



FY24 Q2 Earnings Presentation

January 4, 2024

Today's Presenters



Bayle Ellis

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: risks associated with general economic and industry conditions, including inflation, rising interest rates, decreased availability of capital, volatility in financial markets, declining consumer spending rates, recessions, decreased energy availability, increased energy costs (including fuel surcharges), supply chain challenges, labor shortages, and geopolitical conflicts (including the ongoing conflict between Russia and Ukraine); negative impacts caused by public health crises; risks related to our ability to deleverage on currently anticipated timelines, and to continue to access capital on acceptable terms or at all; risks related to the company's competitive environment, cost structure, and related market conditions; risks related to our ability to execute operating and value creation plans and achieve returns on our investments and targeted operating efficiencies from cost-saving initiatives, and to benefit from trade optimization programs; risks related to the availability and prices of commodities and other supply chain resources, including raw materials, packaging, energy, and transportation, including any negative effects caused by changes in levels of inflation and interest rates, weather conditions, health pandemics or outbreaks of disease, actual or threatened hostilities or war, or other geopolitical uncertainty; risks related to the effectiveness of our hedging activities and ability to respond to volatility in commodities; disruptions or inefficiencies in our supply chain and/or operations; risks related to the ultimate impact of, including reputational harm caused by, any product recalls and product liability or labeling litigation, including litigation related to lead-based paint and pigment and cooking spray; risks related to our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; risks associated with actions by our customers, including changes in distribution and purchasing terms; risks related to the seasonality of our business; risks associated with our co-manufacturing arrangements and other third-party service provider dependencies; risks associated with actions of governments and regulatory bodies that affect our businesses, including the ultimate impact of new or revised regulations or interpretations including to address climate change or implement changes to taxes and tariffs; risks related to the company's ability to execute on its strategies or achieve expectations related to environmental, social, and governance matters, including as a result of evolving legal, regulatory, and other standards, processes, and assumptions, the pace of scientific and technological developments, increased costs, the availability of requisite financing, and changes in carbon pricing or carbon taxes; risks related to a material failure in or breach of our or our vendors' information technology systems and other cybersecurity incidents; risks related to our ability to identify, attract, hire, train, retain and develop qualified personnel; risk of increased pension, labor or people-related expenses; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; risk relating to our ability to protect our intellectual property rights; risks relating to acquisition, divestiture, joint venture or investment activities; the amount and timing of future dividends, which remain subject to Board approval and depend on market and other conditions; and other risks described in our reports filed from time to time with the Securities and Exchange Commission.

We caution readers not to place undue reliance on any forward-looking statements included in this document, which speak only as of the date of this document. We undertake no responsibility to update these statements, except as required by law.

Additional Notes

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



Sean Connolly

President and Chief Executive Officer







Q2 Headlines



- Top line volume progress despite challenging macro environment:
 - Consumer behavior shifts persisted and pressured volume and mix
 - Targeted investments in Frozen generated strong lifts and share gains
 - Net result was a clear improvement in volume trend
- Solid margins and EPS alongside strong free cash flow conversion
- Robust H2 investment profile in place, reflecting confidence in consumer responsiveness to brand building efforts
- Updating FY24 guidance

While Consumer Behavior Shifts Persisted in Q2...

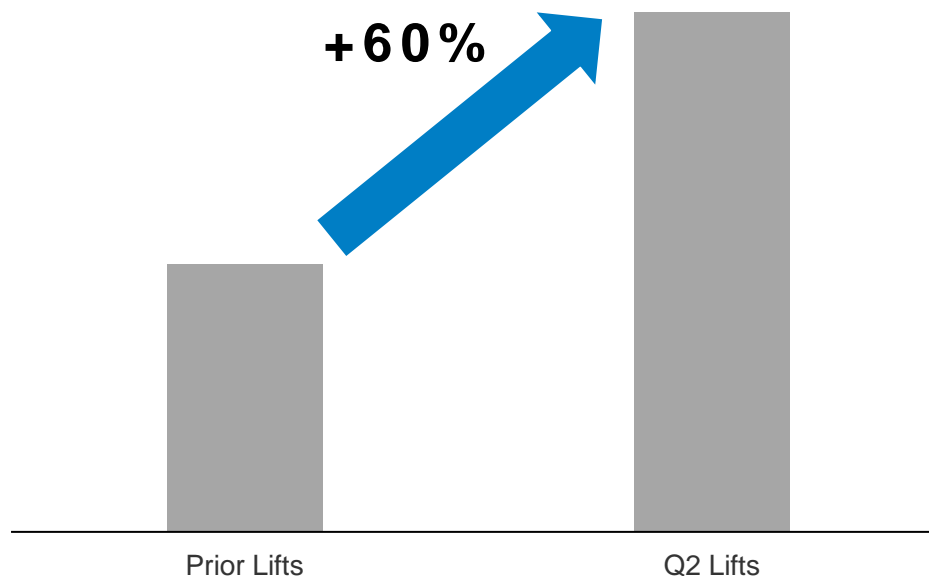


- 
- A horizontal bar with segments of green, light green, blue, red, and orange.
-  Limited discretionary purchases
 -  Actively reducing household inventories
 -  More hands-on prep, less convenience
 -  More meals-for-many, fewer meals-for-one
 -  More use of leftovers, less waste

