



FY22 Q1 Earnings Presentation

October 7, 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 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 supply chain resources, including raw materials, packaging, and transportation including any negative effects caused by changes in inflation rates, 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; risks related to a material failure in or breach of our or our vendors' information technology systems; the amount and timing of future dividends, which remain subject to Board approval and depend on market and other conditions; 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, adjusted equity method investment earnings, 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



- We continue to face, and successfully navigate, a dynamic external environment
- Q1 results were solid behind strong sales that benefitted from our ongoing, robust brand-building investments
- We continued executing inflation-justified pricing actions
- Looking ahead:
 - Inflation expectations have increased
 - Consumer demand is trending higher than our original expectations
 - Additional cost savings actions and further pricing now planned
- Updating our path to achieving our earnings guidance

Successfully Executing in a Dynamic Environment



Successful Portfolio Modernization Through Continued Execution of the Conagra Way



Delivered Solid Q1 Results in Dynamic Environment



	Q1	Q1 2-Year CAGR ²
Organic Net Sales ¹ Growth	(0.4)%	+7.0%
Adj. EPS	\$0.50	+7.8%

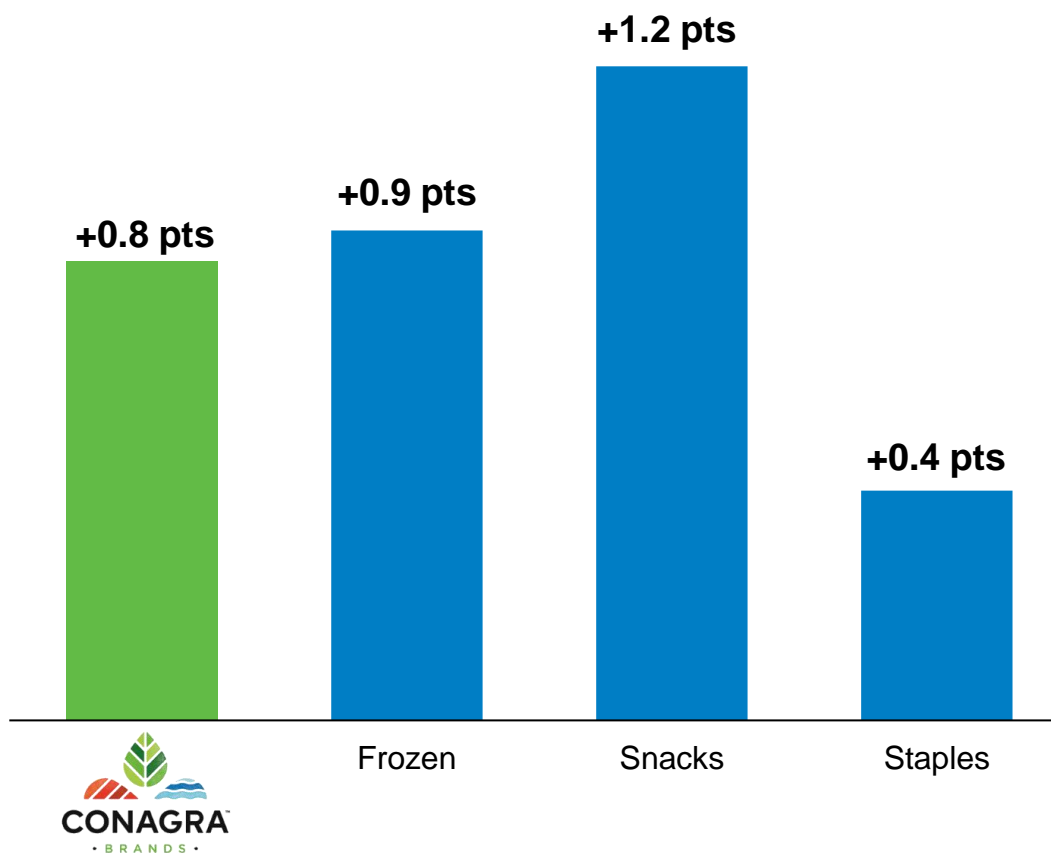
Note: "Adjusted" financial measures, and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.

1. Organic net sales 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. CAGR calculated as $[(1 + \text{current year period's growth rate}) * (1 + \text{prior year period's growth rate})]^{0.5} - 1$.

Strong, Broad-Based Share Gains



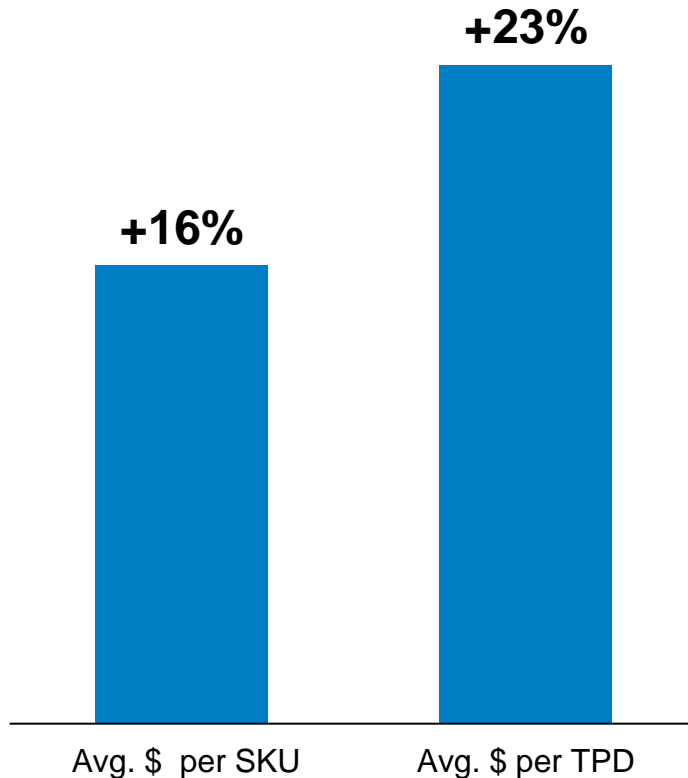
Q1 Weighted Dollar Share (Change vs. 2YA)



Innovation Strategy Continued to Pay Dividends



Conagra Innovation Performance (Q1 FY22 vs. YA)



Q1 FY22 New Product Highlights

#1 New SKU in C-Store (Seeds/Snack Nuts/Trail Mixes)



Top 5 Selling New SKUs (Baking Mixes)



10 of Top 11 Selling New SKUs (Frozen Vegetables)



Top 7 Selling New SKUs (Frozen Single-Serve Meals)

