



FY21 Q1 Earnings Presentation

October 1, 2020



Today's Presenters

Brian Kearney

Investor Relations

Sean Connolly

President and Chief Executive Officer

Dave Marberger

Executive Vice President and Chief Financial Officer



Legal Disclosure

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, uncertainties, and factors include, among other things: the risk that the cost savings and any other synergies from the acquisition of Pinnacle Foods Inc. (the Pinnacle acquisition) may not be fully realized or may take longer to realize than expected; the risk that the Pinnacle acquisition may not be accretive within the expected timeframe or to the extent anticipated; the risks that the Pinnacle acquisition and related integration will create disruption to the Company and its management and impede the achievement of business plans; risks related to our ability to achieve the intended benefits of other recent acquisitions and divestitures; risks associated with general economic and industry conditions; risks associated with our ability to successfully execute our long-term value creation strategies; 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 our ability to execute operating and restructuring plans and achieve targeted operating efficiencies from cost-saving initiatives, and to benefit from trade optimization programs; risks related to the effectiveness of our hedging activities and ability to respond to volatility in commodities; risks related to the Company's competitive environment and related market conditions; risks related to our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; risks related to the ultimate impact of any product recalls and litigation, including litigation related to the lead paint and pigment matters, as well as any securities litigation, including securities class action lawsuits; risk associated with actions of governments and regulatory bodies that affect our businesses, including the ultimate impact of new or revised regulations or interpretations; risks related to the impact of the recent coronavirus (COVID-19) pandemic on our business, suppliers, consumers, customers and employees; risks related to the availability and prices of raw materials, including any negative effects caused by inflation, weather conditions or health pandemics; disruptions or inefficiencies in our supply chain and/or operations, including from the recent COVID-19 pandemic; risks associated with actions by our customers, including changes in distribution and purchasing terms; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; 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 report, which speak only as of the date of this report. 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 EPS, organic net sales, adjusted gross profit, adjusted operating profit, adjusted SG&A, adjusted corporate expenses, adjusted gross margin, adjusted operating margin, adjusted effective tax rate, adjusted net income attributable to Conagra Brands, net debt, adjusted equity method investment earnings, net leverage ratio and adjusted EBITDA. 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, adjusted EPS, net debt, and net leverage ratio, 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.

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 Company identifies these amounts as items that impact comparability within the discussion of unallocated Corporate results.



Sean Connolly

President and Chief Executive Officer



Key Messages

- Q1 exceeded expectations with broad-based strength
- Business well-positioned to remain strong near-term and longer-term
- De-leveraging tracking ahead of expected cadence
- Raising dividend 29% behind business strength and long-term outlook



Agenda



Business Update



Perspective on the Evolving Environment



Exceeded Expectations in Q1

Dollars in Millions, except per share data Increase/(Decrease)	Q1	Q1 Guidance
Organic Net Sales ¹ Growth	+15.0%	+10% to +13%
Adj. Op. Margin ²	20.2%	17.0% to 17.5%
Adj. Diluted EPS from cont. ops.	\$0.70	\$0.54 to \$0.59
Net Leverage Ratio ³	3.7x	

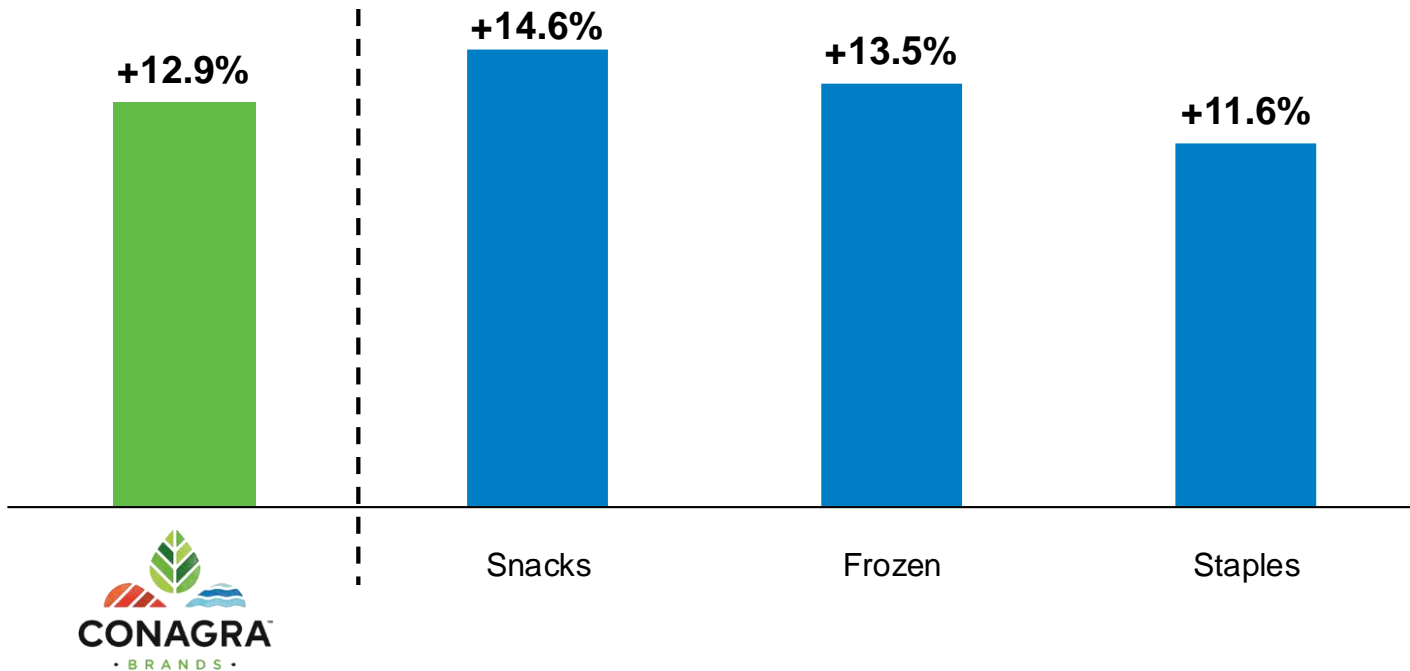
Note: "Adjusted" financial measures, net leverage ratio, and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.

- Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Organic net sales growth excludes the impact of fiscal 2020's 53rd week, which was calculated as one-sixth of our last month's net sales (which included a total of six weeks).
- Adjusted operating margin excludes equity method investment earnings and pension and postretirement non-service expense (income).
- Net leverage ratio is net debt divided by adjusted EBITDA for the trailing four quarters. Net debt is debt less cash. Debt is the sum of notes payable, current installments of long-term debt, senior long-term debt, and subordinated debt.



Strong, Broad-Based Growth, Share Performance, and Household Penetration Gains

Conagra Retail Sales (% Change vs. YA)

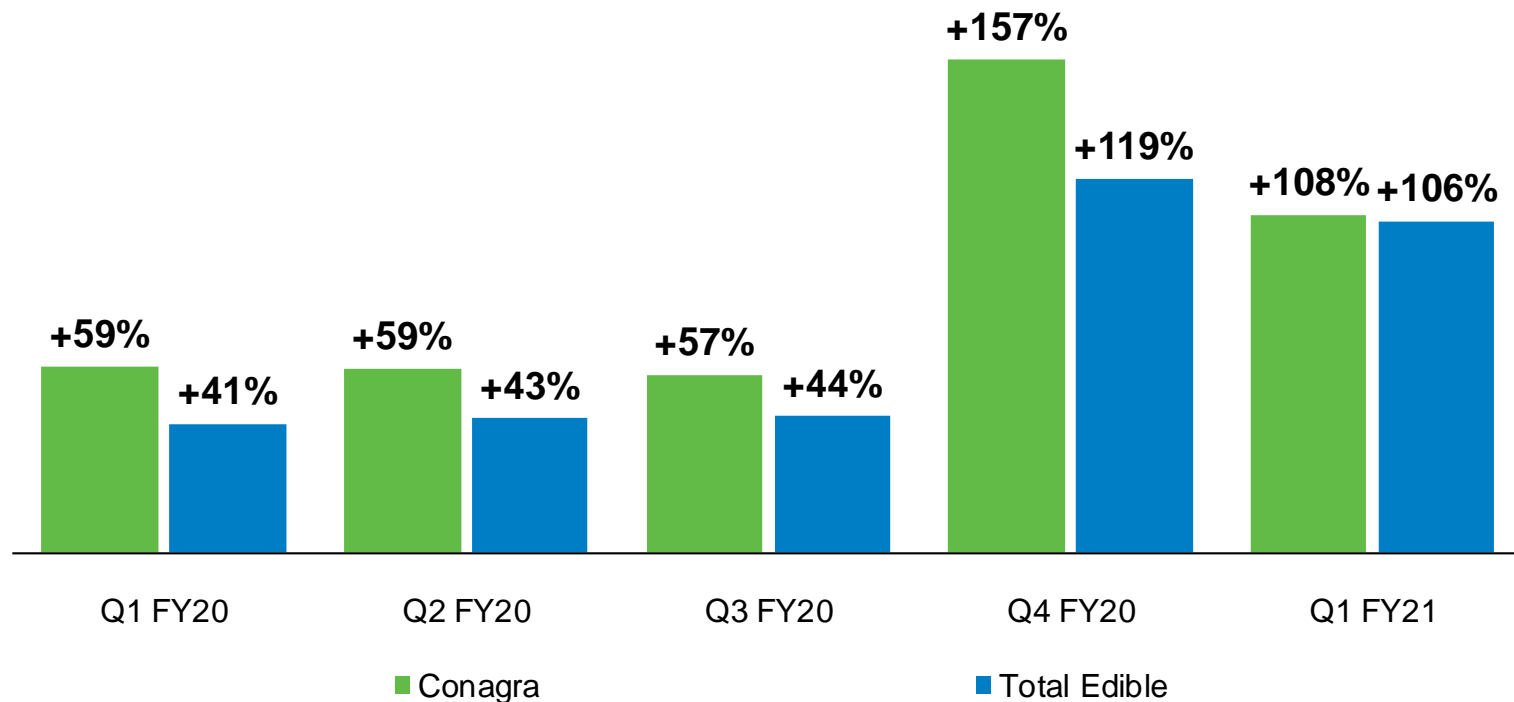


Total Conagra +100 bps Household Penetration vs. YA, +30 bps Category Share vs. YA



eCommerce Investments Continued to Yield Results; Conagra Continued to Outperform the Industry

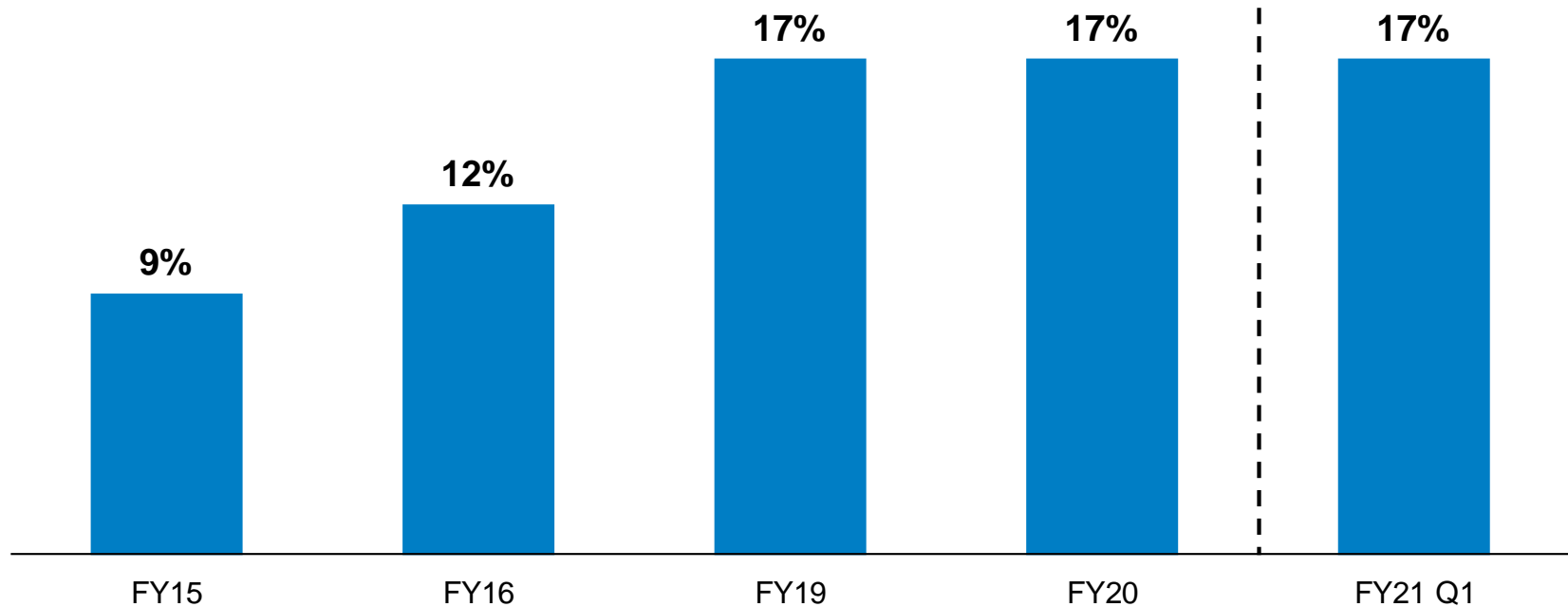
Conagra vs. Total Edible eCommerce Retail Sales (% Change vs. YA)





