



FY21 Q3 Earnings Presentation

April 8, 2021

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 coronavirus (COVID-19) pandemic on our business, suppliers, consumers, customers and employees; risks related to our forecasts of consumer eat-at-home habits as the impacts of the COVID-19 pandemic abate; 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 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 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 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, free cash flow, net debt, 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.



Sean Connolly

President and Chief Executive Officer

Key Messages



- Continued strength in Q3
- Continued to invest to further strengthen the business
- Increased evidence in post-COVID-19 stickiness of demand and market share gains
- Leverage target achieved ahead of schedule, afforded opportunistic ~\$300 million of our common stock in Q3 and ongoing flexibility to deploy additional capital for long-term value creation
- Multiple levers to manage impact of accelerating inflation
- Reaffirming fiscal 2022 guidance

Continued Strong Execution From the Supply Chain



Agenda



Business Update



Looking Ahead

Strong Q3 Results

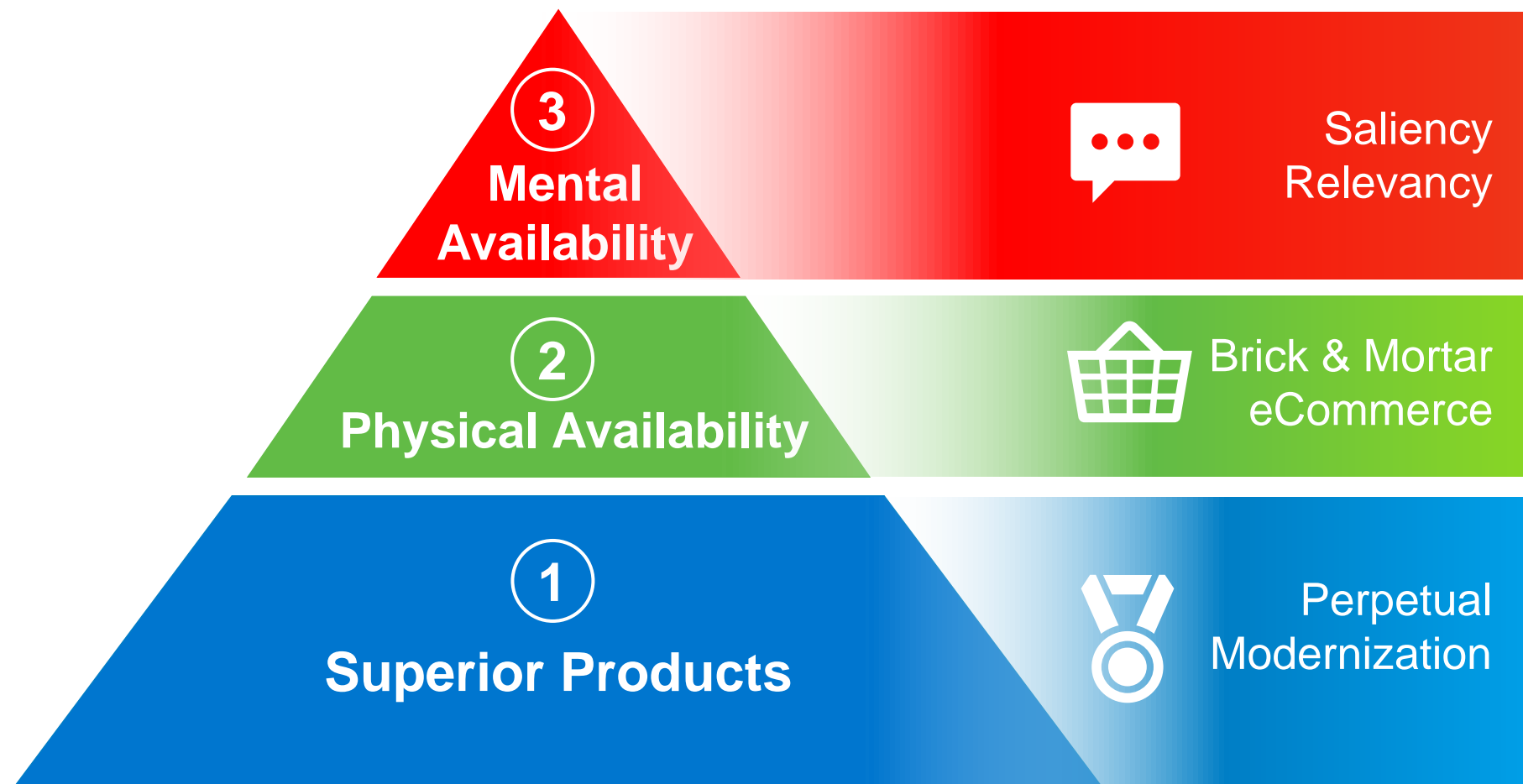


	Q3 Guidance	Q3
Organic Net Sales ¹ Growth	+6% to +8%	+9.7%
Adj. Op. Margin ²	16.0% to 16.5%	16.0%
Adj. Diluted EPS from cont. ops.	\$0.56 to \$0.60	\$0.59

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

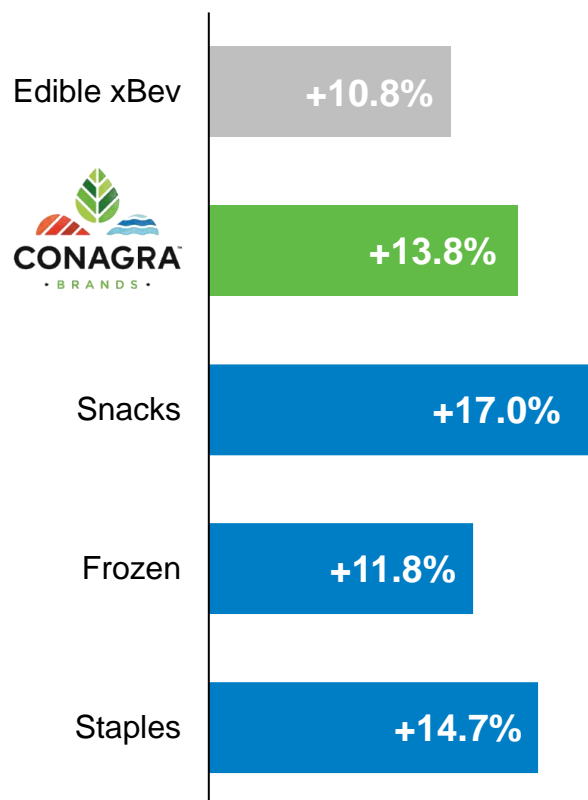
We Continued to Execute Our Conagra Playbook in Q3



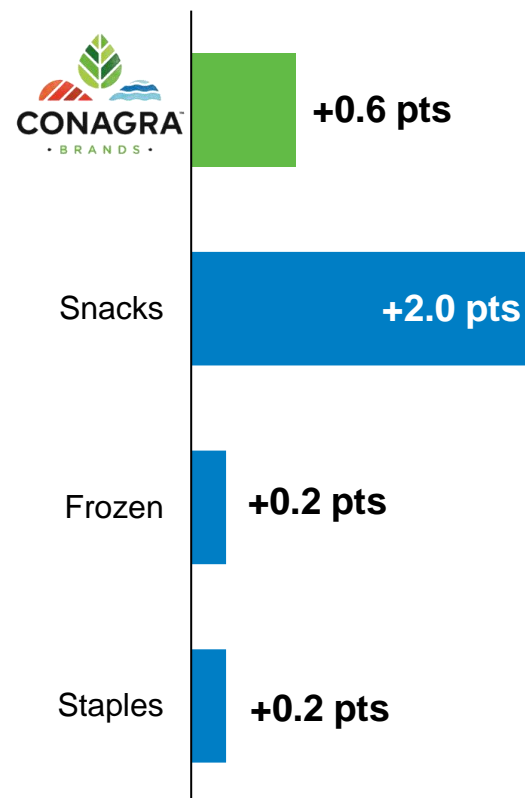
Strong, Broad-Based Growth and Share Gains...



Q3 Retail Sales (% Change vs. YA)



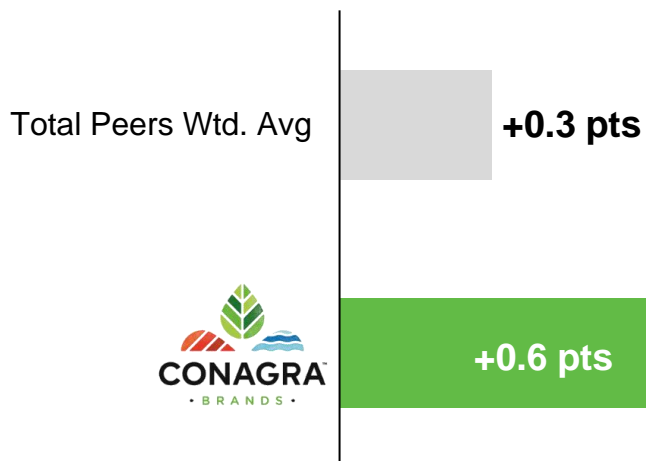
Q3 Weighted Dollar Share (Change vs. Q2 FY21)



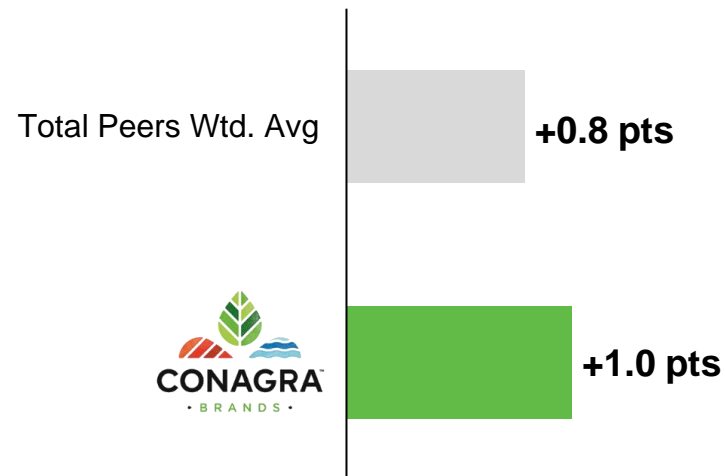
...Fueled by Superior Penetration and Repeat Rate



Q3 Household Penetration (Pt Change vs. YA)



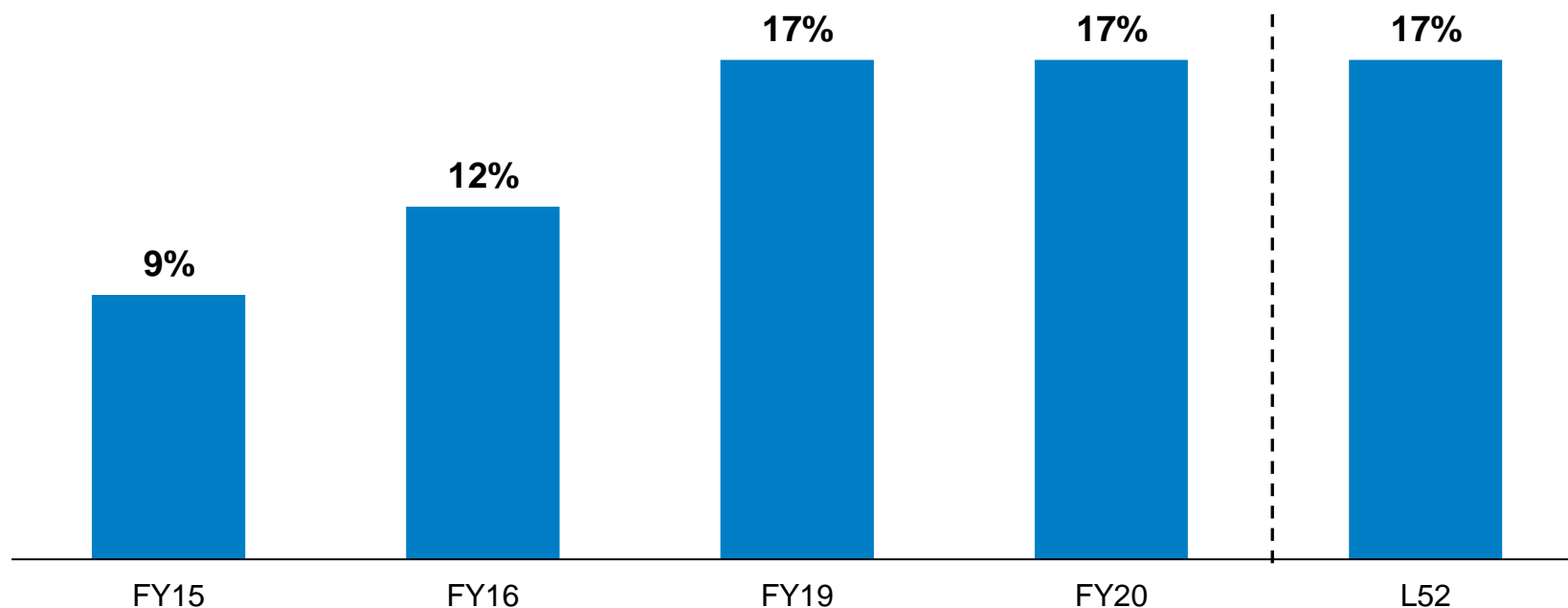
Q3 Repeat Rate (Pt Change vs. YA)