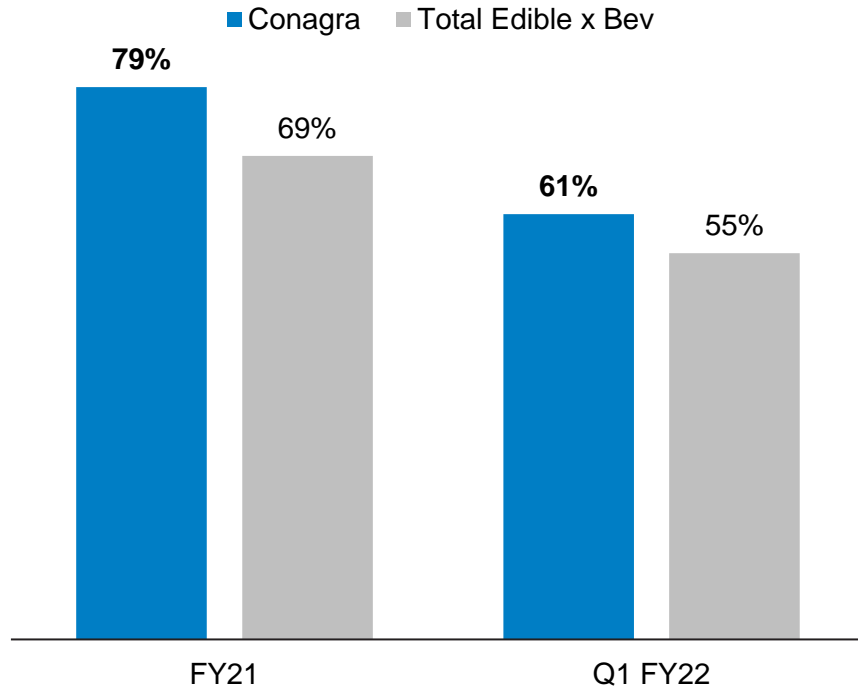


Source: IRI Market Advantage, CAG Custom Hierarchy, Total US MULO+C. Conagra FY22 Q1, Custom Innovation Aggregates.
BIGS and DH Innovation = Dollar Sales Current >0, Dollar Sales Year Ago = 0, launched H2 FY21
Frozen Innovation = Dollar Sales Prior Period (FY21) < 10% Dollar Sales Q1 FY22, launched Q1FY22 but early shipped in Q4FY21

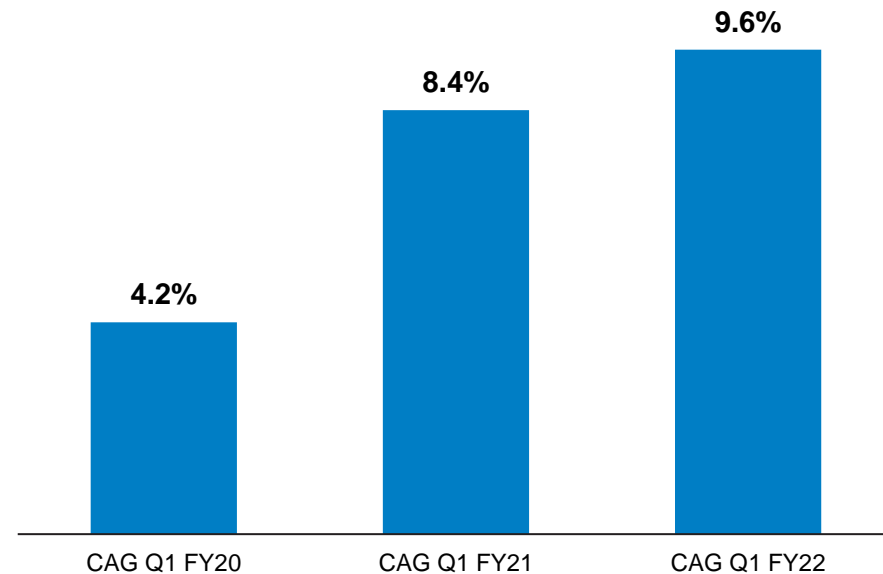
eCommerce Investments Have Driven Continued Outperformance vs. Industry



Conagra vs. Total Edible eCommerce Retail Sales (2-Year CAGR)



Conagra eCommerce as a Total of Retail Sales (Rolling 13 Weeks)



Note: IRI Restated Data in August 2021, and Total Edible X.Beverage for Total Industry & CAG excludes Frozen Meat, Frozen/Refrigerated Poultry, and Pudding/Gelatin. These three categories combined represent 5.4% of Total Industry Sales and 5.8% of Total CAG Sales, respectively. Thus; 94.6% of Total Industry and 94.2% of Total CAG's Total Edible X.Beverage Sales shown. Latest weeks subject to change due to data stability and restatements

Source (Left): Source: IRI eMarket Insights, Total Conagra vs. Total Edible x Beverage x Products Where Parent Company Is Unknown; Total eCommerce RMA; Data ended August 29, 2021
Source (Right Chart): IRI eMarket Insights, data ended August 29, 2021.