Innovation Momentum Continued in Q1

% of Annual Retail Sales from Innovation (Total Conagra Brands, Rolling 3 Years)

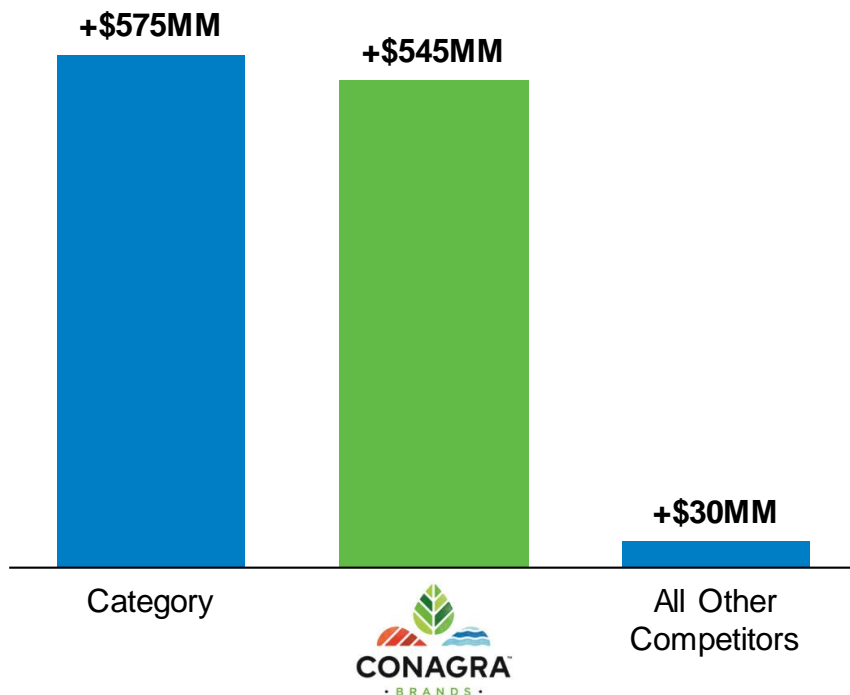




Customers Remain Excited About Innovation... Our Brands Are Driving Category Growth

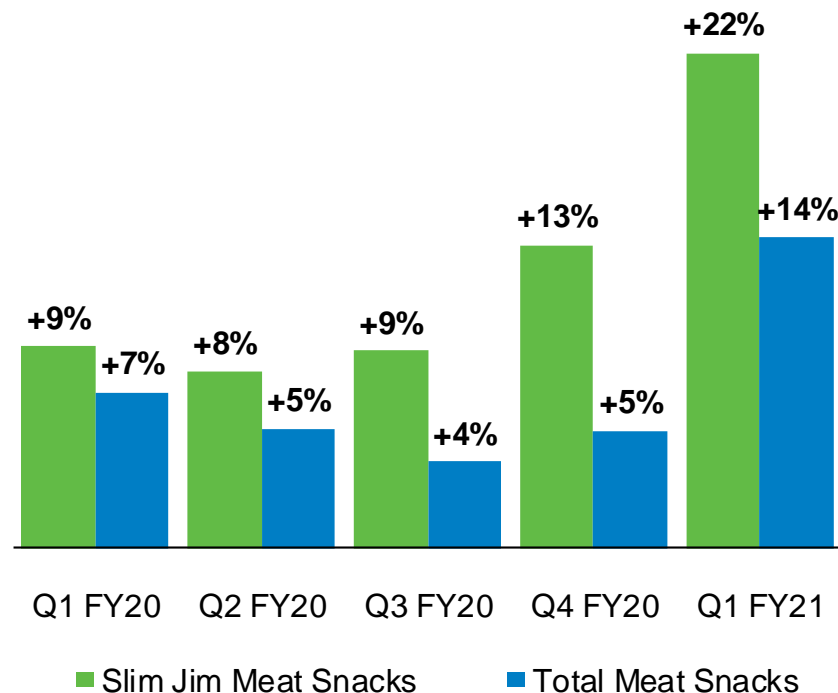
Frozen

Frozen Single Serve Meals
(Dollar Retail Sales Change FY17 vs.
52-Weeks Ended August 30, 2020)



Snacks

**Slim Jim Meat Snacks vs.
Total Meat Snacks Retail Sales**
(% Change vs. YA)



Recent Launches Performing Well in Market



Latest Launches Extend High-Growth Brands into Attractive Categories



More Innovation to Come in FY21



Note: Packaging under development, subject to change; SOUR PATCH KIDS, the SOUR PATCH KID design, the SOUR PATCH KIDS design, REDBERRY, and SOUR.SWEET.GONE. are trademarks of Mondelez International group, used under license. SONIC is a registered trademark owned by America's Drive-In Brand Properties LLC, used with permission. TAKIS and FUEGO are registered trademarks owned by GRUPO BIMBO, S.A.B. DE C.V. used with permission.



Strong Growth in Frozen; Added Frozen Vegetable Capacity to Support Future Growth

Total Conagra Frozen Business

\$5.6 billion L52W

+13.5% L13W

Frozen Single-Serve Meals

\$2.4 billion L52W

+17.7% L13W

Frozen Vegetables

\$1.2 billion L52W

+0.7% L13W

Frozen Multi-Serve Meals

\$848 million L52W

+10.0% L13W

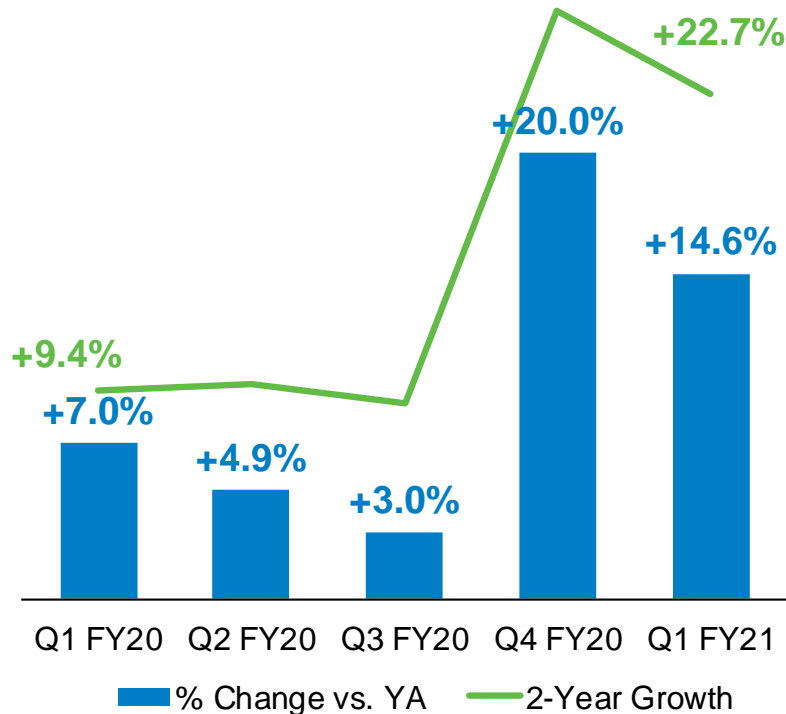
Plant Based Meat Alternatives

\$135 million L52W

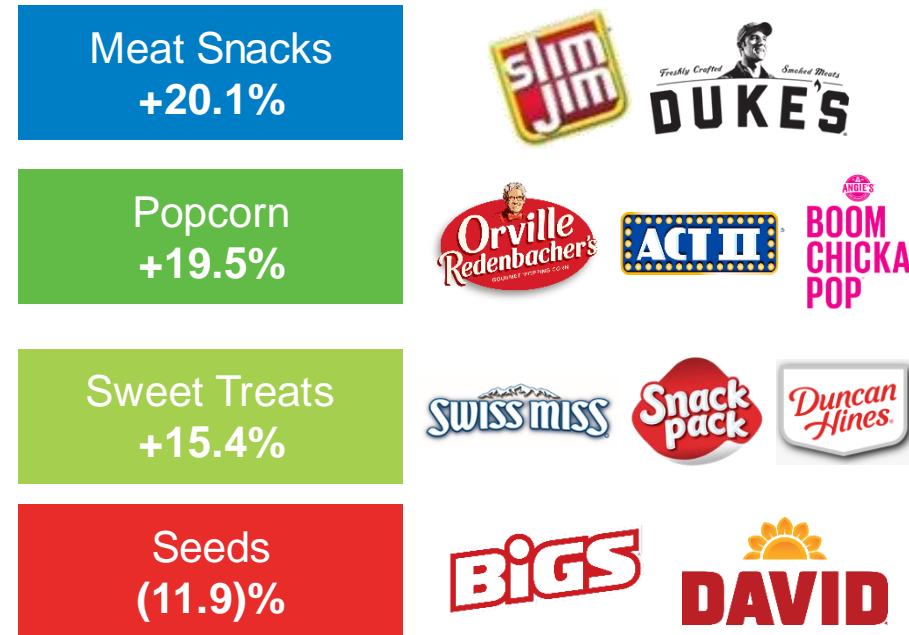
+35.7% L13W

Strong Snacks Growth; Additional Capacity Expected in H2

Total Conagra Snacks Retail Sales (% Change vs. YA)



