



FY23 Q2 Earnings Presentation

January 5, 2023

Today's Presenters



Melissa Napier

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 or outbreaks of disease, actual or threatened hostilities or war, or other geopolitical uncertainty; disruptions or inefficiencies in our supply chain and/or operations, including from the COVID-19 pandemic; risks related to disruptions in the global economy caused by the ongoing conflict between Russia and Ukraine; 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; 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 markets, 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

Key Messages



- Strong Q2 Results
 - Robust top-line driven by inflation-justified pricing and muted elasticities
 - Continued solid share performance
 - Excellent margin recovery in both gross and operating margins
- Supply chain improving; more to come
- Remain focused on strengthening the balance sheet
- Raising FY23 guidance due to strong H1 performance

FY23 Q2 Results



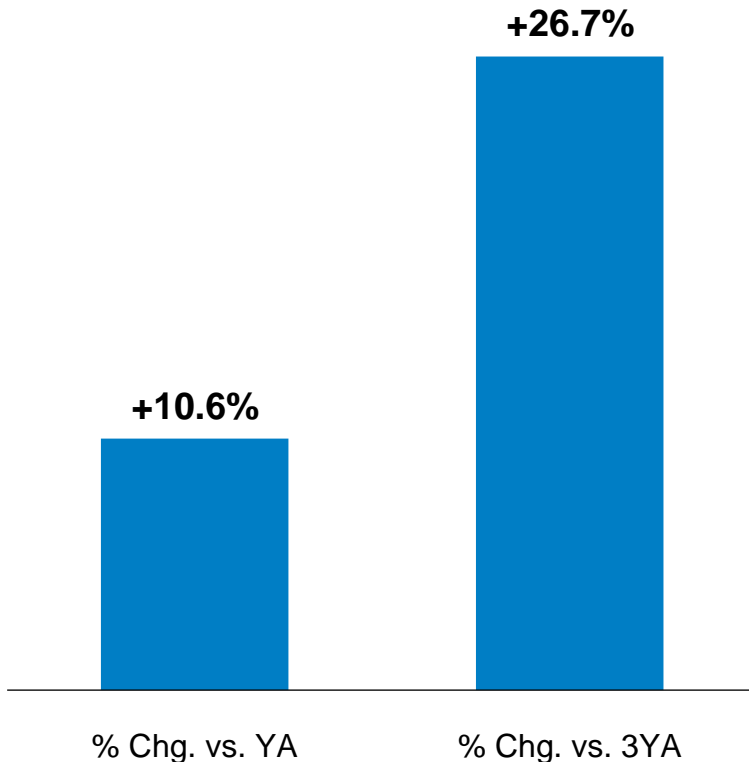
	Q2	Q2 vs. YA
Organic Net Sales ¹	\$3,322	+8.6%
Adj. Gross Margin ¹	28.2%	+310 bps
Adj. Operating Margin ¹	17.0%	+237 bps
Adj. EPS ¹	\$0.81	+26.6%

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

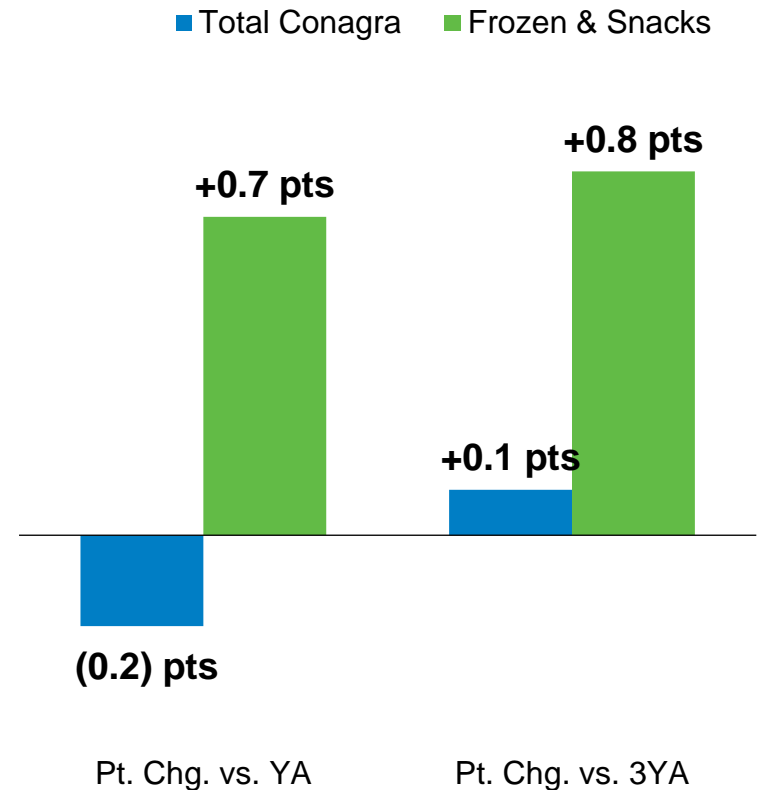
We Continued To Grow Sales and Gained Share Within Key Frozen & Snacks Strategic Domains



Conagra Retail Sales Growth (FY23 Q2, % Change)



Conagra Weighted Share Growth (FY23 Q2, Pt. Change)





Our 3-Year Performance is Fully Competitive Against Near-in Peers



Performance vs. Peers

(3-Year CAGR, 52 Weeks Ended November 19, 2022)

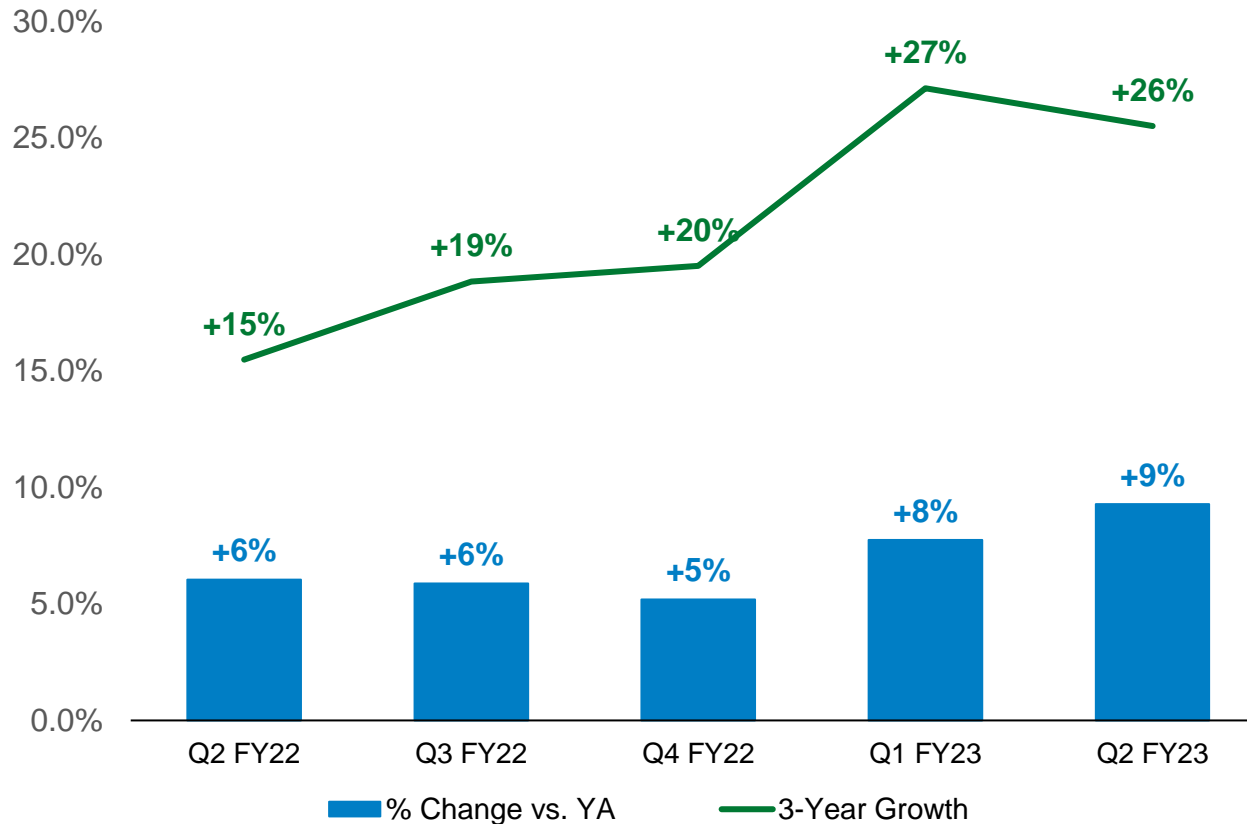
Dollar Sales % Chg. vs. YA	
Competitor A	+8.1%
 CONAGRA BRANDS	+7.1%
Competitor B	+6.3%
Competitor C	+6.1%
Competitor D	+5.4%
Competitor E	+4.8%