Recent Pricing Actions Reflected on Shelf

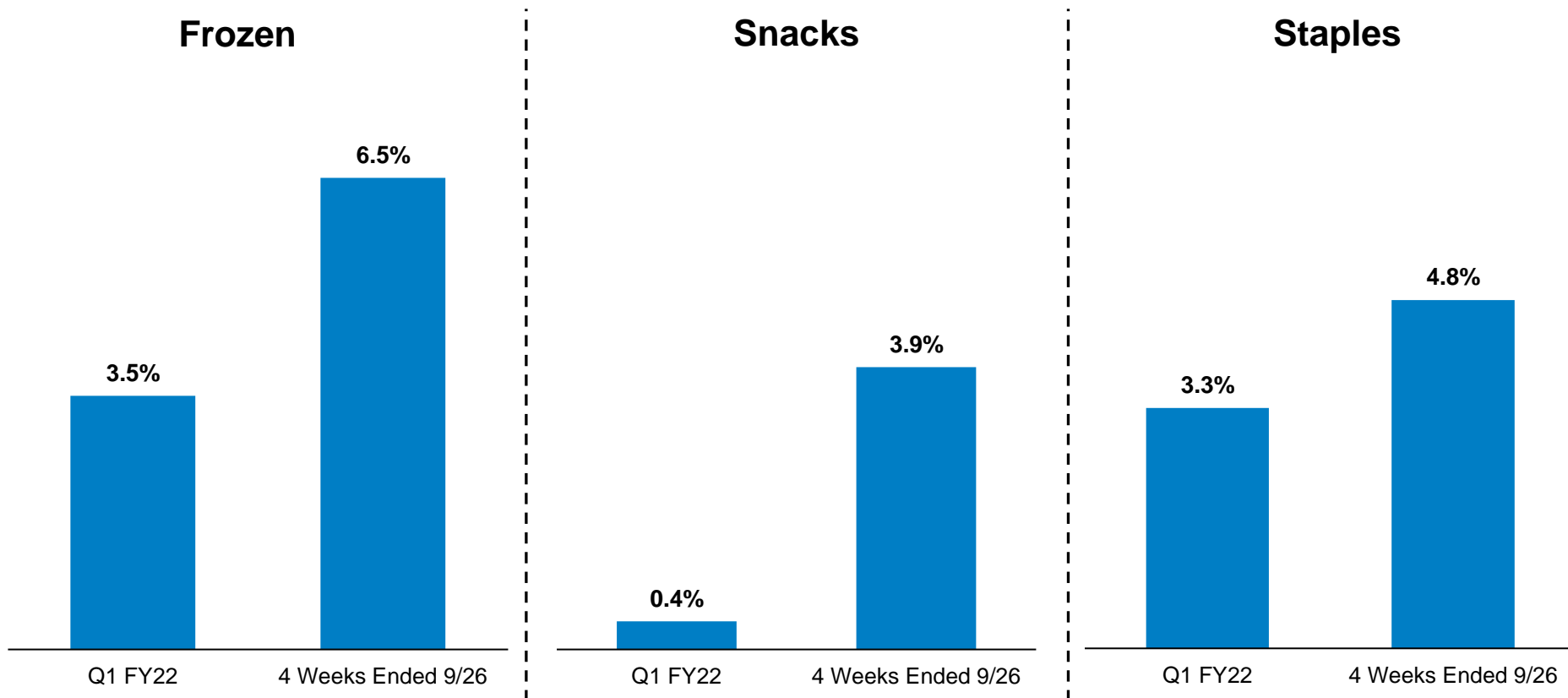


Conagra Base Price Per Volume % Change vs. YA

Frozen

Snacks

Staples



Updating Path to Achieving Earnings Guidance

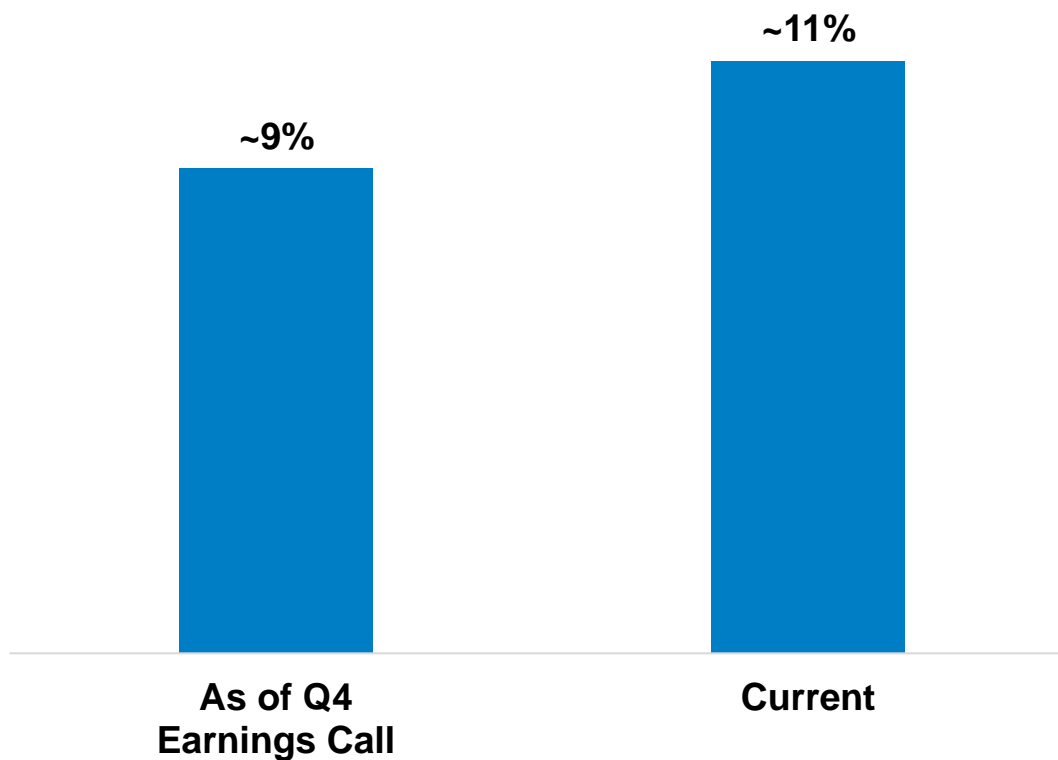


- Inflation expectations have increased
- Now expect higher net sales
 - Elevated at-home food demand higher than originally assumed
 - Elasticities of demand better than expected
 - Executing incremental inflation-justified pricing
- Executing additional cost savings actions
 - Supply Chain productivity, including hedging benefits
 - Discretionary cost management

Inflation Expectations Have Increased



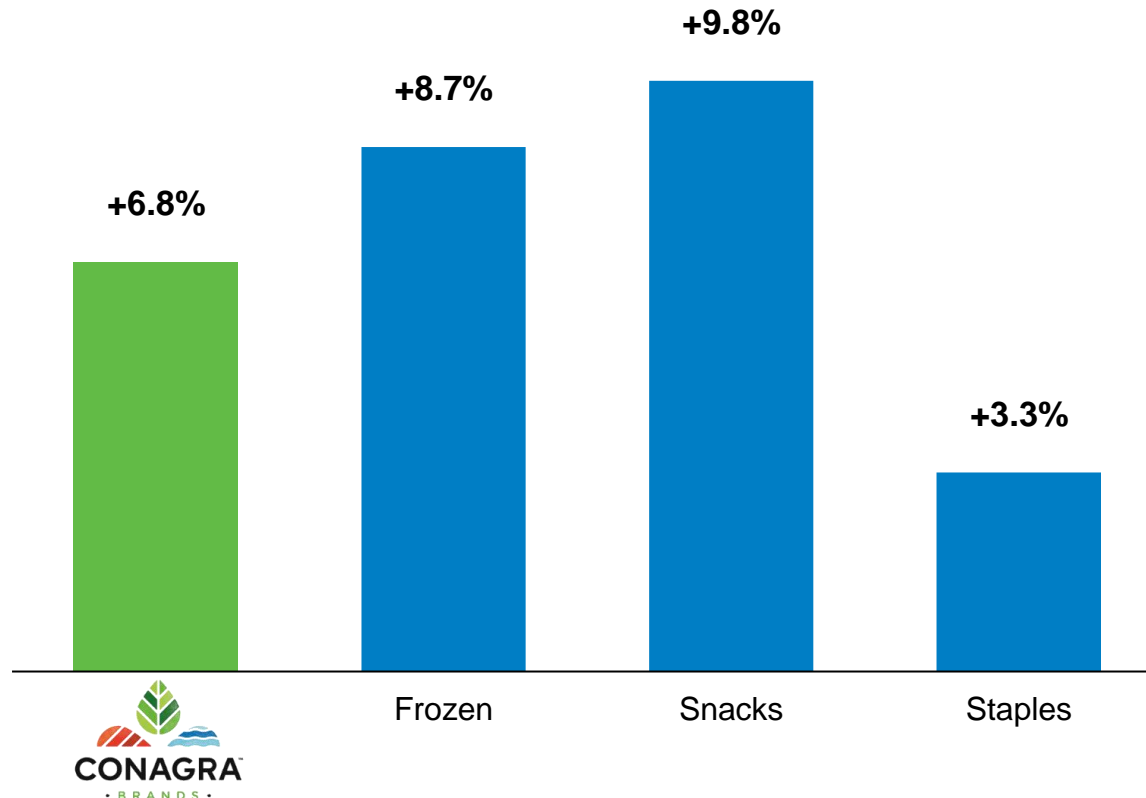
Expected FY22 Total COGS Inflation (excluding hedging benefits)



Consumer Demand Has Been Stronger Than Expected



Q1 Retail Sales (2-Year CAGR)