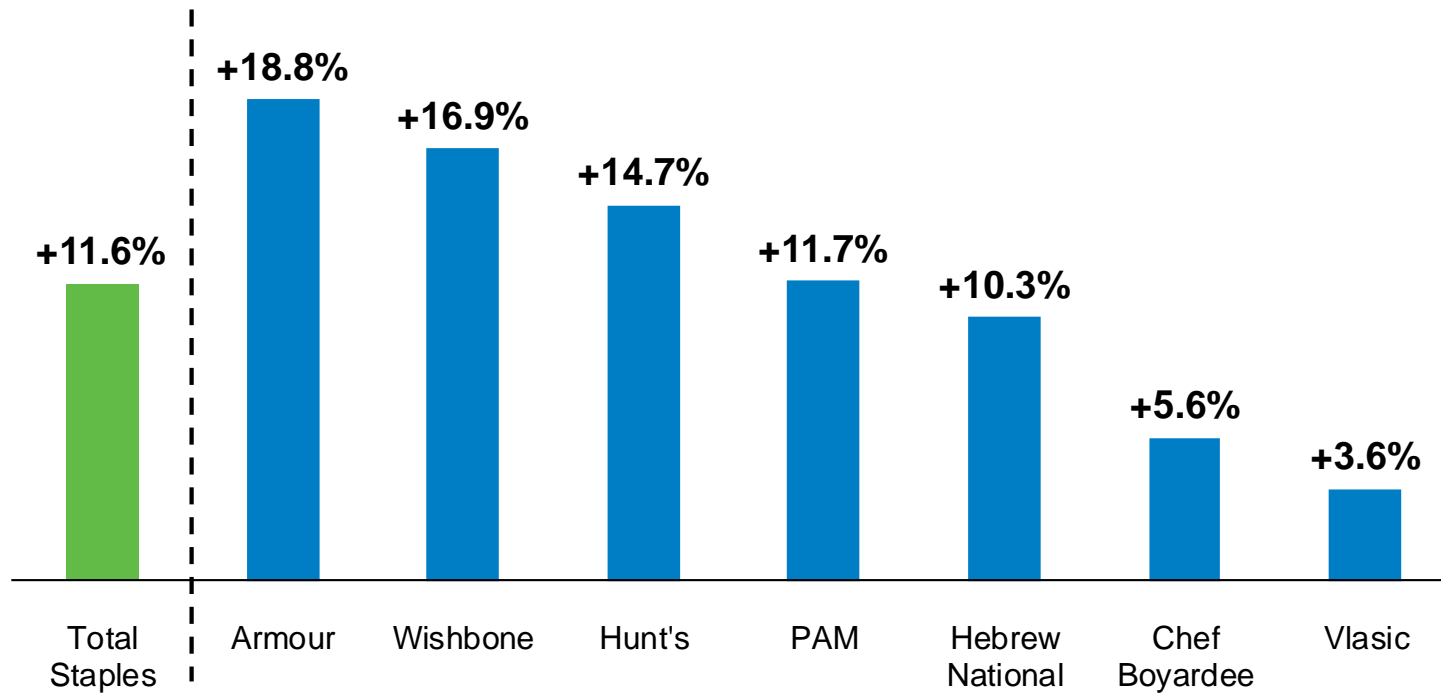
Conagra's Retail Sales Growth by Category (% Change vs. YA)





Staples Growth Remained Strong

Conagra Staples Retail Sales (% Change vs. YA)





Agenda



Business Update



Perspective on the Evolving Environment

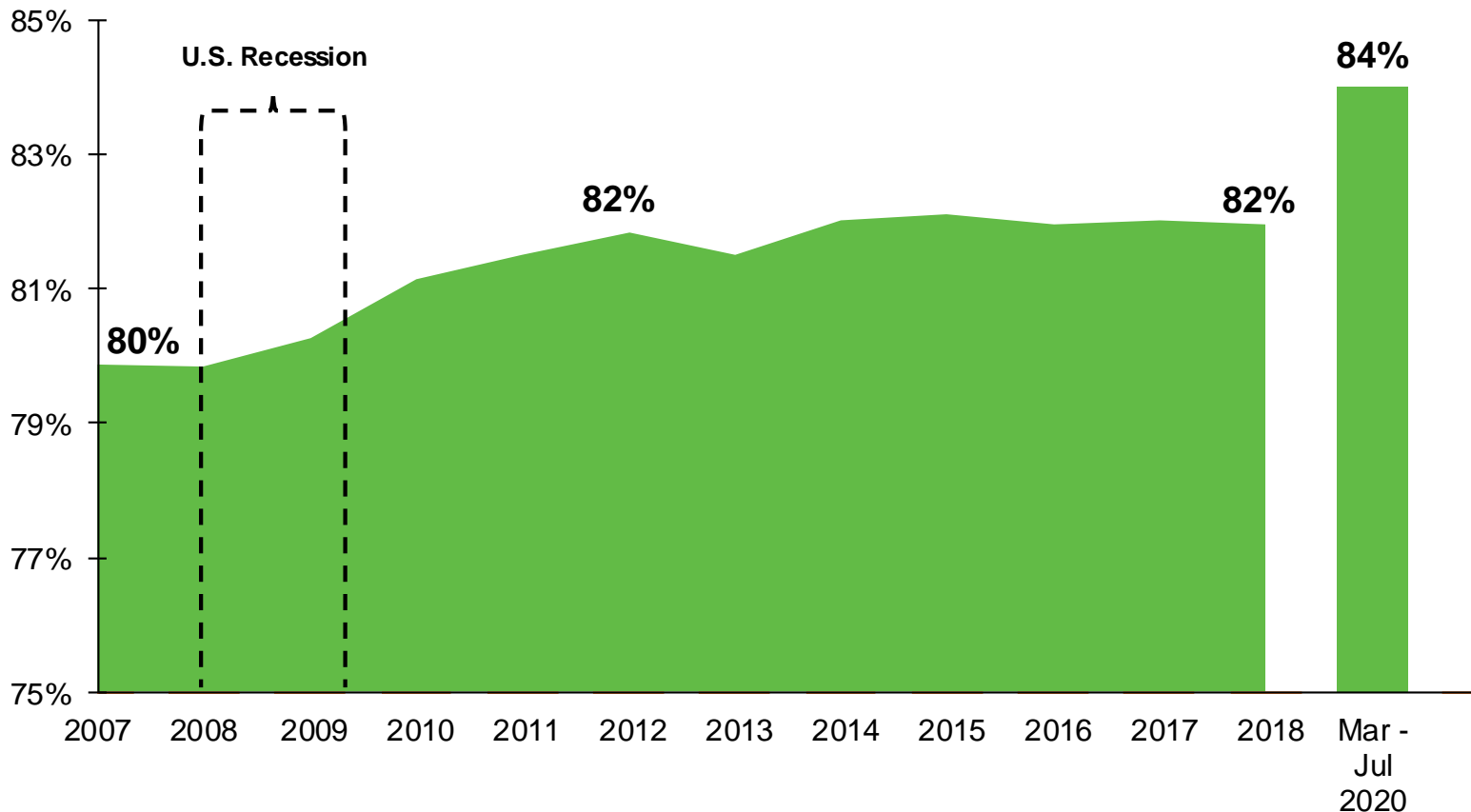


Conagra Is Uniquely Positioned to Benefit from the Evolving Environment

- We expect at-home eating is likely to remain elevated compared to pre-COVID-19
 - Prior recession drove a permanent increase in at-home eating
 - Consumers' behavior and purchases indicate sustained and elevated at-home eating
 - Increased work-from-home is likely to be the "new normal"
 - At-home eating remains elevated, even as states re-open
- Our portfolio is positioned for sustained long-term benefits
 - Positioned well for when consumers are eating more at home
 - Positioned well for how consumers are cooking at home
 - Already seeing sustained benefits, outpacing peers

The Previous Recession Led to Permanently Elevated At-Home Occasions

% of Occasions Sourced At-Home



Consumers Are Preparing for More Time At Home

At-Home Lifestyle & Entertainment



+172%
Q4 sales



+25%
Q2 streaming
memberships



+18%
tech consumer
electronics/IT

Home & Kitchen Upgrades



+58%
requests for
professionals
and contractors

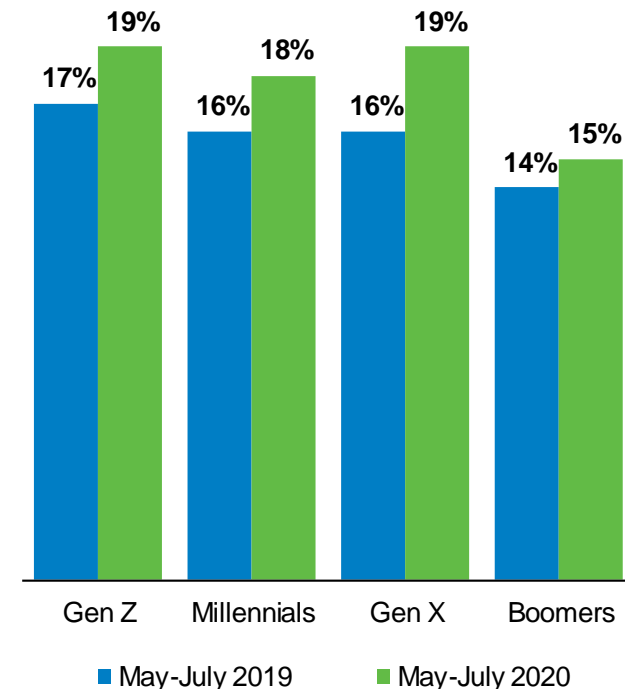


+32%
housewares



+32%
small appliances

May-July '19 vs. '20 Share of At-Home Occasions (Prep Time 15 Minutes+)



Source (Left Column): Peloton FY21 Fiscal Q4 Sales, 4. Netflix Q2 Earnings, The NPD Group/Retail Tracking Service; March 28, 2020 – July 11, 2020 vs. YA

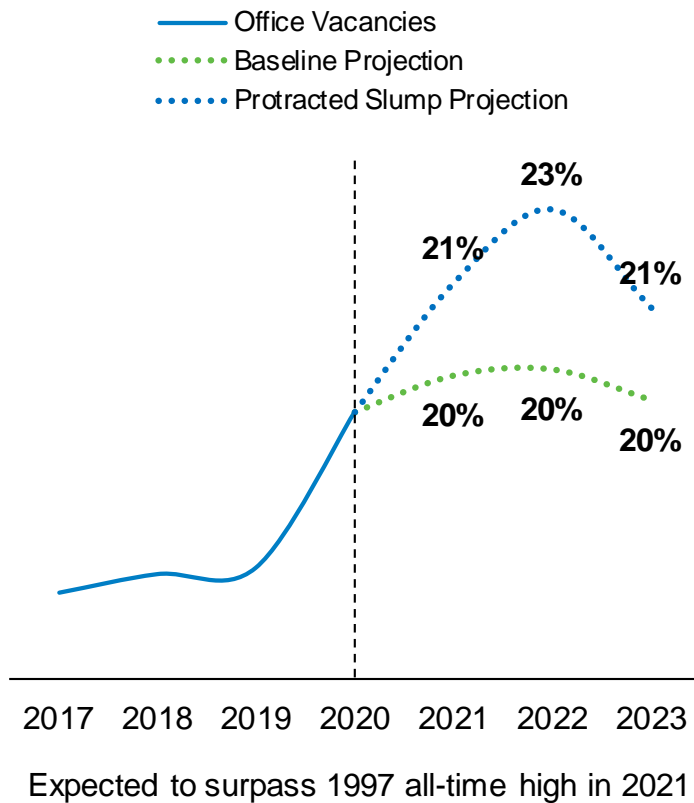
Source (Middle Column - Top): Houzz, June 2020 vs. June 2019; <https://finance.yahoo.com/news/coronavirus-quarantines-made-americans-want-to-spend-on-home-improvement-134402003.html>

Source (Middle Column - Bottom 2): The NPD Group/Retail Tracking Service; March 28, 2020 – July 11, 2020 vs. YA

Source (Right Chart): The NPD Group / National Eating Trends (mobile); Sourced from Home/Retail, May-July 2020 vs. YA

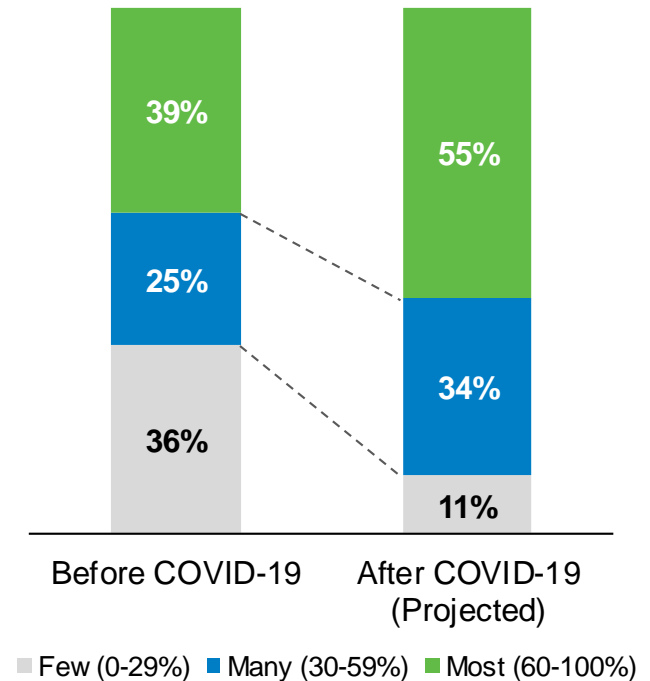
Workplace Disruption Is Giving Way to a “New Normal” Remote Workforce