Innovation Momentum Continued in Q3



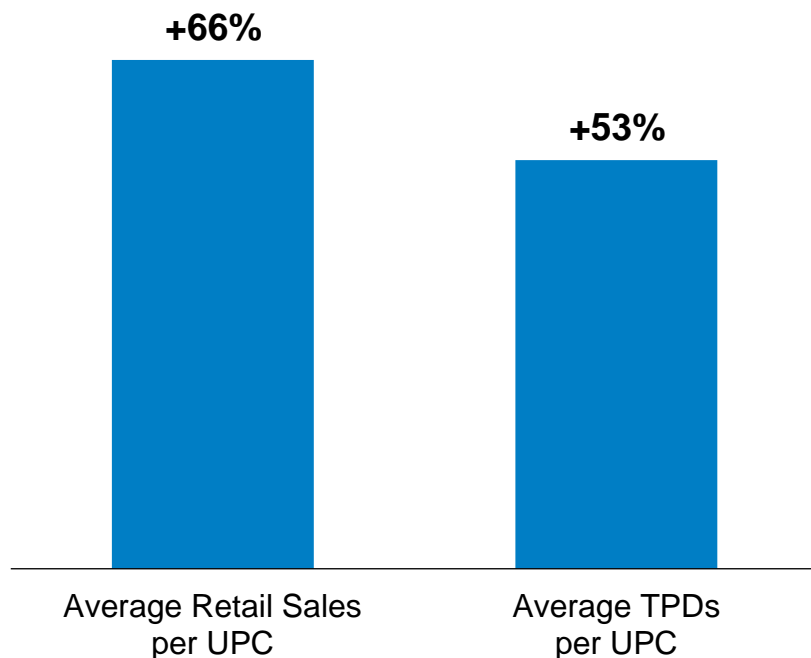
% of Annual Retail Sales from Innovation (Total Conagra Brands, Rolling 3 Years)



Innovation Continued to Be a Key Growth Driver



Innovation Launched and Sold in Q1-Q3 FY21 vs. Innovation Launched and Sold in Q1-Q3 FY20¹



#1 New Item in Hot Cocoa²



#1 Velocity Branded New Item in Frozen Vegetables²



Birds Eye has the Top 4 Branded Frozen Vegetable New Items in Grocery²

Packaging under development, subject to change.

1. Source: IRI Market Advantage Syndicated Data, MULO+C, Conagra Innovation = UPCs with zero dollar sales YA

2. Source: IRI Market Advantage Syndicated Data, MULO, Last 13 weeks ended February 28, 2021, Based on Dollar Sales

Note: UPC stands for Universal Product Code, TPD stands for Total Points of Distribution

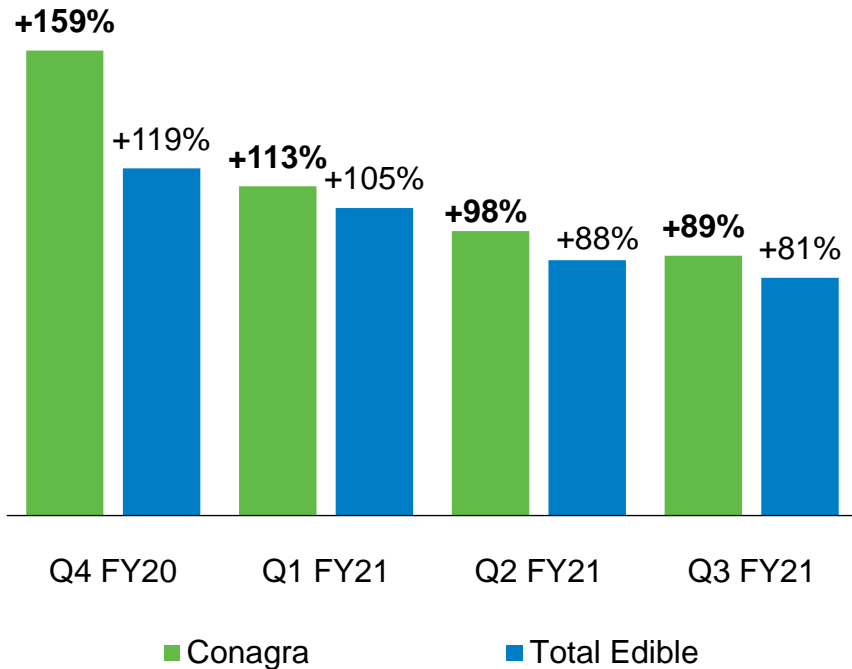
With Strong FY22 Customer Acceptance



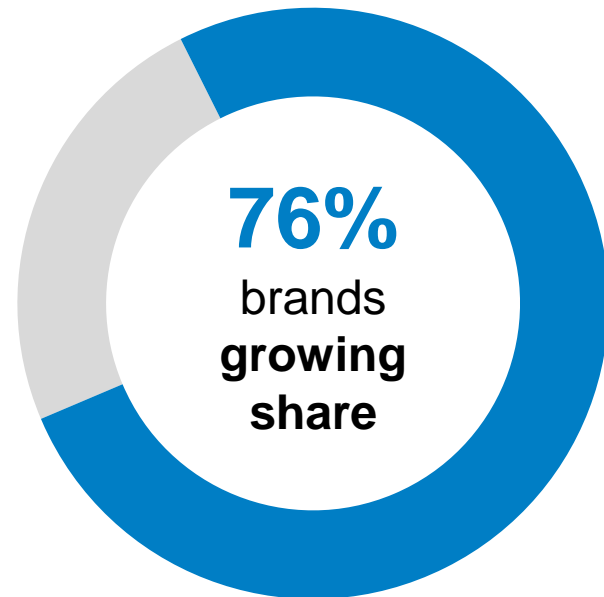
eCommerce Marketing Investments Continued to Yield Results



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



% of Conagra's Sales Growing Share in eCommerce
(Latest 52 Weeks)



Note: only ~84% of Conagra eCommerce brand sales measured; Latest weeks subject to change due to data stability;
Source (Left): Source: IRI eMarket Insights, Total Conagra vs. Total Edible xBeverage xProducts Where Parent Company Is Unknown, Total eCommerce RMA; Data ended February 28, 2021.
Source (Right): IRI eMarket Insights, Conagra Brands, Total eCommerce RMA xProducts Where Parent Company Is Unknown and XMLK FLAVORING/COCOA MIXES; Latest 52 Weeks Ended February 28, 2021; % of dollar sales for brands where Conagra is growing share in eCommerce channel.

eCommerce Shoppers Offer Superior Lifetime Value



eCommerce Grocery Shopping Behavior Leads to:

Engagement With Younger Consumers

Share of **Millennial households** who shop online is

>2x

those who shop in-store

Strong Habit Formation

50%

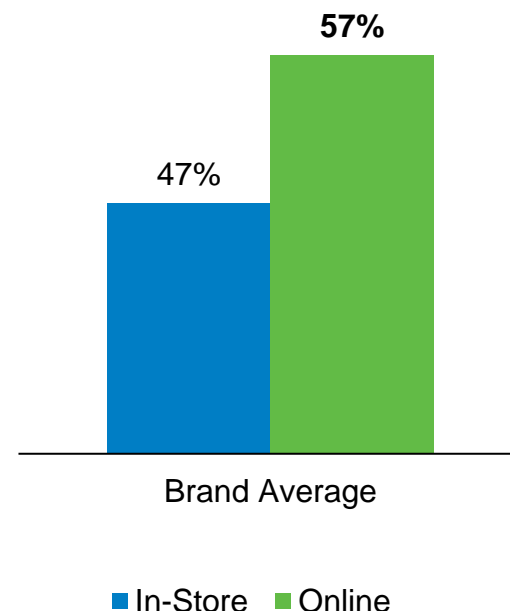
of new eCommerce shoppers **continue to buy online**

~20%

become **heavy users**

Higher Brand Loyalty

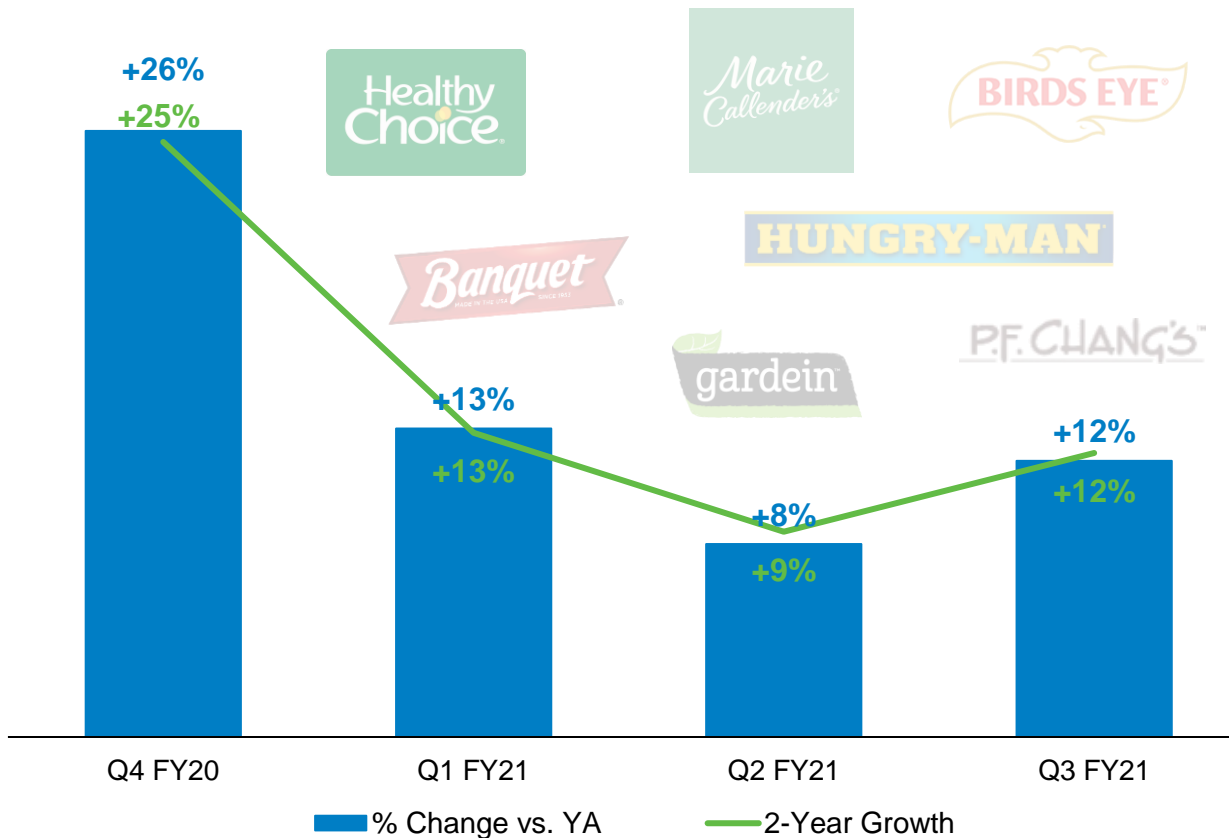
Brand Share of Wallet In-Store vs. Online
(2x+ Purchases)



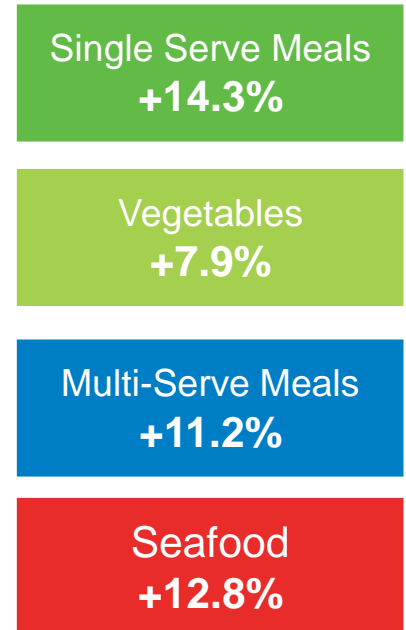
Frozen Growth Accelerated on Both a 1-year and 2-year Basis



Conagra Frozen Retail Sales (% Change vs. YA)



Conagra Frozen Retail Sales (Q3, % Change vs. YA)

