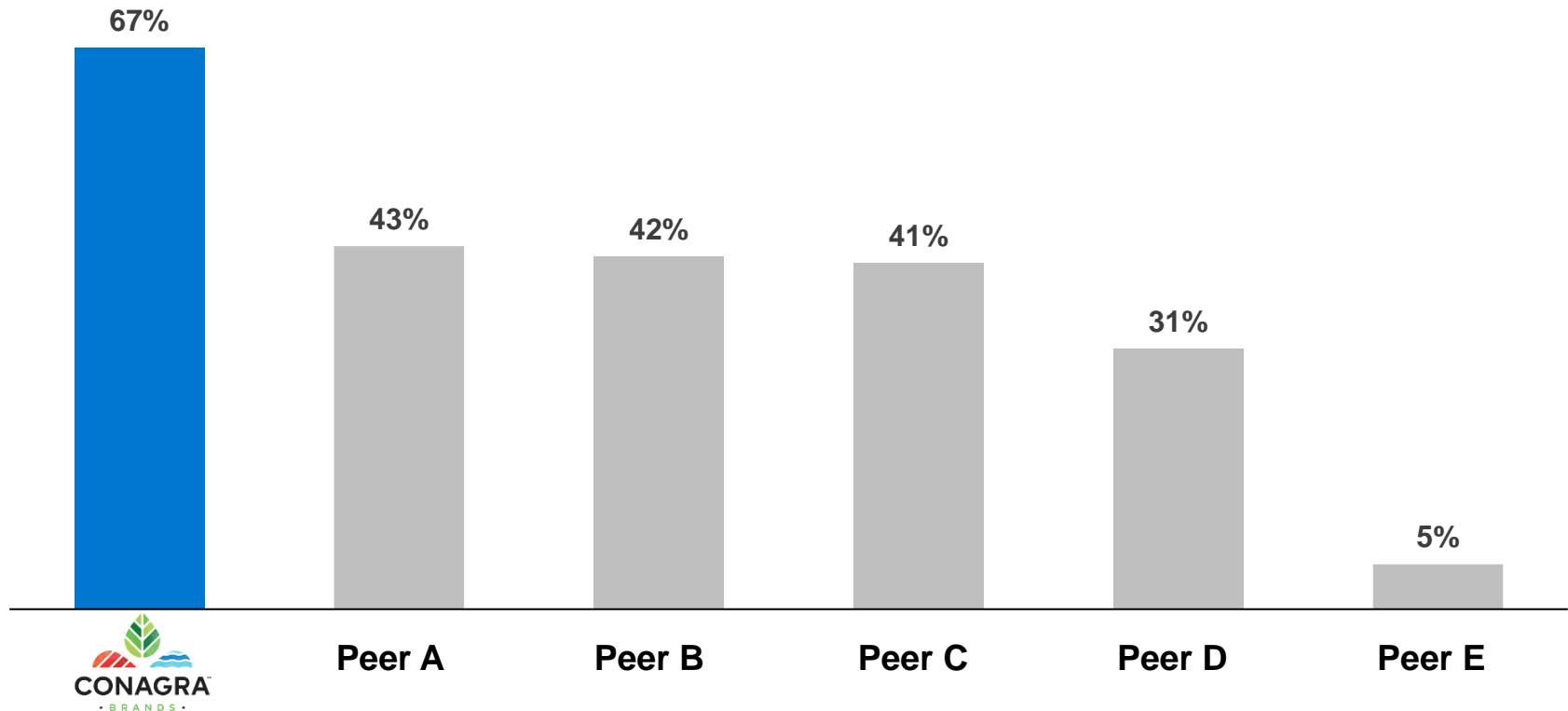
% of Conagra Portfolio Holding or Gaining Volume Share



Share Performance Led Near-In Peer Set



% of Portfolio Holding or Gaining Volume Share (13 Weeks Ended November 24, 2024)