Unit Sales % Chg. vs. YA	
 CONAGRA BRANDS	(0.2)%
Competitor A	(0.8)%
Competitor B	(0.9)%
Competitor D	(1.4)%
Competitor E	(1.5)%
Competitor C	(1.6)%

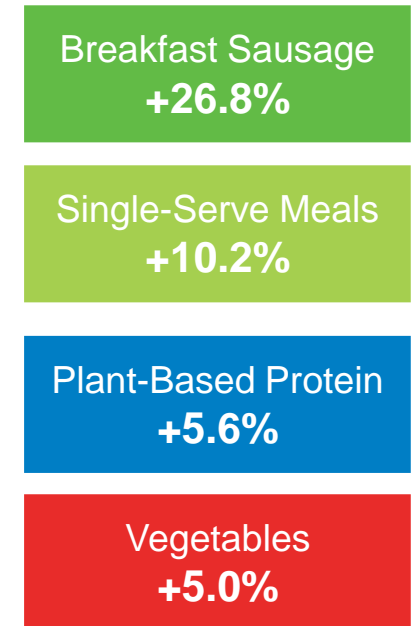
Strong Momentum in Frozen



Conagra Frozen Retail Sales (% Change vs. YA)



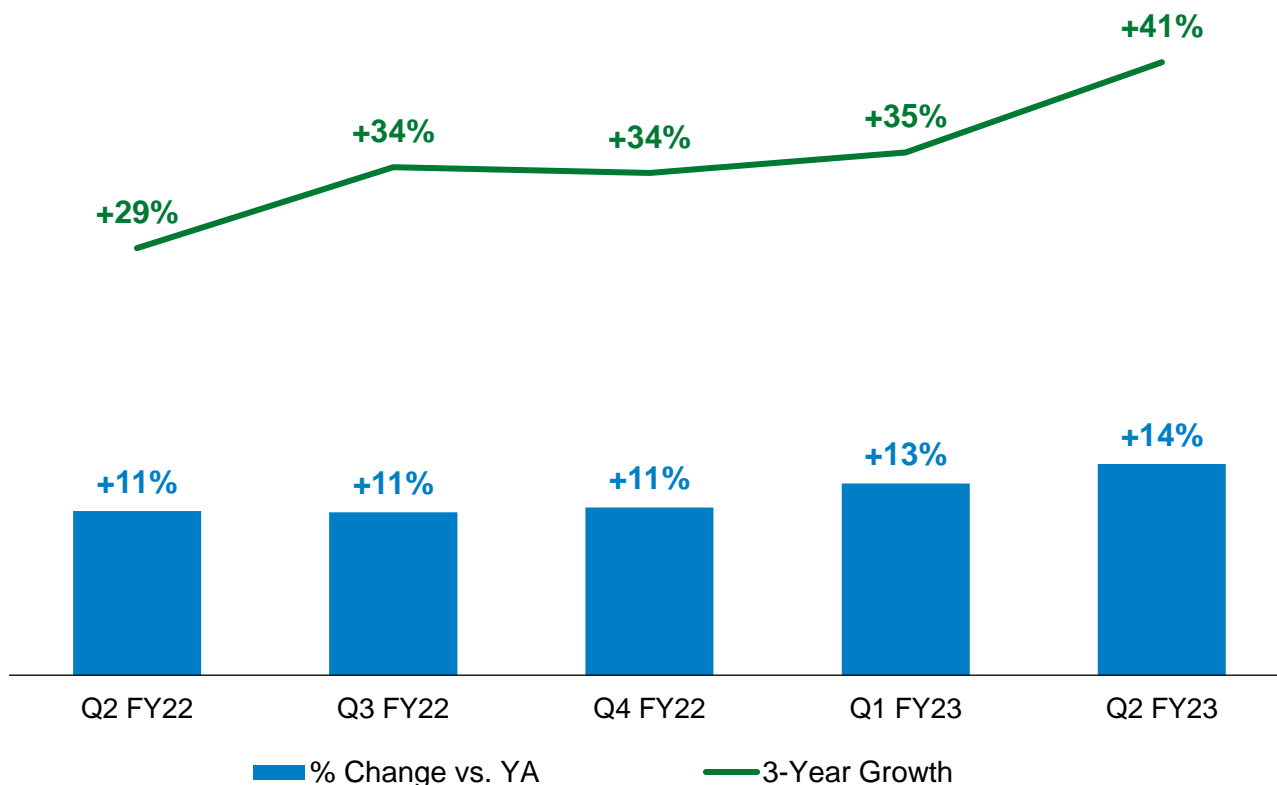
Conagra Frozen Retail Sales (Q2, % Change vs. YA)



Strong Momentum in Snacks



Conagra Snacks Retail Sales (% Change vs. YA)



Conagra Snacks Retail Sales (Q2, % Change vs. YA)