...Targeted Investments in Frozen Generated Strong Lifts



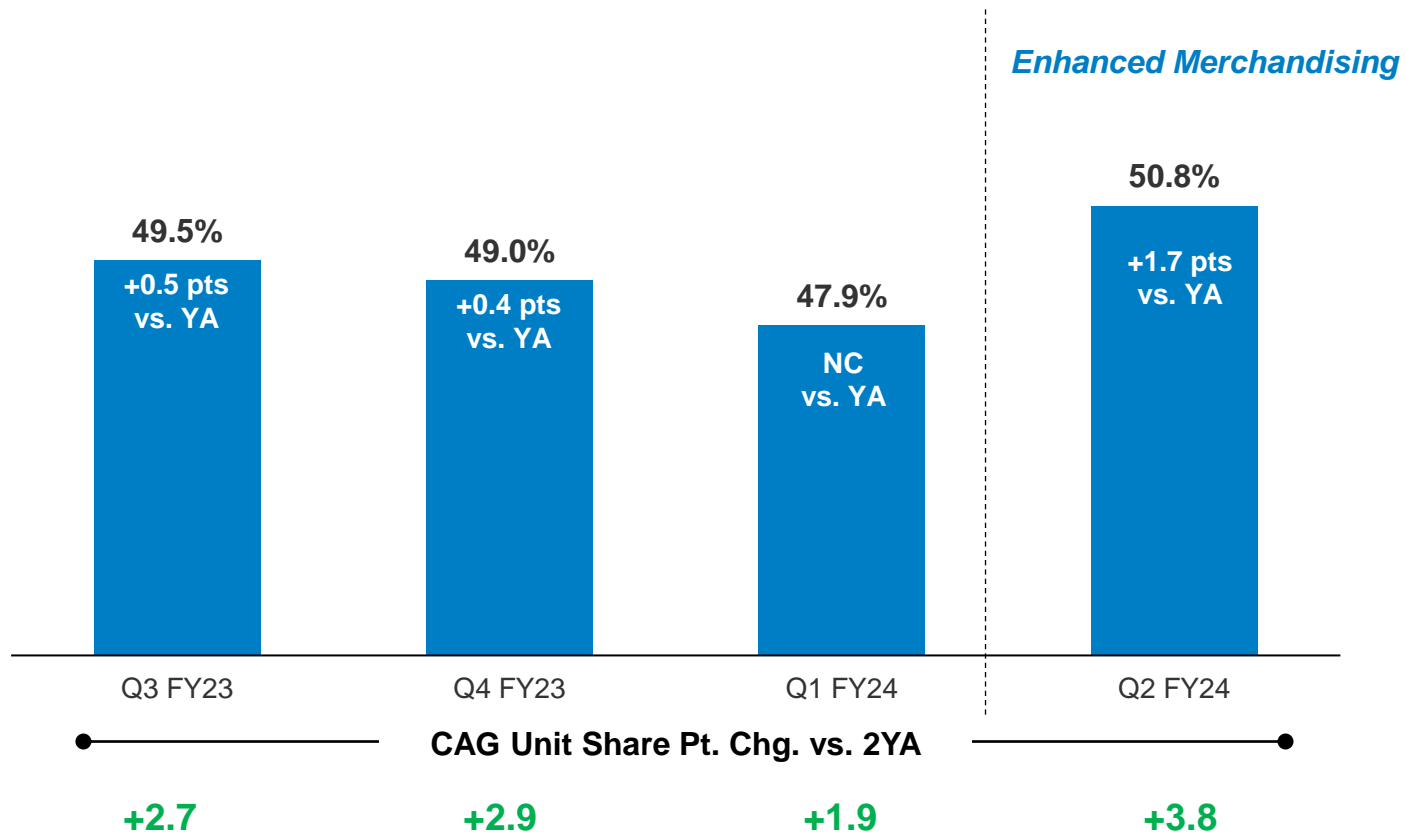
Quality Merchandising Promotion Lift Frozen Single-Serve Meals



...and Record Shares in Q2 That Built Upon Last Year's Gains



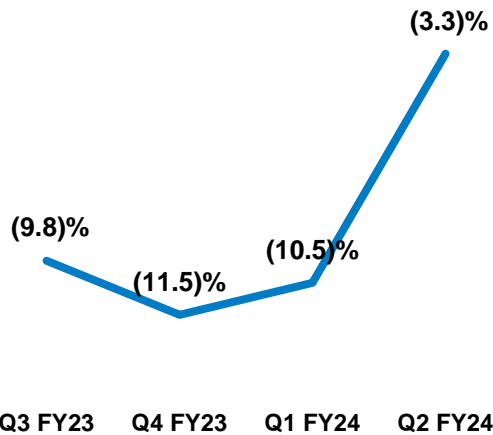
Conagra Frozen Single-Serve Meals Unit Share of Category



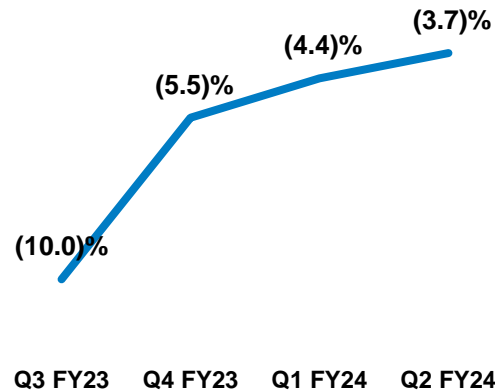
Net, the Consumer is Responding and Volume Progress is Underway



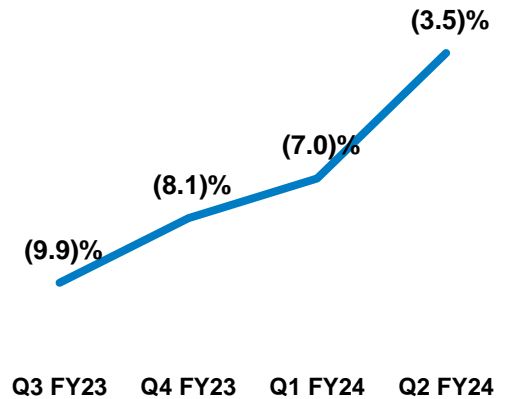
**Refrigerated and Frozen
YOY Volume Change**



**Grocery and Snacks
YOY Volume Change**



**Total Domestic Retail
YOY Volume Change**



Continued Momentum in International and Foodservice



International



Q2 ONS¹: +5.6%
YTD ONS¹ +6.8%

Foodservice



Q2 ONS¹: +4.3%
YTD ONS¹ +4.7%

Q2 Results Reflect Solid Margin and EPS Performance...