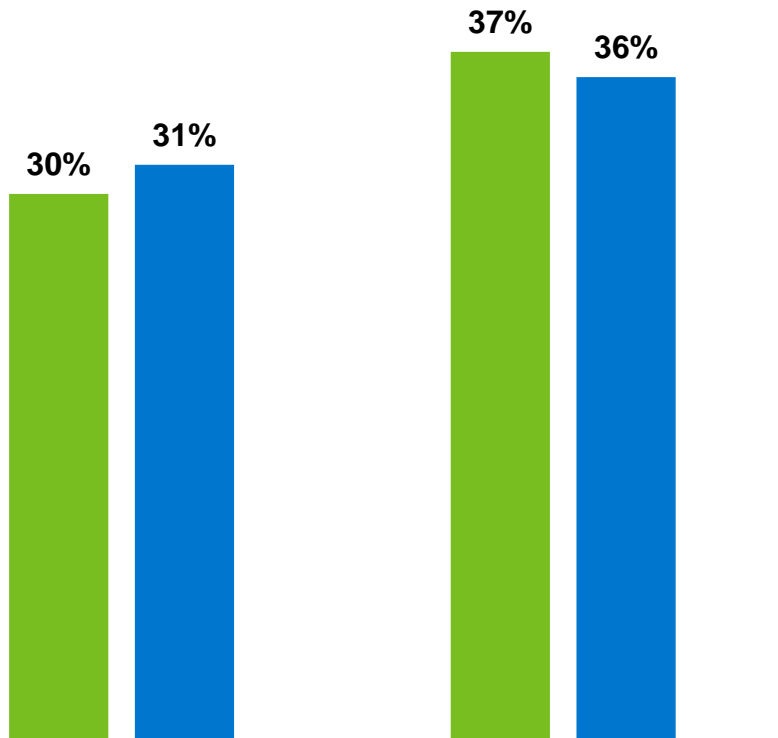


Merchandising Environment in Food Remains Rational



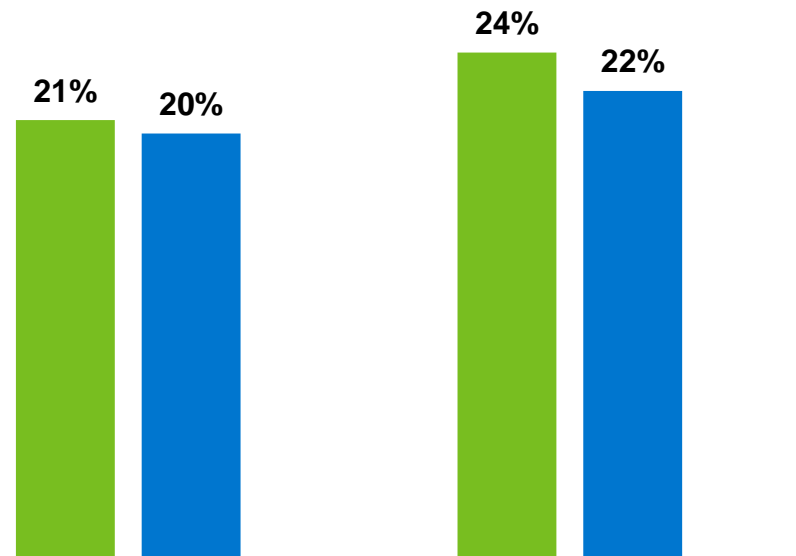
Share of Volume Sales Sold on Promotion

■ FY20 Q2 (Pre-Covid) ■ FY25 Q2



Average Discount on Promotion

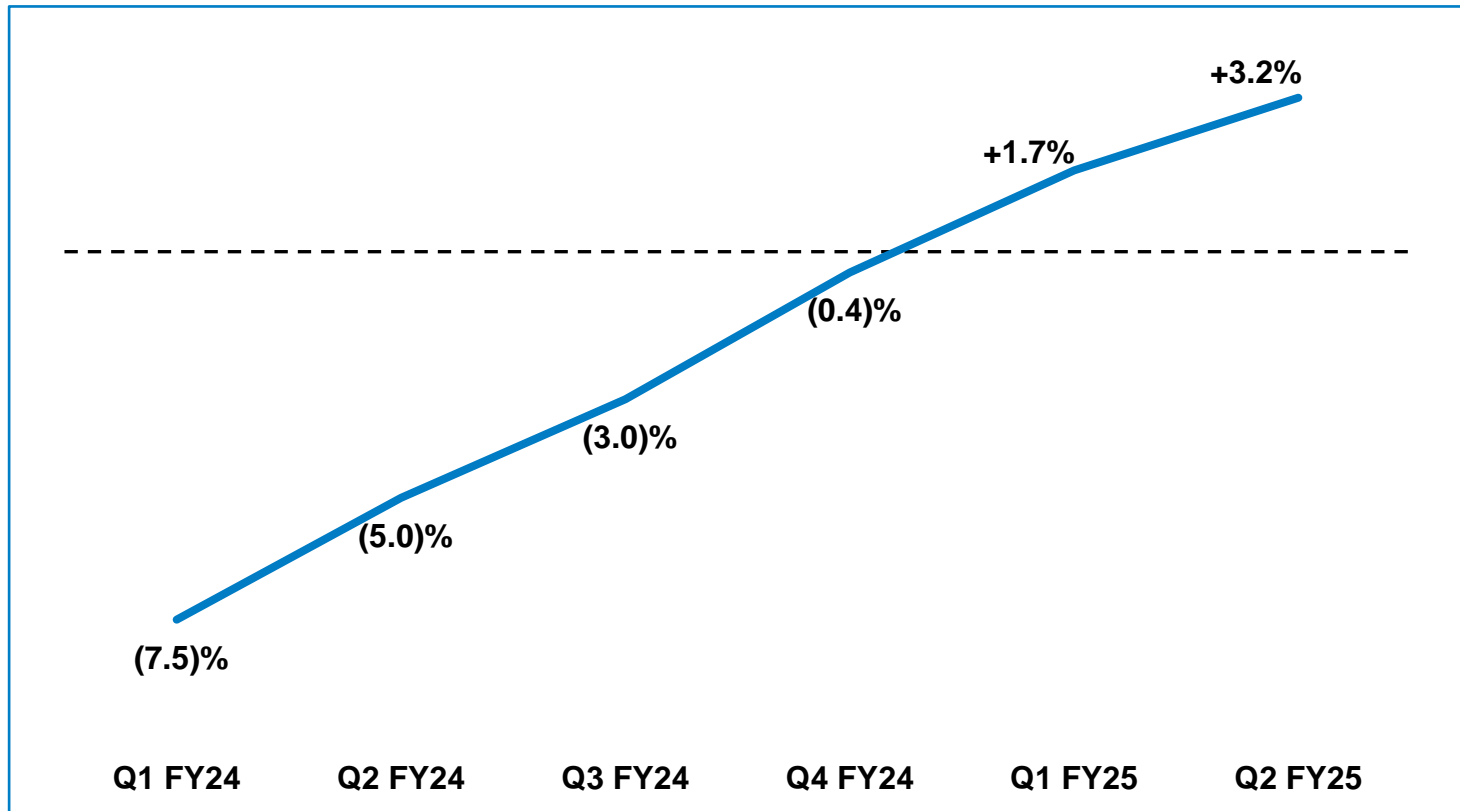
■ FY20 Q2 (Pre-Covid) ■ FY25 Q2



Conagra's Frozen Consumption Continued to Be Very Strong



Conagra Frozen Volume Sales (% Change vs. YA)