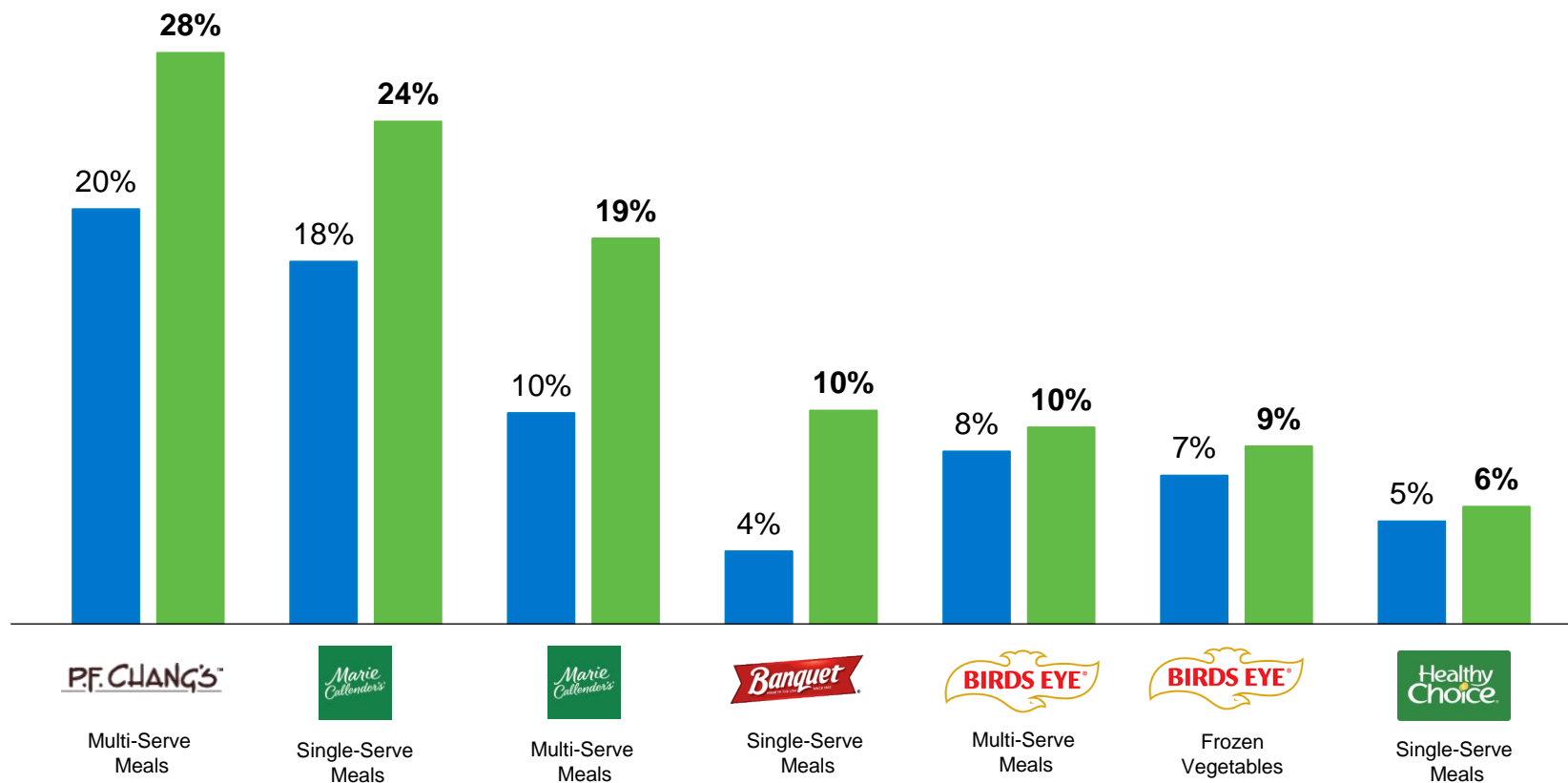


Frozen Strength Was Broad-Based



Conagra Frozen Dollar Sales (% Change vs. YA)

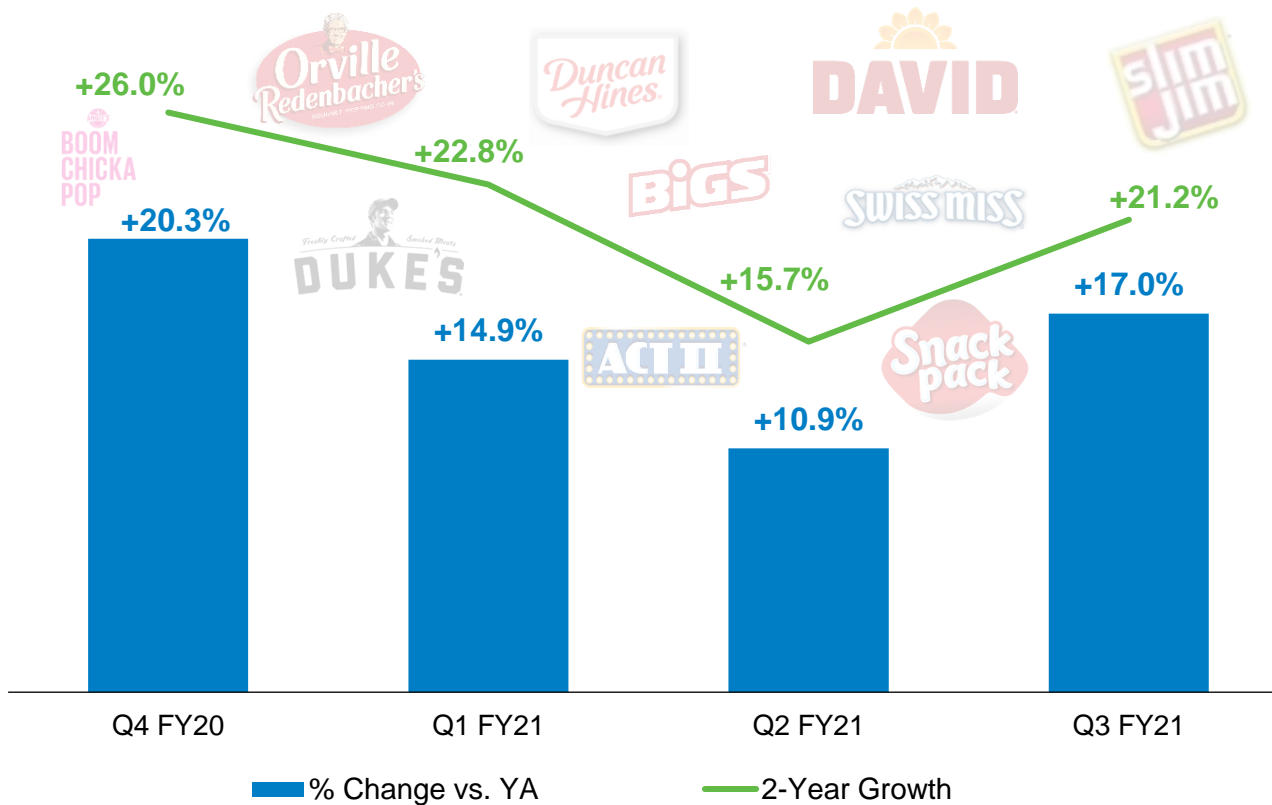
■ Q2 FY21 ■ Q3 FY21



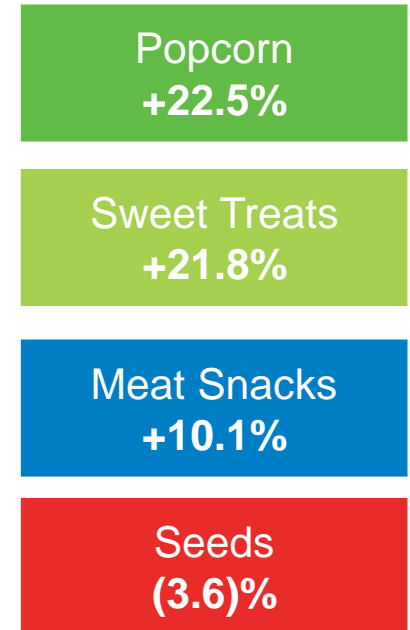
Snacks Growth Accelerated on Both a 1-year and 2-year Basis



Conagra Snacks Retail Sales (% Change vs. YA)



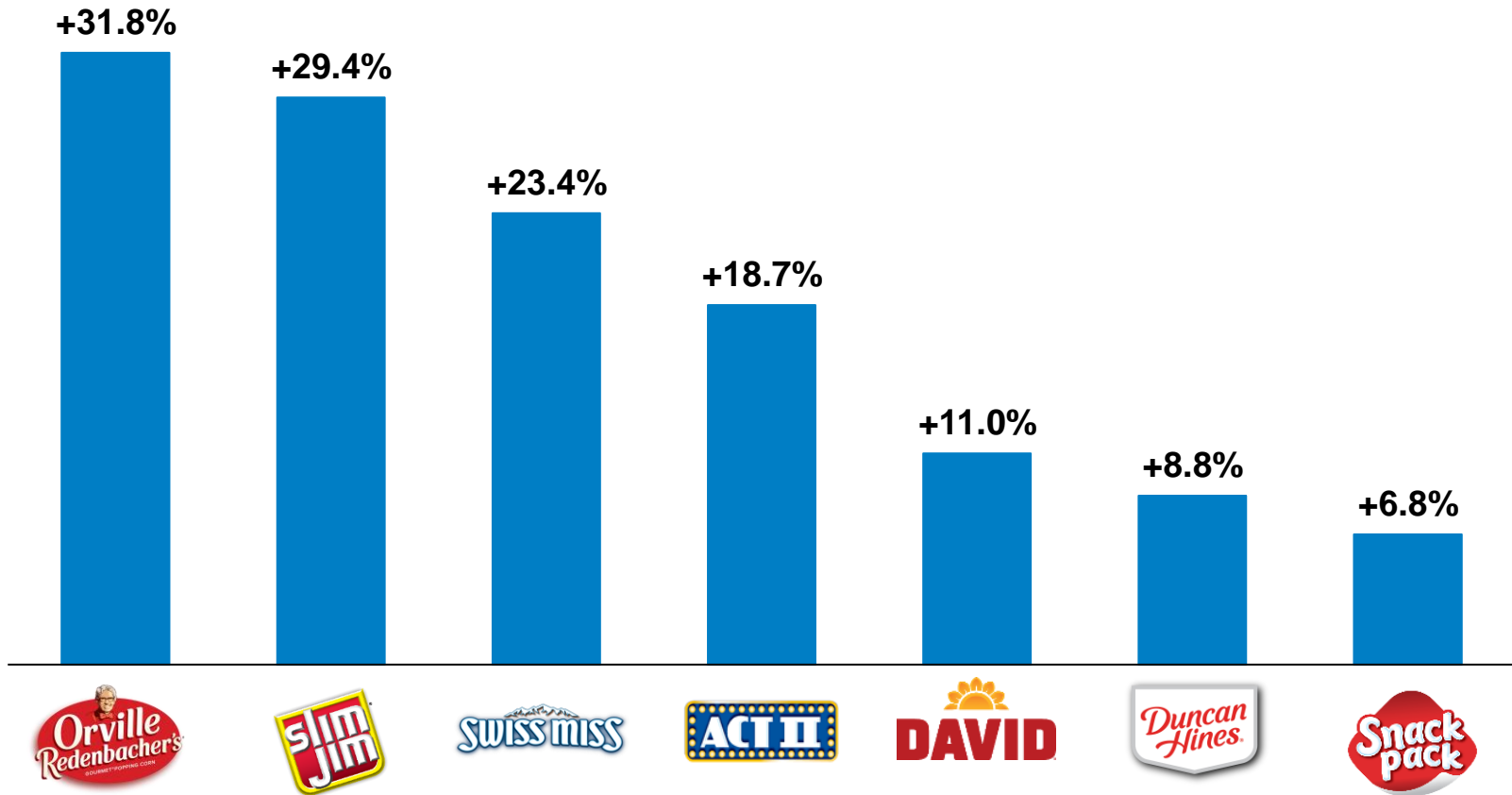
Conagra Snacks Retail Sales (Q3, % Change vs. YA)



Consumers Are Snacking at Elevated Rates with Strong Q3 Velocities for Our Brands