	Q2	Q2 vs. YA
Organic Net Sales ¹	\$3,202	(3.4)%
Adj. Gross Margin ¹	26.9%	(129) bps
Adj. Operating Margin ¹	15.9%	(108) bps
Adj. EPS ¹	\$0.71	(12.3)%

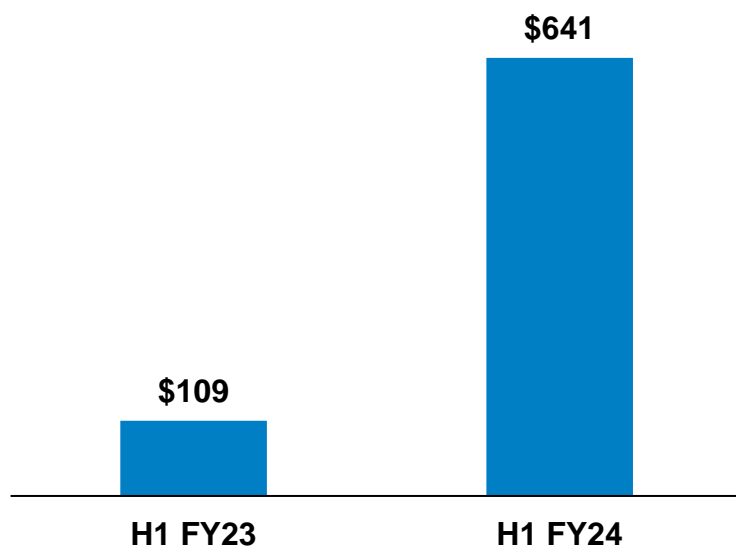
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

... and Strong Free Cash Flow

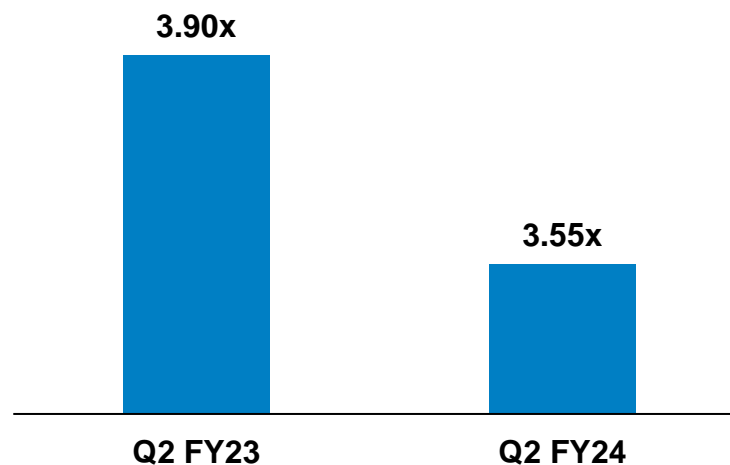


Free Cash Flow¹

(Dollars in Millions)



Net Leverage Ratio¹



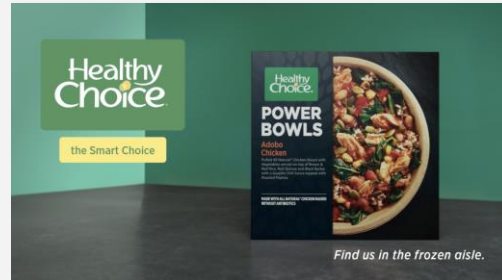
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Robust H2 Investment Profile: Advertising

Birds Eye



Healthy Choice



Slim Jim / WWE



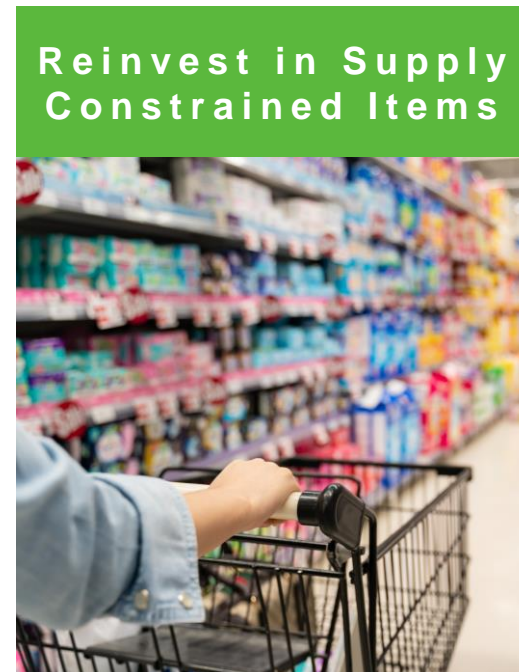
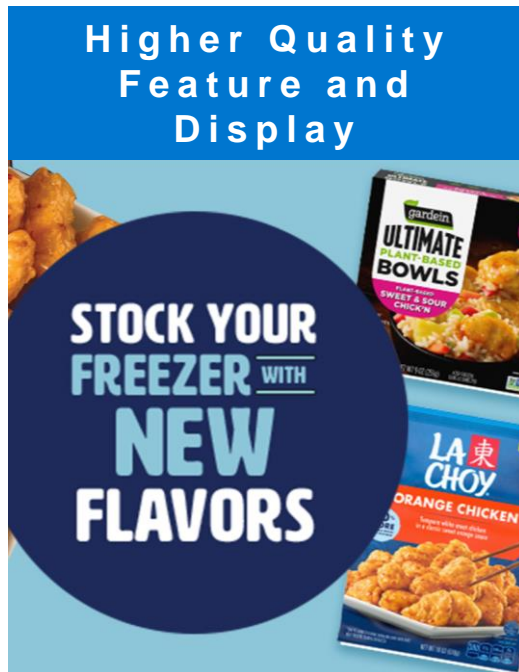
Robust H2 Investment Profile: Innovation



BE READY TO MUNCH
anytime, anywhere.



Robust H2 Investment Profile: Merchandising



Updating Fiscal 2024 Guidance



Guidance	OLD	NEW
Organic Net Sales ¹ Growth (vs. FY23)	~+1%	(1)% to (2)%
Adj. Operating Margin ¹	16.0% to 16.5%	~15.6%
Adj. EPS ¹	\$2.70 to \$2.75	\$2.60 to \$2.65