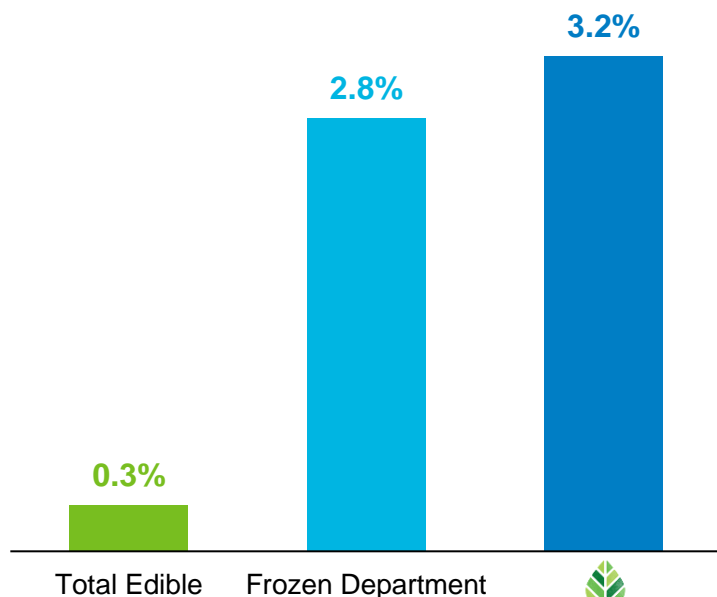


Conagra's Frozen Performance Outpaced Total Frozen



CAG Outpacing Total Frozen

Q2 Volume Sales
% Change vs. YA



Share Drivers

Q2 Volume Share
Change vs. YA

Single-Serve Meals



+1.3 pts

Vegetables



+1.1 pts

Multi-Serve Meals

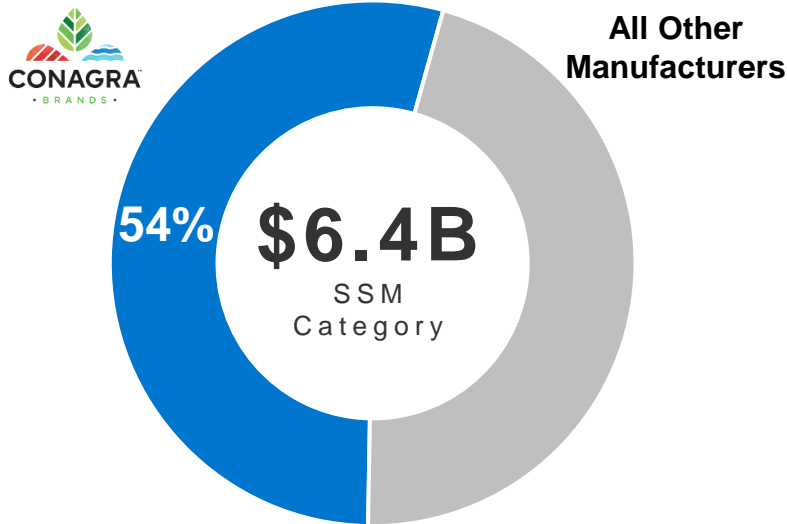


+3.0 pts

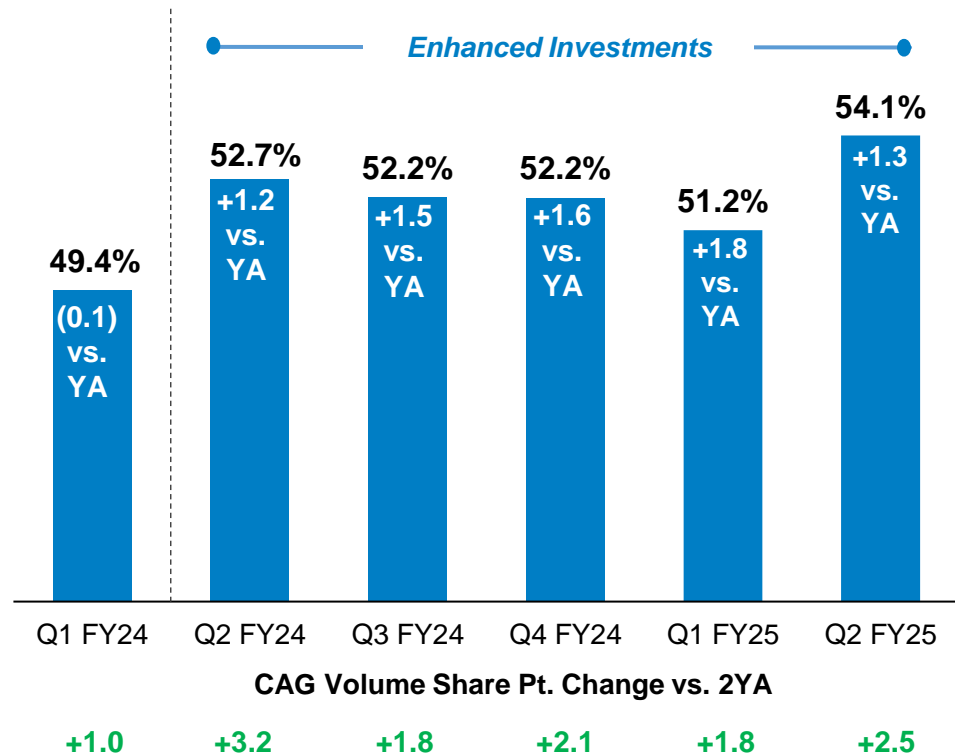
Our Investments in Frozen Single-Serve Meals Continued to Drive Strong Share Gains



Conagra Frozen Single-Serve Meals Volume Share of Category



Conagra Frozen Single-Serve Meals Volume Share of Category

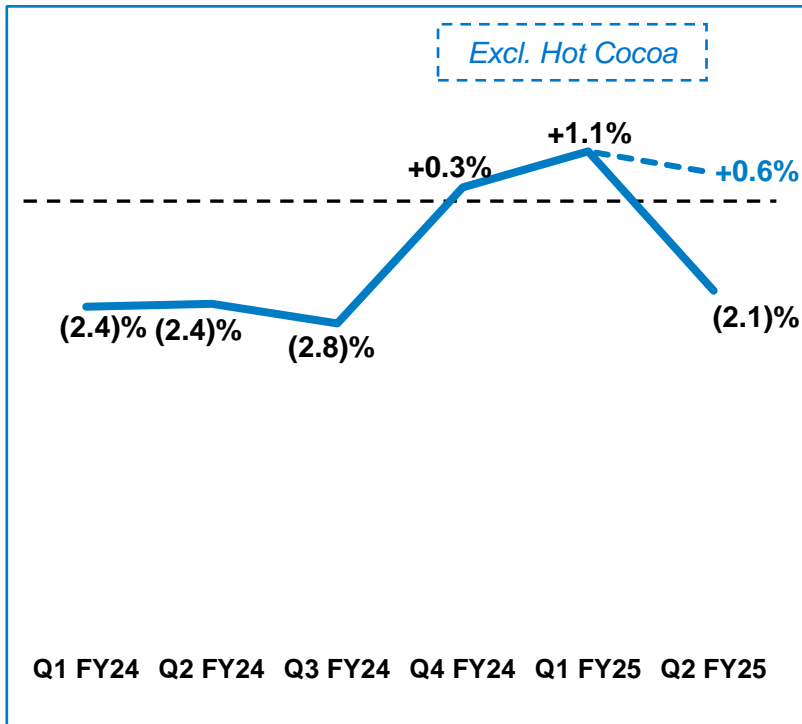


Conagra's Snacks Portfolio Continued to Grow Excluding Swiss Miss



Conagra Snacks Volume Sales
(% Change vs. YA)

Q2 Volume Sales % Change vs. YA



+9%



+5%



+4%

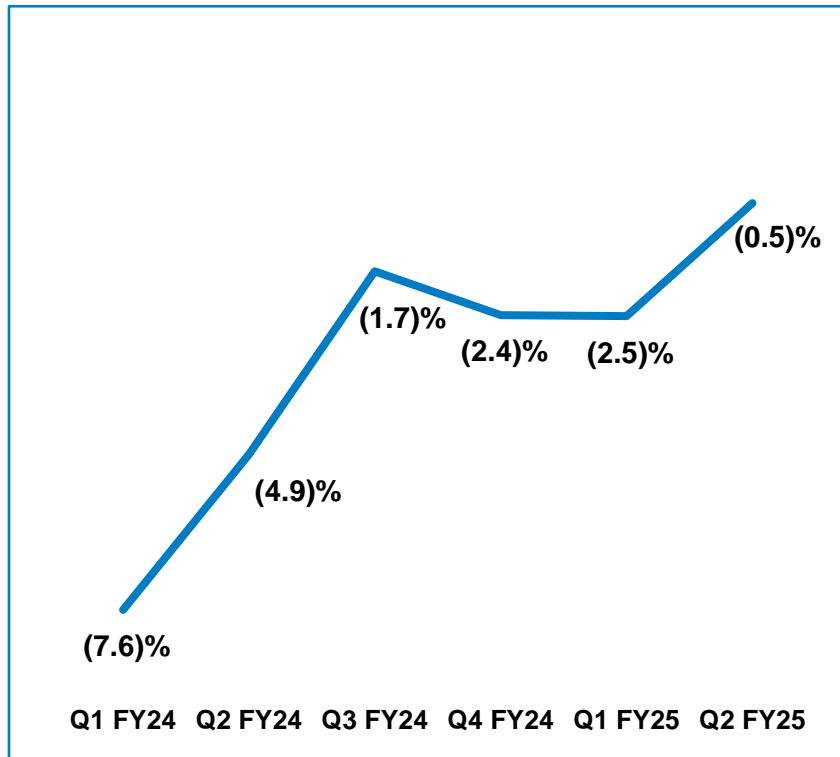


(18)%

Solid Performance in Conagra's Staples Portfolio in Q2



Conagra Staples Volume Sales
(% Change vs. YA)