MW Popcorn
+21.0%

Seeds
+18.0%

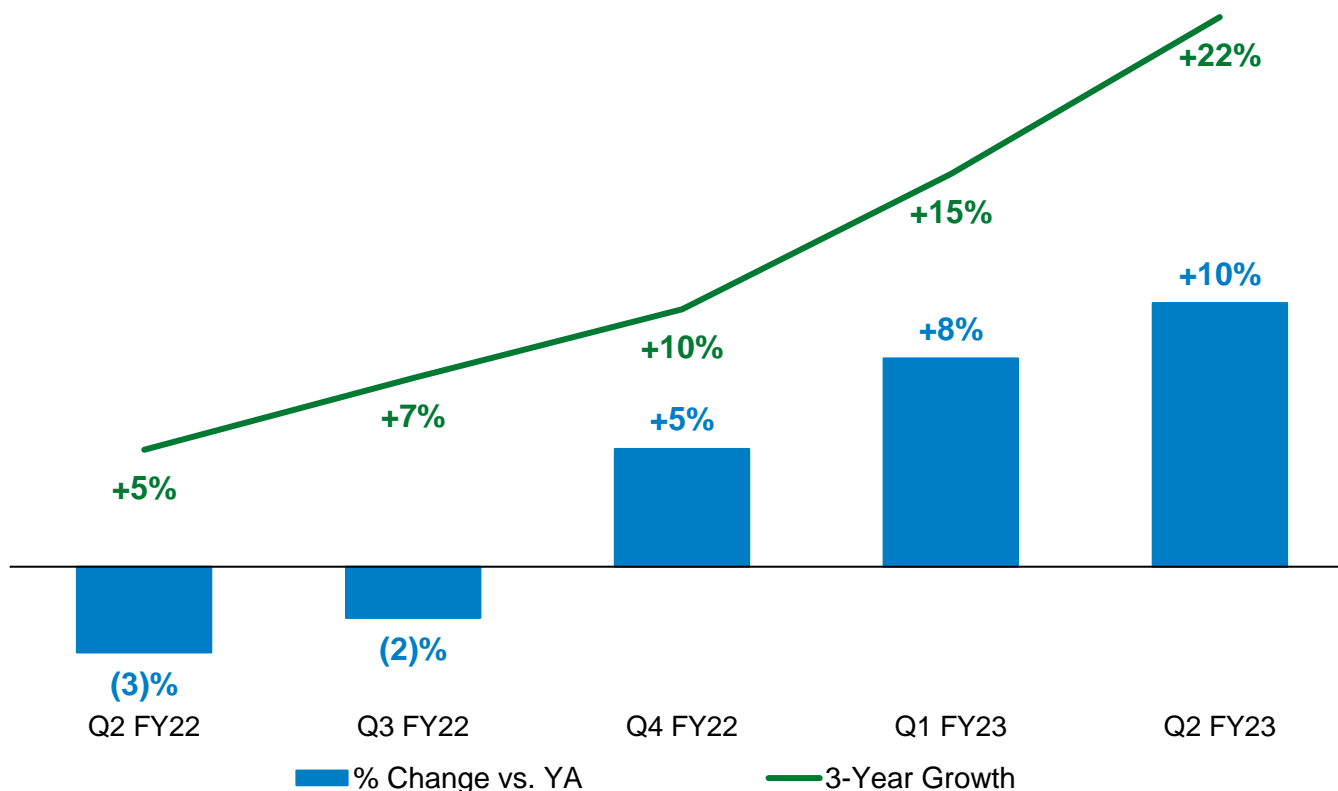
Meat Snacks
+14.6%

Hot Cocoa
+14.3%

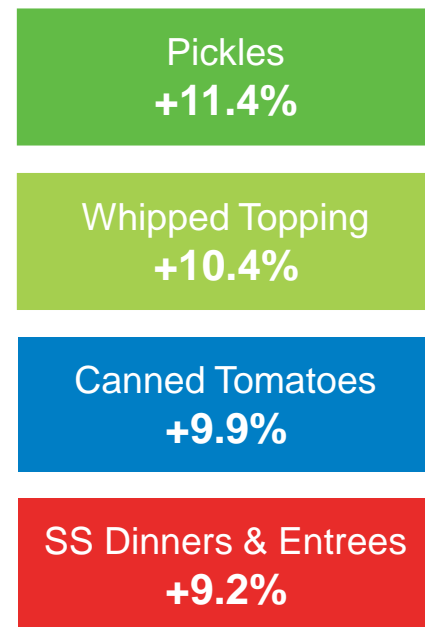
Staples Continued to Accelerate on a 1- and 3-Year Basis



Conagra Staples Retail Sales (% Change vs. YA)



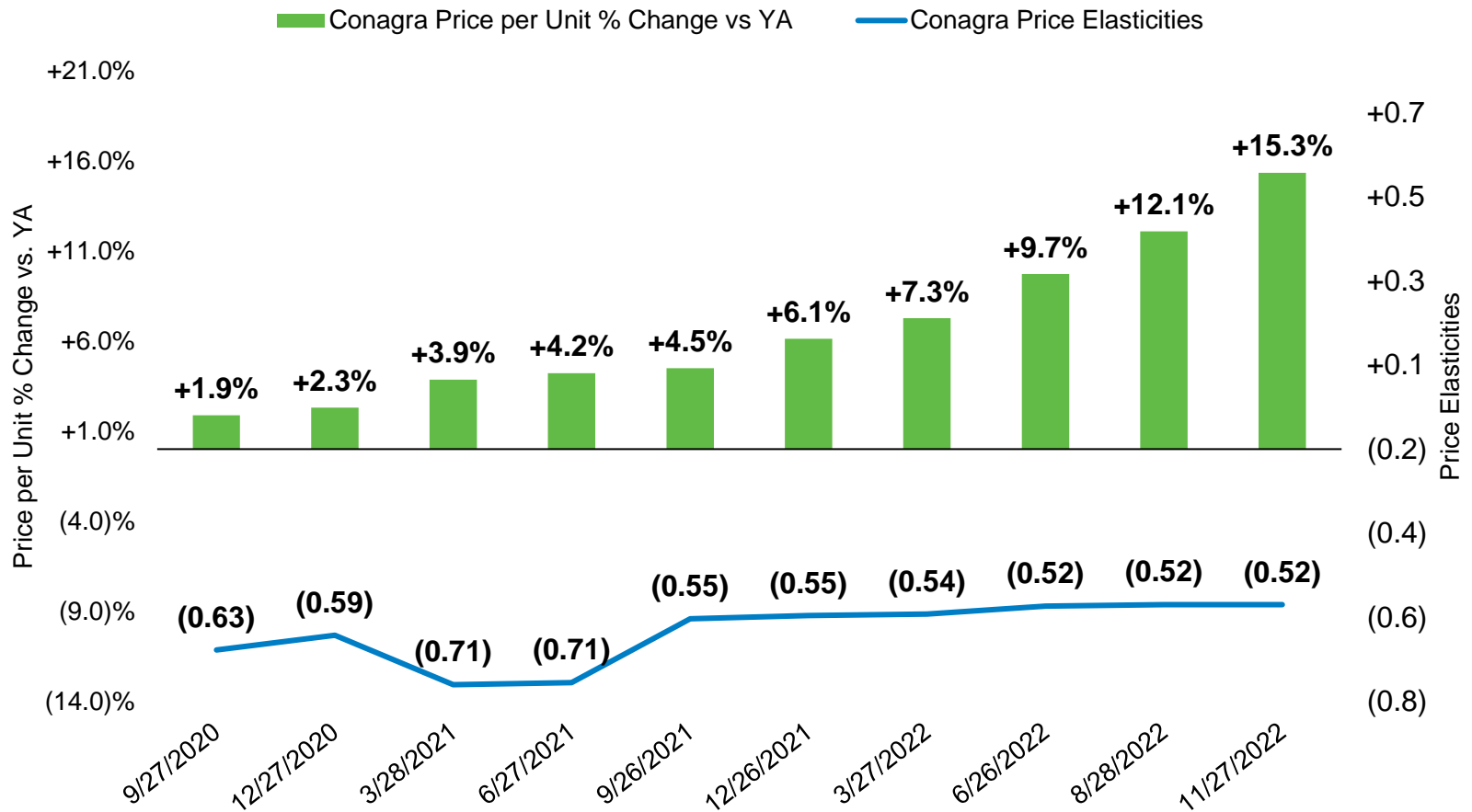
Conagra Staples Retail Sales (Q2, % Change vs. YA)