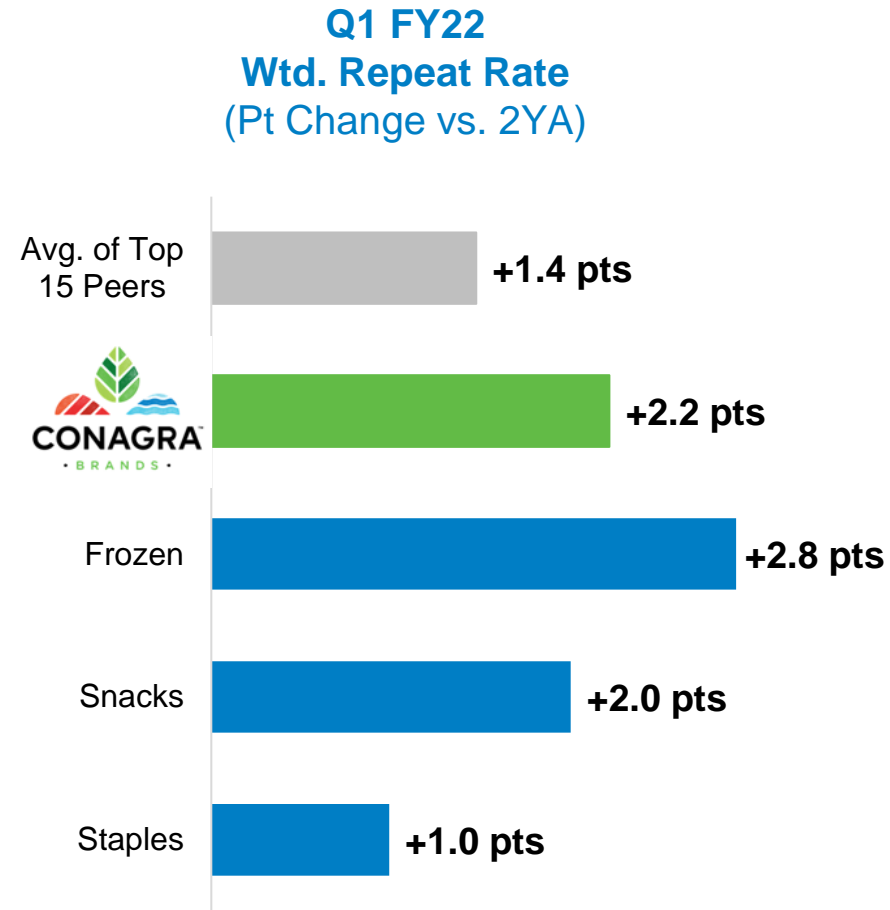
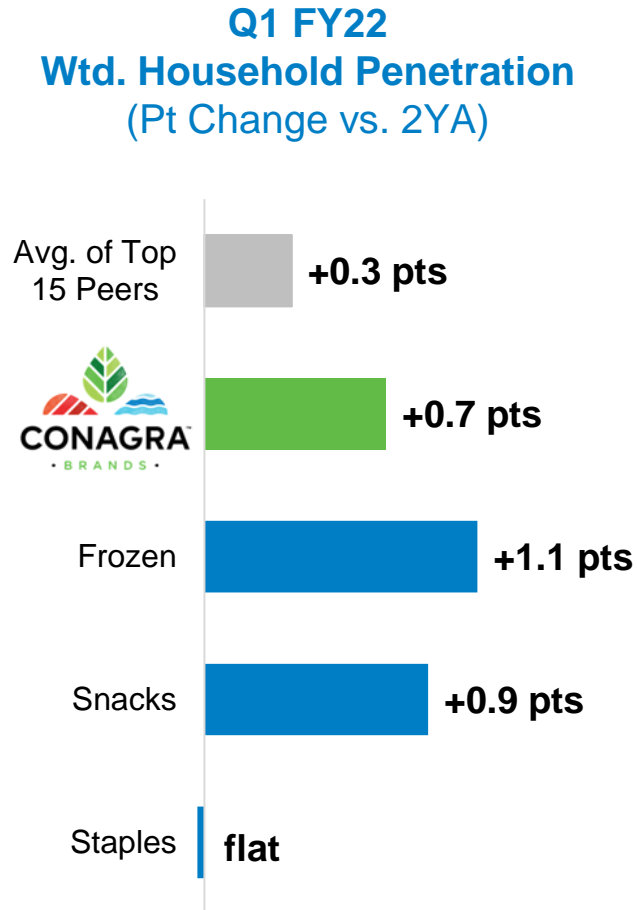


Frozen

Snacks

Staples

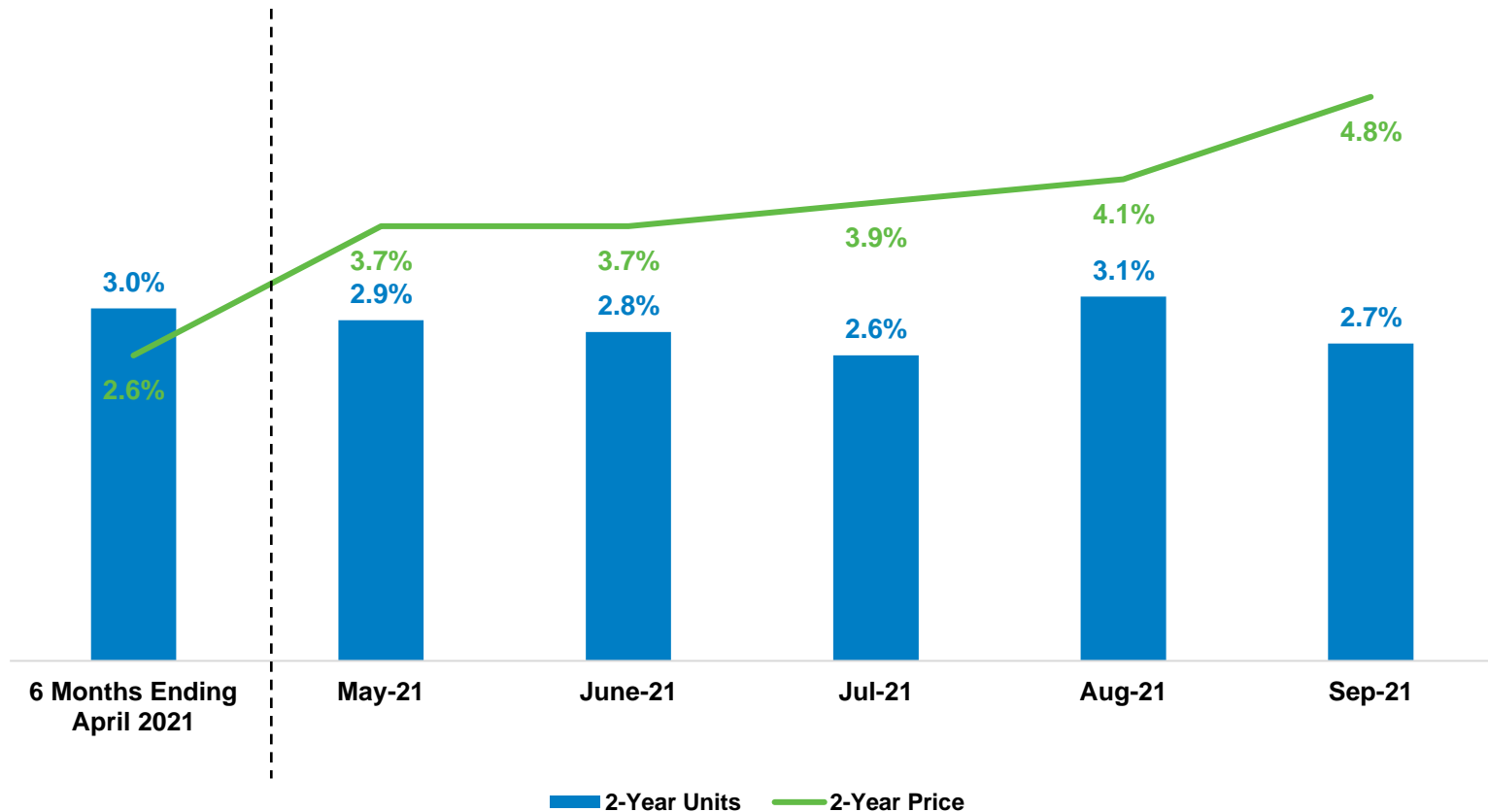
Continued to Retain Household Penetration Gains and Higher Repeat Rates



Elasticity of Demand Has Been Better Than Expected



Total Conagra Price-per-Unit and Units (2yr CAGR)



■ 2-Year Units — 2-Year Price

Reaffirming Fiscal 2022 Adj. EPS Guidance; Updating Path to Achieve^{1,2}



FY22		
	Prior	Updated
Organic Net Sales Growth (vs. FY21) ³	~Flat	~+1%
Adj. Operating Margin ⁴	~16%	~16%
Adj. EPS	~\$2.50	~\$2.50
Gross Inflation	~9%	~11%

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).