Q2 Volume Sales % Change vs. YA

 	+18%
	+11%
	+10%

Two Factors Expected to Pressure H2



INFLATION

- H2 inflation higher than planned
- Expected relief in protein inflation deferred

FOREIGN EXCHANGE

- International segment impacted by strengthening USD

Our Response to H2 Headwinds



- Maintain brand investments; continue to prioritize top-line momentum
- Limited new pricing actions; expect to offset some cocoa and sugar inflation
- Continue to focus on maximizing cash flow, debt reduction, and portfolio reshaping

Updating Fiscal 2025 Guidance



Guidance	Old	New
Organic Net Sales ¹ Growth <i>(vs. FY24)</i>	(1.5)% to Flat	(1.5)% to Flat <i>~Midpoint</i>
Adj. Operating Margin ¹	15.6% to 15.8%	~14.8%
Adj. EPS ¹	\$2.60 to \$2.65	\$2.45 to \$2.50

1. Forward-looking non-GAAP financial measure. See the appendix for more information.



Dave Marberger

Executive Vice President and Chief Financial Officer

FY25 Q2 Results



	Q2	Q2 vs. YA
Organic Net Sales ¹	\$3,194	+0.3%
Adj. Gross Margin ¹	26.4%	(52) bps
Adj. Operating Margin ¹	15.3%	(57) bps
Adj. EPS ¹	\$0.70	(1.4)%

1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Net Sales by Segment



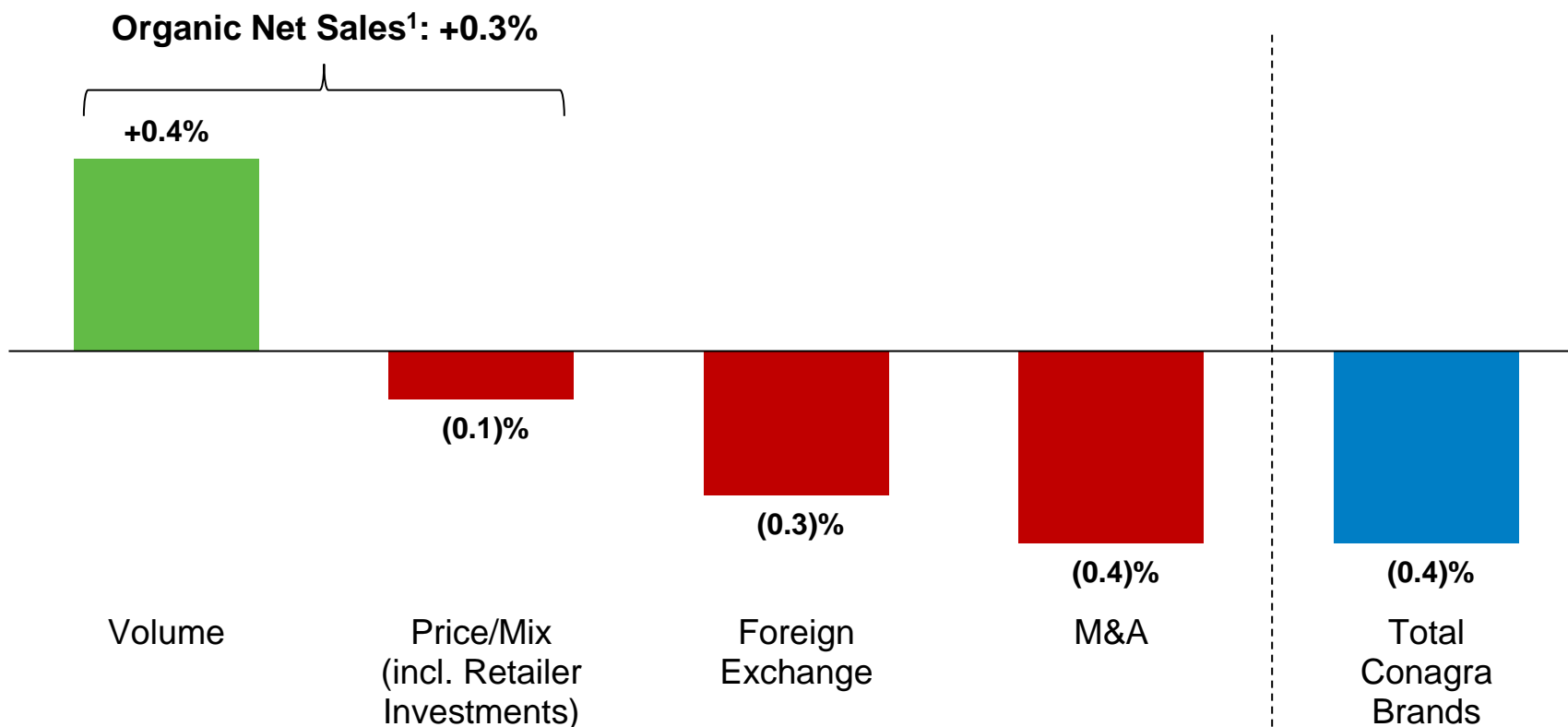
Dollars in Millions Increase/(Decrease)	Q2			
	Net Sales	Organic ¹ vs. YA	Price/Mix vs. YA	Organic ¹ Volume vs. YA
Grocery & Snacks	\$1,321	+1.2%	0.9%	0.3%
Refrigerated & Frozen	1,339	Flat	(1.9)%	1.9%
International	243	(0.7)%	1.7%	(2.4)%
Foodservice	292	(1.0)%	2.9%	(3.9)%
Total Conagra Brands	\$3,195	+0.3%	(0.1)%	0.4%

1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Net Sales Bridge vs. Year Ago



Q2 Drivers of Net Sales Change (% Change vs. YA)