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



Dave Marberger

Executive Vice President and Chief Financial Officer

Performance Summary



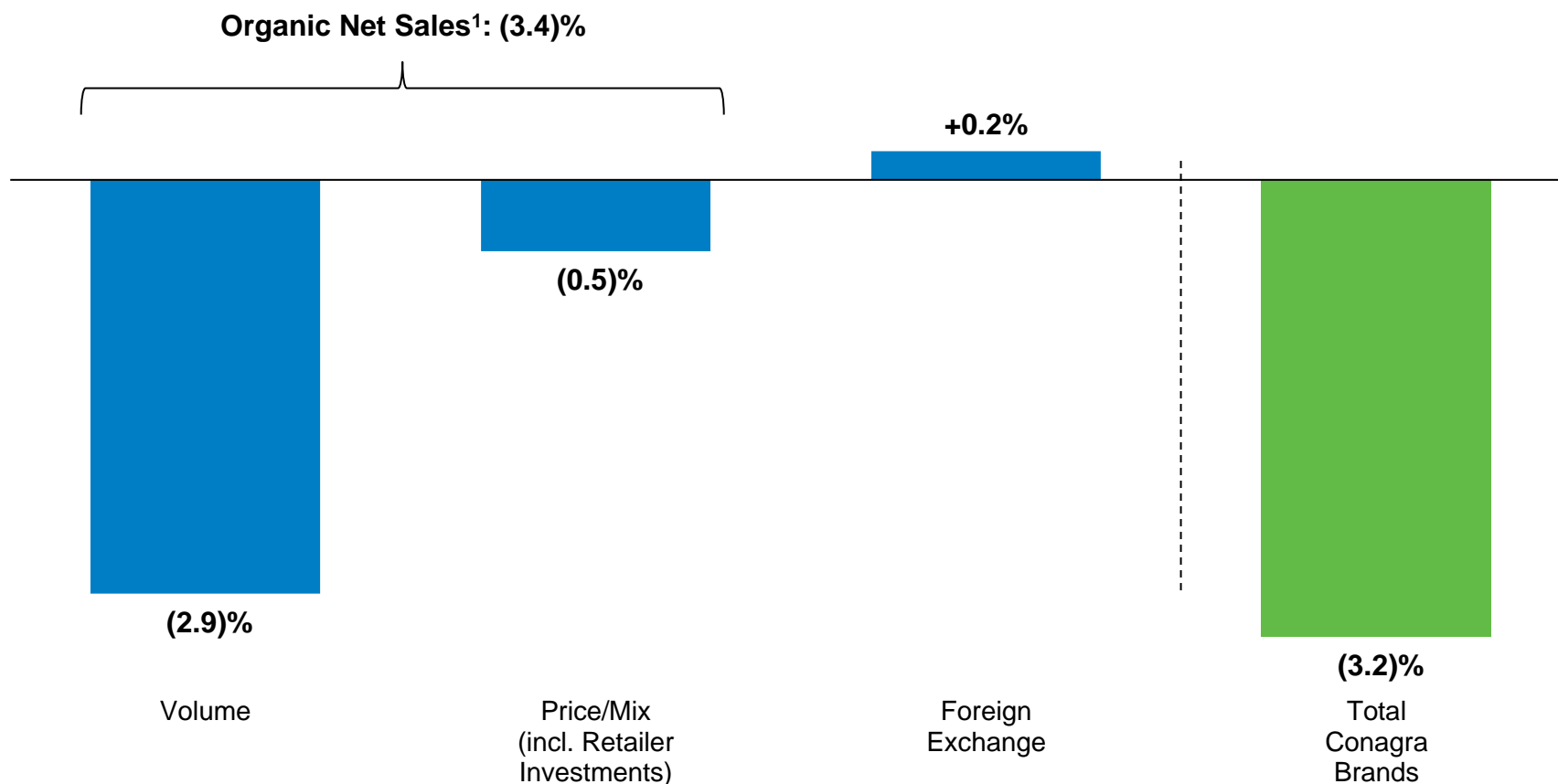
Dollars in Millions, except per share data Increase/(Decrease)	Q2	vs. YA
Reported Net Sales	\$3,208	(3.2)%
Organic Net Sales ¹ Growth		(3.4)%
Adj. Gross Profit ¹	862	(7.6)%
Adj. Gross Margin ¹	26.9%	(129) bps
A&P	73	(8.0)%
A&P as % of NS	2.3%	(12) bps
Adj. SG&A ¹	279	(4.1)%
Adj. SG&A ¹ as % of NS	8.7%	(9) bps
Adj. Op. Profit ¹	510	(9.3)%
Adj. Op. Margin ¹	15.9%	(108) bps
Equity Earnings	54	+10.3%
Adj. Net Income ¹	341	(12.9)%
Adj. EBITDA ¹	661	(7.0)%
Adj. EPS ¹	\$0.71	(12.3)%

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

Net Sales Bridge vs. Year Ago



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



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

Net Sales by Segment



Dollars in Millions Increase/(Decrease)	Net Sales		
	Q2	Reported vs. YA	Organic ¹ vs. YA
Grocery & Snacks	\$1,295	(4.1)%	(4.1)%
Refrigerated & Frozen	1,339	(5.8)%	(5.8)%
International	280	+8.1%	+5.6%
Foodservice	295	+4.3%	+4.3%
Total Conagra Brands	\$3,208	(3.2)%	(3.4)%

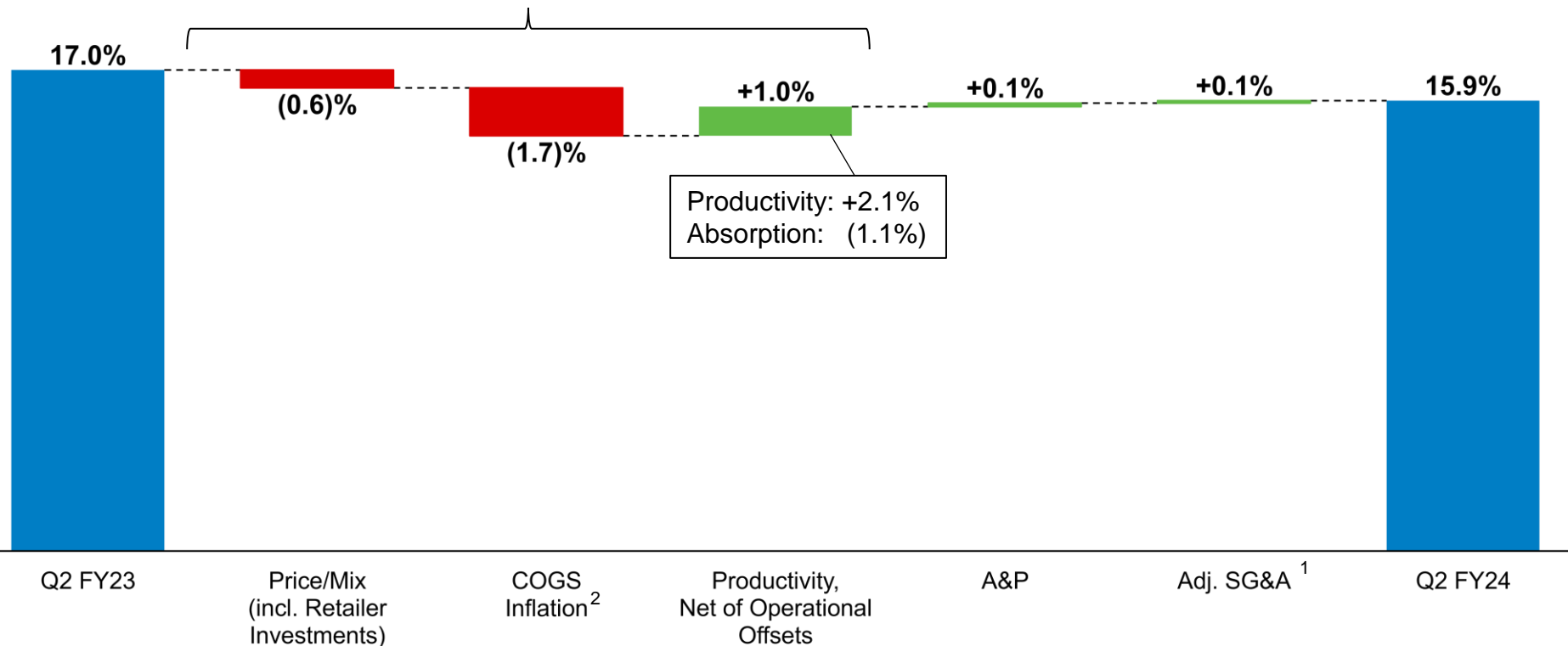
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