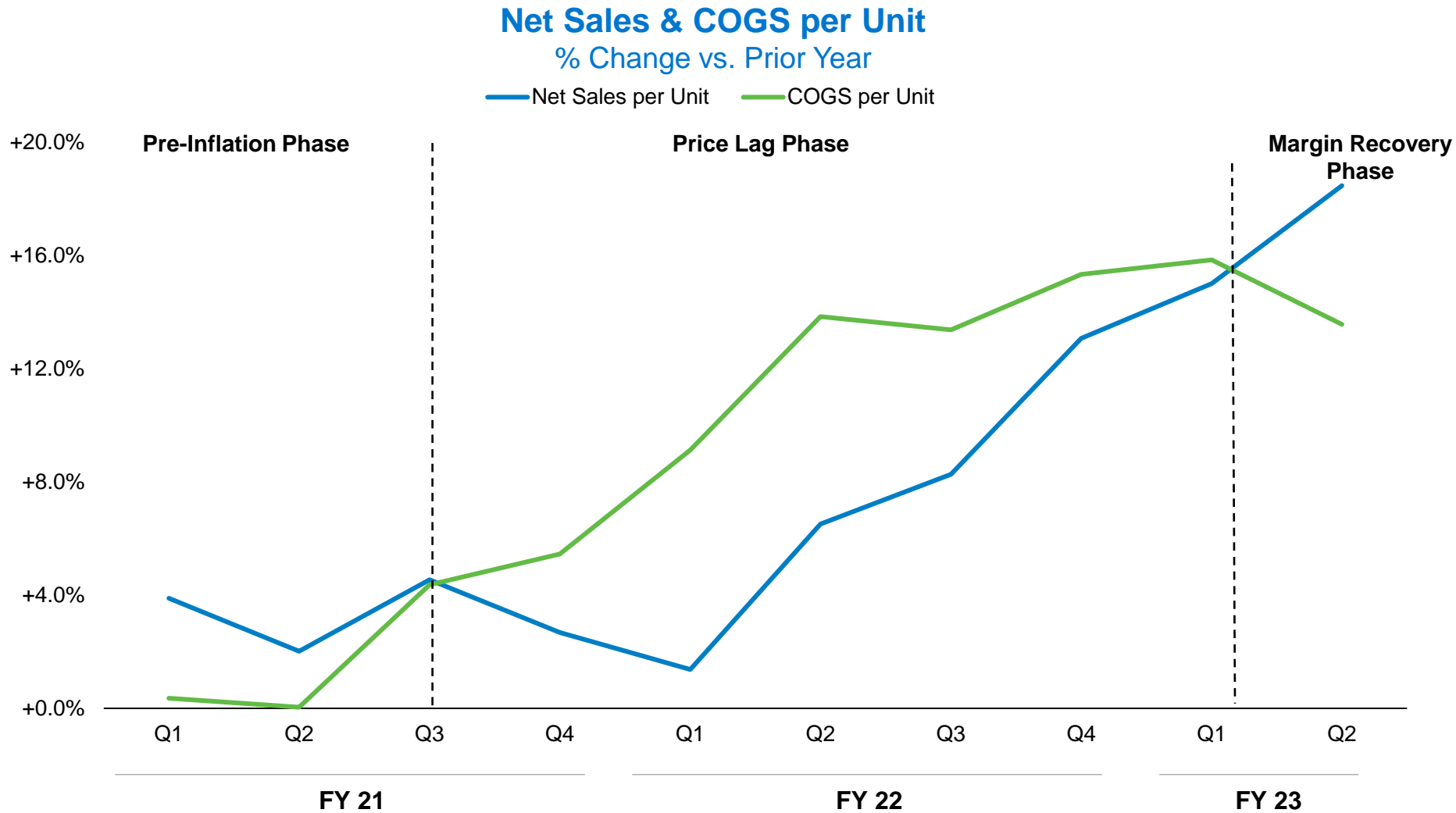
Consistent Elasticities Despite Pricing Acceleration



Conagra Elasticities vs. Price per Unit (Rolling 52 Week Periods)



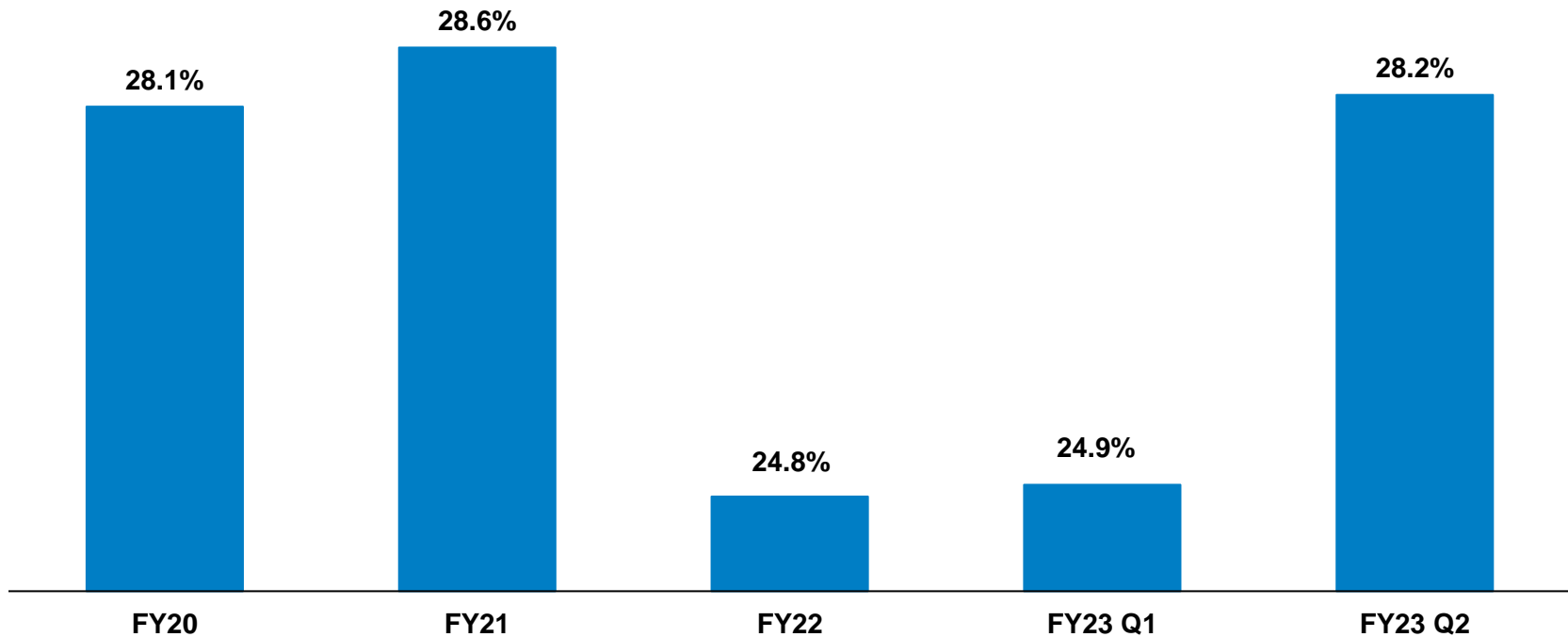
Pricing Lag Phase Has Given Way to Margin Recovery Phase