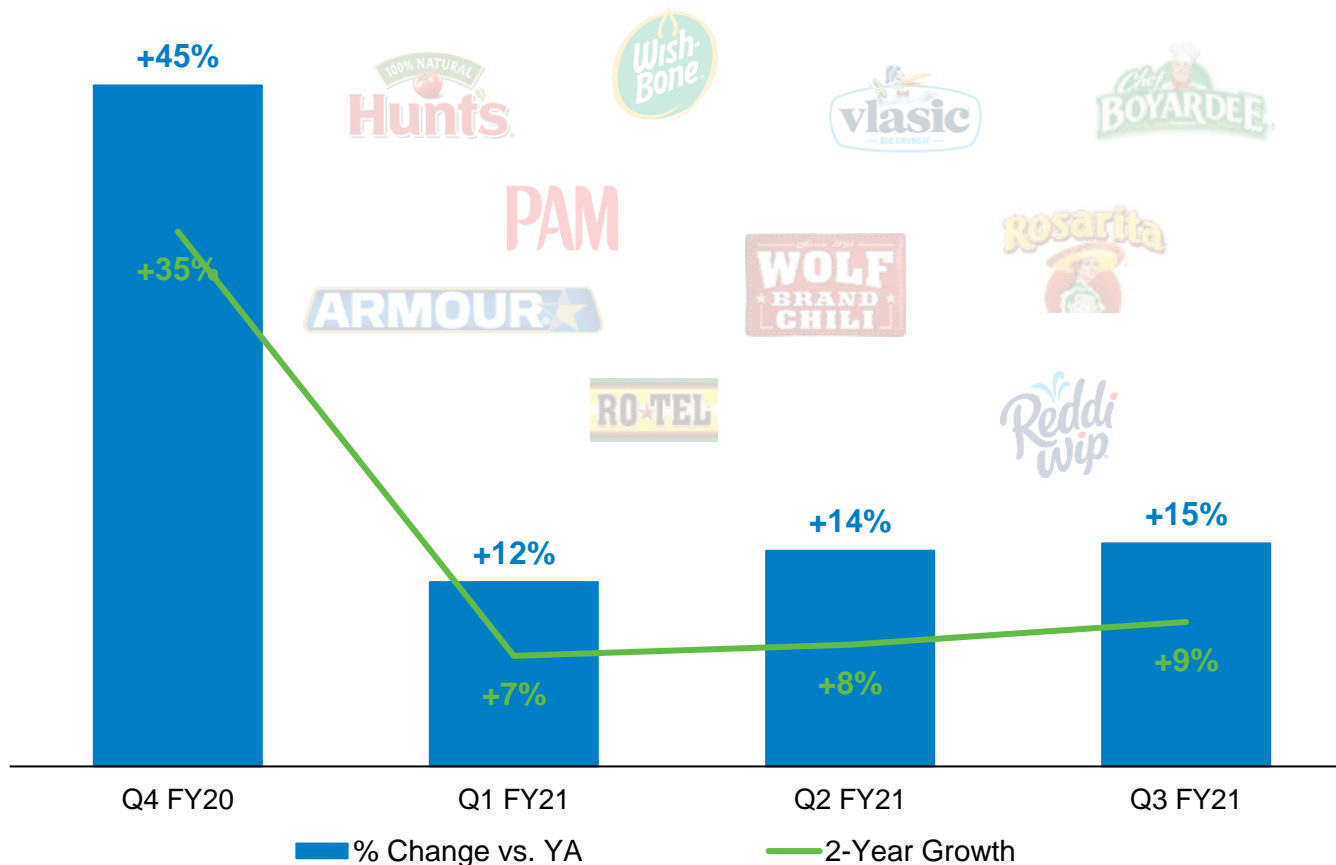
Conagra Snacks Velocity (% Change vs. YA)



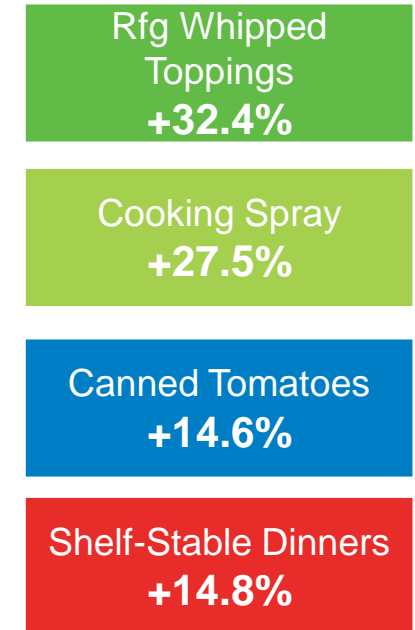
Staples Growth Accelerated on Both a 1-year and 2-year Basis



Conagra Staples Retail Sales (% Change vs. YA)



Conagra Staples Retail Sales (Q3, % Change vs. YA)

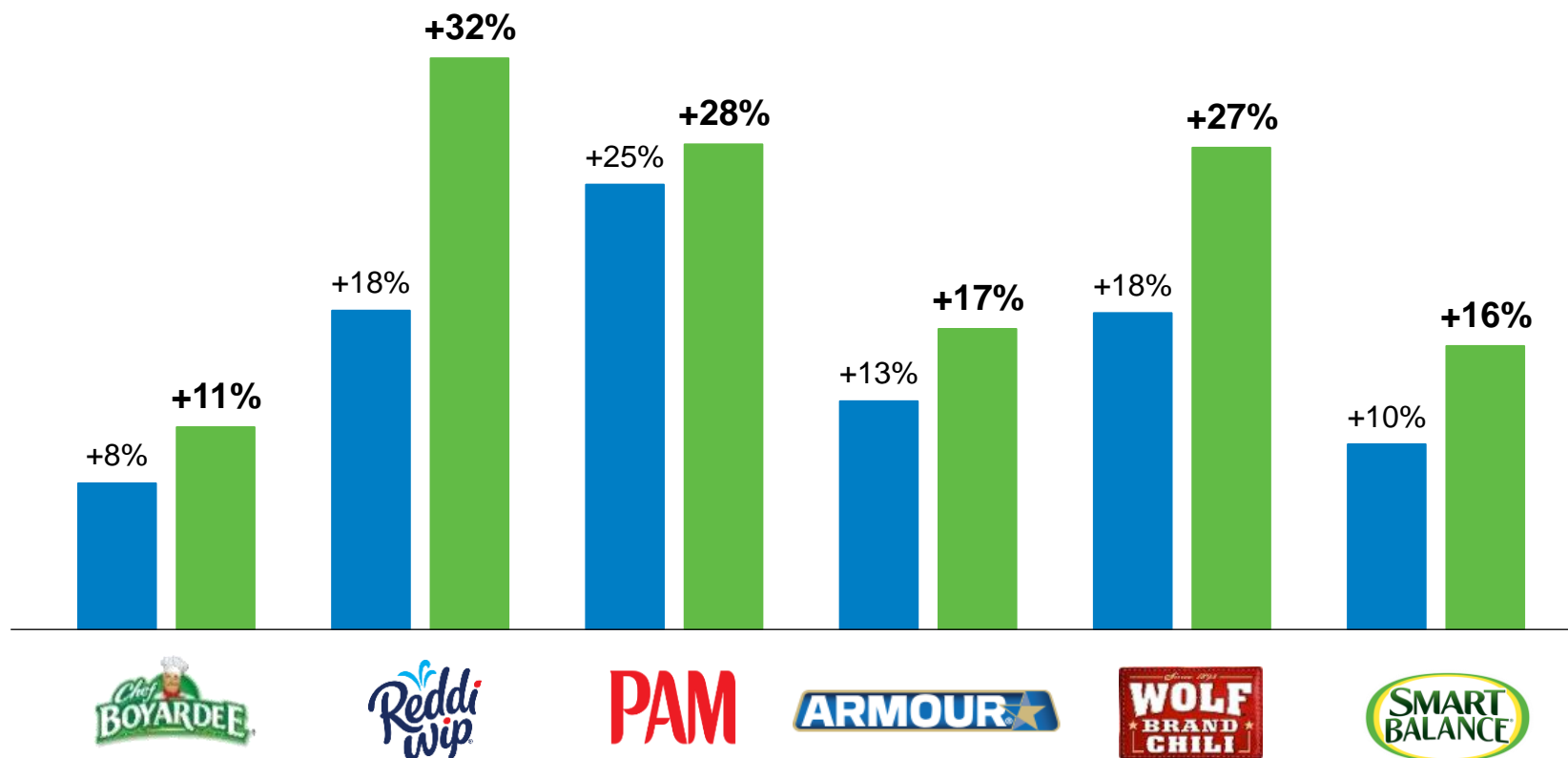


Broad-based Strength in Staples in Q3



Conagra Staples Dollar Sales (% Change vs. YA)

■ Q2 FY21 ■ Q3 FY21



Agenda

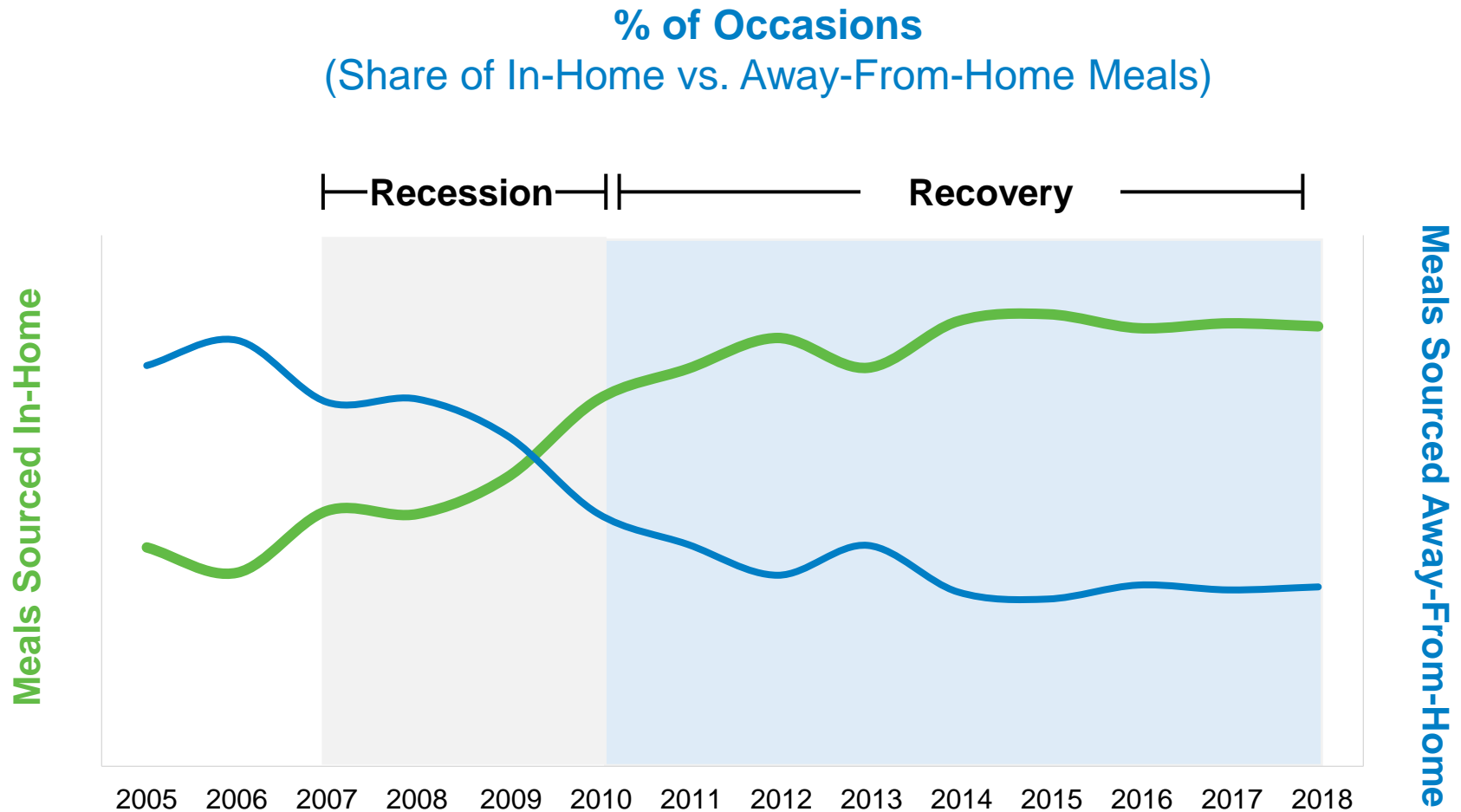


Business Update



Looking Ahead

History Shows Major Disruptive Events Drive Permanent Behavioral Shifts

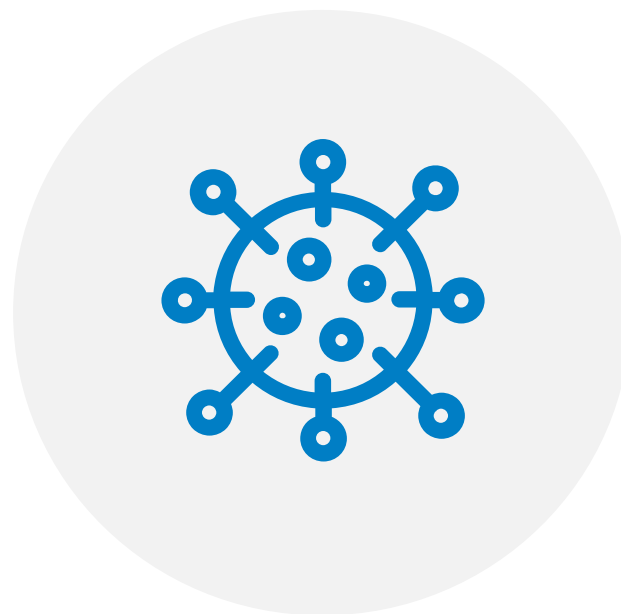


During These Events, Consumers Form Habits



HABIT FORMATION

66 days, on average, for a
**new behavior to
become automatic**



COVID-19 DURATION

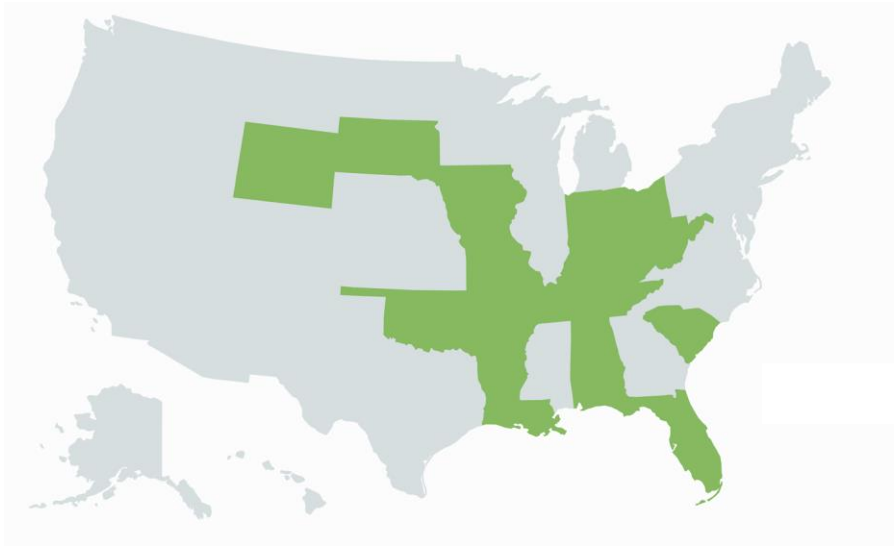
393 days since **WHO
declared COVID-19 a
pandemic**