Operating Margin Bridge



Q2 Adj. Operating Margin¹ (% Change vs. YA)

Adj. Gross Margin¹: (129) bps vs. YA



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

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

Segment Adjusted Operating Profit¹ & Margin¹ Summary



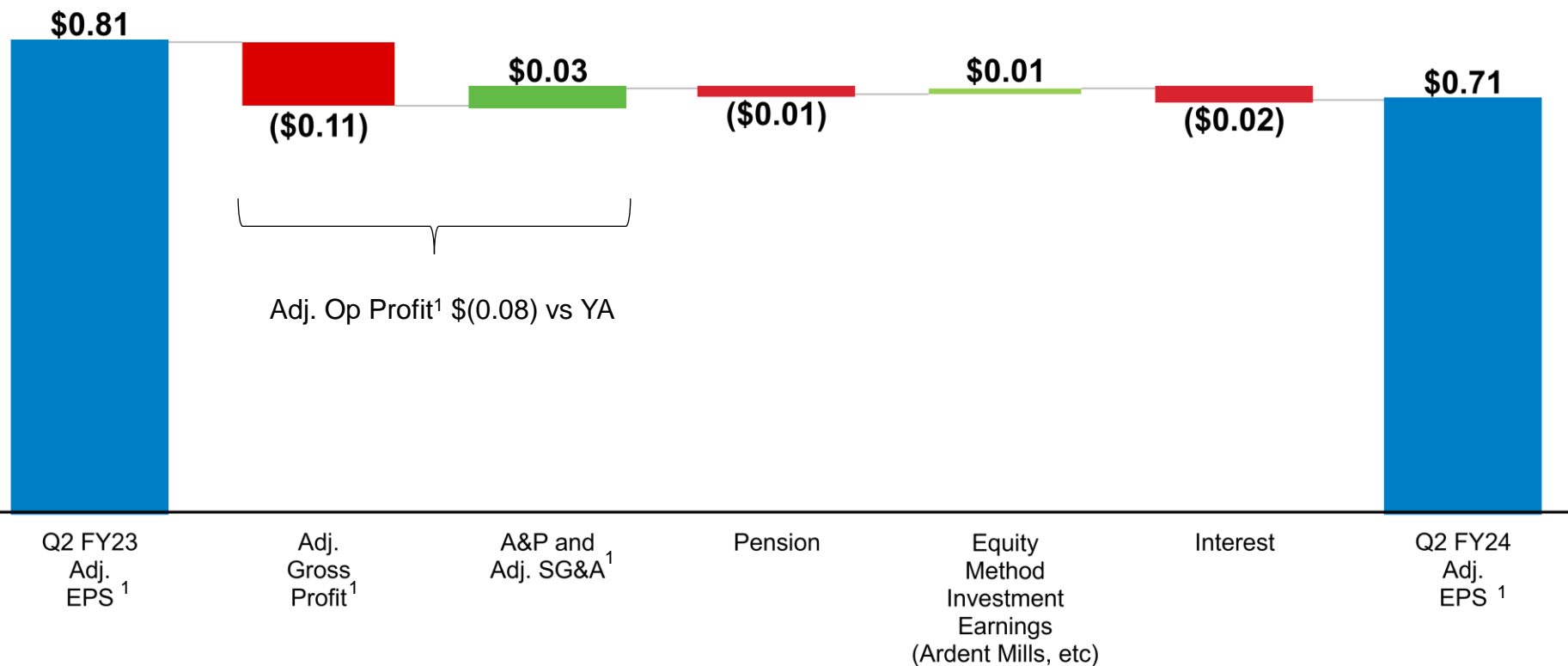
Dollars in Millions Increase/(Decrease)	Adj. Op. Profit ¹		Adj. Op. Margin ¹	
	Q2	vs. YA	Q2	vs. YA
Grocery & Snacks	\$282	(17.3)%	21.8%	(348) bps
Refrigerated & Frozen	222	(14.2)%	16.6%	(162) bps
International	41	+10.3%	14.5%	+30 bps
Foodservice	35	+24.3%	12.0%	+193 bps
Adjusted Corporate Expense ¹	(70)	(31.9)%	-	-
Total Conagra Brands	\$510	(9.3)%	15.9%	(108) bps

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

Q2 Adjusted EPS¹ Bridge



Drivers of Q2 Adjusted EPS¹ vs. YA

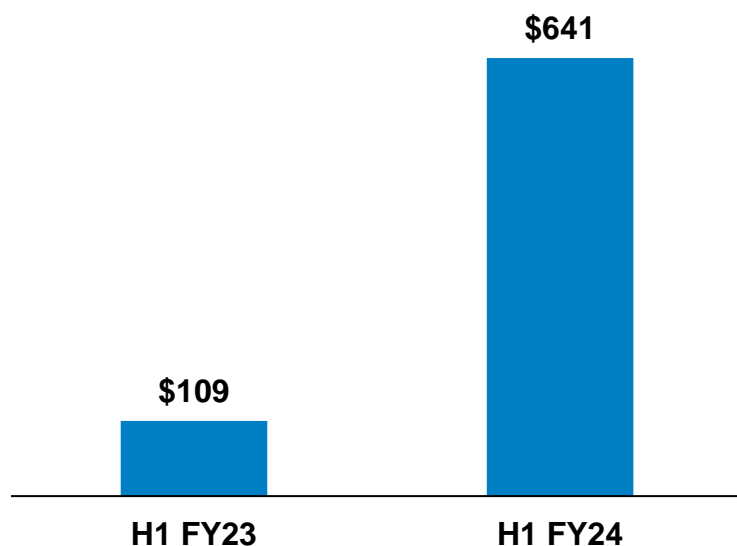


1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure. Numbers may not add due to rounding.