Rising Office Vacancies



Remote Workforce Adoption

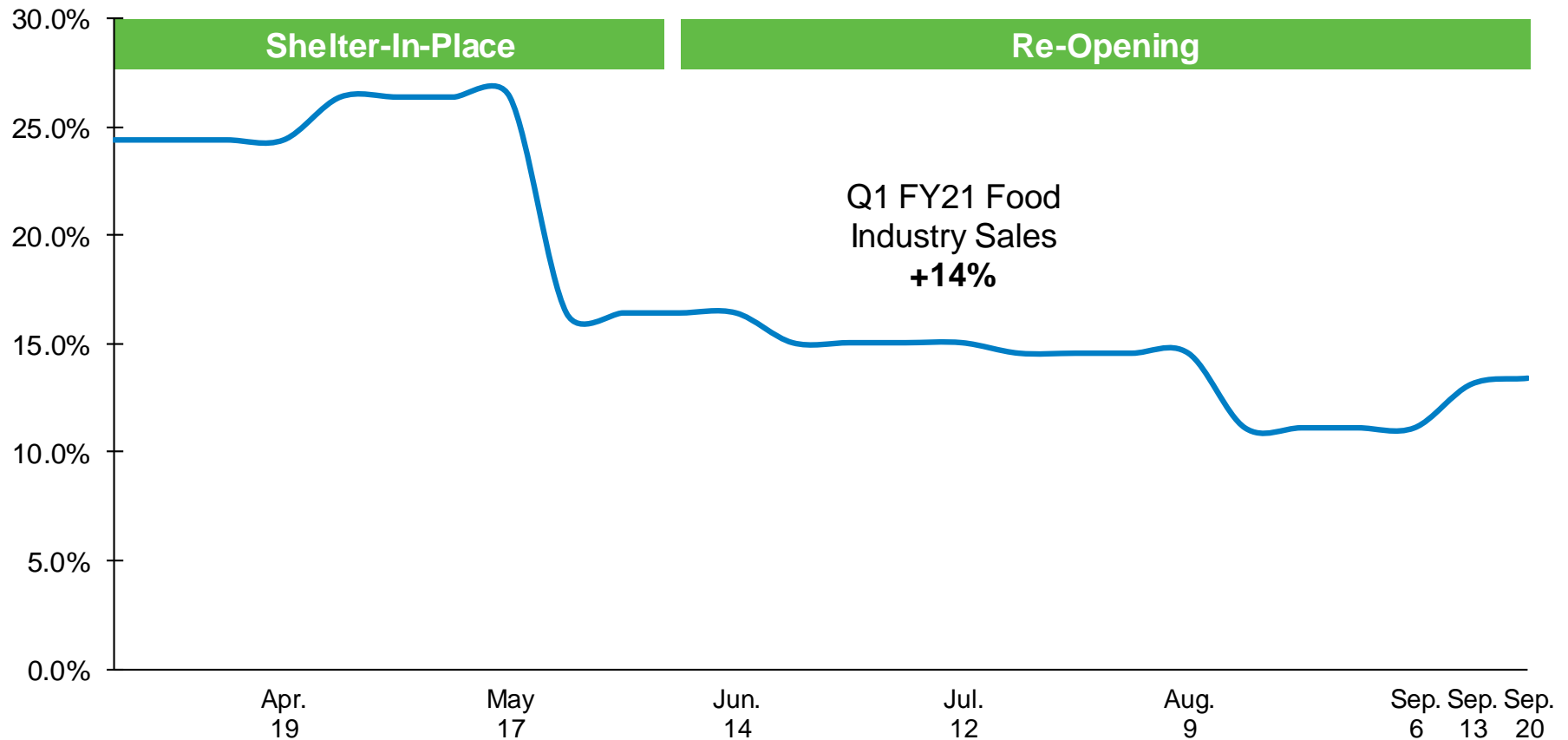
What % of your office employees do you anticipate will work remotely at least one day a week?





At-Home Eating Remains Elevated

Total US MULO+C Edible Dollar Sales (% Change vs. YA)



Source (Line Chart): IRI Syndicated POS, Total US MULO+C, Total Edible (excluding Beverage & Liquor), 4-week periods ended on dates indicated through September 6, 2020, 1-week periods ended September 13, 2020 and September 20, 2020

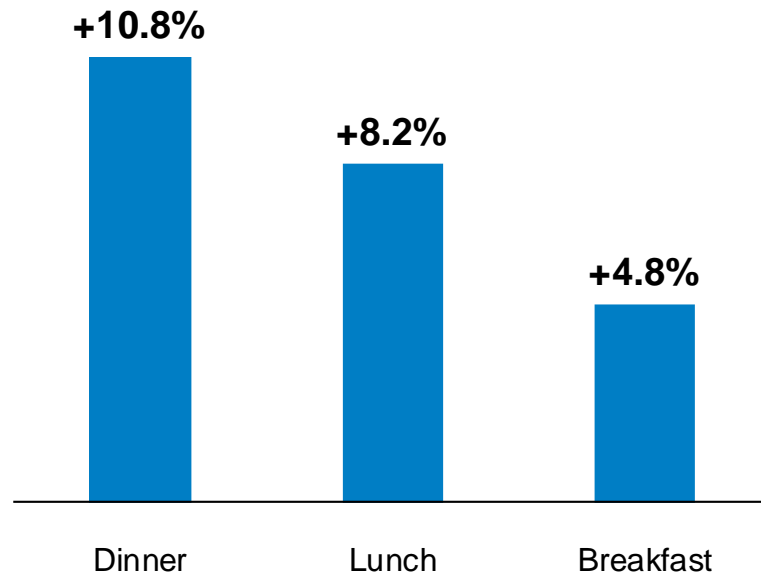
Source (Food Industry Sales): IRI Syndicated POS, Total US MULO+C, Total Edible (excludes Beverage and Liquor), Weekly data for weeks ended June 2007 through August 30, 2020



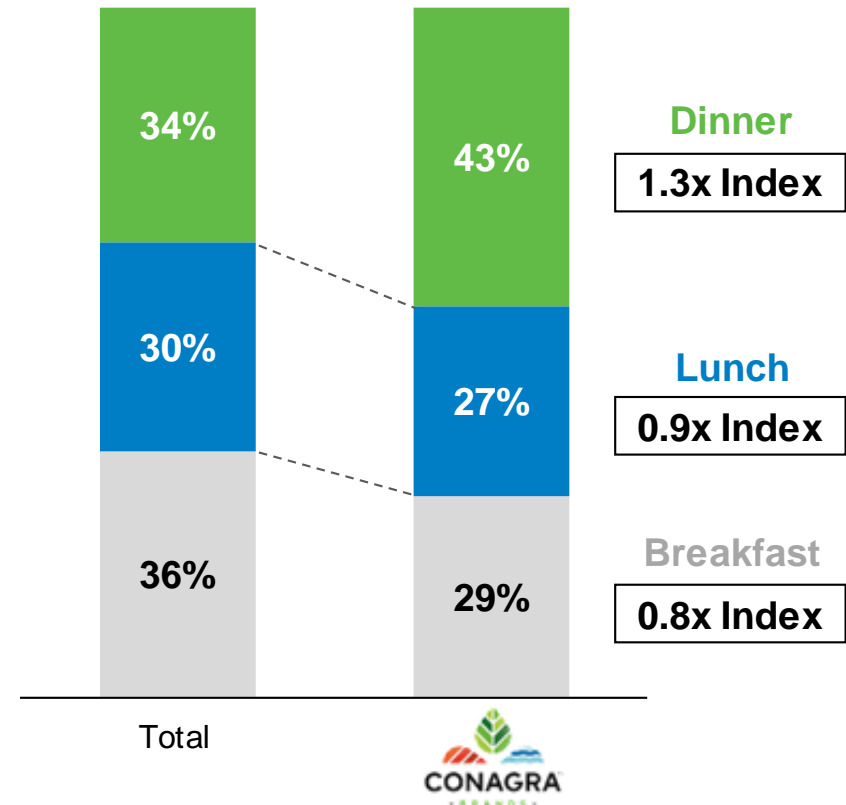
Dinner and Lunch Experiencing Highest Sustained Lifts; Conagra Is Well Developed in Both Occasions

May-July % Change in Occasions Sourced from Home/Retail (2020 vs. 2019)

Total: +5.9% or +6.9 billion meals



% of Main Meal Occasion Sourced from Home/Retail (Conagra vs. Total Occasions)



Source (Left Chart): NPD Group, National Eating Trends(mobile) Monthly Views, May-July 2020 vs. YA, Meals sourced from Home/Retail

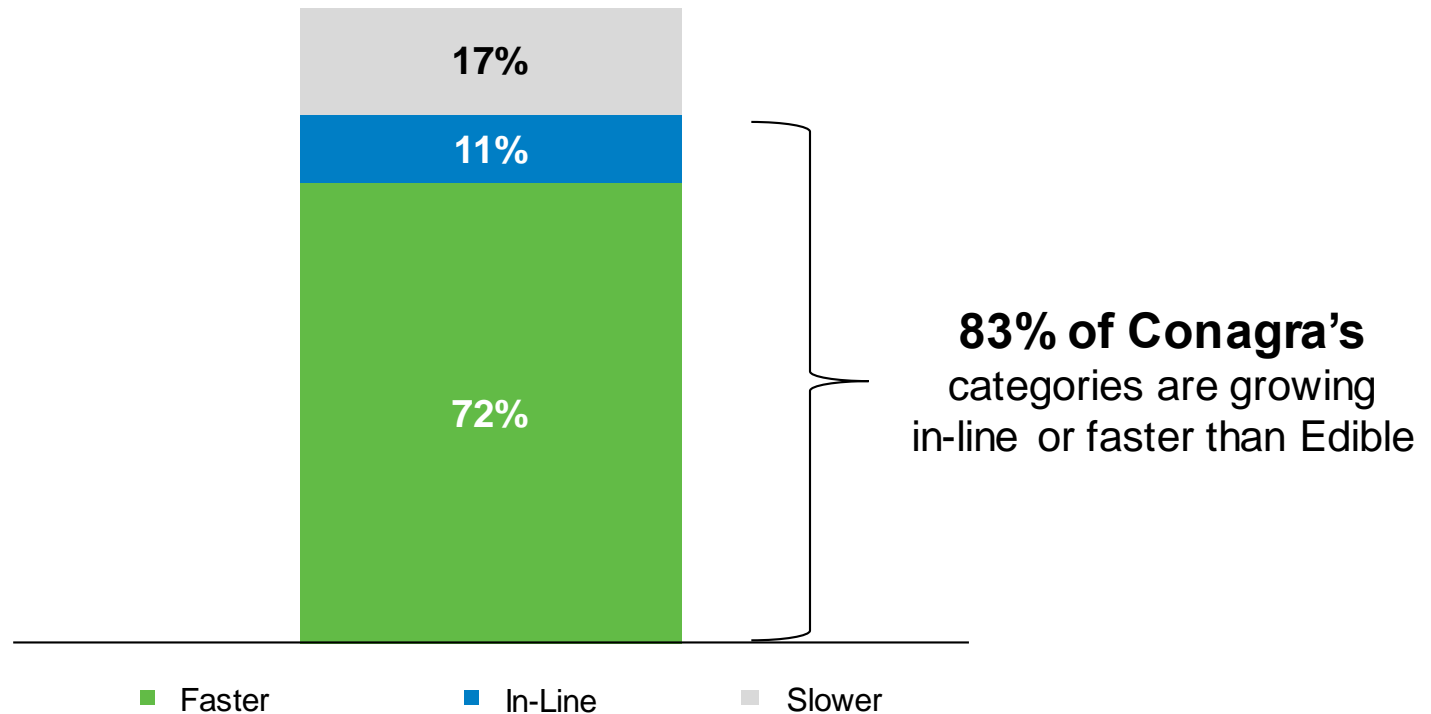
Source (Left Box): The NPD Group, National Eating Trends(mobile) Monthly Views, May-July 2020 vs. 2019, Meals sourced from Home/Retail, projected to U.S. population

Source (Right Chart): The NPD Group / National Eating Trends(mobile); Filtered on sourced from Home/Retail, Data for one year ending June 2020