Elevated At-Home Eating Proves Sticky As States Reopen; Significantly Above Pre-COVID Baseline



Top 15 Most “Open” States

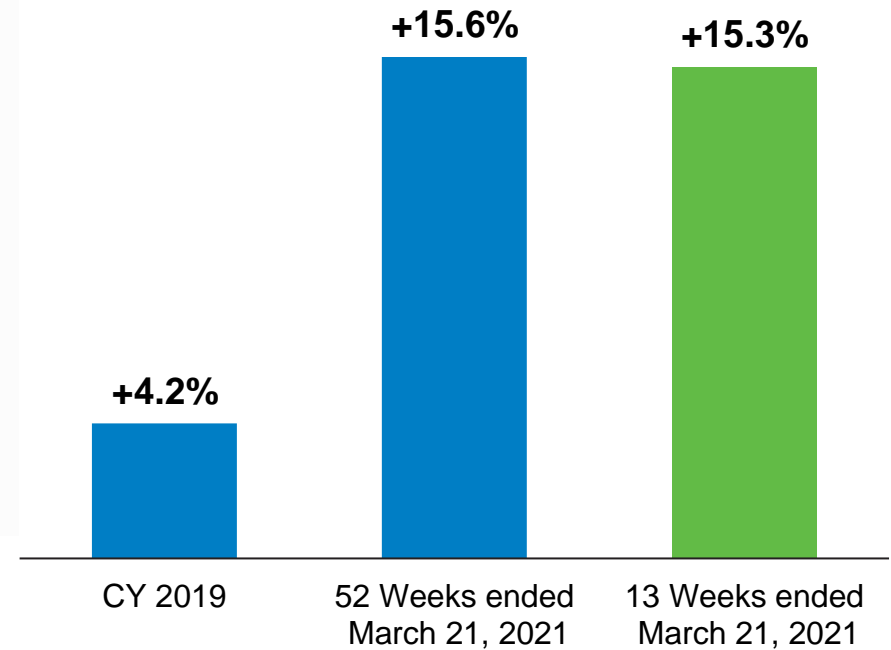
(Based on March '21 Residential Google Mobility Data)



■ Top 15 Most “Open” States

Top 15 Most “Open” States Retail Sales

(Dollar Sales Growth, % Change vs 2YA)



Against This Backdrop, We Continue to Invest Behind Consumer Engagement



160%

Increase in Slim Jim
Twitter followers

35 MILLION

Organic Twitter
impressions in 25 days

Voted Best Brand

In Adweek's March Adness
Bracket Competition

We Have Attracted More than Four Years of New Consumers, Almost Half Are Gen Z/Millennials

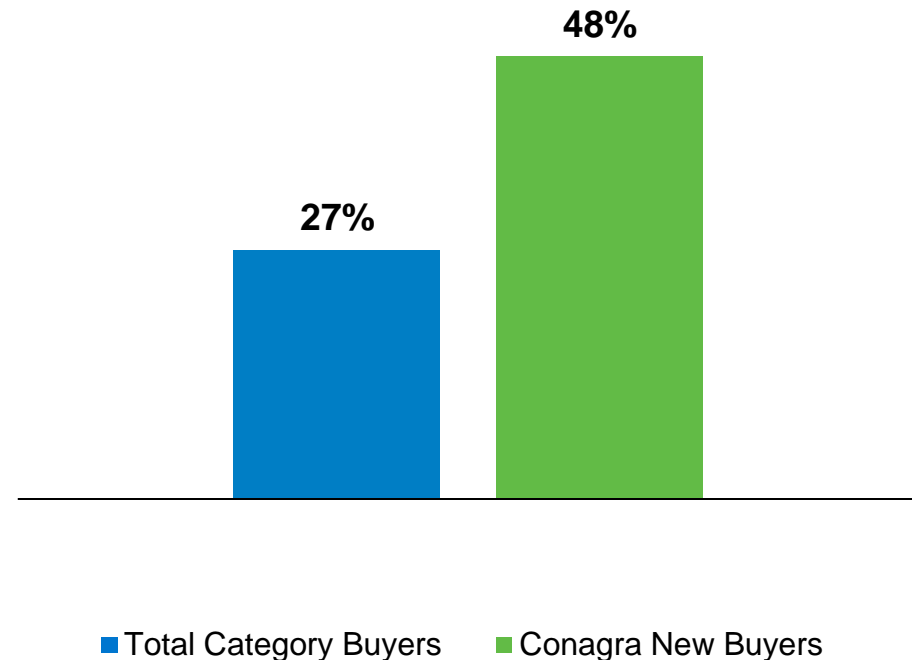


NEW BUYERS

4+
years

of incremental **new**
buyers acquired in
one year

Gen Z + Millennial Buyers
(% of Buyers)



Source (Left): IRI National Consumer Panel, Total US All Outlets, Fiscal 2018, Fiscal 2019, 52 Weeks Ended February 21, 2021

Source (Right): IRI National Consumer Panel, Custom Conagra Categories, Gen Z & Millennial Head Households, Total US All Outlets, 52 Weeks Ended February 21, 2021;

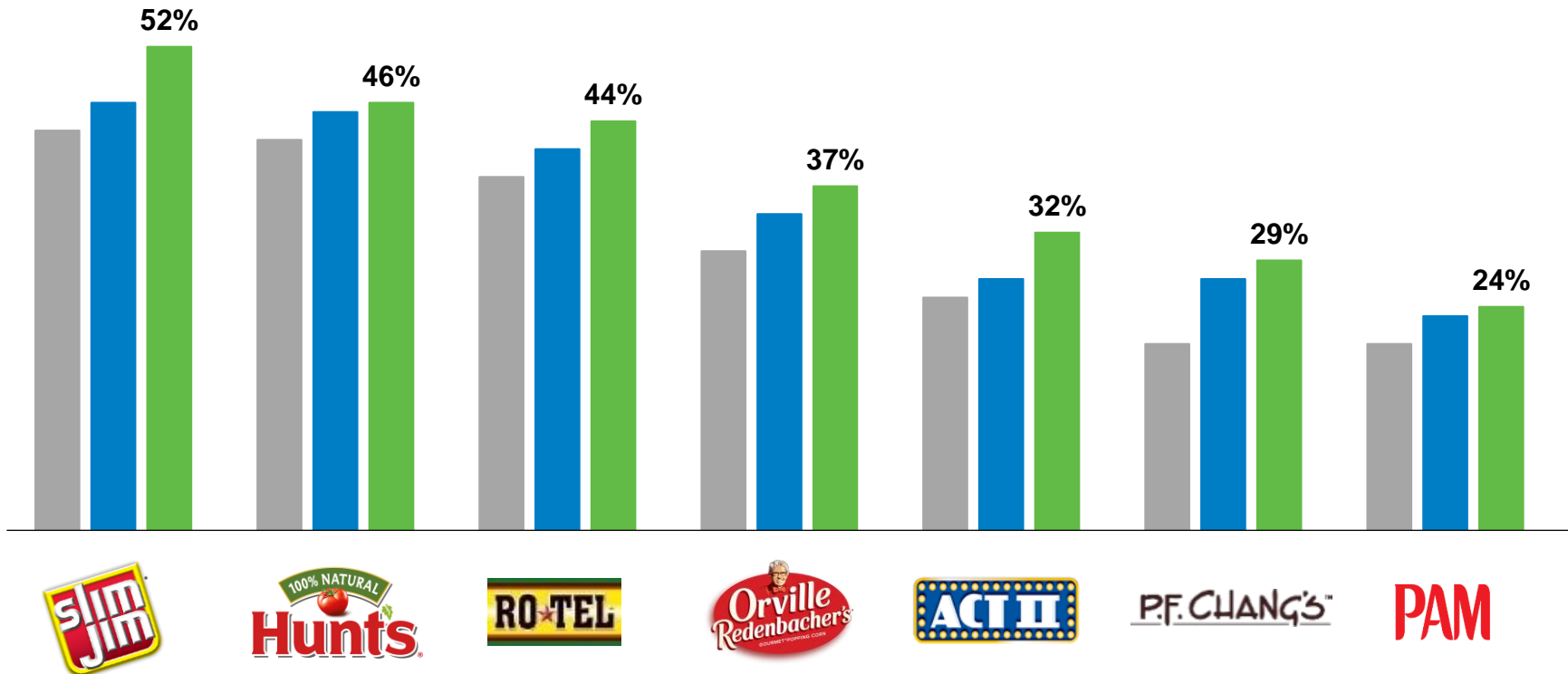
% of Buyers = Gen Z + Millennials Buyers / Buyers

Buying Our Modernized, Upgraded Products Has Become Habitual, Especially Among New Buyers



Repeat Depth (% of Buyers Who Repeat Purchased 2x+)

■ Total Buyers, Year Ago ■ Total Buyers, L52W ■ New Buyers, L52W

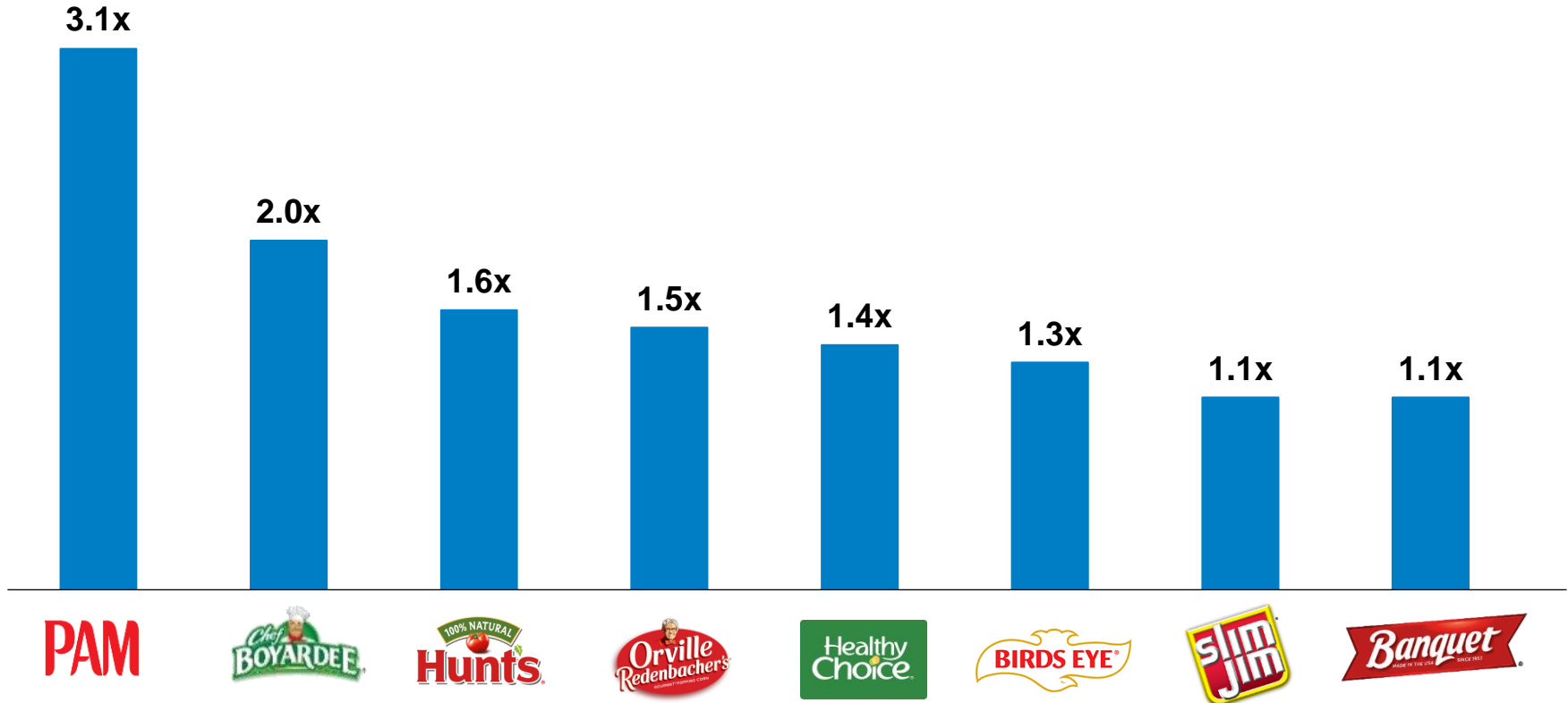


Consumers Are Habitually Buying Our Brands More Than Competition



Repeat Depth

(% of New Buyers Who Repeat Purchased 2x+, Conagra Multiple vs. Wtd. Avg of Top Peers)