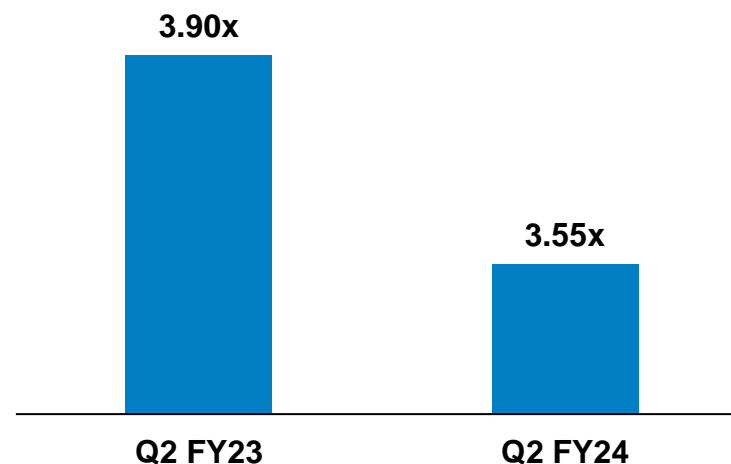
Strong Free Cash Flow Enabled Debt Paydown in Q2



Free Cash Flow¹
(Dollars in Millions)



Net Leverage Ratio¹



- H1 Free Cash Flow¹ Conversion ~97%
- Debt repayment of more than \$500mm in latest 12 months ending Q2
- Continued debt reduction expected in H2 as net leverage ratio² target of 3.0x remains the priority

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

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

Updating Fiscal 2024 Guidance



Guidance	OLD	NEW
Organic Net Sales ¹ Growth (vs. FY23)	~+1%	(1)% to (2)%
Adj. Operating Margin ¹	16.0% to 16.5%	~15.6%
Adj. EPS ¹	\$2.70 to \$2.75	\$2.60 to \$2.65

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

Updated FY24 P&L Assumptions



Inflation

- ~3% for FY24 net inflation*

Supply Chain

- Gross Productivity Savings of ~\$300M
- Capex of ~\$450M

Below Line Items

- Interest Expense of ~\$440M; no Pension income
- Adj. Tax Rate¹ ~24%
- Ardent Mills contribution ~\$170M

Leverage

- Net leverage ratio¹ of ~3.55x by FYE; debt paydown remains priority
- Expect to reach 3.0x net leverage ratio¹ target by end of FY26

**net inflation equals net of market inflation and market-based sourcing*

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



Q&A



Appendix

Notes on Non-GAAP Financial Measures



This document includes certain non-GAAP financial measures. Management considers GAAP financial measures as well as such non-GAAP financial information in its evaluation of the company's financial statements and believes these non-GAAP financial measures provide useful supplemental information to assess the company's operating performance and financial position. These measures should be viewed in addition to, and not in lieu of, the company's diluted earnings per share, operating performance and financial measures as calculated in accordance with GAAP.

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

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

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

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

Forward-Looking Non-GAAP Financial Measures

Our fiscal 2024 guidance includes certain non-GAAP financial measures (organic net sales growth, adjusted operating margin, adjusted EPS, net leverage ratio, free cash flow, and adjusted effective tax rate) that are presented on a forward-looking basis. Historically, the company has calculated these non-GAAP financial measures excluding the impact of certain items such as, but not limited to, foreign exchange, acquisitions, divestitures, restructuring expenses, the extinguishment of debt, hedging gains and losses, impairment charges, legacy legal contingencies, and unusual tax items. Reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are not provided because the company is unable to provide such reconciliations without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the timing and the financial impact of such items. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.

Reconciliation of Q2 FY24 Organic Net Sales by Segment YOY Change (in millions)

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Q2 FY24					
Net Sales	\$ 1,295.1	\$ 1,338.5	\$ 279.6	\$ 294.9	\$ 3,208.1
Impact of foreign exchange	—	—	(6.5)	—	(6.5)
Organic Net Sales	\$ 1,295.1	\$ 1,338.5	\$ 273.1	\$ 294.9	\$ 3,201.6
Year-over-year change - Net Sales	(4.1)%	(5.8)%	8.1%	4.3%	(3.2)%
Impact of foreign exchange (pp)	—	—	(2.5)	—	(0.2)
Organic Net Sales	(4.1)%	(5.8)%	5.6%	4.3%	(3.4)%
Volume (Organic)	(3.7)%	(3.3)%	3.3%	(2.5)%	(2.9)%
Price/Mix	(0.4)%	(2.5)%	2.3%	6.8%	(0.5)%
Q2 FY23					
Net Sales	\$ 1,349.9	\$ 1,421.5	\$ 258.7	\$ 282.8	\$ 3,312.9
Net sales from divested businesses	—	—	—	—	—
Organic Net Sales	\$ 1,349.9	\$ 1,421.5	\$ 258.7	\$ 282.8	\$ 3,312.9

Reconciliation of FY24 YTD Organic Net Sales by Segment YOY Change (in millions)

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Q2 FY24 YTD					
Net Sales	\$ 2,498.0	\$ 2,490.1	\$ 539.8	\$ 584.2	\$ 6,112.1
Impact of foreign exchange	—	—	(13.9)	—	(13.9)
Organic Net Sales	\$ 2,498.0	\$ 2,490.1	\$ 525.9	\$ 584.2	\$ 6,098.2
Year-over-year change - Net Sales	(1.6)%	(5.3)%	9.7%	4.7%	(1.7)%
Impact of foreign exchange (pp)	—	—	(2.9)	—	(0.2)
Organic Net Sales	(1.6)%	(5.3)%	6.8%	4.7%	(1.9)%
Volume (Organic)	(4.0)%	(6.7)%	1.9%	(3.8)%	(4.7)%
Price/Mix	2.4%	1.4%	4.9%	8.5%	2.8%
Q2 FY23 YTD					
Net Sales	\$ 2,538.2	\$ 2,629.1	\$ 492.2	\$ 557.7	\$ 6,217.2
Net sales from divested businesses	—	—	—	—	—
Organic Net Sales	\$ 2,538.2	\$ 2,629.1	\$ 492.2	\$ 557.7	\$ 6,217.2