Q2 Adj. Gross Margins¹ Near Pre-Covid Levels



Adj. Gross Margin Evolution FY20 through FY23 Q2



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

Supply Chain Improving; Continued Progress Expected in H2



- Service metrics continue to improve
- Productivity initiatives on track
- Commodity price increases moderating
- Increased availability driving improved materials inventory levels
- Industry-wide challenges persist but improving

Raising Fiscal 2023 Guidance



Guidance	Prior	New
Organic Net Sales Growth (vs. FY22) ¹	+4% to +5%	+7% to +8%
Adj. Operating Margin ¹	~15.0%	15.3% to 15.6%
Adj. EPS ¹ Growth (vs. FY22)	+1% to +5% \$2.38 to \$2.48	+10% to +14% \$2.60 to \$2.70

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

Summary



- Strong H1 performance driven by inflation-justified pricing, muted elasticities, share gains in strategic domains, and supply chain progress
- Raising FY23 Organic Net Sales, Adjusted Operating Margin and Adjusted EPS guidance
- We hope to see you at our annual CAGNY kickoff dinner on February 20th, 2023, and our presentation on February 21st, 2023



Dave Marberger

Executive Vice President and Chief Financial Officer

Performance Summary



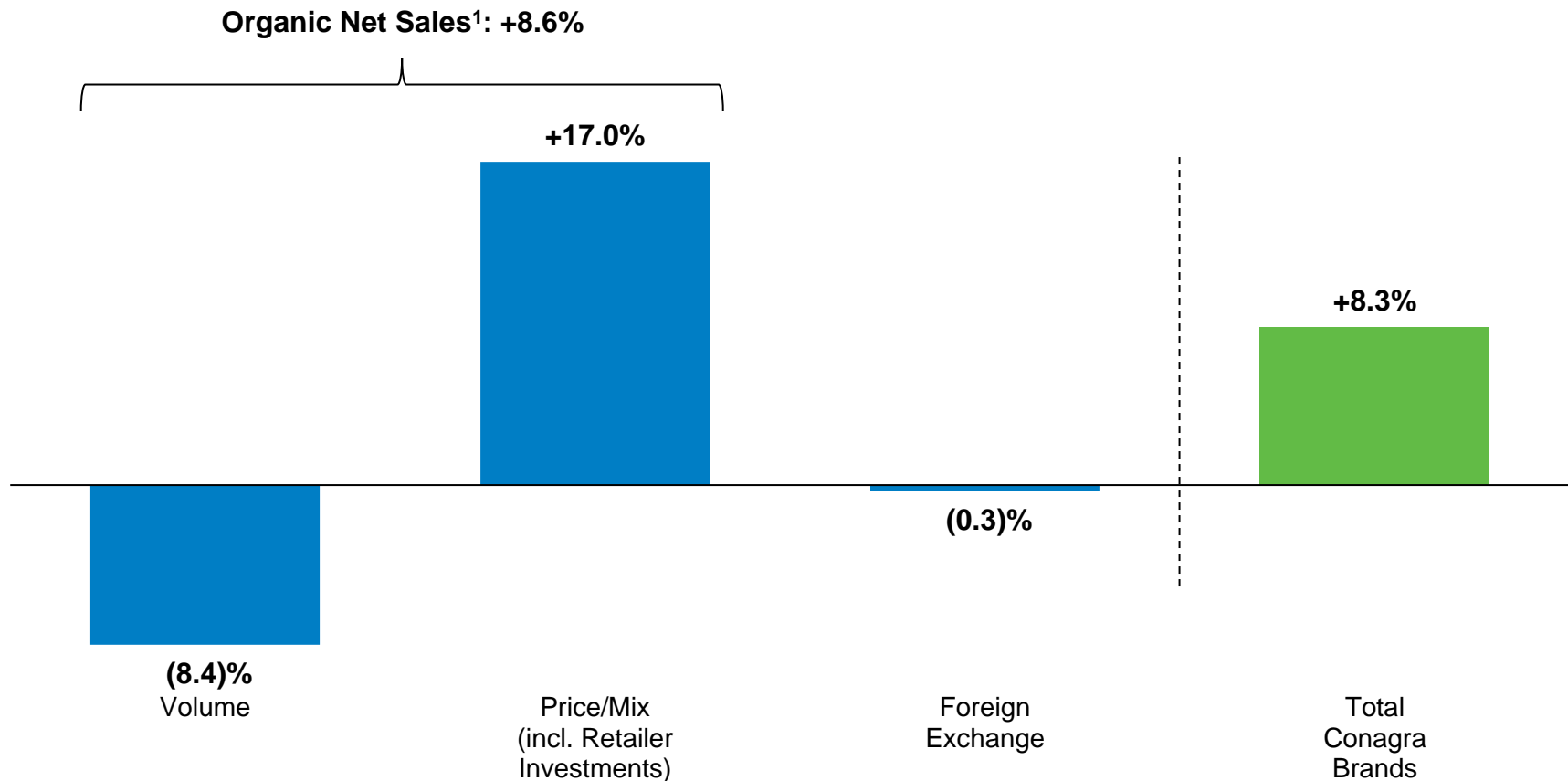
Dollars in Millions, except per share data Increase/(Decrease)	Q2	vs. YA
Reported Net Sales	\$3,313	+8.3%
Organic Net Sales ¹ Growth		+8.6%
Adj. Gross Profit ¹	933	+21.7%
Adj. Gross Margin ¹	28.2%	+310 bps
A&P	79	(10.3)%
A&P as % of NS	2.4%	(4) bps
Adj. SG&A ¹	291	(17.5)%
Adj. SG&A ¹ as % of NS	8.8%	(69) bps
Adj. Op. Profit ¹	563	+25.9%
Adj. Op. Margin ¹	17.0%	+237 bps
Pension Income	6	(62.2)%
Equity Earnings	49	+67.2%
Adj. Net Income ¹	392	+27.9%
Adj. EBITDA ¹	710	+21.5%
Adj. EPS ¹	\$0.81	+26.6%

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. Numbers may not add due to rounding.

Net Sales Summary By Segment



Dollars in Millions Increase/(Decrease)	Net Sales		
	Q2	Reported vs. YA	Organic ¹ vs. YA
Grocery & Snacks	\$1,350	+6.8%	+6.8%
Refrigerated & Frozen	1,422	+10.5%	+10.5%
International	259	(1.3)%	+2.1%
Foodservice	283	+14.8%	+14.8%
Total Conagra Brands	\$3,313	+8.3%	+8.6%