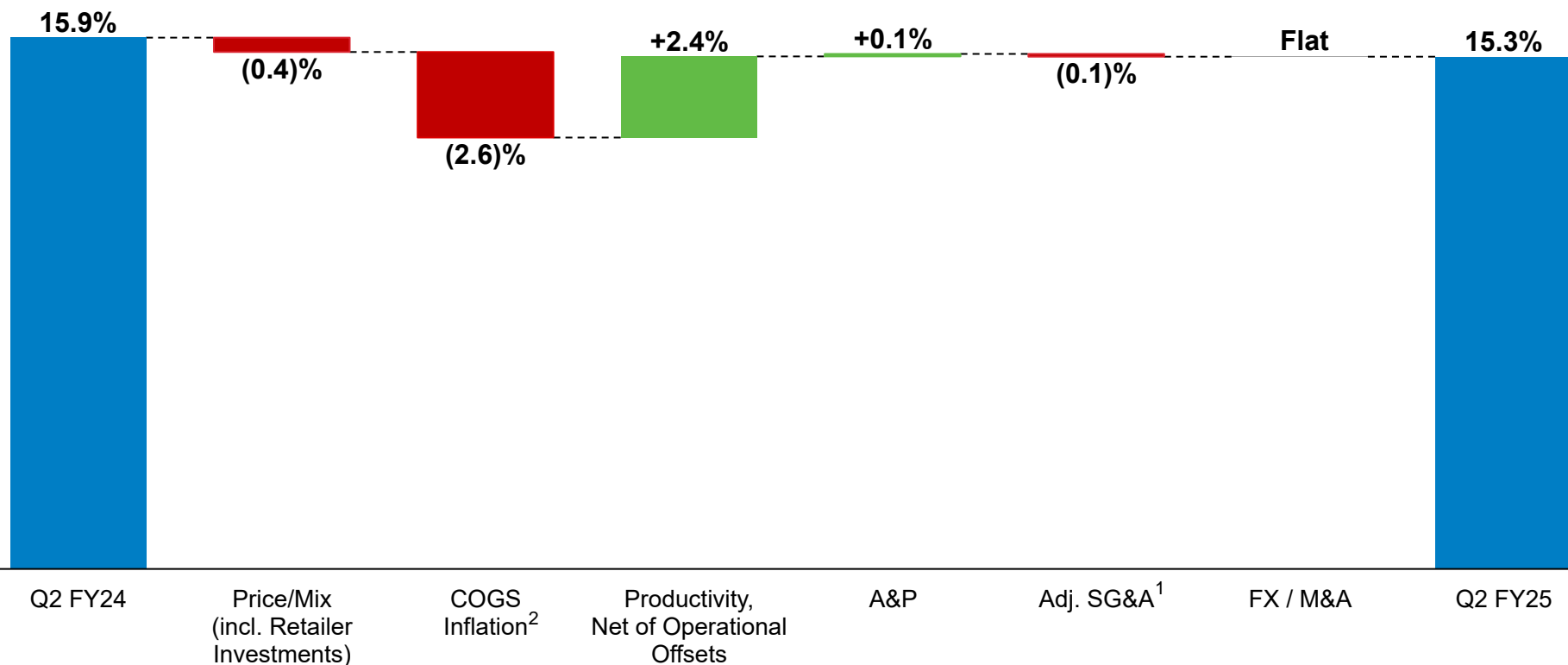


1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Q2 Adjusted Operating Margin¹ Bridge



Q2 Adjusted Operating Margin¹ (% Change vs. YA)



1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

2. COGS Inflation reflects market inflation net of market-based sourcing.

Segment Adjusted Operating Profit¹ & Margin¹ Summary



Q2 Adjusted Operating Profit¹ & Margin¹

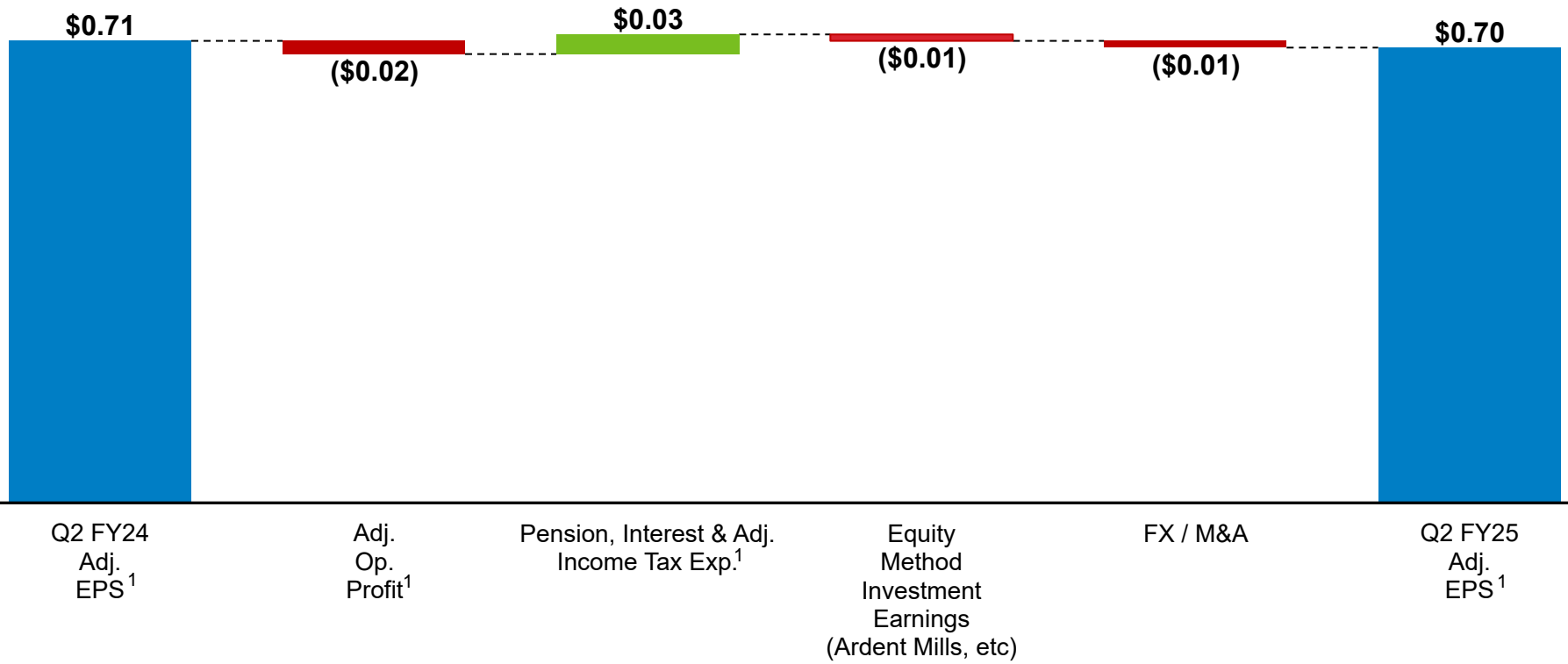
Dollars in Millions Increase/(Decrease)	Adj. Op. Profit ¹		Adj. Op. Margin ¹	
	Q2	vs. YA	Q2	vs. YA
Grocery & Snacks	\$296	+4.8%	22.4%	+60 bps
Refrigerated & Frozen	198	(10.8)%	14.8%	(179) bps
International	39	(2.9)%	16.2%	+167 bps
Foodservice	36	+1.1%	12.2%	+24 bps
Adjusted Corporate Expense ¹	(79)	+13.1%	-	-
Total Conagra Brands	\$490	(4.0)%	15.3%	(57) bps

1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Q2 Adjusted EPS¹ Bridge



Drivers of Q2 Adjusted EPS¹ vs. YA



1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure. Numbers may not add due to rounding.