Our Broad Portfolio Is Uniquely Advantaged in Meeting These Consumer Needs and Occasions

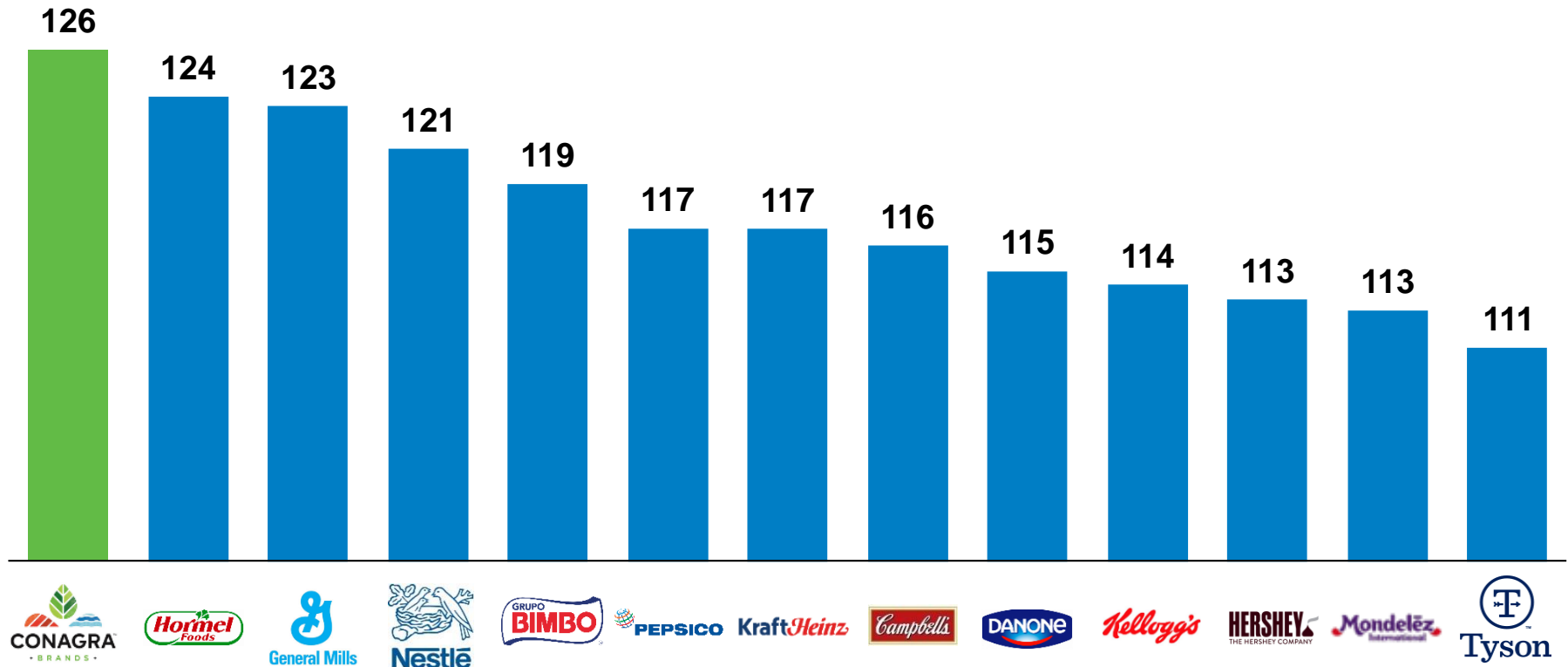
% of Conagra's Categories Growing Faster/In-Line/Slower Than Total Edible (Q1 FY21)





Conagra Has Attracted More New Buyers than Peers

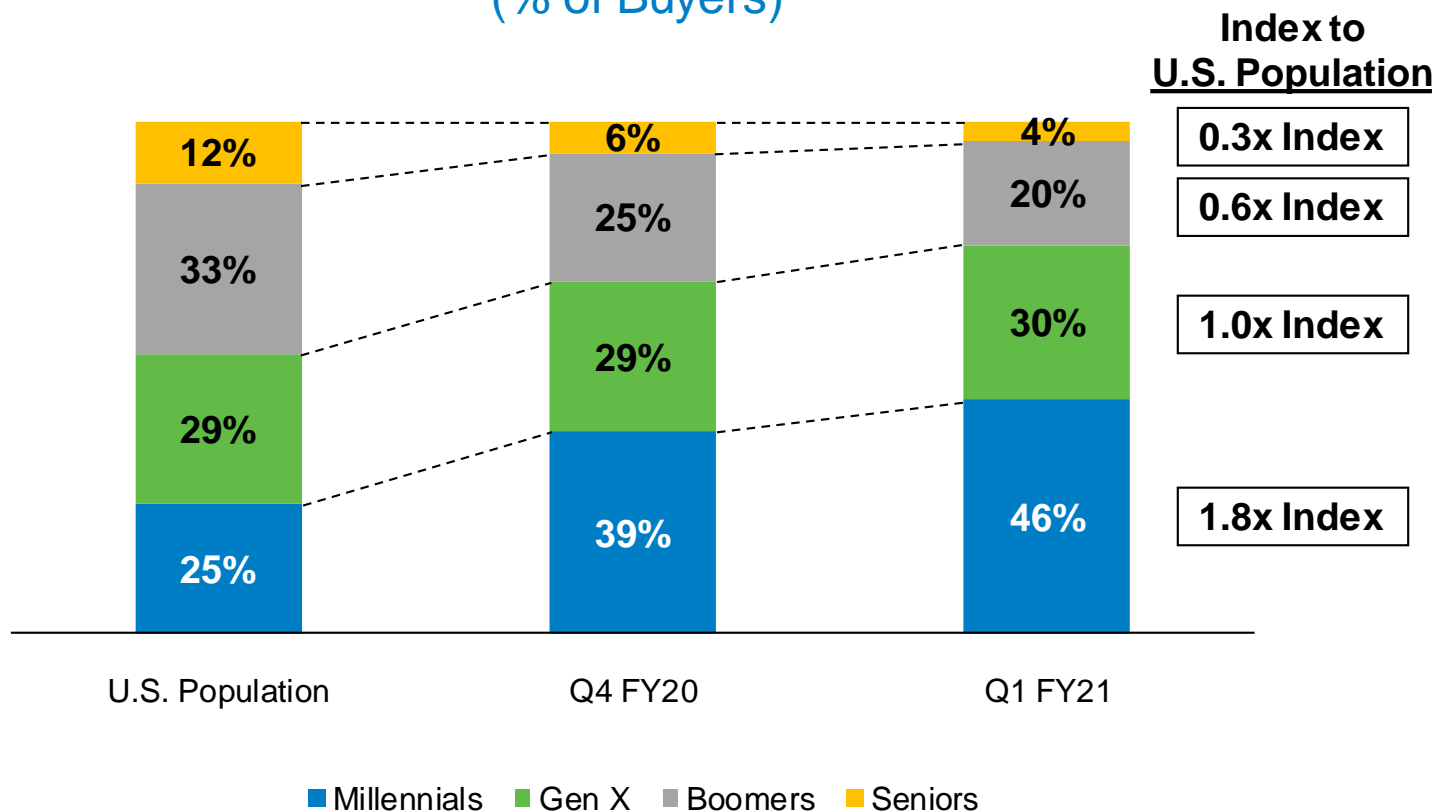
Total New Brand Buyer Index vs. YA
(% of Buyers)





Trial Is High Quality; Millennials Represent an Increasingly Higher Percentage of New Buyers

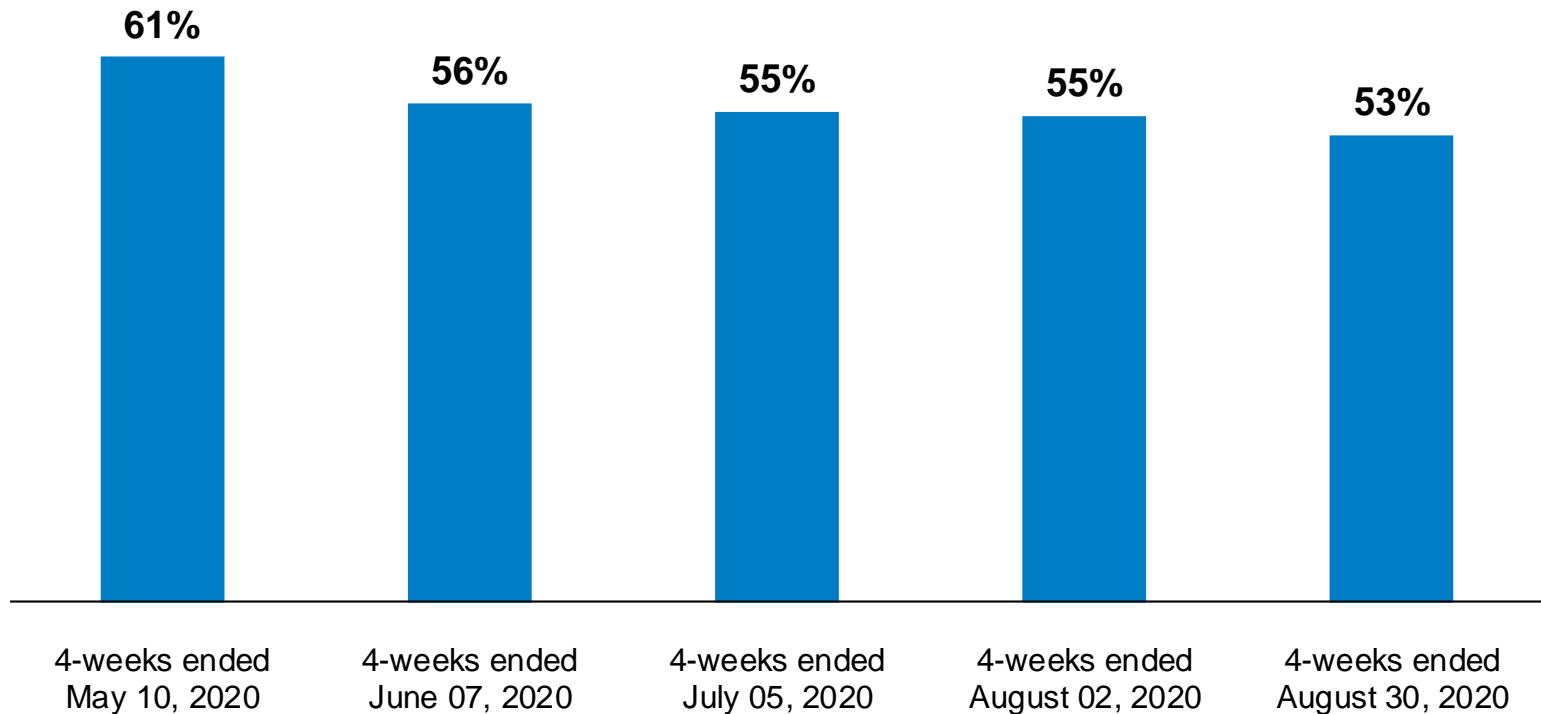
Total Conagra New Buyer Demographic (% of Buyers)