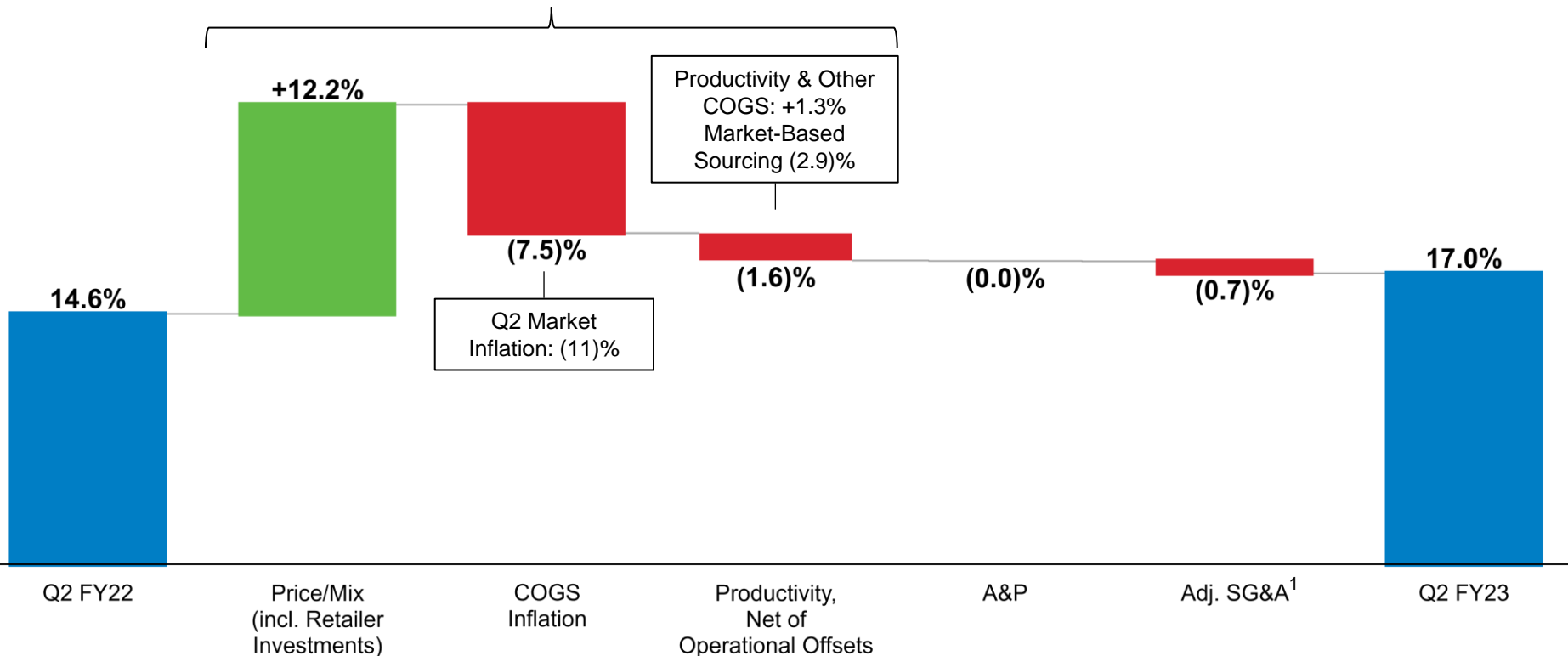
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure. Numbers may not add due to rounding.

Operating Margin Bridge



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

Adj. Gross Margin¹: +310 bps vs. YA



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Segment Adjusted Operating Profit & Margin Summary



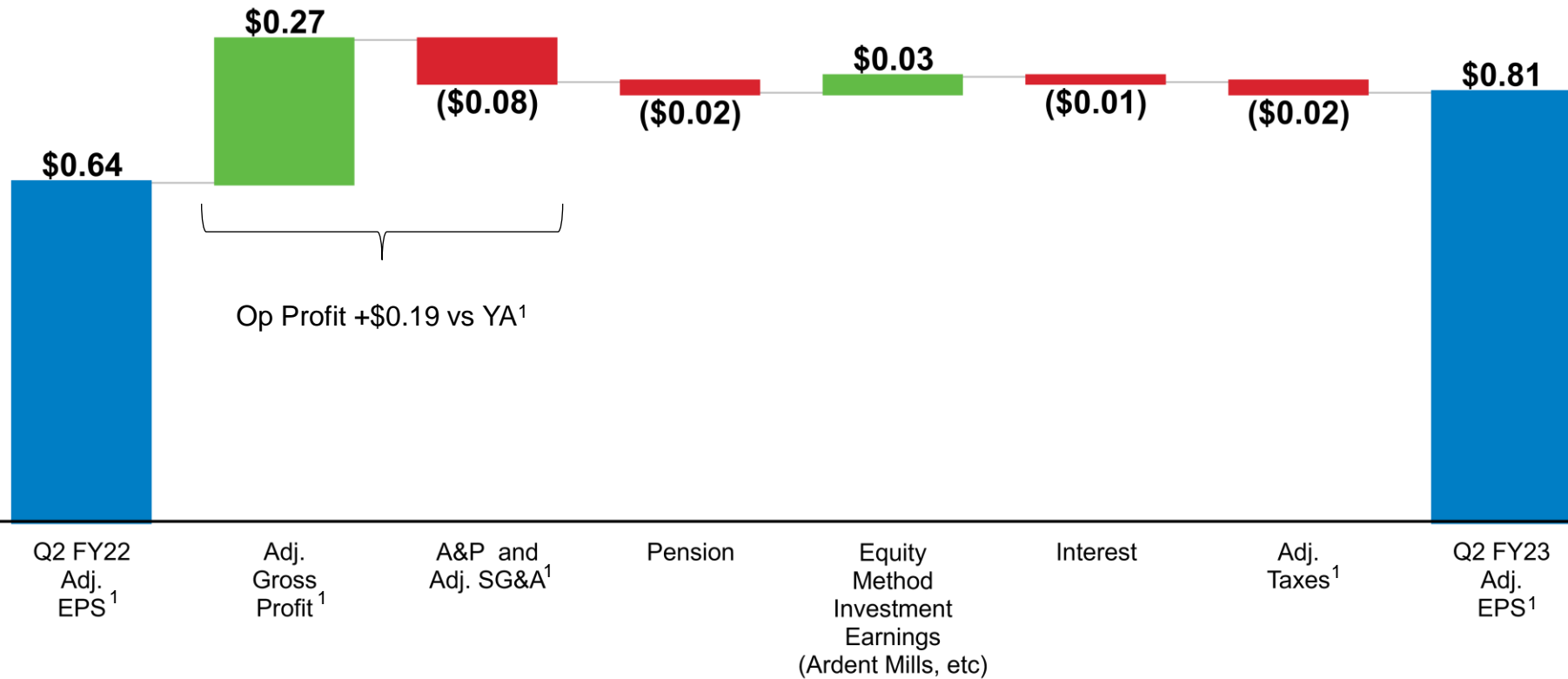
Dollars in Millions Increase/(Decrease)	Adj. Op. Profit ¹		Adj. Op. Margin ¹	
	Q2	vs. YA	Q2	vs. YA
Grocery & Snacks	\$341	+24.7%	25.3%	+363 bps
Refrigerated & Frozen	259	+37.1%	18.2%	+353 bps
International	37	(0.9)%	14.2%	+7 bps
Foodservice	29	+53.4%	10.1%	+253 bps
Adjusted Corporate Expense	(102)	(44.4)%	-	-
Total Conagra Brands	\$563	+25.9%	17.0%	+237 bps

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.

Q2 Adjusted EPS 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.