Looking Ahead, We Expect At-Home Eating to Remain Elevated



Existing Tailwinds Pre-Pandemic

Family Formation Tailwinds Maximize Retail Spend



**Larger Population Forming
Families vs. Prior Generation**



**Increased Adoption of Frozen Foods
as Families are Formed**



**Snacking Shows No
Sign of Slowing Down**

Incremental Pandemic-Driven Tailwinds

Shifting Workforce Dynamics Drive Lasting Impact to Weekday Behavior



**Contracting Workforce
Leading to More At-Home Eating**



**Remote Work Continuing,
Leading to More At-Home Eating**

Cooking Adoption Leads to New Habit Formation



**Young Consumers Acquiring New
Skills; Long-Term Impact on Future
Behavior**



**Consumers Re-Discovering
Cooking**



Dave Marberger

Executive Vice President and Chief Financial Officer

Performance Summary



Dollars in Millions, except per share data Increase/(Decrease)	Q1	vs. YA	2yr CAGR ⁴
Reported Net Sales	\$2,653	(1.0)%	+5.3%
Organic Net Sales Growth ¹		(0.4)%	+7.0%
Adj. Gross Profit	675	(18.0)%	~ Flat
Adj. Gross Margin	25.4%	(530) bps	
A&P	62	+35.3%	+17.2%
A&P as % of NS	2.3%	+63 bps	
Adj. SG&A	238	+0.4%	
Adj. SG&A as % of NS	9.0%	+12 bps	
Adj. Op. Profit ²	375	(30.6)%	~ Flat
Adj. Op. Margin ²	14.1%	(604) bps	
Adj. Net Income	241	(30.2)%	
Adj. EBITDA ³	501	(22.6)%	
Adj. EPS	\$0.50	(28.6)%	+7.8%

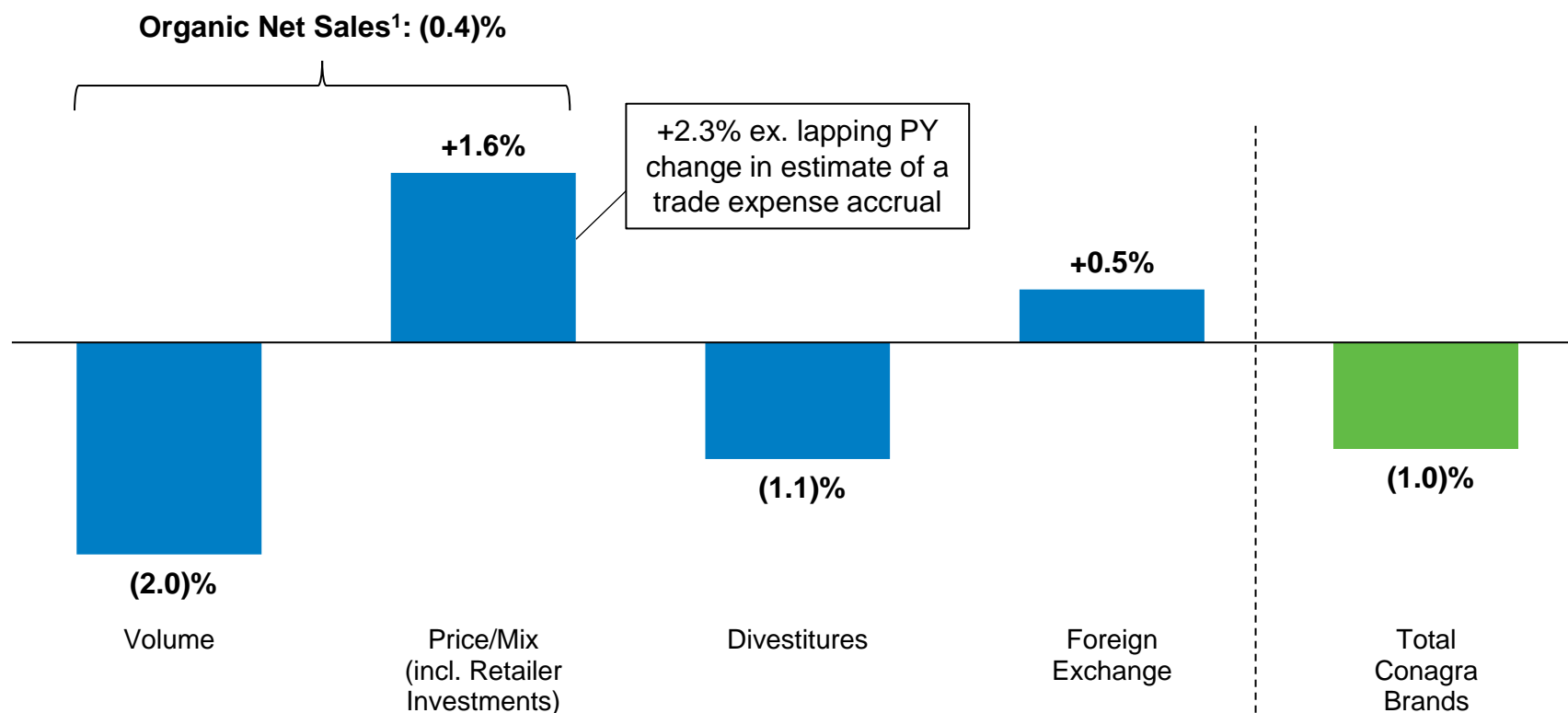
Note: "Adjusted" financial measures and organic net sales are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.

- 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 profit and adjusted operating margin exclude equity method investment earnings and pension and postretirement non-service expense (income).
- Adjusted EBITDA includes equity method investment earnings and pension and postretirement non-service income.
- CAGR calculated as $\left(\frac{1 + \text{current year period's growth rate}}{1 + \text{prior year period's growth rate}} \right)^{1/2} - 1$.

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	Organic 2-Year CAGR ²
Grocery & Snacks	\$1,075	(4.9)%	(3.3)%	+8.1%
Refrigerated & Frozen	1,102	(2.5)%	(1.7)%	+8.2%
International	237	+8.1%	+2.0%	+7.4%
Foodservice	240	+20.9%	+21.7%	(1.6)%
Total Conagra Brands	\$2,653	(1.0)%	(0.4)%	+7.0%

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).