Key Balance Sheet & Cash Flow Metrics



(dollars in millions)	Q2 FY25	Q2 FY24
Debt	\$8,464	\$9,070
Cash	\$37	\$62
Ending Net Debt ¹	\$8,426	\$9,008
Net Leverage ²	3.54x	3.55x

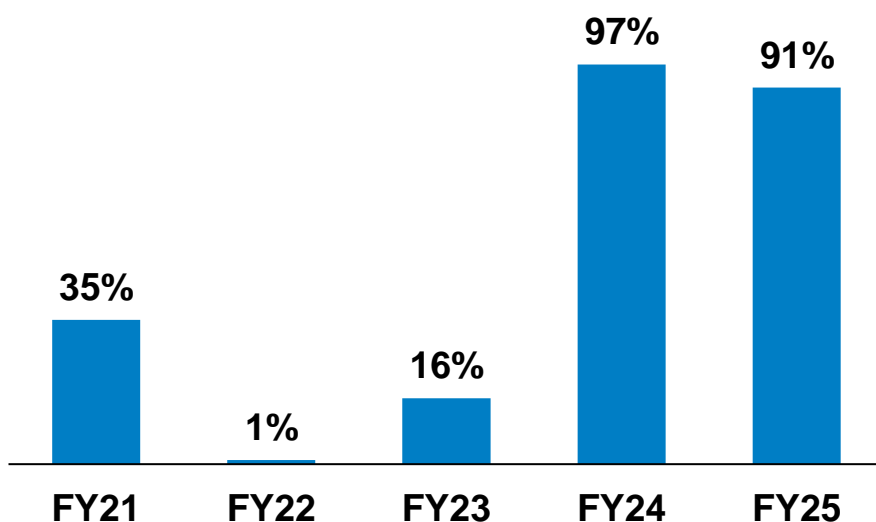
(dollars in millions)	H1 FY25	H1 FY24
Net Cash Flow from Operating Activities	\$754	\$855
Capital Expenditures	\$215	\$214
Free Cash Flow ¹	\$539	\$641
Dividends Paid	\$335	\$325
Share Repurchases	\$64	-
M&A – Net Cash Outflow	\$154	-

1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.
2. Net Leverage Ratio is net debt divided by Adjusted EBITDA for the trailing four quarters.

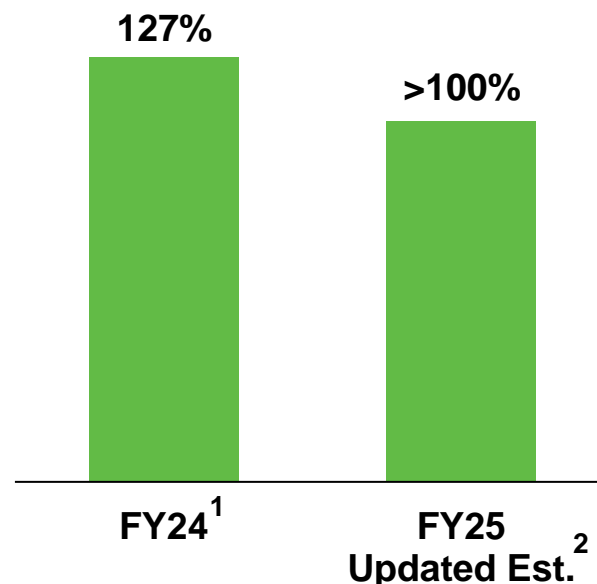
Strong Free Cash Flow¹ Supporting Debt Reduction



H1 Free Cash Flow¹ Conversion



Full Year FCF^(1,2) Conversion



- Back-to-back years of strong H1 and projected full-year free cash flow^(1,2) conversion
- Debt reduction of more than \$600mm in latest 12 months ending Q2
- Raising full year free cash flow² conversion estimate to >100%

1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

2. Forward-looking non-GAAP financial measure. See the appendix for more information.

Updating Fiscal 2025 Guidance



	Guidance	Key Drivers
Organic Net Sales ¹ Growth (vs. FY24)	(1.5)% to Flat ~Midpoint	<ul style="list-style-type: none"> Continued sequential volume improvement Limited pricing in H2 to offset some inflation Q3 price/mix larger headwind due to trade investment timing
Adj. Operating Margin ¹	~14.8%	<ul style="list-style-type: none"> Full year inflation expected closer to 4% Full year adj. gross margin expected to be down ~90 bps vs. YA Q3 adj. operating margin expected to be lowest of the year
Adj. EPS ¹	\$2.45 to \$2.50	<ul style="list-style-type: none"> Factors impacting adj. operating margin, plus Full year FX headwind of \$0.04

1. Forward-looking non-GAAP financial measure. See the appendix for more information.

Other Fiscal 2025 Considerations



Guidance	Old	New
Free Cash Flow ¹ Conversion	~90%	>100%
Net Leverage ¹	~3.2x	~3.4x
Adj. Tax Rate	~23.5%	~23.0%
Capital Expenditures	\$450	Unchanged
Ardent Mills	~\$150	Unchanged
Interest Expense	~\$415	Unchanged
Pension Income	~\$12	Unchanged

1. Forward-looking non-GAAP financial measure. See the appendix for more information.



Appendix

Notes on Non-GAAP Financial Measures



This document includes certain non-GAAP financial measures. 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 financial 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.

Organic net sales excludes, from reported net sales, the impacts of foreign exchange, divested businesses and acquisitions, as well as the impact of any 53rd week. All references to changes in volume and price/mix throughout this release are on an organic net sales basis.

Free cash flow is net cash from operating activities less additions to property, plant and equipment. Free cash flow conversion is free cash flow divided by adjusted net income attributable to Conagra Brands, Inc.

References to adjusted items throughout this document refer to measures computed in accordance with GAAP less the impact of items impacting comparability. Items impacting comparability are income or expenses (and related tax impacts) that management believes have had, or are likely to have, a significant impact on the earnings of the applicable business segment or on the total corporation for the period in which the item is recognized and are not indicative of the company's core operating results. These items thus affect the comparability of underlying results from period to period.

References to earnings before interest, taxes, depreciation, and amortization (EBITDA) refer to net income attributable to Conagra Brands before the impacts of discontinued operations, income tax expense (benefit), interest expense, depreciation, and amortization. References to adjusted EBITDA refer to EBITDA before the impacts of items impacting comparability.

Hedge gains and losses are generally aggregated, and net amounts are reclassified from unallocated corporate expense to the operating segments when the underlying commodity or foreign currency being hedged is expensed in segment cost of goods sold. The net change in the derivative gains (losses) included in unallocated corporate expense during the period is reflected as a comparability item, Corporate hedging derivative gains (losses).

Forward-Looking Non-GAAP Financial Measures

Our fiscal 2025 guidance includes certain non-GAAP financial measures (organic net sales growth, adjusted operating margin, adjusted EPS, net leverage ratio, free cash flow, and adjusted effective tax rate) that are presented on a forward-looking basis. Historically, the company has calculated these non-GAAP financial measures excluding the impact of certain items such as, but not limited to, foreign exchange, acquisitions, divestitures, restructuring expenses, the extinguishment of debt, hedging gains and losses, impairment charges, legacy legal contingencies, and unusual tax items. 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 timing and the financial impact of such items. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.