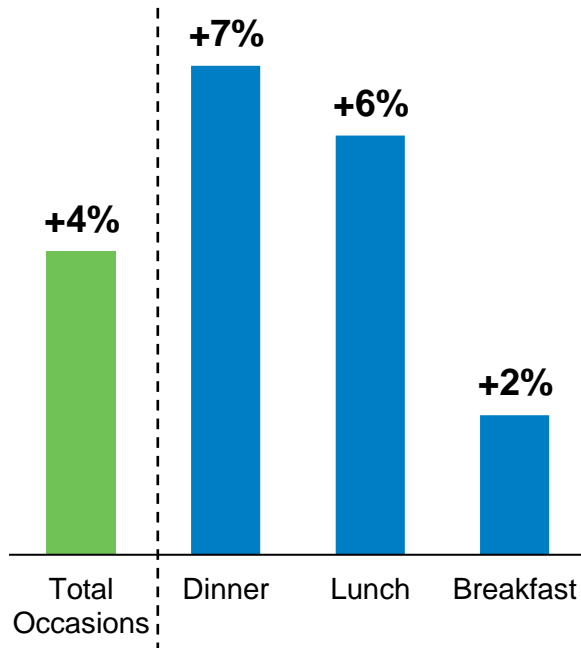
Source (Left): IRI Custom Panel, Total US All Outlets, 52-weeks ended February 21, 2021, New Buyers = purchased brand in 52 w/e Feb 21, 2021 and did not purchase brand in 52 w/e Feb 23, 2020, Wtd. Average of Peers Weighted to Household Penetration. Orville is Microwave Popcorn, Hunt's is Canned Tomatoes, Birds Eye is Fz Vegetables, Banquet and Healthy Choice are Fz Single Serve Meals vs. Top Competitor

Looking Forward, Remote Work Adoption Provides a Structural Lift vs. Pre-Pandemic Levels for Frozen



Remote Work Drives Outsized Impact to Dinner and Lunch

In-Home Main Meal Lift
(Total COVID-19 Time Period vs. YA)



Frozen Has High Exposure in These Occasions

% of Occasions with Frozen Foods

1 in 5

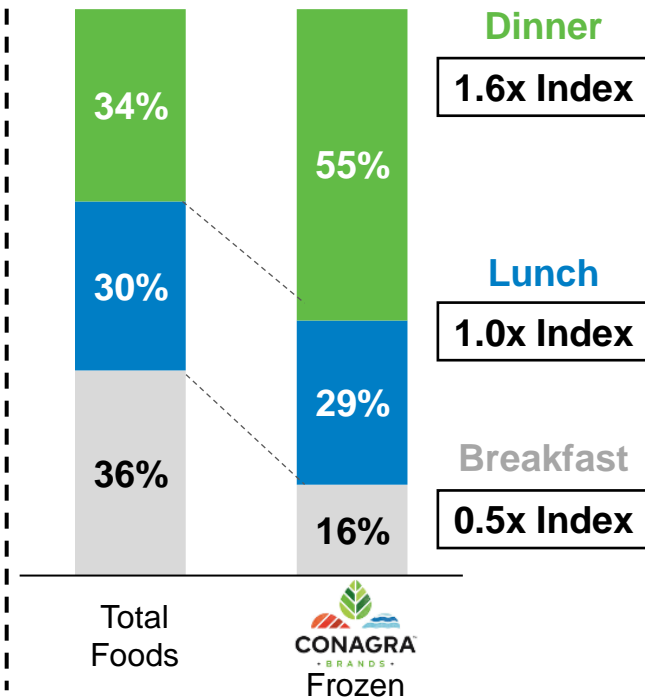
dinner occasions include frozen foods

1 in 6

lunch occasions include frozen foods

And, Conagra Frozen Well-Developed

% of Main Meal Occasions
(Total Foods vs. Conagra Frozen)



COVID-19 Moved Entertainment Consumption to the Home, Benefiting Our Snacks Business



People Are Consuming More Media At-Home

+40%

increase in **streaming services**

+42%

increase in **time spent viewing digital video**

Leading to Increased Snacking

In-Home Snack Occasions
(Per Capita % Chg vs. YA)

Gen Z
+25%

Millennials
+26%

Gen X
+17%

Boomers
+18%

Consumers Choose Our Brands Again and Again

Conagra Snacks Change in Repeat Rate
(% Buyers Buying 2x+, Pt Chg vs. YA)



+1.6 pts



+2.1pts



+2.4pts



+3.0pts



+3.1pts



+4.3pts

Source (Left): The NPD Group's Connected Intelligence TV Service Switching Study of more than 5,000 U.S. consumers fielded October 14-22, 2020, eMarketer, U.S. Time Spent With Media 2020

Source (Middle): The NPD Group / National Eating Trends; Sourced from Home/Retail, Occasions per Capita, March 2020 – February 2021 vs. Prior Year, Gen Z is 18+

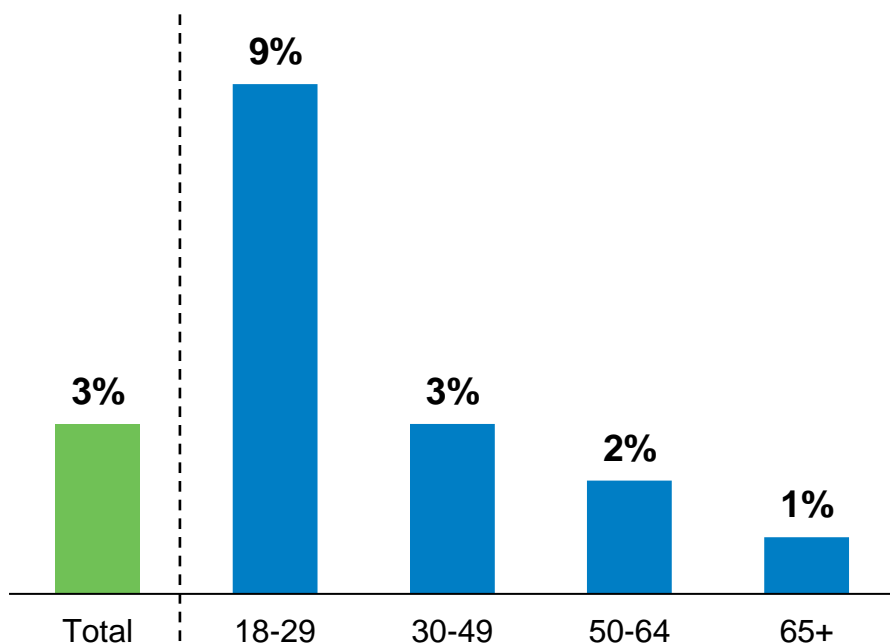
Source (Right): IRI National Consumer Panel, Total US All Outlets, 52-weeks ended February 21, 2021, Orville is Microwave Popcorn, Duncan Hines is Baking Mixes

Pandemic Accelerated “Home Nesting” of Young Consumers Who Are Engaging with Conagra Staples



One-in-Ten Young Adults Moved due to COVID-19

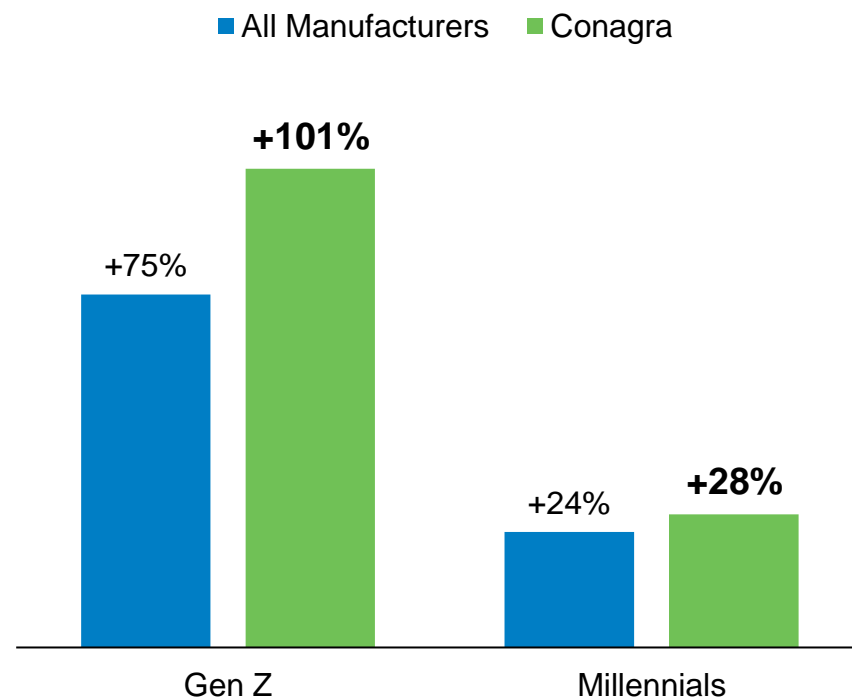
% Who Moved Temporarily or Permanently for Reasons related to Coronavirus Outbreak



Leaving Urban Areas for Smaller Cities & Suburbs

These Young Consumers Are Engaging with Conagra Staples

Staples Retail Sales
(Latest 52 Weeks, % Chg vs. YA)



Reaffirming FY22 Outlook¹



Metric ²	Fiscal 2022 Guidance ¹
Organic Net Sales ³ Growth (3 YR CAGR ending FY22)	+1% to +2%
Adj. Operating Margin ⁴	18% to 19%
Adj. Diluted EPS from cont. ops.	\$2.63 to \$2.73
Free Cash Flow Conversion (% of Adj. Net Income; 3 YR avg. ending FY22)	95%+

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, free cash flow, 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).

- Solid execution drove a strong Q3
- Business remains strong in the absolute and relative to competition
- Inflation is accelerating; multiple levers to manage impact
- Continuing to invest to capitalize on significant behavioral tailwinds



Dave Marberger

Executive Vice President and Chief Financial Officer

Performance Summary



Dollars in Millions, except per share data Increase/(Decrease)	Q3	vs. YA
Reported Net Sales	\$2,771	+8.5%
Organic Net Sales ¹	2,763	+9.7%
Adj. Gross Profit	761	+8.9%
Adj. Gross Margin	27.5%	+12 bps
A&P	73	+11.8%
A&P as % of NS	2.6%	+8 bps
Adj. SG&A	244	+5.2%
Adj. SG&A as % of NS	8.8%	(27) bps
Adj. Op. Profit ²	444	+10.6%
Adj. Op. Margin ²	16.0%	+31 bps
Adj. Net Income	287	+24.1%
Adj. EBITDA ³	566	+9.9%
Adj. Diluted EPS from cont. ops.	\$0.59	+25.5%

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 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).