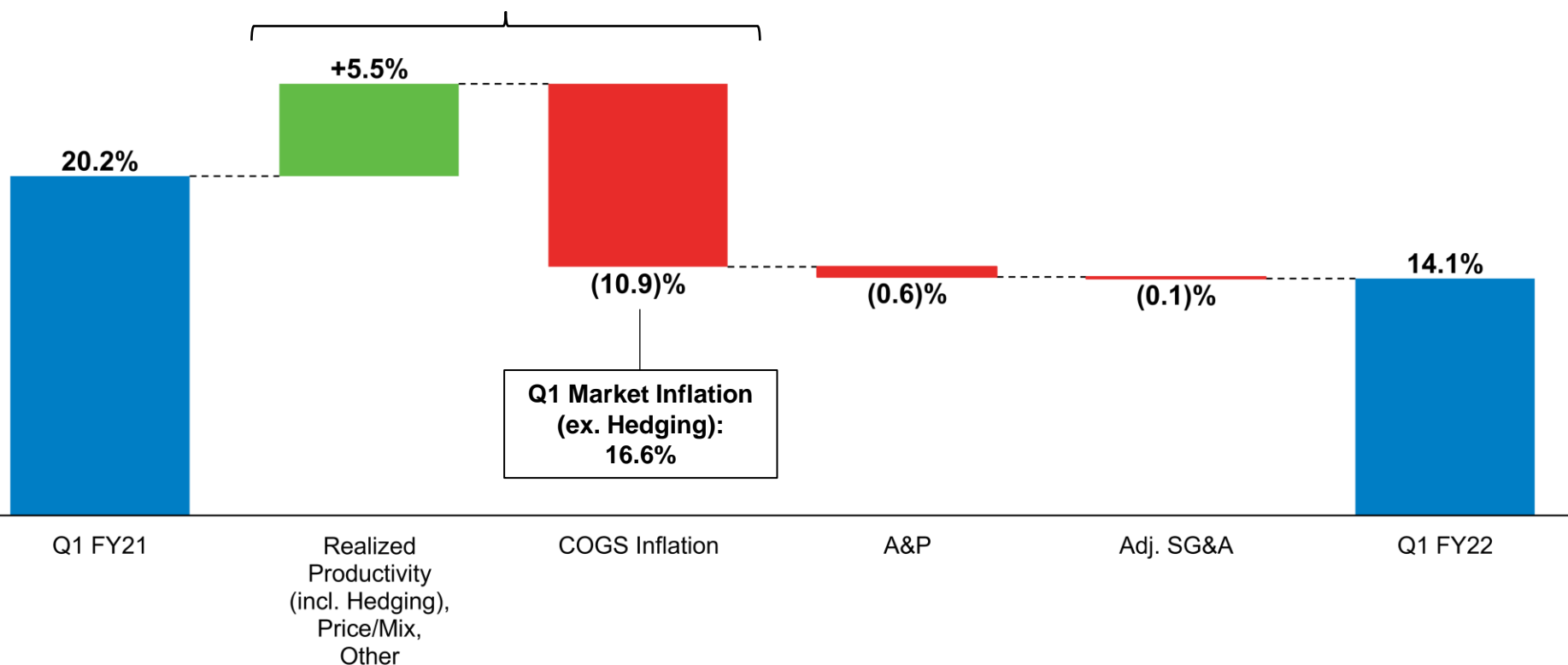
2. CAGR calculated as $\left(\frac{1 + \text{current year period's growth rate}}{1 + \text{prior year period's growth rate}} \right)^{0.5} - 1$.

Operating Margin Bridge



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

Adj. Gross Margin: (530) 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	vs. 2-Year CAGR ²	Q1	vs. YA	vs. 2 YA
Grocery & Snacks	\$220	(25.9)%	+2.9%	20.5%	(580) bps	(89) bps
Refrigerated & Frozen	163	(33.8)%	(2.8)%	14.8%	(698) bps	(318) bps
International	34	(11.1)%	+14.6%	14.4%	(311) bps	+170 bps
Foodservice	21	(19.0)%	(19.0)%	8.6%	(423) bps	(378) bps
Adjusted Corporate Expense	(62)	(5.7)%	(0.2)%	-	-	-
Total Conagra Brands	\$375	(30.6)%	Flat	14.1%	(604) bps	(154) 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.

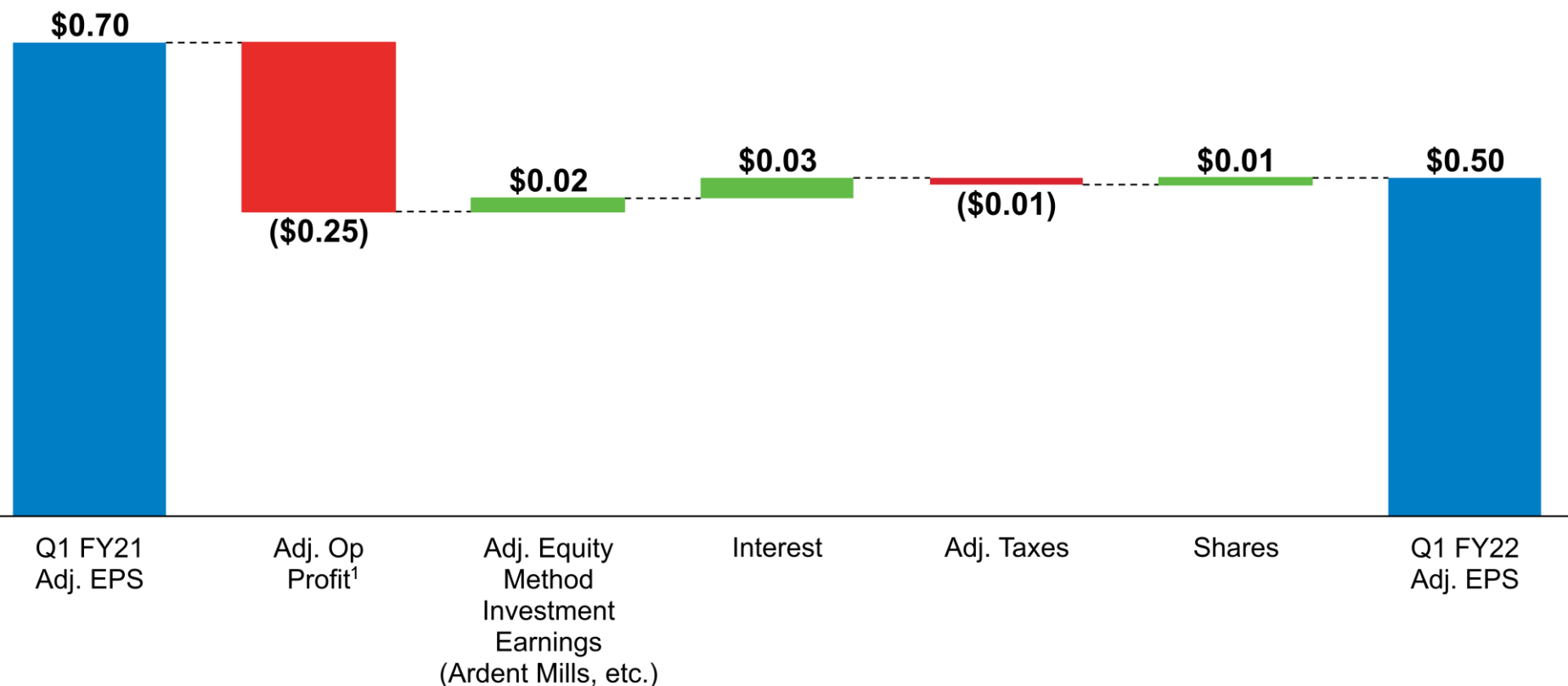
1. Adjusted operating profit and adjusted operating margin exclude equity method investment earnings and pension and postretirement non-service expense (income).