New Buyer Repeat Rates Remained at Elevated Levels

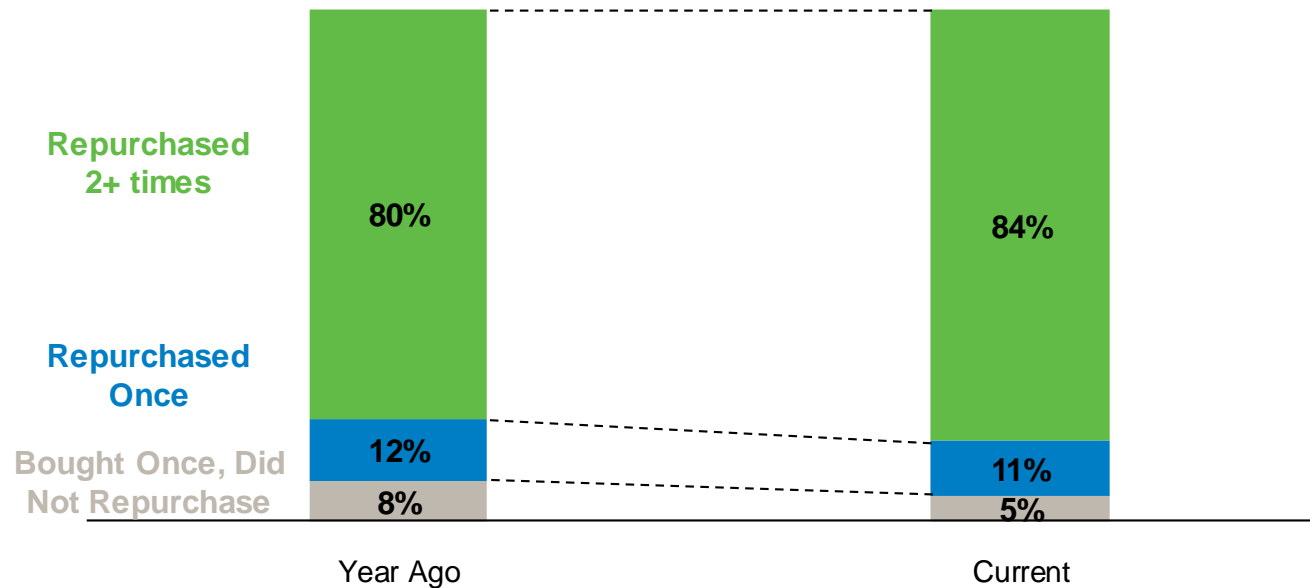
Total Conagra New Trier Repeat Rates for Consumers Whose First Trial Was in March / April (% of New Buyers Who Repeat Purchased)





Depth of Repeat Is Also Growing and Is an Indication of the “Stickiness” of the New Consumer Behavior

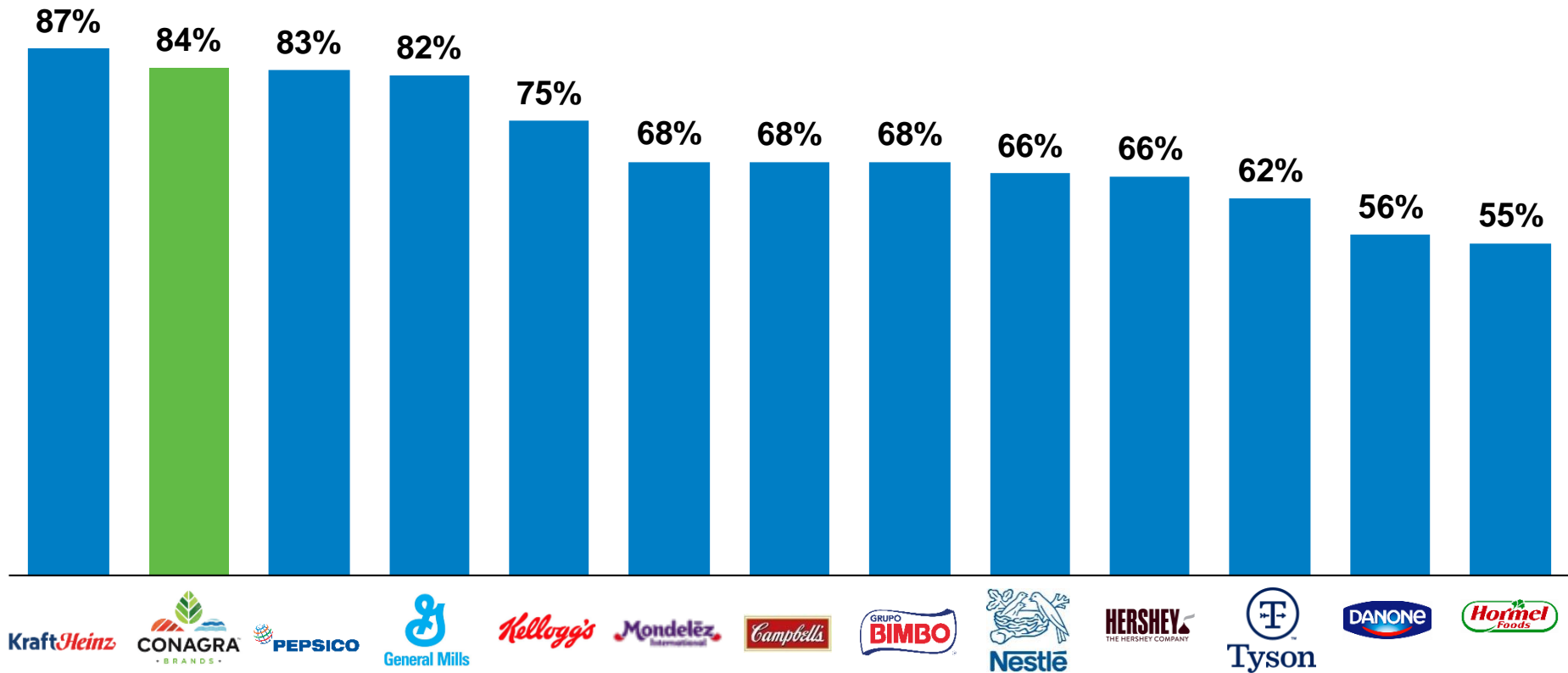
Total Conagra % of Buyers Repeating Purchases (Current and Year Ago)





Conagra is a Leader in Driving Multiple Repeat Purchases

Total Buyers % of Buyers Repeating Purchases (Repurchased 2+ times)



Source : IRI Custom Panel, Total US All Outlets, Repeat in 27-weeks ended August 30, 2020, % of Total Buyers, Total Edible xBeverage



Summary

- Executing the Conagra Way has positioned us to meet the needs of both retailers and consumers
- Elevated at-home eating occasions should persist
- Conagra is well positioned for sustained benefits



Dave Marberger

Executive Vice President and Chief Financial Officer



Performance Summary

Dollars in Millions, except per share data Increase/(Decrease)	Q1	vs. YA
Reported Net Sales	\$2,679	+12.1%
Organic Net Sales ¹	2,691	+15.0%
Adj. Gross Profit	823	+21.7%
Adj. Gross Margin	30.7%	+244 bps
A&P	46	+1.5%
A&P as % of NS	1.7%	(18) bps
Adj. SG&A	237	(7.6)%
Adj. SG&A as % of NS	8.8%	(188) bps
Adj. Op. Profit ²	541	+44.2%
Adj. Op. Margin ²	20.2%	+450 bps
Adj. Net Income	344	+64.2%
Adj. EBITDA ³	647	+34.5%
Adj. Diluted EPS from cont. ops.	\$0.70	+62.8%

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.

1. Organic net sales exclude the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Organic net sales growth excludes the impact of fiscal 2020's 53rd week, which was calculated as one-sixth of our last month's net sales (which included a total of six weeks).

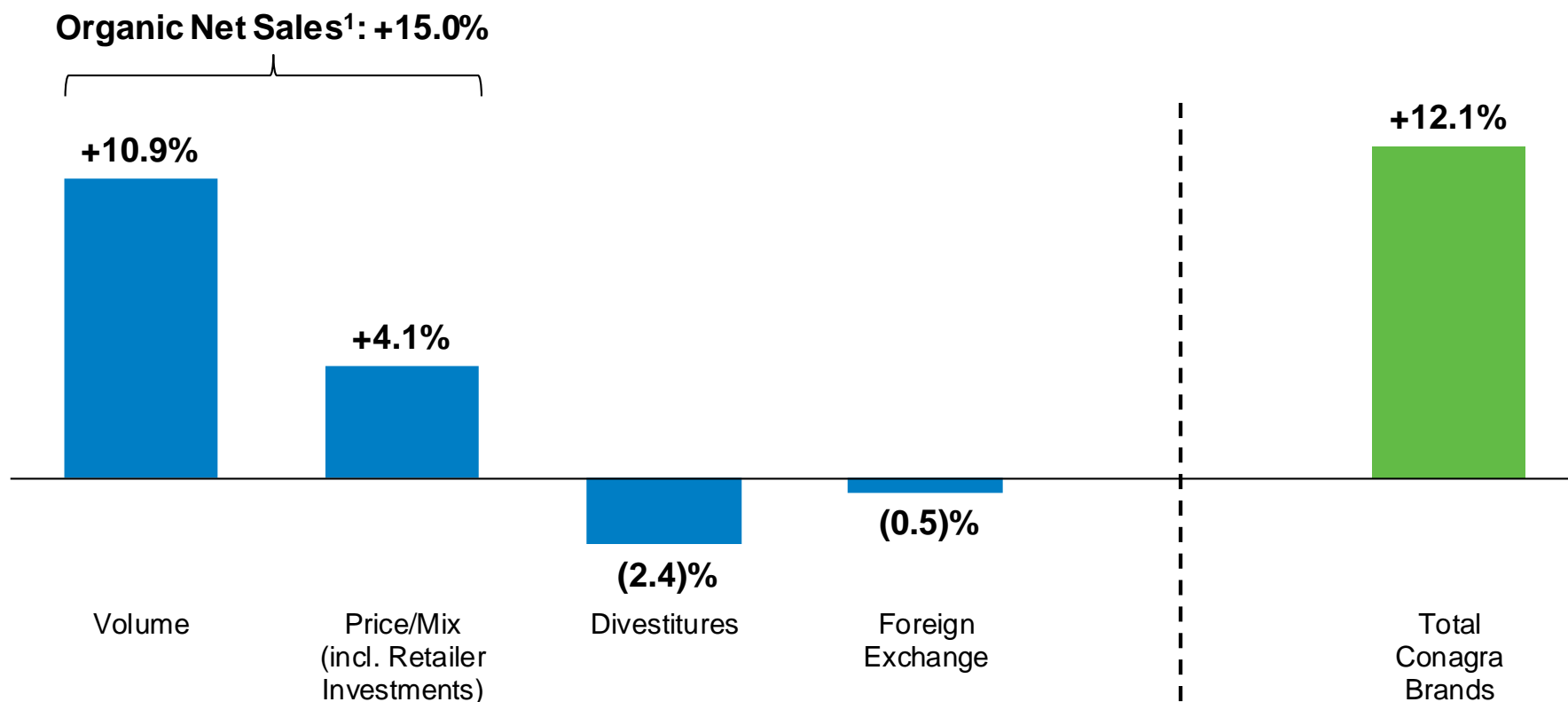
2. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings and pension and postretirement non-service expense (income).

3. Adjusted EBITDA includes equity method investment earnings and pension and postretirement non-service income.



Net Sales Bridge vs. Year Ago

Q1 Drivers of Net Sales Change (% Change vs. YA)



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. Numbers may not add due to rounding. Percentage points may include rounding to bridge the change in reported net sales to the change in organic net sales.

1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Organic net sales excludes the impact of fiscal 2020's 53rd week, which was calculated as one-sixth of our last month's net sales (which included a total of six weeks).



Net Sales Summary by Segment

Dollars in Millions Increase/(Decrease)	Net Sales		
	Q1	Reported vs. YA	Organic vs. YA ¹
Grocery & Snacks	\$1,134	+16.0%	+20.7%
Refrigerated & Frozen	1,131	+17.9%	+19.0%
International	219	+7.2%	+13.1%
Foodservice	195	(21.8)%	(20.3)%
Total Conagra Brands	\$2,679	+12.1%	+15.0%

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. Numbers may not add due to rounding.