Reconciliation of Q2 FY24 Adj. Operating Profit by Segment – YOY Change (in millions)



Q2 FY24	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Operating Profit	\$ 279.2	\$ 220.2	\$ 5.9	\$ 38.0	\$ (94.8)	\$ 448.5
Restructuring plans	2.7	0.5	0.5	—	(0.2)	3.5
Impairment of business held for sale	—	—	34.2	—	—	34.2
Legal matters	—	—	—	—	14.0	14.0
Fire related cost (benefit)	—	1.5	—	(2.6)	—	(1.1)
Corporate hedging derivative losses (gains)	—	—	—	—	11.2	11.2
Adjusted Operating Profit	\$ 281.9	\$ 222.2	\$ 40.6	\$ 35.4	\$ (69.8)	\$ 510.3
Operating Profit Margin	21.6%	16.5%	2.1%	12.9%		14.0%
Adjusted Operating Profit Margin	21.8%	16.6%	14.5%	12.0%		15.9%
Year-over-year % change - Operating Profit	(18.0)%	(12.0)%	(84.0)%	33.2%	(10.9)%	(18.4)%
Year-over year % change - Adjusted Operating Profit	(17.3)%	(14.2)%	10.3%	24.3%	(31.9)%	(9.3)%
Year-over-year bps change - Operating Profit	(366) bps	(115) bps	(1,214) bps	279 bps		(261) bps
Year-over-year bps change - Adjusted Operating Profit	(348) bps	(162) bps	30 bps	193 bps		(108) bps

Reconciliation of Q2 FY24 Adj. Operating Profit by Segment – YOY Change Cont. (in millions)



Q2 FY23	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Operating Profit	\$ 340.4	\$ 250.3	\$ 36.9	\$ 28.5	\$ (106.5)	\$ 549.6
Restructuring plans	(0.1)	0.8	(0.1)	—	1.2	1.8
Acquisitions and divestitures	—	—	—	—	0.5	0.5
Fire related costs	—	7.9	—	—	—	7.9
Municipal water break costs	0.6	—	—	—	—	0.6
Corporate hedging derivative losses (gains)	—	—	—	—	2.4	2.4
Adjusted Operating Profit	\$ 340.9	\$ 259.0	\$ 36.8	\$ 28.5	\$ (102.4)	\$ 562.8
Operating Profit Margin	25.2%	17.6%	14.3%	10.1%		16.6%
Adjusted Operating Profit Margin	25.3%	18.2%	14.2%	10.1%		17.0%

Reconciliation of Q2 FY24 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, and Adj. EPS – YOY Change (in millions)



Q2 FY24	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	\$ 846.6	\$ 398.1	\$ 448.5	\$ 334.8	\$ 102.9	26.5%	\$ 286.2	\$ 0.60
% of Net Sales	26.4%	12.4%	14.0%					
Restructuring plans	2.8	0.7	3.5	3.5	0.8		2.7	0.01
Corporate hedging derivative losses (gains)	11.2	—	11.2	11.2	2.6		8.6	0.02
Advertising and promotion expenses ²	—	72.5	—	—	—		—	—
Fire related cost (benefit)	1.5	(2.6)	(1.1)	(1.1)	(0.3)		(0.8)	—
Impairment of business held for sale	—	34.2	34.2	34.2	(0.1)		34.3	0.07
Legal matters	—	14.0	14.0	14.0	3.6		10.4	0.02
Rounding	—	—	—	—	—		—	(0.01)
Adjusted	\$ 862.1	\$ 279.3	\$ 510.3	\$ 396.6	\$ 109.5	24.3%	\$ 341.4	\$ 0.71
% of Net Sales	26.9%	8.7%	15.9%					
<i>Year-over-year % of net sales change - reported</i>	<i>(145) bps</i>	<i>116 bps</i>	<i>(261) bps</i>					
<i>Year-over-year % of net sales change - adjusted</i>	<i>(129) bps</i>	<i>(9) bps</i>	<i>(108) bps</i>					
Year-over-year change - reported	(8.2)%	6.8%	(18.4)%	(26.5)%	(16.0)%		(25.1)%	(24.1)%
Year-over-year change - adjusted	(7.6)%	(4.1)%	(9.3)%	(15.3)%	(12.9)%		(12.9)%	(12.3)%

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 Q2 FY24 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, and Adj. EPS – YOY Change Cont. (in millions)



Q2 FY23	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	\$ 922.3	\$ 372.7	\$ 549.6	\$ 455.4	\$ 122.5	24.3%	\$ 381.9	\$ 0.79
<i>% of Net Sales</i>	<i>27.8%</i>	<i>11.3%</i>	<i>16.6%</i>					
Restructuring plans	0.1	1.7	1.8	1.8	0.5		1.3	—
Acquisitions and divestitures	—	0.5	0.5	0.5	0.1		0.4	—
Corporate hedging derivative losses (gains)	2.4	—	2.4	2.4	0.6		1.8	—
Advertising and promotion expenses ²	—	78.8	—	—	—		—	—
Fire related costs	7.4	0.5	7.9	7.9	1.9		6.0	0.01
Municipal water break costs	0.6	—	0.6	0.6	0.2		0.4	—
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 932.8	\$ 291.2	\$ 562.8	\$ 468.6	\$ 125.8	24.3%	\$ 391.8	\$ 0.81
<i>% of Net Sales</i>	<i>28.2%</i>	<i>8.8%</i>	<i>17.0%</i>					

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 YTD FY24 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, and Adj. EPS – YOY Change Cont. (in millions)