Reconciliation of Q2 FY25 Organic Net Sales by Segment (in millions) - YOY Change



	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Q2 FY25					
Net Sales	\$ 1,321.0	\$ 1,338.5	\$ 243.4	\$ 292.2	\$ 3,195.1
Impact of foreign exchange	—	—	9.8	—	9.8
Net sales from acquired businesses	(10.9)	—	—	(0.3)	(11.2)
Organic Net Sales	\$ 1,310.1	\$ 1,338.5	\$ 253.2	\$ 291.9	\$ 3,193.7
Year-over-year change - Net Sales	2.0%	—%	(12.9)%	(0.9)%	(0.4)%
Impact of foreign exchange (pp)	—	—	3.8	—	0.3
Net sales from acquired businesses (pp)	(0.8)	—	—	(0.1)	(0.4)
Net sales from divested businesses (pp)	—	—	8.4	—	0.8
Organic Net Sales	1.2%	—%	(0.7)%	(1.0)%	0.3%
Volume (Organic)	0.3%	1.9%	(2.4)%	(3.9)%	0.4%
Price/Mix	0.9%	(1.9)%	1.7%	2.9%	(0.1)%
Q2 FY24					
Net Sales	\$ 1,295.1	\$ 1,338.5	\$ 279.6	\$ 294.9	\$ 3,208.1
Net sales from divested businesses	—	—	(24.5)	—	(24.5)
Organic Net Sales	\$ 1,295.1	\$ 1,338.5	\$ 255.1	\$ 294.9	\$ 3,183.6

Reconciliation of Q2 FY25 Adj. Operating Profit by Segment (in millions) – YOY Change



	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Q2 FY25						
Operating Profit	\$ 293.2	\$ 102.6	\$ 40.9	\$ 35.8	\$ (69.9)	\$ 402.6
Restructuring plans	1.8	77.3	(1.5)	—	1.9	79.5
Brand impairment charges	0.7	18.2	—	—	—	18.9
Corporate hedging derivative losses (gains)	—	—	—	—	(10.9)	(10.9)
Adjusted Operating Profit	\$ 295.7	\$ 198.1	\$ 39.4	\$ 35.8	\$ (78.9)	\$ 490.1
Operating Profit Margin	22.2%	7.7%	16.8%	12.2%		12.6%
Adjusted Operating Profit Margin	22.4%	14.8%	16.2%	12.2%		15.3%
Year-over-year % change - Operating Profit	5.0%	(53.4)%	590.6%	(5.7)%	(26.3)%	(10.2)%
Year-over-year % change - Adjusted Operating Profit						
Operating Profit	4.8%	(10.8)%	(2.9)%	1.1%	13.1%	(4.0)%
Year-over-year bps change - Operating Profit	63 bps	(879) bps	1466 bps	(61) bps		(138) bps
Year-over-year bps change - Adjusted Operating Profit						
Operating Profit	60 bps	(179) bps	167 bps	24 bps		(57) bps
Q2 FY24						
Operating Profit	\$ 279.2	\$ 220.2	\$ 5.9	\$ 38.0	\$ (94.8)	\$ 448.5
Restructuring plans	2.7	0.5	0.5	—	(0.2)	3.5
Impairment of business held for sale	—	—	34.2	—	—	34.2
Legal matters	—	—	—	—	14.0	14.0
Fire related costs (insurance recoveries), net	—	1.5	—	(2.6)	—	(1.1)
Corporate hedging derivative losses (gains)	—	—	—	—	11.2	11.2
Adjusted Operating Profit	\$ 281.9	\$ 222.2	\$ 40.6	\$ 35.4	\$ (69.8)	\$ 510.3
Operating Profit Margin	21.6%	16.5%	2.1%	12.9%		14.0%
Adjusted Operating Profit Margin	21.8%	16.6%	14.5%	12.0%		15.9%

Reconciliation of Q2 FY25 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, (in millions) and Adj. EPS – YOY Change



Q2 FY25	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes	Income tax expense	Income tax rate	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 846.7	\$ 444.1	\$ 402.6	\$ 346.0	\$ 61.5	17.8%	\$ 284.5	\$ 0.59
<i>% of Net Sales</i>	26.5%	13.9%	12.6%					
Restructuring plans	6.2	73.3	79.5	79.5	19.1		60.4	0.13
Brand impairment charges	—	18.9	18.9	18.9	4.4		14.5	0.03
Corporate hedging derivative losses (gains)	(10.9)	—	(10.9)	(10.9)	(2.9)		(8.0)	(0.02)
Advertising and promotion expenses ²	—	69.3	—	—	—		—	—
Valuation allowance adjustment	—	—	—	—	14.4		(14.4)	(0.03)
Adjusted	\$ 842.0	\$ 282.6	\$ 490.1	\$ 433.5	\$ 96.5	22.3%	\$ 337.0	\$ 0.70
<i>% of Net Sales</i>	26.4%	8.8%	15.3%					
<i>Year-over-year % of net sales change - reported</i>	11 bps	149 bps	(138) bps					
<i>Year-over-year % of net sales change - adjusted</i>	(52) bps	14 bps	(57) bps					
<i>Year-over-year change - reported</i>	0.0%	11.6%	(10.2)%	(11.1)%	(40.3)%		(0.6)%	(1.7)%
<i>Year-over-year change - adjusted</i>	(2.3)%	1.2%	(4.0)%	(3.9)%	(11.8)%		(1.3)%	(1.4)%

1. Operating profit is derived from taking Income before income taxes, adding back Interest expense, net and removing Pension and postretirement non-service income and Equity method investment earnings.
 2. Advertising and promotion expense (A&P) has been removed from adjusted selling, general and administrative expense because this metric is used in reporting to management, and management believes this adjusted measure provides useful supplemental information to assess the Company's operating performance. Please note that A&P is not removed from adjusted profit measures.

Reconciliation of Q2 FY25 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, (in millions) and Adj. EPS – YOY Change Cont.



Q2 FY24	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes	Income tax expense	Income tax rate	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 846.6	\$ 398.1	\$ 448.5	\$ 389.1	\$ 102.9	26.5%	\$ 286.2	\$ 0.60
<i>% of Net Sales</i>	26.4%	12.4%	14.0%					
Restructuring plans	2.8	0.7	3.5	3.5	0.8		2.7	0.01
Corporate hedging derivative losses (gains)	11.2	—	11.2	11.2	2.6		8.6	0.02
Advertising and promotion expenses ²	—	72.5	—	—	—		—	—
Fire related costs (insurance recoveries), net	1.5	(2.6)	(1.1)	(1.1)	(0.3)		(0.8)	—
Impairment of business held for sale	—	34.2	34.2	34.2	(0.1)		34.3	0.07
Legal matters	—	14.0	14.0	14.0	3.6		10.4	0.02
Rounding	—	—	—	—	—		—	(0.01)
Adjusted	\$ 862.1	\$ 279.3	\$ 510.3	\$ 450.9	\$ 109.5	24.3%	\$ 341.4	\$ 0.71
<i>% of Net Sales</i>	26.9%	8.7%	15.9%					

1. Operating profit is derived from taking Income before income taxes, adding back Interest expense, net and removing Pension and postretirement non-service income and Equity method investment earnings.
2. Advertising and promotion expense (A&P) has been removed from adjusted selling, general and administrative expense because this metric is used in reporting to management, and management believes this adjusted measure provides useful supplemental information to assess the Company's operating performance. Please note that A&P is not removed from adjusted profit measures.