Q2 YTD Key Balance Sheet & Cash Flow Metrics



(dollars in millions)	November 27, 2022	November 28, 2021
Debt	\$9,402	\$9,384
Cash	\$40	\$69
Ending Net Debt ¹	\$9,362	\$9,316
Net Leverage Ratio ¹	3.9x	4.3x

(dollars in millions)	YTD FY23	YTD FY22
Net Cash Flow from Operating Activities	\$298	\$262
Capital Expenditures	\$188	\$257
Free Cash Flow ¹	\$109	\$5
Dividends Paid	\$309	\$282
Share Repurchases	\$150	\$50

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

Raising Fiscal 2023 Guidance^{1,2}



Guidance	Prior	New
Organic Net Sales ¹ Growth (vs. FY22)	+4% to +5%	+7% to +8%
Adj. Operating Margin ¹	~15.0%	15.3% to 15.6%
Adj. EPS ¹ Growth (vs. FY22)	+1% to +5% \$2.38 to \$2.48	+10% to +14% \$2.60 to \$2.70

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

Updated FY23 P&L Considerations and Assumptions



Inflation

- ~10% for FY23, more weighted to H1
- Expecting inflation for full calendar year 2023
- Currently covered on ~82% of the portfolio

Pricing

- Targeted pricing actions accepted and effective in Q3
- Continue to monitor inflation and will price again as needed

Investment

- Capex ~\$425M for investment in facility capacity expansion and automation; ~\$200M spent in H1

Other

- Interest Expense of ~\$405M and Pension Income of ~\$25M
- Adjusted Income Tax Rate¹ ~24%

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 2023 guidance includes certain non-GAAP financial measures (organic net sales growth, adjusted operating margin, adjusted EPS 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 Non-GAAP Financial Measures to Reported Financial Measures (in millions)



	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Q2 FY23					
Net Sales	\$ 1,349.9	\$ 1,421.5	\$ 258.7	\$ 282.8	\$ 3,312.9
Impact of foreign exchange	—	—	8.9	—	8.9
Organic Net Sales	\$ 1,349.9	\$ 1,421.5	\$ 267.6	\$ 282.8	\$ 3,321.8
Year-over-year change - Net Sales	6.8%	10.5%	(1.3)%	14.8%	8.3%
Impact of foreign exchange (pp)	—	—	3.4	—	0.3
Organic Net Sales	6.8%	10.5%	2.1%	14.8%	8.6%
Volume (Organic)	(11.6)%	(5.5)%	(10.7)%	(3.4)%	(8.4)%
Price/Mix	18.4%	16.0%	12.8%	18.2%	17.0%
Q2 FY22					
Net Sales	\$ 1,264.5	\$ 1,285.9	\$ 262.2	\$ 246.3	\$ 3,058.9
Net sales from divested businesses	—	—	—	—	—
Organic Net Sales	\$ 1,264.5	\$ 1,285.9	\$ 262.2	\$ 246.3	\$ 3,058.9

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



	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
Q2 FY23						
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%
Year-over-year % change - Operating Profit	36.6%	48.6%	(0.6)%	106.5%	80.2%	34.2%
Year-over year % change - Adjusted Operating Profit	24.7%	37.1%	(0.9)%	53.4%	44.4%	25.9%
Year-over-year bps change - Operating Profit	551 bps	451 bps	10 bps	447 bps		320 bps
Year-over-year bps change - Adjusted Operating Profit	363 bps	353 bps	7 bps	253 bps		237 bps
Q2 FY22						
Operating Profit	\$ 249.2	\$ 168.3	\$ 37.1	\$ 13.8	\$ (59.0)	\$ 409.4
Restructuring plans	2.0	6.8	—	—	3.6	12.4
Impairment of businesses held for sale	22.4	12.0	—	4.8	—	39.2
Acquisitions and divestitures	—	—	—	—	0.6	0.6
Proceeds received from the sale of a legacy investment	—	—	—	—	(3.3)	(3.3)
Legal matters	—	—	—	—	(14.6)	(14.6)
Consulting fees on tax matters	—	1.7	—	—	—	1.7
Corporate hedging derivative losses (gains)	—	—	—	—	1.8	1.8
Adjusted Operating Profit	\$ 273.6	\$ 188.8	\$ 37.1	\$ 18.6	\$ (70.9)	\$ 447.2
Operating Profit Margin	19.7%	13.1%	14.2%	5.6%		13.4%
Adjusted Operating Profit Margin	21.6%	14.7%	14.1%	7.5%		14.6%

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures (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	Effective 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>	27.8%	11.3%	16.6%					
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>	28.2%	8.8%	17.0%					
<i>Year-over-year % of net sales change - reported</i>	316 bps	(4) bps	320 bps					
<i>Year-over-year % of net sales change - adjusted</i>	310 bps	69 bps	237 bps					
<i>Year-over-year change - reported</i>	22.2%	7.9%	34.2%	37.7%	45.4%		38.6%	38.6%
<i>Year-over-year change - adjusted</i>	21.7%	17.5%	25.9%	27.2%	37.9%		27.9%	26.6%

- 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)



Q2 FY22	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	Income tax expense	Effective tax rate	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 754.8	\$ 345.4	\$ 409.4	\$ 330.6	\$ 84.2	23.4%	\$ 275.5	\$ 0.57
<i>% of Net Sales</i>	24.7%	11.3%	13.4%					
Restructuring plans	9.9	2.5	12.4	12.4	3.1		9.3	0.02
Acquisitions and divestitures	—	0.6	0.6	0.6	0.1		0.5	—
Corporate hedging derivative losses (gains)	1.8	—	1.8	1.8	0.4		1.4	—
Advertising and promotion expenses ²	—	71.4	—	—	—		—	—
Consulting fees on tax matters	—	1.7	1.7	1.7	0.5		1.2	—
Impairment of businesses held for sale	—	39.2	39.2	39.2	7.0		32.2	0.07
Proceeds received from the sale of a legacy investment	—	(3.3)	(3.3)	(3.3)	(0.5)		(2.8)	(0.01)
Legal matters	—	(14.6)	(14.6)	(14.6)	(3.6)		(11.0)	(0.02)
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 766.5	\$ 247.9	\$ 447.2	\$ 368.4	\$ 91.2	22.9%	\$ 306.3	\$ 0.64
<i>% of Net Sales</i>	25.1%	8.1%	14.6%					

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



Q1 FY23	Gross profit	Selling, general and administrative expenses	Operating profit (loss) ¹	Income (loss) before income taxes and equity method investment earnings	Income tax expense	Effective tax rate	Net income (loss) attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders ²
Reported	\$ 720.3	\$ 741.6	\$ (21.3)	\$ (112.3)	\$ 14.4	(22.8)%	\$ (77.5)	\$ (0.16)
<i>% of Net Sales</i>	24.8%	25.5%	-0.7%					
Restructuring plans	0.2	4.7	4.9	4.9	1.2		3.7	0.01
Acquisitions and divestitures	—	0.1	0.1	0.1	—		0.1	—
Corporate hedging derivative losses (gains)	(0.5)	—	(0.5)	(0.5)	(0.1)		(0.4)	—
Advertising and promotion expenses ²	—	61.9	—	—	—		—	—
Municipal water break costs	2.6	—	2.6	2.6	0.6		2.0	—
Impairment of business held for sale	—	26.7	26.7	26.7	6.6		20.1	0.04
Goodwill and brand impairment charges	—	385.7	385.7	385.7	58.9		326.8	0.68
Adjusted	\$ 722.6	\$ 262.5	\$ 398.2	\$ 307.2	\$ 81.6	22.9%	\$ 274.8	\$ 0.57
<i>% of Net Sales</i>	24.9%	9.0%	13.7%					
<i>Year-over-year % of net sales change - reported</i>	(58) bps	1385 bps	N/A					
<i>Year-over-year % of net sales change - adjusted</i>	(54) bps	8 bps	(42) bps					
<i>Year-over-year change - reported</i>	7.0%	139.1%	N/A	N/A	(79.3)%		N/A	N/A
<i>Year-over-year change - adjusted</i>	7.1%	10.5%	6.2%	3.5%	7.1%		14.2%	14.0%

- 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.
- In Q1 FY23, we reported a GAAP net loss. In periods when we recognize a net loss, we exclude the impact of outstanding stock awards from the diluted loss per share calculation, as their inclusion would have an anti-dilutive effect. The adjusted diluted earnings per share calculation includes the impact of outstanding stock awards.