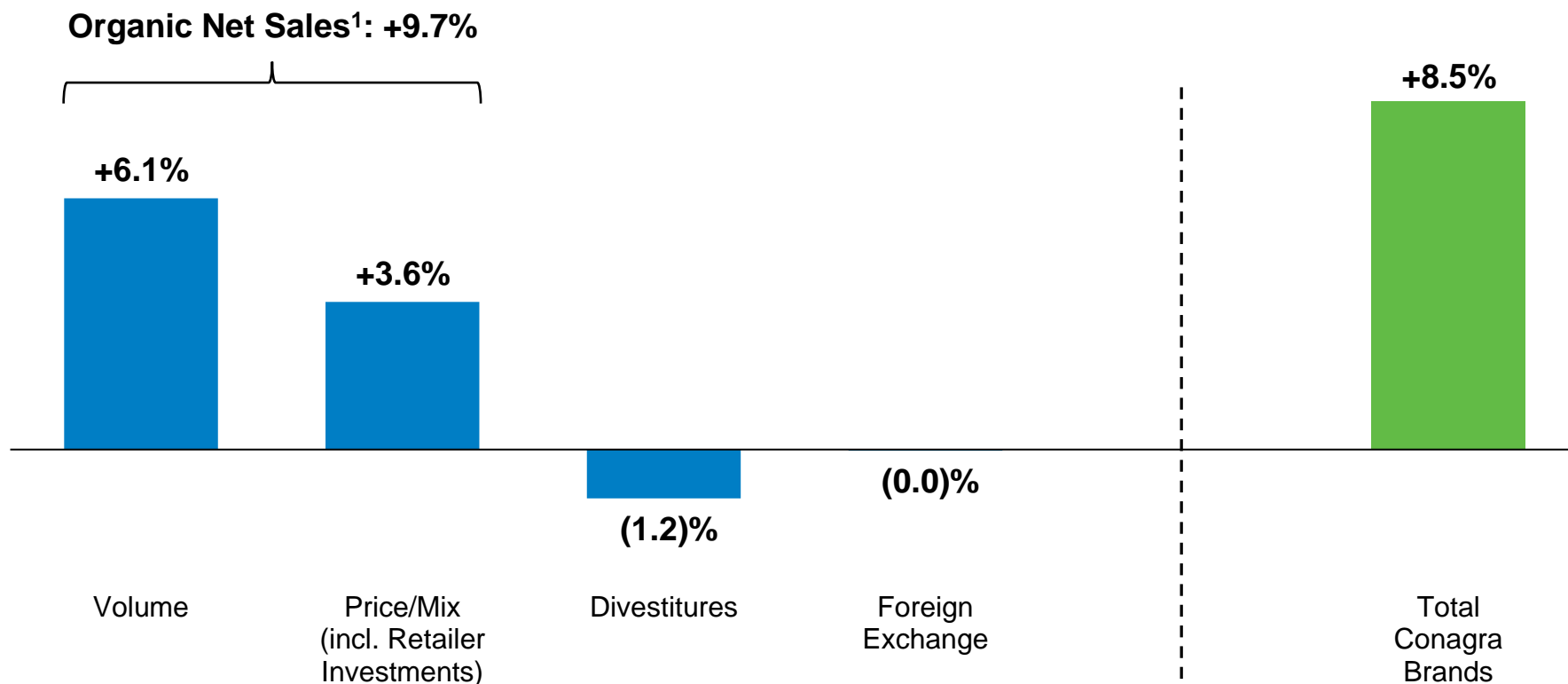
2. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings and pension and postretirement non-service expense (income).

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

Net Sales Bridge vs. Year Ago



Q3 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		
	Q3	Reported vs. YA	Organic vs. YA ¹
Grocery & Snacks	\$1,133	+10.8%	+13.1%
Refrigerated & Frozen	1,203	+11.7%	+12.1%
International	241	+9.0%	+9.8%
Foodservice	194	(17.2)%	(16.5)%
Total Conagra Brands	\$2,771	+8.5%	+9.7%

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.

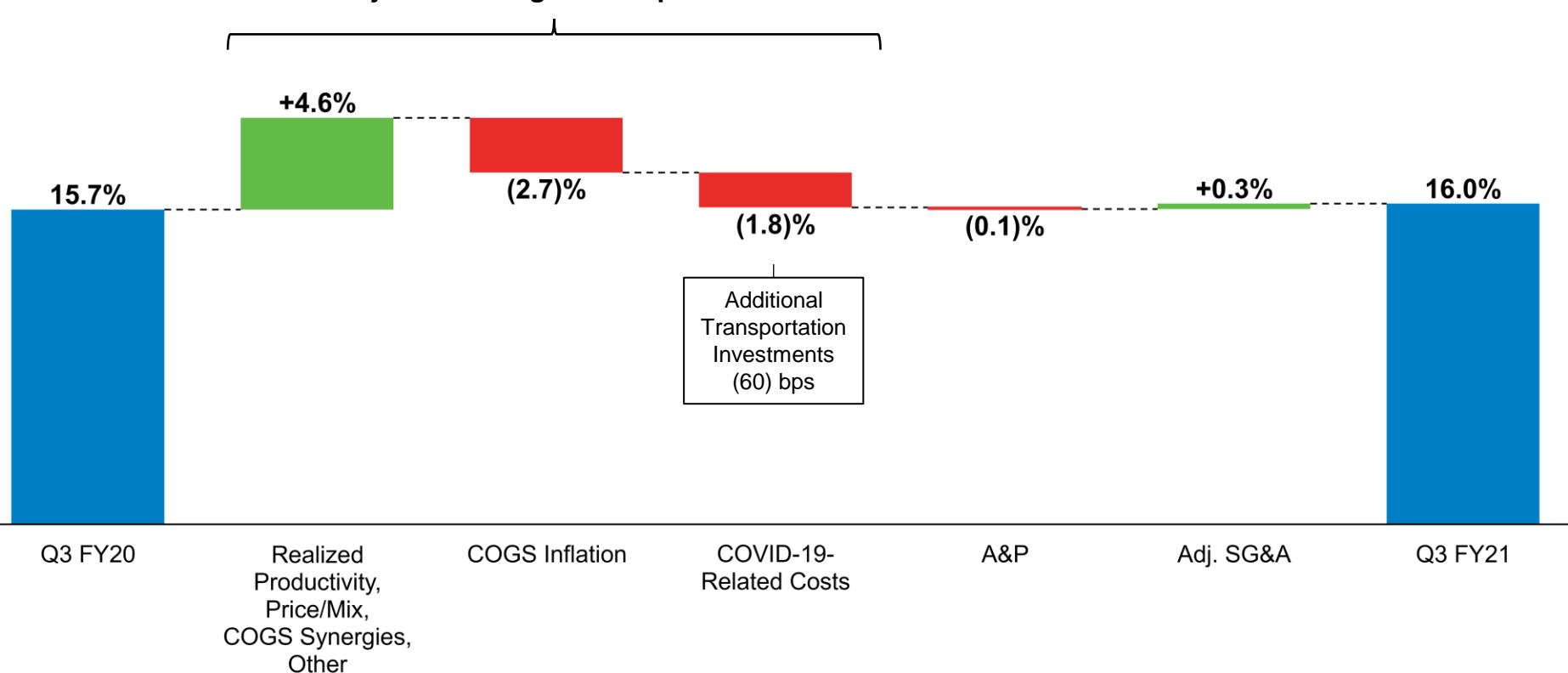
1. Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). Organic net sales excludes the impact of fiscal 2020's 53rd week, which was calculated as one-sixth of our last month's net sales (which included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

Operating Margin Bridge



Q3 Adj. Operating Margin¹ (% Change vs. YA)

Adj. Gross Margin: +12 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).

Invested in the Business to Support Elevated Demand



- Approximately 60bps (~\$15 million) of 180bps impact of COVID-19 costs in Q3 driven by intentional transportation investments
- Supported increased demand by selectively bypassing normal distribution network and shipping direct to customers
- Expect incremental costs to abate as inventories rebuild in coming quarters

Managing Through Inflationary Environment



- Q3 inflation of 3.9%
 - Materials ~3%
 - Manufacturing ~4%
 - Transportation & Logistics ~8% (excludes investments to support demand)
- Inflation expected to accelerate over next few quarters
- Already executing inflation-justified pricing actions
- Will aggressively manage other margin levers to optimize profit: mix, cost savings / productivity, fixed cost leverage

Segment Adjusted Operating Profit & Margin Summary



Dollars in Millions Increase/(Decrease)	Adj. Op. Profit ¹		Adj. Op. Margin ¹	
	Q3	vs. YA	Q3	vs. YA
Grocery & Snacks	\$245	+16.4%	21.6%	+105 bps
Refrigerated & Frozen	222	+10.0%	18.4%	(29) bps
International	28	+24.7%	11.6%	+145 bps
Foodservice	13	(53.3)%	6.6%	(505) bps
Adjusted Corporate Expense	(63)	+5.1%	-	-
Total Conagra Brands	\$444	+10.6%	16.0%	+31 bps

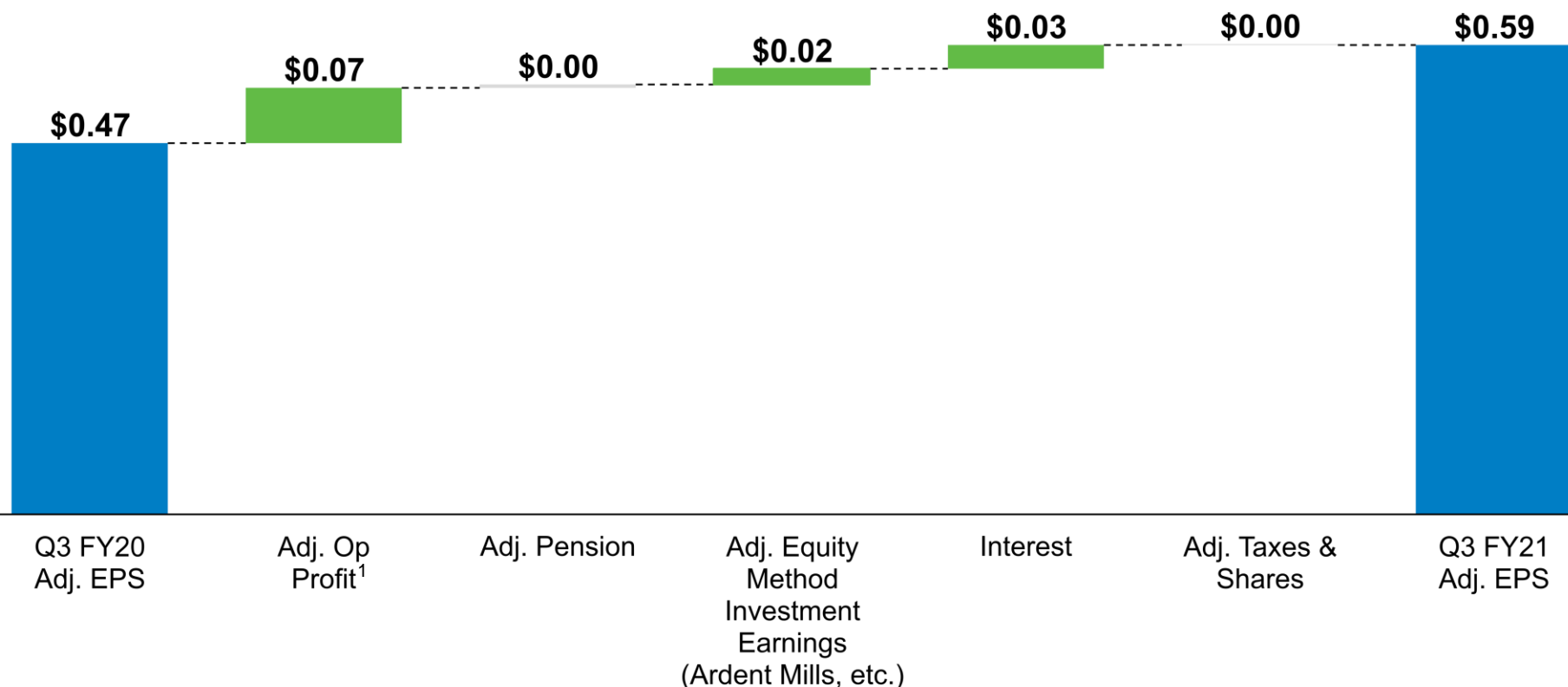
Note: "Adjusted" financial measures are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures. Numbers may not add due to rounding.

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 Q3 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).

Key Balance Sheet & Cash Flow Metrics



(dollars in millions)	February 23, 2020	February 28, 2021
Debt ¹	\$10,018	\$9,227
Cash	\$99	\$81
Ending Net Debt ¹	\$9,919	\$9,147
Net Leverage Ratio ²	4.8x	3.5x

YTD through Q3 (dollars in millions)	FY20	FY21
Net Cash Flow from Operating Activities – cont. ops.	\$907	\$1,070
Capital Expenditures	\$265	\$397
Free Cash Flow	\$641	\$673
Dividends Paid	\$310	\$342
Share Repurchases	\$0	\$298

Note: Net Debt, Net Leverage Ratio and Free Cash Flow are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.