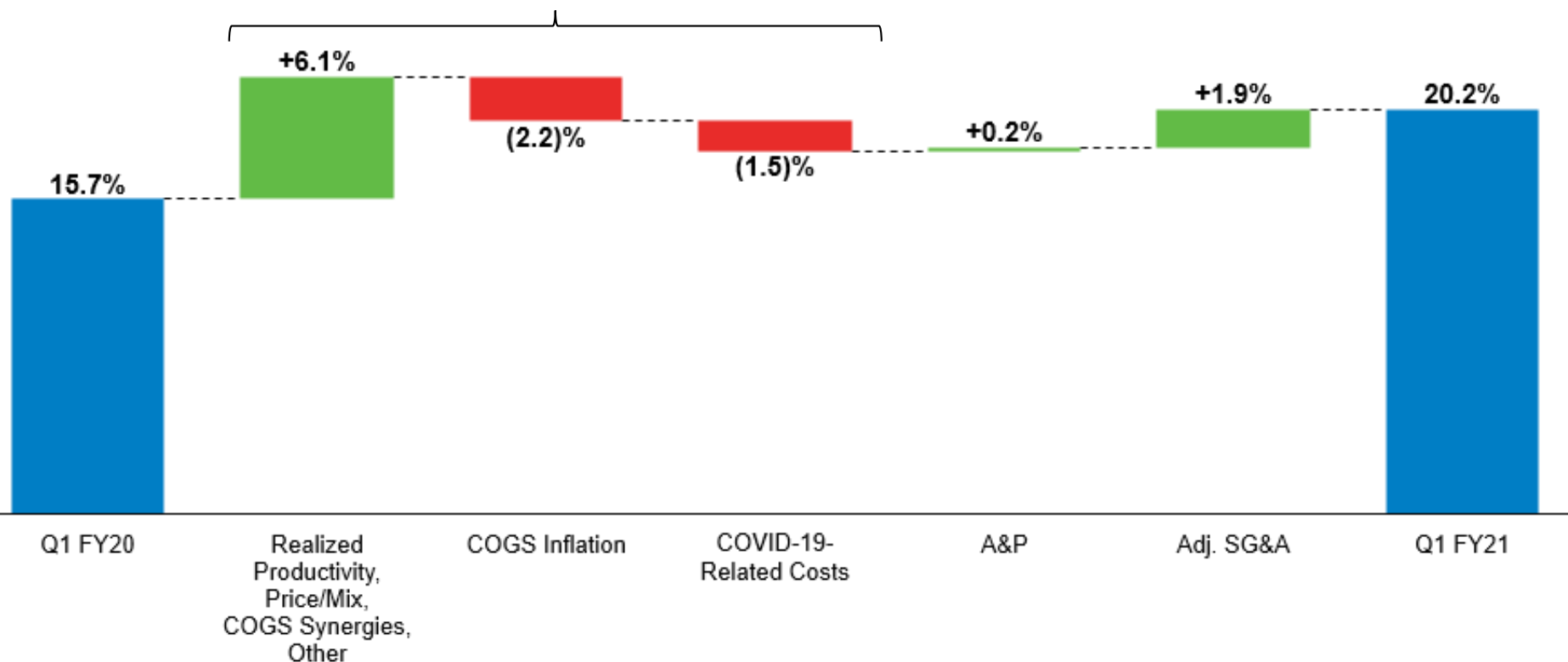
1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Organic net sales excludes the impact of fiscal 2020's 53rd week, which was calculated as one-sixth of our last month's net sales (which included a total of six weeks).



Operating Margin Bridge

Q1 Adj. Operating Margin¹ (% Change vs. YA)

Adj. Gross Margin: +244 bps vs. YA



Note: "Adjusted" financial measures are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures. Numbers may not add due to rounding.

1. Adjusted operating margin excludes equity method investment earnings and pension and postretirement non-service expense (income).



Segment Adjusted Operating Profit & Margin Summary

Dollars in Millions Increase/(Decrease)	Adj. Op. Profit ¹		Adj. Op. Margin ¹	
	Q1	vs. YA	Q1	vs. YA
Grocery & Snacks	\$298	+43.0%	26.2%	+495 bps
Refrigerated & Frozen	246	+42.8%	21.7%	+380 bps
International	38	+47.7%	17.5%	+481 bps
Foodservice	25	(20.0)%	12.8%	+28 bps
Adjusted Corporate Expense	(66)	+5.6%	-	-
Total Conagra Brands	\$541	+44.2%	20.2%	+450 bps

Note: "Adjusted" financial measures are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures. Numbers may not add due to rounding.

1. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings and pension and postretirement non-service expense (income).



Adjusted EPS Bridge

Drivers of Q1 Adjusted Diluted EPS from Continuing Operations vs. YA

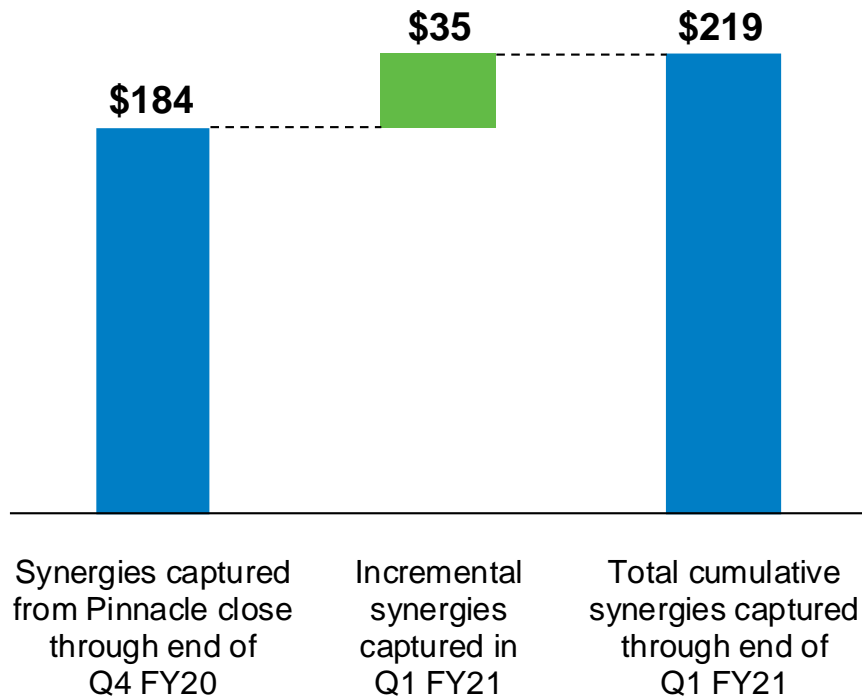


Note: "Adjusted" financial measures are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures; Numbers may not add due to rounding.

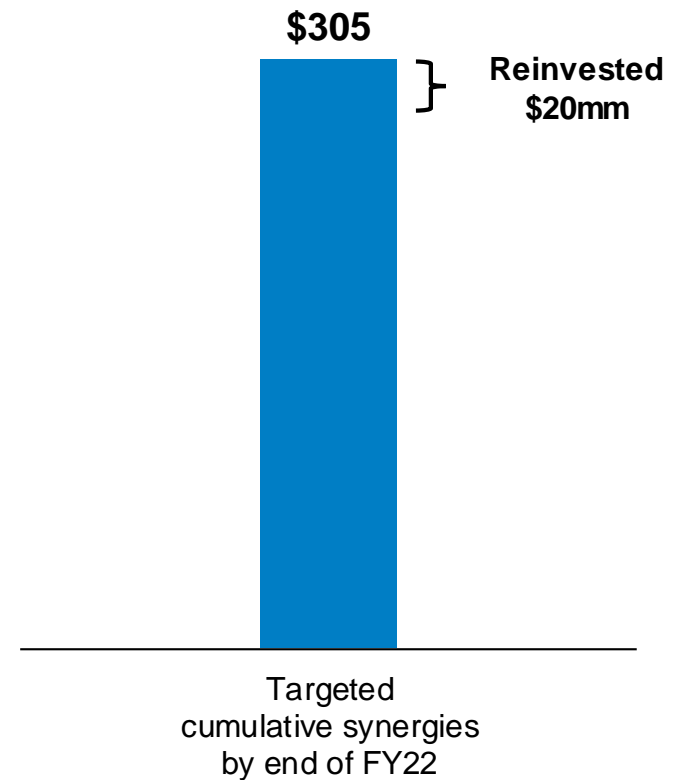
1. Adjusted operating profit excludes equity method investment earnings and pension and postretirement non-service expense (income).

Synergy Capture Remains On Track

Synergies Captured (\$ in Millions)



Total Synergy Target (\$ in Millions)





Key Balance Sheet and Cash Flow Metrics

Net Debt¹ Balances (\$ in millions)



Remain Committed to Leverage Target (Net Leverage Ratio²)



Key Cash Flow Metrics

(Dollars in Millions)	Q1 FY21	vs. YA
Cash Flow from Ops.	\$285	+37.4%
Capital Expenditures	\$146	+36.5%
Free Cash Flow	\$139	+38.4%

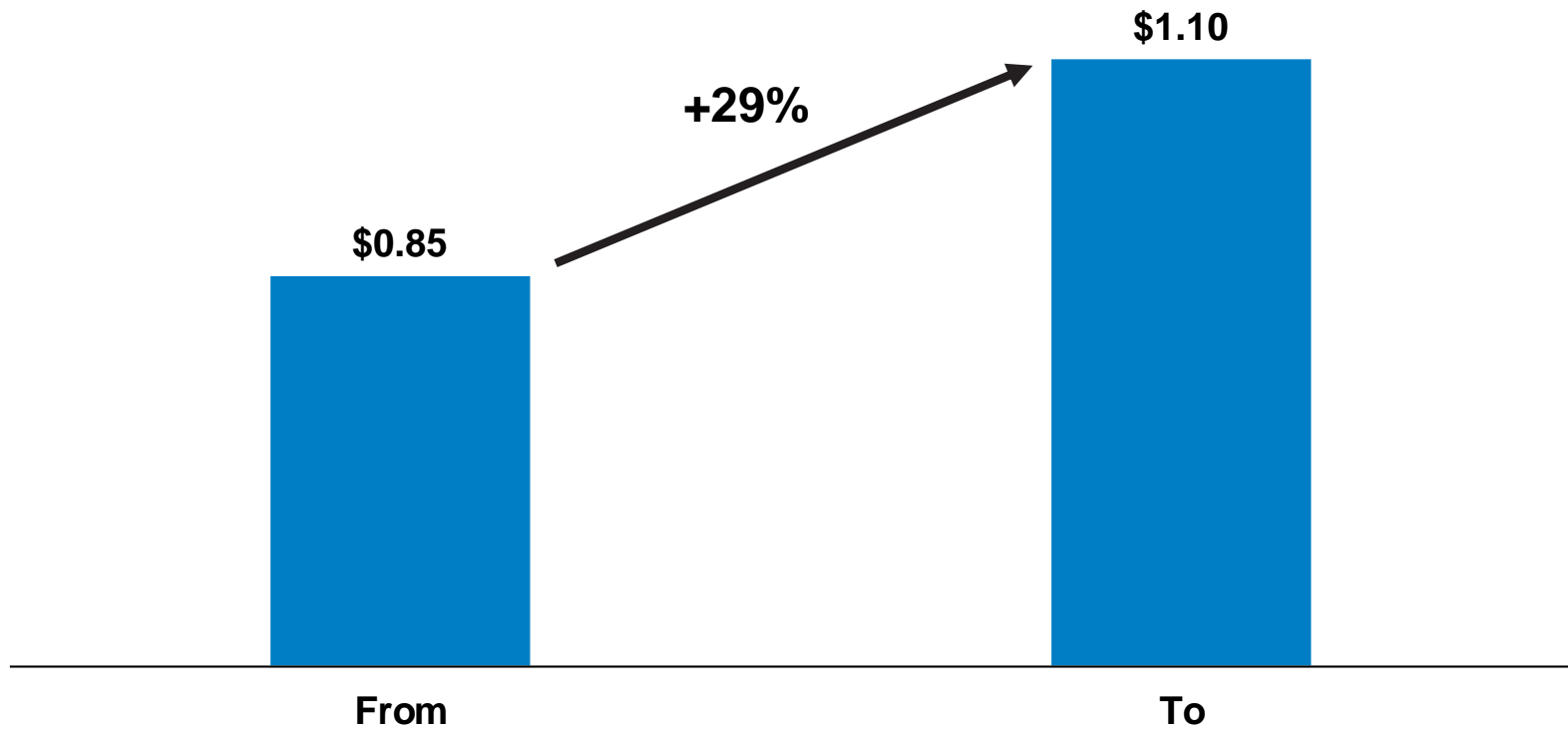
Note: Net debt, and net leverage ratio are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures. The inability to predict the amount and timing of the impacts of future items makes a detailed reconciliation of forward-looking non-GAAP financial measures impracticable.

1. Net Debt is Debt less Cash. Debt is the sum of notes payable, current installments of long-term debt, senior long-term debt, and subordinated debt.