2. CAGR calculated as $\left(\frac{1 + \text{current year period's growth rate}}{1 + \text{prior year period's growth rate}} \right)^{1/2} - 1$.

Adjusted EPS Bridge



Drivers of Q1 Adjusted EPS 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)	August 30, 2020	August 29, 2021
Debt ¹	\$9,617	\$9,260
Cash	\$438	\$67
Ending Net Debt ¹	\$9,179	\$9,193
Net Leverage Ratio ²	3.7x	4.0x

(dollars in millions)	Q1 FY21	Q1 FY22
Net Cash Flow from Operating Activities	\$285	\$140
Capital Expenditures	\$146	\$155
Free Cash Flow	\$139	\$(15)
Dividends Paid	\$104	\$132
Share Repurchases	\$0	\$50

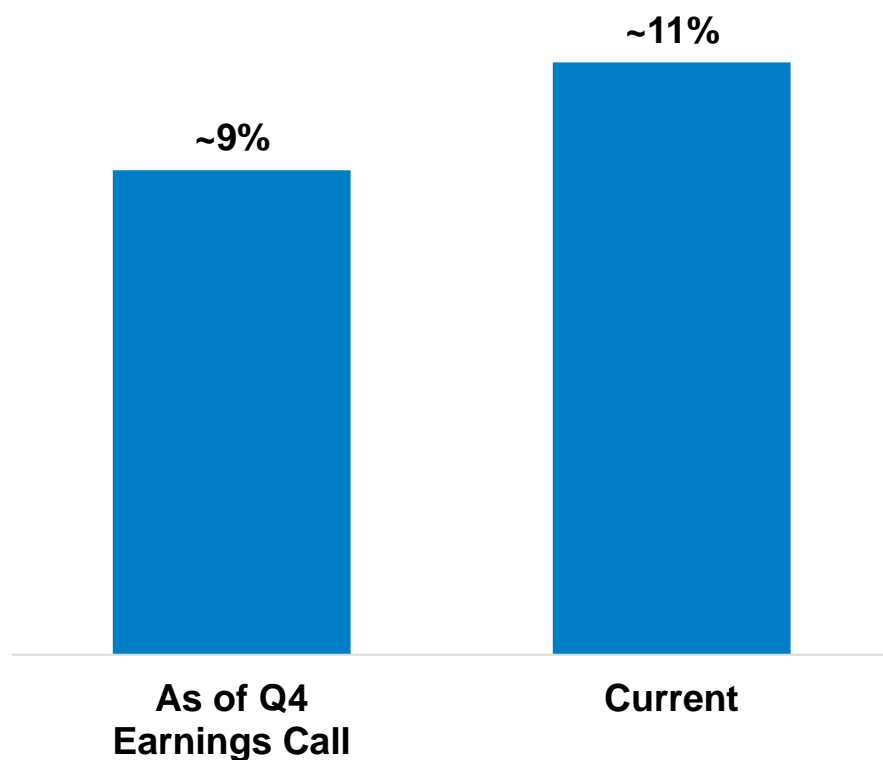
Note: Net Debt, Net Leverage Ratio and Free Cash Flow are non-GAAP. See the end of this presentation for a reconciliation of these measures to the most directly comparable GAAP measures.

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

Managing Increased Inflation



Expected FY22 Total COGS Inflation (excluding hedging benefits)



Offsetting Drivers

- Higher than expected demand
- Lower than expected elasticities of demand
- Incremental inflation-justified pricing
- Supply Chain productivity, including hedging
- Discretionary cost management

Reaffirming Fiscal 2022 Adj. EPS Guidance; Updating Path to Achieve^{1,2}



FY22		
	Prior	Updated
Organic Net Sales Growth (vs. FY21) ³	~Flat	~+1%
Adj. Operating Margin ⁴	~16%	~ 16%
Adj. EPS	~\$2.50	~\$2.50
Gross Inflation	~9%	~11%

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 FY22					
Net Sales	\$ 1,075.1	\$ 1,101.8	\$ 236.6	\$ 239.8	\$ 2,653.3
Impact of foreign exchange	—	—	(14.1)	—	(14.1)
Organic Net Sales	\$ 1,075.1	\$ 1,101.8	\$ 222.5	\$ 239.8	\$ 2,639.2
Year-over-year change - Net Sales	(4.9)%	(2.5)%	8.1%	20.9%	(1.0)%
Impact of foreign exchange (pp)	—	—	(6.5)	—	(0.5)
Net sales from divested businesses (pp)	1.6	0.8	0.4	0.8	1.1
Organic Net Sales	(3.3)%	(1.7)%	2.0%	21.7%	(0.4)%
Volume (Organic)	(3.3)%	(3.8)%	(4.6)%	20.1%	(2.0)%
Price/Mix	—	2.1%	6.6%	1.6%	1.6%
Q1 FY21					
Net Sales	\$ 1,131.0	\$ 1,130.6	\$ 219.0	\$ 198.3	\$ 2,678.9
Net sales from divested businesses	(18.7)	(9.2)	(0.9)	(1.3)	(30.1)
Organic Net Sales	\$ 1,112.3	\$ 1,121.4	\$ 218.1	\$ 197.0	\$ 2,648.8

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	\$ 1,131.0	\$ 1,130.6	\$ 219.0	\$ 198.3	\$ 2,678.9
Impact of foreign exchange	—	—	12.1	—	12.1
Organic Net Sales	\$ 1,131.0	\$ 1,130.6	\$ 231.1	\$ 198.3	\$ 2,691.0
Year-over-year change - Net Sales	16.2 %	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	—	1.4	2.4
Organic Net Sales	20.9 %	19.0 %	13.1 %	(20.4)%	15.0 %
Volume (Organic)	17.6%	12.8%	10.5%	(24.1)%	10.9%
Price/Mix	3.3%	6.2%	2.6%	3.7%	4.1%
Q1 FY20					
Net Sales	\$ 973.4	\$ 959.1	\$ 204.4	\$ 253.8	\$ 2,390.7
Net sales from divested businesses	(37.8)	(9.1)	—	(4.7)	(51.6)
Organic Net Sales	\$ 935.6	\$ 950.0	\$ 204.4	\$ 249.1	\$ 2,339.1
2-year compound growth	5.1%	7.2%	7.6%	(2.8)%	5.3%
Organic 2-year compound growth	8.1%	8.2%	7.4%	(1.6)%	7.0%