1. Debt is the sum of notes payable, current installments of long-term debt, senior long-term debt, and subordinated debt. Net Debt is Debt less Cash.
2. Net Leverage Ratio is net debt divided by Adjusted EBITDA for the trailing four quarters

Outlook¹



Metric ²	Fiscal 2021 Q4 Guidance ¹
Organic Net Sales ³ Growth	(10)% to (12)%
Adj. Operating Margin ⁴	14% to 15%
Adj. Diluted EPS from cont. ops.	\$0.49 to \$0.55

Metric ²	Fiscal 2022 Guidance ¹
Organic Net Sales ³ Growth (3 YR CAGR ending FY22)	+1% to +2%
Adj. Operating Margin ⁴	18% to 19%
Adj. Diluted EPS from cont. ops.	\$2.63 to \$2.73
Free Cash Flow Conversion (% of Adj. Net Income; 3 YR avg. ending FY22)	95%+

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, free cash flow, 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
Q3 FY21					
Net Sales	\$ 1,133.1	\$ 1,203.1	\$ 240.9	\$ 194.0	\$ 2,771.1
Impact of foreign exchange	—	—	0.7	—	0.7
Net sales from divested businesses	(8.8)	—	(0.2)	(0.1)	(9.1)
Organic Net Sales	\$ 1,124.3	\$ 1,203.1	\$ 241.4	\$ 193.9	\$ 2,762.7
Year-over-year change - Net Sales	10.8%	11.7%	9.0%	(17.2)%	8.5%
Impact of foreign exchange (pp)	—	—	0.3	—	—
Net sales from divested businesses (pp)	2.3	0.4	0.5	0.7	1.2
Organic Net Sales	13.1%	12.1%	9.8%	(16.5)%	9.7%
Volume (Organic)	9.4%	7.8%	6.7%	(19.5)%	6.1%
Price/Mix	3.7%	4.3%	3.1%	3.0%	3.6%
Q3 FY20					
Net Sales	\$ 1,022.9	\$ 1,076.8	\$ 220.9	\$ 234.4	\$ 2,555.0
Net sales from divested businesses ¹	(29.1)	(3.8)	(1.0)	(2.1)	(36.0)
Organic Net Sales	\$ 993.8	\$ 1,073.0	\$ 219.9	\$ 232.3	\$ 2,519.0

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



	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Q3 FY21						
Operating Profit	\$ 290.2	\$ 214.6	\$ 27.8	\$ 12.8	\$ (96.7)	\$ 448.7
Restructuring plans	4.2	7.0	—	—	4.2	15.4
Acquisitions and divestitures	—	—	—	—	1.5	1.5
Gain on divestiture of a business	(49.7)	—	—	—	—	(49.7)
Early extinguishment of debt	—	—	—	—	24.4	24.4
Consulting fees on tax matters	—	—	—	—	5.3	5.3
Legal matters	—	—	—	—	4.3	4.3
Corporate hedging derivative losses (gains)	—	—	—	—	(6.4)	(6.4)
Adjusted Operating Profit	\$ 244.7	\$ 221.6	\$ 27.8	\$ 12.8	\$ (63.4)	\$ 443.5
Operating Profit Margin	25.6 %	17.8 %	11.6 %	6.6 %		16.2 %
Adjusted Operating Profit Margin	21.6 %	18.4 %	11.6 %	6.6 %		16.0 %
Year-over-year % change - Operating Profit	45.6 %	12.5 %	24.7 %	(53.3) %	28.8 %	23.1 %
Year-over-year % change - Adjusted Operating Profit	16.4 %	10.0 %	24.7 %	(53.3) %	5.1 %	10.6 %
Year-over-year bps change - Adjusted Operating Profit	105 bps	(29) bps	145 bps	(505) bps		31 bps
Q3 FY20						
Operating Profit	\$ 199.4	\$ 190.7	\$ 22.3	\$ 27.2	\$ (75.1)	\$ 364.5
Restructuring plans	10.9	10.5	—	—	10.4	31.8
Acquisitions and divestitures	—	—	—	—	0.6	0.6
Loss on divestiture of a business	—	0.2	—	—	—	0.2
Adjustment to contract settlement gain	0.1	—	—	—	—	0.1
Corporate hedging derivative losses (gains)	—	—	—	—	3.8	3.8
Adjusted Operating Profit	\$ 210.4	\$ 201.4	\$ 22.3	\$ 27.2	\$ (60.3)	\$ 401.0
Operating Profit Margin	19.5 %	17.7 %	10.1 %	11.6 %		14.3 %
Adjusted Operating Profit Margin	20.6 %	18.7 %	10.1 %	11.6 %		15.7 %

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



Q3 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	\$ 788.4	\$ 309.7	\$ 448.7	\$ 361.8	\$ 101.6	26.5 %	\$ 281.4	\$ 0.58
% of Net Sales	27.4 %	11.2 %	16.2 %					
Restructuring plans	9.2	6.2	15.4	15.4	3.8		11.6	0.02
Acquisitions and divestitures	—	1.5	1.5	1.5	0.3		1.2	—
Corporate hedging derivative losses (gains)	(6.4)	—	(6.4)	(6.4)	(1.6)		(4.8)	(0.01)
Advertising and promotion expenses ²	—	73.3	—	—	—		—	—
Gain on divestiture of a business	—	(49.7)	(49.7)	(49.7)	(21.8)		(27.9)	(0.06)
Early extinguishment of debt	—	24.4	24.4	24.4	6.1		18.3	0.04
Consulting fees on tax matters	—	5.3	5.3	5.3	1.3		4.0	0.01
Legal matters	—	4.3	4.3	4.3	1.1		3.2	0.01
Capital loss valuation allowance adjustment	—	—	—	—	(0.5)		0.5	—
Adjusted	\$ 761.2	\$ 244.4	\$ 443.5	\$ 356.6	\$ 90.3	23.9 %	\$ 287.5	\$ 0.59
% of Net Sales	27.5 %	8.8 %	16.0 %					
<i>Year-over-year % of net sales change - reported</i>	<i>58 bps</i>	<i>(135) bps</i>	<i>193 bps</i>					
<i>Year-over-year % of net sales change - adjusted</i>	<i>12 bps</i>	<i>(27) bps</i>	<i>31 bps</i>					
Year-over-year change - reported	10.8 %	(3.2) %	23.1 %	37.5 %	47.4 %		37.8 %	38.1 %
Year-over-year change - adjusted	8.9 %	5.2 %	10.6 %	19.8 %	17.8 %		24.1 %	25.5 %

Q3 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	\$ 684.4	\$ 319.9	\$ 364.5	\$ 263.2	\$ 68.9	26.2 %	\$ 204.4	\$ 0.42
% of Net Sales	26.8 %	12.5 %	14.3 %					
Restructuring plans	10.9	20.9	31.8	31.8	7.9		23.9	0.05
Acquisitions and divestitures	—	0.6	0.6	0.6	0.2		0.4	—
Corporate hedging derivative losses (gains)	3.8	—	3.8	3.8	1.0		2.8	0.01
Advertising and promotion expenses ²	—	65.5	—	—	—		—	—
Pension settlement and valuation adjustment	—	—	—	(1.9)	(0.4)		(1.5)	—
Adjustment to gain on Ardent JV asset sale	—	—	—	—	0.1		0.5	—
Adjustment to contract settlement gain	—	0.1	0.1	0.1	—		0.1	—
Loss on divestiture of a business	—	0.2	0.2	0.2	0.1		0.1	—
Unusual tax items	—	—	—	—	(1.1)		1.1	—
Rounding	—	—	—	—	—		—	(0.01)
Adjusted	\$ 699.1	\$ 232.6	\$ 401.0	\$ 297.8	\$ 76.7	24.8 %	\$ 231.8	\$ 0.47
% of Net Sales	27.4 %	9.1 %	15.7 %					

¹ 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.

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



	Q3 FY21	Q3 FY20	% Change
Equity method investment earnings	\$ 21.5	\$ 10.4	104.5 %
Adjustment to gain on Ardent JV asset sale	—	0.6	
Adjusted equity method investment earnings	\$ 21.5	\$ 11.0	93.3 %

	Q3 FY21 YTD	Q3 FY20 YTD	% Change
Equity method investment earnings	\$ 51.0	\$ 50.3	1.3 %
Gain on Ardent JV asset sale	—	(4.2)	
Adjusted equity method investment earnings	\$ 51.0	\$ 46.1	10.5 %

	Q3 FY21	Q3 FY20	% Change
Pension and postretirement non-service income	\$ (13.7)	\$ (16.4)	(16.5) %
Pension settlement and valuation adjustment	—	1.9	
Adjusted pension and postretirement non-service income	\$ (13.7)	\$ (14.5)	(5.3) %

	Q3 FY21 YTD	Q3 FY20 YTD	% Change
Pension and postretirement non-service income	\$ (41.2)	\$ (37.2)	10.8 %
Restructuring plans	—	(0.6)	
Pension settlement and valuation adjustment	—	1.9	
Adjusted pension and postretirement non-service income	\$ (41.2)	\$ (35.9)	14.9 %

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



	February 28, 2021	February 23, 2020	% Change
Net cash flows from operating activities	\$ 1,070.0	\$ 906.5	18.0 %
Additions to property, plant and equipment	(396.7)	(265.3)	49.5 %
Free cash flow	\$ 673.3	\$ 641.2	5.0 %

	Q3FY21	Q3 FY20
Notes payable	\$ 728.7	\$ 0.8
Current installments of long-term debt	220.6	923.8
Senior long-term debt, excluding current installments	8,278.1	8,897.8
Subordinated debt	—	195.9
Total Debt	\$ 9,227.4	\$ 10,018.3
Less: Cash	80.7	99.0
Net Debt	\$ 9,146.7	\$ 9,919.3

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



	Q3 FY21 LTM ²
Net Debt	\$ 9,146.7
Net income attributable to Conagra Brands, Inc.	\$ 1,190.7
Add Back: Income tax expense	328.8
Income tax expense attributable to noncontrolling interests	(1.2)
Interest expense, net	447.3
Depreciation	326.3
Amortization	59.7
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 2,351.6
Restructuring plans ¹	49.9
Acquisitions and divestitures	6.4
Corporate hedging derivative gains	(10.9)
Consulting fees on tax matters	6.5
Pension settlement and valuation adjustment	44.8
Gain on divestiture of businesses	(55.0)
Legal matters	7.3
Early extinguishment of debt	68.7
Brand impairment charges	146.2
Adjustment to gain on Ardent JV asset sale	0.1
Adjusted EBITDA	\$ 2,615.6
Net Debt to Adjusted LTM EBITDA	3.5

¹ Excludes comparability items related to depreciation.

² Last twelve months

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



	Q3 FY20 LTM ³	
Net Debt	\$	9,919.3
Net income attributable to Conagra Brands, Inc.	\$	765.2
Add Back: Income tax expense		213.3
Income tax expense attributable to noncontrolling interests		0.5
Interest expense, net		492.7
Depreciation		332.9
Amortization		60.0
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$	1,864.6
Restructuring plans ¹		119.9
Acquisitions and divestitures		5.9
Corporate hedging losses		7.2
Pension settlement and valuation adjustment		2.4
Impairment of businesses held for sale		59.0
Inventory fair value mark-up rollout		1.7
Gain on divestiture of businesses		(54.5)
Fair value adjustment of cash settleable equity awards issued in connection with Pinnacle acquisition		3.5
Legal matters		(40.6)
Environmental matters		6.6
Contract settlement gain		(11.9)
Intangible impairment charges ²		105.8
Gain on Ardent JV asset sale		(4.2)
Adjusted EBITDA	\$	2,065.4
Net Debt to Adjusted LTM EBITDA		4.8

1. Excludes comparability items related to depreciation.
2. Excludes comparability items attributable to noncontrolling interests.
3. Last twelve months

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



	Q3 FY21	Q3 FY20	% Change
Net income attributable to Conagra Brands, Inc.	\$ 281.4	\$ 204.4	37.8%
Add Back:			
Income tax expense	101.6	68.9	
Income tax expense attributable to noncontrolling interests	(0.2)	(0.2)	
Interest expense, net	100.6	117.7	
Depreciation	81.7	84.2	
Amortization	14.9	14.9	
Earnings before interest, taxes, depreciation, and amortization	\$ 580.0	\$ 489.9	18.4%
Restructuring plans ¹	6.6	21.9	
Acquisitions and divestitures	1.5	0.6	
Corporate hedging derivative losses (gains)	(6.4)	3.8	
Pension settlement and valuation adjustment	—	(1.9)	
Early extinguishment of debt	24.4	—	
Consulting fees on tax matters	5.3	—	
Adjustment to contract settlement gain	—	0.1	
Loss (gain) on divestiture of businesses	(49.7)	0.2	
Legal matters	4.3	—	
Adjustment to gain on Ardent JV asset sale	—	0.6	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 566.0	\$ 515.2	9.9%

¹ Excludes comparability items related to depreciation.

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



	Q3 FY21 YTD	Q3 FY20 YTD	% Change
Net income attributable to Conagra Brands, Inc.	\$ 989.3	\$ 638.7	54.9%
Add Back: Income tax expense	269.0	141.5	
Income tax expense attributable to noncontrolling interests	(0.6)	(0.3)	
Interest expense, net	322.0	361.8	
Depreciation	244.8	247.6	
Amortization	44.8	44.9	
Earnings before interest, taxes, depreciation, and amortization	\$ 1,869.3	\$ 1,434.2	30.3%
Restructuring plans ¹	36.3	92.9	
Acquisitions and divestitures	4.7	3.6	
Corporate hedging derivative losses (gains)	(7.2)	9.2	
Pension settlement and valuation adjustment	—	(1.9)	
Early extinguishment of debt	68.7	—	
Consulting fees on tax matters	6.5	—	
Impairment of businesses held for sale	—	59.0	
Loss (gain) on divestiture of businesses	(55.0)	1.7	
Legal matters	2.3	(1.5)	
Environmental matters	—	6.6	
Contract settlement gain	—	(11.9)	
Brand impairment charges	—	19.3	
Gain on Ardent JV asset sale	—	(4.2)	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 1,925.6	\$ 1,607.0	19.8%

¹ Excludes comparability items related to depreciation.



CONAGRATM
• B R A N D S •