Reconciliation of Q2 FY25 Free Cash Flow and Net Debt (in millions)



	Q2 FY25 YTD	Q2 FY24 YTD	% Change
Net cash flows from operating activities	\$ 754.2	\$ 854.6	(11.7)%
Additions to property, plant and equipment	(215.4)	(214.0)	0.7%
Free cash flow	\$ 538.8	\$ 640.6	(15.9)%

	November 24, 2024	November 26, 2023
Notes payable	\$ 1,194.7	\$ 559.0
Current installments of long-term debt	1,031.1	1,017.3
Senior long-term debt, excluding current installments	6,237.8	7,493.3
Total Debt	\$ 8,463.6	\$ 9,069.6
Less: Cash	37.4	61.5
Net Debt	\$ 8,426.2	\$ 9,008.1

Reconciliation of Q2 FY25 Net Leverage Ratio (in millions)



	FY24	Q2 FY24 YTD	Q2 FY25 YTD	Q2 FY25 TTM
	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a)-(b)+(c)</i>
Net Debt¹				\$ 8,426.2
Net income attributable to Conagra Brands, Inc.	\$ 347.2	\$ 605.9	\$ 751.3	\$ 492.6
Add Back: Income tax expense (benefit)	262.5	201.2	(77.4)	(16.1)
Income tax expense attributable to noncontrolling interests	(0.2)	(0.1)	-	(0.1)
Interest expense, net	430.5	219.3	214.0	425.2
Depreciation	347.3	169.1	169.7	347.9
Amortization	53.6	26.8	26.9	53.7
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 1,440.9	\$ 1,222.2	\$ 1,084.5	\$ 1,303.2
Restructuring plans ²	51.5	21.8	82.1	111.8
Acquisitions and divestitures	0.2	0.2	—	—
Corporate hedging derivative losses (gains)	(16.1)	(16.4)	(9.6)	(9.3)
Fire related insurance recoveries, net	(8.7)	(2.8)	(17.0)	(22.9)
Impairment of business held for sale	36.4	34.2	—	2.2
Goodwill and brand impairment charges	956.7	—	18.9	975.6
Consulting fees on tax matters	—	—	2.0	2.0
Loss on sale of business	—	—	2.3	2.3
Legal matters	34.8	14.0	3.4	24.2
Pension valuation adjustment	(11.5)	—	—	(11.5)
Adjusted EBITDA	\$ 2,484.2	\$ 1,273.2	\$ 1,166.6	\$ 2,377.6
Net Debt to Adjusted EBITDA³				3.54

1. As of November 24, 2024.

2. Excludes comparability items related to depreciation..

3. The company defines its net debt leverage ratio as net debt divided by adjusted EBITDA for the trailing twelve month (TTM) period.

Reconciliation of Q2 FY24 Net Leverage Ratio (in millions)



	FY23 (a)	Q2 FY23 YTD (b)	Q2 FY24 YTD (c)	Q2 FY24 TTM =(a)-(b)+(c)
Net Debt ¹				\$ 9,008.1
Net income attributable to Conagra Brands, Inc.	\$ 683.6	\$ 304.4	\$ 605.9	\$ 985.1
Add Back: Income tax expense	218.7	136.9	201.2	283.0
Income tax expense attributable to noncontrolling interests	(0.5)	(0.1)	(0.1)	(0.5)
Interest expense, net	409.6	197.4	219.3	431.5
Depreciation	313.1	156.0	169.1	326.2
Amortization	56.8	29.5	26.8	54.1
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 1,681.3	\$ 824.1	\$ 1,222.2	\$ 2,079.4
Restructuring plans ²	12.3	6.7	21.8	27.4
Acquisitions and divestitures	8.4	0.6	0.2	8.0
Corporate hedging derivative losses (gains)	37.1	1.9	(16.4)	18.8
Impairment of businesses held for sale	26.7	26.7	34.2	34.2
Goodwill and brand impairment charges ³	729.3	385.7	—	343.6
Legal matters	3.8	—	14.0	17.8
Fire related costs (insurance recoveries), net	13.4	7.9	(2.8)	2.7
Municipal water break costs	3.5	3.2	—	0.3
Third-party vendor cybersecurity incident	4.4	—	—	4.4
Adjusted EBITDA	\$ 2,520.2	\$ 1,256.8	\$ 1,273.2	\$ 2,536.6
Net Debt to Adjusted EBITDA ⁴				3.55

1. As of November 26, 2023

2. Excludes comparability items related to depreciation.

3. Excludes comparability items attributable to noncontrolling interests.

4. The company defines its net debt leverage ratio as net debt divided by adjusted EBITDA for the trailing twelve-month (TTM) period.



Reconciliation of Q2 FY21 to Q2 FY25 YTD and FY24 Free Cash Flow (in millions), Free Cash Flow YOY Change & Conversion Rate

	Q2FY21 YTD	Q2FY22 YTD	Q2FY23 YTD	Q2FY24 YTD	FY24	Q2FY25 YTD
Net income attributable to Conagra Brands, Inc.	\$ 707.9	\$ 510.9	\$ 304.4	\$ 605.9	\$ 347.2	\$ 751.3
Restructuring plans	34.9	21.2	5.0	20.8	49.9	63.6
Acquisitions and divestitures	2.4	1.2	0.5	0.2	0.2	—
Corporate hedging derivative losses (gains)	(0.6)	(2.5)	1.4	(12.2)	(12.0)	(6.8)
Fire related costs (insurance recoveries), net	—	—	6.0	(2.1)	(6.6)	(12.8)
Proceeds received from the sale of a legacy investment	—	(2.8)	—	—	—	—
Consulting fees on tax matters	0.9	1.2	—	—	—	1.5
Loss (gain) on divestiture of businesses	(3.5)	—	—	—	—	1.5
Early extinguishment of debt	33.2	—	—	—	—	—
Municipal water break costs	—	—	2.4	—	—	—
Impairment of businesses held for sale	—	32.2	20.1	34.3	36.0	—
Goodwill and brand impairment charges	—	—	326.8	—	847.7	14.5
Pension valuation adjustment	—	—	—	—	(8.7)	—
Legal matters, net of recoveries	(1.5)	(11.0)	—	10.4	26.2	2.6
Valuation allowance adjustment	(25.3)	—	—	—	—	(225.8)
Unusual tax items	(7.6)	(3.6)	—	—	—	—
Adjusted Net income attributable to Conagra Brands, Inc.	\$ 740.8	\$ 546.8	\$ 666.6	\$ 657.3	\$ 1,279.9	\$ 589.6
	Q2FY21 YTD	Q2FY22 YTD	Q2FY23 YTD	Q2FY24 YTD	FY24	Q2FY25 YTD
Net cash flows from operating activities	\$ 541.4	\$ 262.1	\$ 297.8	\$ 854.6	\$ 2,015.6	\$ 754.2
Additions to property, plant and equipment	(282.0)	(257.5)	(188.4)	(214.0)	(388.1)	(215.4)
Free cash flow	\$ 259.4	\$ 4.6	\$ 109.4	\$ 640.6	\$ 1,627.5	\$ 538.8
<i>Free cash flow conversion rate</i>	<i>35%</i>	<i>1%</i>	<i>16%</i>	<i>97%</i>	<i>127%</i>	<i>91%</i>

Note: Free cash flow conversion is defined as free cash flow divided by adjusted net income therefore no reported conversion rate is necessary