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



Q1 FY22	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Operating Profit	\$ 215.9	\$ 157.6	\$ 34.1	\$ 20.3	\$ (64.6)	\$ 363.3
Restructuring plans	4.1	5.0	—	0.3	6.4	15.8
Acquisitions and divestitures	—	—	—	—	1.0	1.0
Corporate hedging derivative losses (gains)	—	—	—	—	(5.2)	(5.2)
Adjusted Operating Profit	\$ 220.0	\$ 162.6	\$ 34.1	\$ 20.6	\$ (62.4)	\$ 374.9
Operating Profit Margin	20.1%	14.3%	14.4%	8.5%		13.7%
Adjusted Operating Profit Margin	20.5%	14.8%	14.4%	8.6%		14.1%
Year-over-year % change - Operating Profit	(23.7)%	(34.4)%	(11.4)%	(20.1)%	(16.3)%	(28.8)%
Year-over year % change - Adjusted Operating Profit	(25.9)%	(33.8)%	(11.1)%	(19.0)%	(5.7)%	(30.6)%
Year-over-year bps change - Adjusted Operating Profit	(580) bps	(698) bps	(311) bps	(423) bps		(604) bps

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	\$ 283.1	\$ 240.1	\$ 38.5	\$ 25.4	\$ (77.2)	\$ 509.9
Restructuring plans	13.9	5.7	(0.1)	—	6.4	25.9
Acquisitions and divestitures	—	—	—	—	2.7	2.7
Tax planning consulting fees	—	—	—	—	1.5	1.5
Legal matters	—	—	—	—	(2.0)	(2.0)
Corporate hedging derivative losses (gains)	—	—	—	—	2.5	2.5
Adjusted Operating Profit	\$ 297.0	\$ 245.8	\$ 38.4	\$ 25.4	\$ (66.1)	\$ 540.5
Operating Profit Margin	25.0%	21.2%	17.6%	12.8%		19.0%
Adjusted Operating Profit Margin	26.3%	21.7%	17.5%	12.8%		20.2%
Year-over-year % change - Operating Profit	86.9%	54.3%	55.5%	(19.0)%	(22.5)%	93.4%
Year-over-year % change - Adjusted Operating Profit	42.9%	42.8%	47.7%	(19.0)%	5.6%	44.2%
Year-over-year bps change - Adjusted Operating Profit	492 bps	380 bps	481 bps	45 bps		450 bps
Q1 FY20						
Operating Profit	\$ 151.4	\$ 155.6	\$ 24.8	\$ 31.4	\$ (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	\$ 207.8	\$ 172.0	\$ 26.0	\$ 31.4	\$ (62.5)	\$ 374.7
Operating Profit Margin	15.6%	16.2%	12.1%	12.4%		11.0%
Adjusted Operating Profit Margin	21.3%	17.9%	12.7%	12.4%		15.7%
2-year compound growth - reported	19.4%	0.6%	17.4%	(19.6)%	(19.5)%	17.3%
2-year compound growth - adjusted	2.9%	(2.8)%	14.6%	(19.0)%	(0.2)%	—%

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



	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
Q1 FY22								
Reported	\$ 673.4	\$ 310.1	\$ 363.3	\$ 285.2	\$ 69.7	22.8 %	\$ 235.4	\$ 0.49
% of Net Sales	25.4%	11.7%	13.7%					
Restructuring plans	6.4	9.4	15.8	15.8	3.9		11.9	0.02
Acquisitions and divestitures	—	1.0	1.0	1.0	0.3		0.7	—
Corporate hedging derivative losses (gains)	(5.2)	—	(5.2)	(5.2)	(1.3)		(3.9)	(0.01)
Advertising and promotion expenses ²	—	62.2	—	—	—		—	—
Unusual tax items	—	—	—	—	3.6		(3.6)	(0.01)
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 674.6	\$ 237.5	\$ 374.9	\$ 296.8	\$ 76.2	24.0 %	\$ 240.5	\$ 0.50
% of Net Sales	25.4%	9.0%	14.1%					
Year-over-year % of net sales change - reported	(486) bps	48 bps	(534) bps					
Year-over-year % of net sales change - adjusted	(530) bps	12 bps	(604) bps					
Year-over-year change - reported	(16.9)%	3.3%	(28.8)%	(30.5)%	(19.6)%		(28.5)%	(26.9)%
Year-over-year change - adjusted	(18.0)%	0.4%	(30.6)%	(32.6)%	(25.2)%		(30.2)%	(28.6)%
	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
Q1 FY21								
Reported	\$ 810.2	\$ 300.3	\$ 509.9	\$ 410.0	\$ 86.7	20.8 %	\$ 329.0	\$ 0.67
% of Net Sales	30.2%	11.2%	19.0%					
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	—	—	—		—	—
Tax planning consulting fees	—	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
% of Net Sales	30.7%	8.8%	20.2%					
Year-over-year % of net sales change - reported	245 bps	(555) bps	800 bps					
Year-over-year % of net sales change - adjusted	244 bps	(188) bps	450 bps					
Year-over-year change - reported	21.9%	(25.1)%	93.4%	172.4%	N/A		89.4%	86.1%
Year-over-year change - adjusted	21.7%	(7.6)%	44.2%	68.1%	73.4%		64.2%	62.8%

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
% of Net Sales	27.8%	16.8%	11.0%					
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
% of Net Sales	28.3%	10.7%	15.7%					
2-year compound growth - reported								16.6%
2-year compound growth - adjusted								7.8%

- 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)



	August 29, 2021	August 30, 2020	% Change
Net cash flows from operating activities	\$ 139.8	\$ 284.5	(50.9)%
Additions to property, plant and equipment	(154.9)	(145.5)	6.5%
Free cash flow	\$ (15.1)	\$ 139.0	N/A

	Q1FY22	Q1FY21
Notes payable	\$ 458.6	\$ 0.6
Current installments of long-term debt	21.9	718.6
Senior long-term debt, excluding current installments	8,779.6	8,897.6
Total Debt	\$ 9,260.1	\$ 9,616.8
Less: Cash	67.0	438.2
Net Debt	\$ 9,193.1	\$ 9,178.6

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



	Q1 FY22	LTM ²
Net Debt	\$	9,193.1
Net income attributable to Conagra Brands, Inc.	\$	1,205.2
Add Back: Income tax expense		176.8
Income tax expense attributable to noncontrolling interests		(0.6)
Interest expense, net		400.9
Depreciation		329.3
Amortization		59.7
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$	2,171.3
Restructuring plans ¹		36.2
Acquisitions and divestitures		4.0
Corporate hedging derivative gains		(23.3)
Consulting fees on tax matters		5.7
Gain on divestiture of businesses		(58.4)
Legal matters		4.6
Early extinguishment of debt		68.7
Brand impairment charges		90.9
Adjusted EBITDA	\$	2,299.7
Net Debt to Adjusted LTM EBITDA		4.0

¹Excludes comparability items related to depreciation.

²Last twelve months

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

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



	Q1 FY22	Q1 FY21	% Change
Net income attributable to Conagra Brands, Inc.	\$ 235.4	\$ 329.0	(28.5)%
Add Back: Income tax expense	69.7	86.7	
Income tax expense attributable to noncontrolling interests	(0.1)	(0.3)	
Interest expense, net	94.2	113.7	
Depreciation	81.6	80.3	
Amortization	14.9	14.9	
Earnings before interest, taxes, depreciation, and amortization	\$ 495.7	\$ 624.3	(20.6)%
Restructuring plans ¹	9.5	18.3	
Acquisitions and divestitures	1.0	2.7	
Corporate hedging derivative losses (gains)	(5.2)	2.5	
Consulting fees on tax matters	—	1.5	
Legal matters	—	(2.0)	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 501.0	\$ 647.3	(22.6)%

¹ Excludes comparability items related to depreciation.