2. Net leverage ratio is net debt divided by adjusted EBITDA for the trailing four quarters

Dividend Increase

Annualized Dividend per Share





Outlook^{1,2}

Metric	Fiscal 2021 Q2 Guidance ¹
Organic Net Sales ³ Growth	+6.0% to +8.0%
Adj. Operating Margin ⁴	18.0% to 18.5%
Adj. Diluted EPS from cont. ops.	\$0.70 to \$0.74

Expect to achieve leverage ratio target of 3.5x to 3.6x by Q3 FY21

Metric	Fiscal 2022 Target ¹
Organic Net Sales ³ Growth (3 YR CAGR ending FY22)	+1% to +2% (no change)
Adj. Operating Margin ⁴	18% to 19% (no change)
Adj. Diluted EPS from cont. ops.	\$2.66 to \$2.76 (no change)
Free Cash Flow Conversion (% of Adj. Net Income; 3 YR avg. ending FY22)	95%+ (no change)

1. The inability to predict the amount and timing of the impacts 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.
3. Organic net sales excludes the impact of foreign exchange and divested businesses, acquisitions (until the anniversary date of the acquisitions), as well as the impact of any 53rd week.
4. Adjusted operating margin excludes equity method investment earnings and pension and postretirement non-service expense (income).



Q&A



Appendix



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (in millions)

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Q1 FY21					
Net Sales	\$ 1,134.2	\$ 1,130.6	\$ 219.0	\$ 195.1	\$ 2,678.9
Impact of foreign exchange	—	—	12.1	—	12.1
Organic Net Sales	\$ 1,134.2	\$ 1,130.6	\$ 231.1	\$ 195.1	\$ 2,691.0
Year-over-year change - Net Sales	16.0%	17.9%	7.2%	(21.8)%	12.1%
Impact of foreign exchange (pp)	—	—	5.9	—	0.5
Net sales from divested businesses (pp)	4.7	1.1	—	1.5	2.4
Organic Net Sales	20.7%	19.0%	13.1%	(20.3)%	15.0%
Volume (Organic)	17.2%	12.8%	10.5%	(24.2)%	10.9%
Price/Mix	3.5%	6.2%	2.6%	3.9%	4.1%
Q1 FY20					
Net Sales	\$ 977.6	\$ 959.1	\$ 204.4	\$ 249.6	\$ 2,390.7
Net sales from divested businesses	(37.8)	(9.1)	—	(4.7)	(51.6)
Organic Net Sales	\$ 939.8	\$ 950.0	\$ 204.4	\$ 244.9	\$ 2,339.1



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (in millions)

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Q1 FY21						
Operating Profit	\$ 283.6	\$ 240.1	\$ 38.5	\$ 24.9	\$ (77.2)	\$ 509.9
Restructuring plans	13.9	5.7	(0.1)	—	6.4	25.9
Acquisitions and divestitures	—	—	—	—	2.7	2.7
Consulting fees on tax matters	—	—	—	—	1.5	1.5
Legal matters	—	—	—	—	(2.0)	(2.0)
Corporate hedging derivative losses (gains)	—	—	—	—	2.5	2.5
Adjusted Operating Profit	\$ 297.5	\$ 245.8	\$ 38.4	\$ 24.9	\$ (66.1)	\$ 540.5
Operating Profit Margin	25.0%	21.2%	17.6%	12.8%		19.0%
Adjusted Operating Profit Margin	26.2%	21.7%	17.5%	12.8%		20.2%
Year-over-year % change - Operating Profit	86.9%	54.3%	55.5%	(20.0)%	(22.5)%	93.4%
Year-over-year % change - Adjusted Operating Profit	43.0%	42.8%	47.7%	(20.0)%	5.6%	44.2%
Year-over-year bps change - Adjusted Operating Profit	495bps	380bps	481bps	28bps		450bps
Q1 FY20						
Operating Profit	\$ 151.7	\$ 155.6	\$ 24.8	\$ 31.1	\$ (99.5)	\$ 263.7
Restructuring plans	19.1	0.6	1.2	—	28.6	49.5
Acquisitions and divestitures	0.7	—	—	—	1.2	1.9
Impairment on business held for sale	31.4	—	—	—	—	31.4
Brand impairment charges	3.5	15.8	—	—	—	19.3
Loss on divestiture of businesses	1.7	—	—	—	—	1.7
Corporate hedging derivative losses (gains)	—	—	—	—	7.2	7.2
Adjusted Operating Profit	\$ 208.1	\$ 172.0	\$ 26.0	\$ 31.1	\$ (62.5)	\$ 374.7
Operating Profit Margin	15.5%	16.2%	12.1%	12.5%		11.0%
Adjusted Operating Profit Margin	21.3%	17.9%	12.7%	12.5%		15.7%



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (in millions)

Q1 FY21	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	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	\$ 810.2	\$ 300.3	\$ 509.9	\$ 410.0	\$ 86.7	20.8 %	\$ 329.0	\$ 0.67
<i>% of Net Sales</i>	<i>30.2 %</i>	<i>11.2 %</i>	<i>19.0 %</i>					
Restructuring plans	10.4	15.5	25.9	25.9	6.4		19.5	0.04
Acquisitions and divestitures	—	2.7	2.7	2.7	0.7		2.0	—
Corporate hedging derivative losses (gains)	2.5	—	2.5	2.5	0.6		1.9	—
Advertising and promotion expenses ²	—	45.9	—	—	—		—	—
Consulting fees on tax matters	—	1.5	1.5	1.5	0.4		1.1	—
Legal matters	—	(2.0)	(2.0)	(2.0)	(0.5)		(1.5)	—
Unusual tax items	—	—	—	—	7.6		(7.6)	(0.02)
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 823.1	\$ 236.7	\$ 540.5	\$ 440.6	\$ 101.9	22.8 %	\$ 344.4	\$ 0.70
<i>% of Net Sales</i>	<i>30.7 %</i>	<i>8.8 %</i>	<i>20.2 %</i>					
<i>Year-over-year % of net sales change - reported</i>	<i>245 bps</i>	<i>(555) bps</i>	<i>800 bps</i>					
<i>Year-over-year % of net sales change - adjusted</i>	<i>244 bps</i>	<i>(188) bps</i>	<i>450 bps</i>					
<i>Year-over-year change - reported</i>	<i>21.9 %</i>	<i>(25.1) %</i>	<i>93.4 %</i>	<i>172.4 %</i>	<i>N/A</i>		<i>89.4 %</i>	<i>86.1 %</i>
<i>Year-over-year change - adjusted</i>	<i>21.7 %</i>	<i>(7.6) %</i>	<i>44.2 %</i>	<i>68.1 %</i>	<i>73.4 %</i>		<i>64.2 %</i>	<i>62.8 %</i>

- Operating profit is derived from taking Income from continuing operations before income taxes and equity method investment earnings, adding back Interest expense, net and removing Pension and postretirement non-service income.
- 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 Non-GAAP Financial Measures to Reported Financial Measures (in millions)

Q1 FY20	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	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	\$ 664.5	\$ 400.8	\$ 263.7	\$ 150.5	\$ (11.5)	(7.0)%	\$ 173.8	\$ 0.36
<i>% of Net Sales</i>	<i>27.8 %</i>	<i>16.8 %</i>	<i>11.0 %</i>					
Restructuring plans	4.5	45.0	49.5	50.1	11.5		38.6	0.08
Acquisitions and divestitures	—	1.9	1.9	1.9	0.5		1.4	—
Corporate hedging derivative losses (gains)	7.2	—	7.2	7.2	1.8		5.4	0.01
Advertising and promotion expenses ²	—	45.3	—	—	—		—	—
Gain on Ardent JV asset sale	—	—	—	—	(1.3)		(4.1)	(0.01)
Impairment of a business held for sale	—	31.4	31.4	31.4	1.8		29.6	0.06
Brand impairment charges	—	19.3	19.3	19.3	4.5		14.8	0.03
Loss on divestiture of businesses	—	1.7	1.7	1.7	0.4		1.3	—
Unusual tax items	—	—	—	—	51.0		(51.0)	(0.10)
Adjusted	\$ 676.2	\$ 256.2	\$ 374.7	\$ 262.1	\$ 58.7	21.8 %	\$ 209.8	\$ 0.43
<i>% of Net Sales</i>	<i>28.3 %</i>	<i>10.7 %</i>	<i>15.7 %</i>					

- Operating profit is derived from taking Income from continuing operations before income taxes and equity method investment earnings, adding back Interest expense, net and removing Pension and postretirement non-service income.
- 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 Non-GAAP Financial Measures to Reported Financial Measures (in millions)

	Q1 FY21	Q1 FY20	% Change
Equity method investment earnings	\$ 6.5	\$ 12.3	(46.8)%
Gain on Ardent JV asset sale	—	(5.4)	
Adjusted equity method investment earnings	\$ 6.5	\$ 6.9	(4.5)%

	Q1 FY21	Q1 FY20	% Change
Pension and postretirement non-service income	\$ (13.8)	\$ (9.5)	45.9%
Restructuring plans	—	(0.6)	
Adjusted pension and postretirement non-service income	\$ (13.8)	\$ (10.1)	37.1%

	Q2 FY19	Q4 FY19	Q4 FY20	Q1 FY21
Notes payable	\$ 0.9	\$ 1.0	\$ 1.1	\$ 0.6
Current installments of long-term debt	17.2	20.6	845.5	718.6
Senior long-term debt, excluding current installments	11,349.5	10,459.8	8,900.8	8,897.6
Subordinated debt	195.9	195.9	—	—
Total Debt	\$ 11,563.5	\$ 10,677.3	\$ 9,747.4	\$ 9,616.8
Less: Cash	442.3	236.6	553.3	438.2
Net Debt	\$ 11,121.2	\$ 10,440.7	\$ 9,194.1	\$ 9,178.6

	August 30, 2020	August 25, 2019	% Change
Net cash flows from operating activities	\$ 284.5	\$ 207.0	37.4 %
Additions to property, plant and equipment	(145.5)	(106.6)	36.5 %
Free cash flow	\$ 139.0	\$ 100.4	38.4 %



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (in millions)

	Q1 FY21	Q1 FY20	% Change
Net income attributable to Conagra Brands, Inc.	\$ 329.0	\$ 173.8	89.4%
Add Back: Income tax expense	86.7	(11.5)	
Income tax expense attributable to noncontrolling interests	(0.3)	(0.2)	
Interest expense, net	113.7	122.7	
Depreciation	80.3	81.7	
Amortization	14.9	15.0	
Earnings before interest, taxes, depreciation, and amortization	\$ 624.3	\$ 381.5	63.7%
Restructuring plans ¹	18.3	43.8	
Acquisitions and divestitures	2.7	1.9	
Corporate hedging derivative losses (gains)	2.5	7.2	
Tax planning consulting fees	1.5	—	
Brand impairment charges	—	19.3	
Loss on divestiture of businesses	—	1.7	
Impairment of a business held for sale	—	31.4	
Legal matters	(2.0)	—	
Gain on Ardent JV asset sale	—	(5.4)	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 647.3	\$ 481.4	34.5%

1. Excludes comparability items related to depreciation.



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (in millions)

	Q1 FY21 LTM ²
Net Debt	\$ 9,178.6
Net income attributable to Conagra Brands, Inc.	\$ 995.3
Add Back: Income tax expense	299.5
Income tax expense attributable to noncontrolling interests	(1.0)
Interest expense, net	478.1
Depreciation	327.7
Amortization	59.7
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 2,159.3
Restructuring plans ¹	81.0
Acquisitions and divestitures	6.1
Corporate hedging derivative losses	0.8
Consulting fees on tax matters	1.5
Pension settlement and valuation adjustment	42.9
Impairment of a business held for sale	27.6
Legal matters	1.5
Environmental matters	6.6
Contract settlement gain	(11.9)
Brand impairment charges	146.2
Gain on Ardent JV asset sale	1.3
Adjusted EBITDA	\$ 2,462.9
Net Debt to Adjusted LTM EBITDA	3.7

1. Excludes comparability items related to depreciation.

2. Last twelve months



CONAGRATM

• B R A N D S •