Q2 FY24 YTD	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	\$ 1,669.7	\$ 732.2	\$ 937.5	\$ 717.5	\$ 201.2	24.9%	\$ 605.9	\$ 1.26
<i>% of Net Sales</i>	<i>27.3%</i>	<i>12.0%</i>	<i>15.3%</i>					
Restructuring plans	7.1	20.8	27.9	27.9	7.1		20.8	0.04
Acquisitions and divestitures	—	0.2	0.2	0.2	—		0.2	—
Corporate hedging derivative losses (gains)	(16.4)	—	(16.4)	(16.4)	(4.2)		(12.2)	(0.03)
Advertising and promotion expenses ²	—	131.2	—	—	—		—	—
Fire related cost (benefit)	3.1	(5.9)	(2.8)	(2.8)	(0.7)		(2.1)	—
Impairment of business held for sale	—	34.2	34.2	34.2	(0.1)		34.3	0.07
Legal matters	—	14.0	14.0	14.0	3.6		10.4	0.02
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 1,663.5	\$ 537.7	\$ 994.6	\$ 774.6	\$ 206.9	23.9%	\$ 657.3	\$ 1.37
<i>% of Net Sales</i>	<i>27.2%</i>	<i>8.8%</i>	<i>16.3%</i>					
<i>Year-over-year % of net sales change - reported</i>	<i>90 bps</i>	<i>(594) bps</i>	<i>684 bps</i>					
<i>Year-over-year % of net sales change - adjusted</i>	<i>59 bps</i>	<i>(11) bps</i>	<i>82 bps</i>					
<i>Year-over-year change - reported</i>	<i>1.7%</i>	<i>(34.3)%</i>	<i>77.5%</i>	<i>109.1%</i>	<i>47.0%</i>		<i>99.1%</i>	<i>100.0%</i>
<i>Year-over-year change - adjusted</i>	<i>0.5%</i>	<i>(2.9)%</i>	<i>3.5%</i>	<i>(0.1)%</i>	<i>(0.2)%</i>		<i>(1.4)%</i>	<i>(0.7)%</i>

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 YTD FY24 Free Cash Flow and Net Debt – YOY Change (in millions)



	November 26, 2023	November 27, 2022	% Change
Net cash flows from operating activities	\$ 854.6	\$ 297.8	187.0%
Additions to property, plant and equipment	(214.0)	(188.4)	13.6%
Free cash flow	\$ 640.6	\$ 109.4	485.6%

	Q2 FY24	Q2 FY23
Notes payable	\$ 559.0	\$ 363.1
Current installments of long-term debt	1,017.3	954.3
Senior long-term debt, excluding current installments	7,493.3	8,081.8
Total Debt	\$ 9,069.6	\$ 9,399.2
Less: Cash	61.5	39.0
Net Debt	\$ 9,008.1	\$ 9,360.2

Reconciliation of Q2 FY24 Net Leverage Ratio (in millions)



	Q2 FY24
Net Debt¹	\$ 9,008.1
Net income attributable to Conagra Brands, Inc.	\$ 985.1
Add Back: Income tax expense	283.0
Income tax expense attributable to noncontrolling interests	(0.5)
Interest expense, net	431.5
Depreciation	326.2
Amortization	54.1
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 2,079.4
Restructuring plans ²	27.4
Acquisitions and divestitures	8.0
Corporate hedging derivative losses (gains)	18.8
Goodwill and brand impairment charges ³	343.6
Legal matters	17.8
Fire related costs	2.7
Municipal water break costs	0.3
Third-party vendor cybersecurity incident	4.4
Impairment of business held for sale	34.2
Adjusted EBITDA	\$ 2,536.6
Net Debt to Adjusted EBITDA⁴	3.55

1. As of November 26, 2023
2. Excludes comparability items related to depreciation.
3. Excludes comparability items attributable to noncontrolling interests.
4. The company defines its net leverage ratio as net debt divided by adjusted EBITDA for the trailing twelve-month period

Reconciliation of Q2 FY23 Net Leverage Ratio (in millions)



	Q2 FY23
Net Debt¹	\$ 9,360.2
Net income attributable to Conagra Brands, Inc.	\$ 681.7
Add Back: Income tax expense	273.5
Income tax expense attributable to noncontrolling interests	0.1
Interest expense, net	388.2
Depreciation	308.3
Amortization	59.1
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 1,710.9
Restructuring plans ²	24.3
Acquisitions and divestitures	1.4
Consulting fees on tax matters	1.1
Corporate hedging derivative gains	0.9
Impairment of businesses held for sale	57.6
Goodwill and brand impairment charges ³	592.7
Legal matters	(5.0)
Environmental matters	(6.5)
Fire related costs	19.2
Municipal water break costs	3.2
Adjusted EBITDA	\$ 2,399.8
Net Debt to Adjusted EBITDA⁴	3.90

1. As of November 27, 2022
2. Excludes comparability items related to depreciation.
3. Excludes comparability items attributable to noncontrolling interests.
4. The company defines its net leverage ratio as net debt divided by adjusted EBITDA for the trailing twelve-month period

Reconciliation of Q2 FY24 EBITDA (in millions)



	Q2 FY24	Q2 FY23	% Change
Net income attributable to Conagra Brands, Inc.	\$ 286.2	\$ 381.9	(25.1)%
Add Back: Income tax expense	102.9	122.5	
Income tax expense attributable to noncontrolling interests	(0.1)	(0.1)	
Interest expense, net	113.3	100.3	
Depreciation	86.0	77.8	
Amortization	13.3	14.7	
Earnings before interest, taxes, depreciation, and amortization	\$ 601.6	\$ 697.1	(13.7)%
Restructuring plans ¹	0.8	1.8	
Acquisitions and divestitures	—	0.5	
Corporate hedging derivative losses (gains)	11.2	2.4	
Fire related cost (benefit)	(1.1)	7.9	
Municipal water break costs	—	0.6	
Impairment of business held for sale	34.2	—	
Legal matters	14.0	—	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 660.7	\$ 710.3	(7.0)%

1. Excludes comparability items related to depreciation.

Reconciliation of FY24 YTD EBITDA (in millions)



	Q2 FY24 YTD	Q2 FY23 YTD	% Change
Net income attributable to Conagra Brands, Inc.	\$ 605.9	\$ 304.4	99.1%
Add Back: Income tax expense	201.2	136.9	
Income tax expense attributable to noncontrolling interests	(0.1)	(0.1)	
Interest expense, net	219.3	197.4	
Depreciation	169.1	156.0	
Amortization	26.8	29.5	
Earnings before interest, taxes, depreciation, and amortization	\$ 1,222.2	\$ 824.1	48.3%
Restructuring plans ¹	21.8	6.7	
Acquisitions and divestitures	0.2	0.6	
Corporate hedging derivative losses (gains)	(16.4)	1.9	
Fire related cost (benefit)	(2.8)	7.9	
Municipal water break costs	—	3.2	
Impairment of businesses held for sale	34.2	26.7	
Goodwill and brand impairment charges	—	385.7	
Legal matters	14.0	—	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 1,273.2	\$ 1,256.8	1.3%

1. Excludes comparability items related to depreciation.