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



FY22	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	Income tax expense	Effective tax rate	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 2,838.8	\$ 1,492.8	\$ 1,346.0	\$ 1,033.4	\$ 290.5	24.6%	\$ 888.2	\$ 1.84
% of Net Sales	24.6%	12.9%	11.7%					
Restructuring plans	21.8	27.2	49.0	49.0	12.1		36.9	0.08
Acquisitions and divestitures	—	2.4	2.4	2.4	0.6		1.8	—
Corporate hedging derivative losses (gains)	(4.4)	—	(4.4)	(4.4)	(1.1)		(3.3)	(0.01)
Advertising and promotion expenses ²	—	244.6	—	—	—		—	—
Brand impairment charges ³	—	209.0	209.0	209.0	48.4		159.0	0.33
Consulting fees on tax matters	—	2.8	2.8	2.8	0.7		2.1	—
Proceeds received from the sale of a legacy investment	—	(3.3)	(3.3)	(3.3)	(0.5)		(2.8)	(0.01)
Legal matters	—	(19.6)	(19.6)	(19.6)	(4.8)		(14.8)	(0.03)
Environmental matters	—	(6.5)	(6.5)	(6.5)	(1.5)		(5.0)	(0.01)
Fire related costs	9.1	2.2	11.3	11.3	2.8		8.5	0.02
Impairment of businesses held for sale	—	70.1	70.1	70.1	9.7		60.4	0.13
Unusual tax items	—	—	—	—	(8.9)		8.9	0.02
Adjusted	\$ 2,865.3	\$ 963.9	\$ 1,656.8	\$ 1,344.2	\$ 348.0	23.4%	\$ 1,139.9	\$ 2.36
% of Net Sales	24.8%	8.4%	14.4%					
Year-over-year % of net sales change - reported	(382) bps	40 bps	(421) bps					
Year-over-year % of net sales change - adjusted	(378) bps	(47) bps	(312) bps					
Year-over-year change - reported	(10.7) %	6.4 %	(24.2) %	(26.7) %	49.9 %		(31.6) %	(30.8) %
Year-over-year change - adjusted	(10.5) %	(2.4) %	(15.3) %	(15.4) %	(9.0) %		(11.6) %	(10.6) %

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



FY21	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	Income tax expense	Effective tax rate	Net income attributable to Conagra Brands, Inc.	Income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 3,179.2	\$ 1,403.0	\$ 1,776.2	\$ 1,410.3	\$ 193.8	13.0%	\$ 1,298.8	\$ 2.66
% of Net Sales	28.4%	12.5%	15.9%					
Restructuring plans	37.1	40.8	77.9	77.9	19.6		58.3	0.12
Acquisitions and divestitures	—	5.7	5.7	5.7	1.4		4.3	0.01
Corporate hedging derivative losses (gains)	(15.6)	—	(15.6)	(15.6)	(3.9)		(11.7)	(0.02)
Advertising and promotion expenses ²	—	258.0	—	—	—		—	—
Net gain on divestiture of businesses	—	(58.4)	(58.4)	(58.4)	(29.2)		(29.2)	(0.06)
Brand impairment charges	—	90.9	90.9	90.9	21.0		69.9	0.14
Early extinguishment of debt	—	68.7	68.7	68.7	17.2		51.5	0.11
Consulting fees on tax matters	—	7.2	7.2	7.2	1.8		5.4	0.01
Legal matters	—	2.6	2.6	2.6	0.6		2.0	—
Tax restructuring of Ardent Mills ownership interest	—	—	—	—	115.6		(115.6)	(0.24)
Capital loss valuation allowance adjustment	—	—	—	—	37.0		(37.0)	(0.08)
Unusual tax items	—	—	—	—	7.6		(7.6)	(0.02)
Rounding	—	—	—	—	—		—	0.01
Adjusted	\$ 3,200.7	\$ 987.5	\$ 1,955.2	\$ 1,589.3	\$ 382.5	22.9%	\$ 1,289.1	\$ 2.64
% of Net Sales	28.6%	8.8%	17.5%					
<i>Year-over-year % of net sales change - reported</i>	66 bps	(213) bps	279 bps					
<i>Year-over-year % of net sales change - adjusted</i>	50 bps	(73) bps	101 bps					
<i>Year-over-year change - reported</i>	3.6%	(13.5) %	22.7%	45.4%	(3.7) %		54.6%	54.7%
<i>Year-over-year change - adjusted</i>	3.0%	(6.5) %	7.4%	14.6%	12.7%		15.6%	15.8%

FY20	Gross profit	Selling, general and administrative expenses	Operating profit ¹	Income before income taxes and equity method investment earnings	Income tax expense	Effective tax rate	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
Reported	\$ 3,069.6	\$ 1,622.5	\$ 1,447.1	\$ 969.9	\$ 201.3	19.3%	\$ 840.1	\$ 1.72
% of Net Sales	27.8%	14.7%	13.1%					
Restructuring plans	33.2	105.7	138.9	139.5	32.7		106.8	0.22
Acquisitions and divestitures	—	5.3	5.3	5.3	1.4		3.9	0.01
Gain on Ardent JV asset sale	—	—	—	—	(1.0)		(3.1)	(0.01)
Corporate hedging losses (gains)	5.5	—	5.5	5.5	1.4		4.1	0.01
Advertising and promotion expenses ²	—	230.7	—	—	—		—	—
Environmental matters	—	6.6	6.6	6.6	1.6		5.0	0.01
Pension settlement and valuation adjustment	—	—	—	42.9	10.8		32.1	0.07
Impairment of business held for sale	—	59.0	59.0	59.0	4.0		55.0	0.11
Contract settlement gain	—	(11.9)	(11.9)	(11.9)	(3.0)		(8.9)	(0.02)
Loss on divestiture of businesses	—	1.7	1.7	1.7	(0.2)		1.9	—
Intangible impairment charges	—	165.5	165.5	165.5	38.5		127.0	0.26
Legal matters	—	3.5	3.5	3.5	0.9		2.6	0.01
Unusual tax items	—	—	—	—	51.2		(51.2)	(0.10)
Rounding	—	—	—	—	—		—	(0.01)
Adjusted	\$ 3,108.3	\$ 1,056.4	\$ 1,821.2	\$ 1,387.5	\$ 339.6	23.2%	\$ 1,115.3	\$ 2.28
% of Net Sales	28.1%	9.6%	16.5%					
<i>2-year compound growth - reported</i>								3.5%
<i>2-year compound growth - adjusted</i>								1.7%

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



	November 27, 2022	November 28, 2021	% Change
Net cash flows from operating activities	\$ 297.8	\$ 262.1	13.6%
Additions to property, plant and equipment	(188.4)	(257.5)	(26.8)%
Free cash flow	\$ 109.4	\$ 4.6	N/A

	Q2 FY23	Q2 FY22
Notes payable	\$ 365.5	\$ 585.8
Current installments of long-term debt	954.3	270.6
Senior long-term debt, excluding current installments	8,081.8	8,527.8
Total Debt	\$ 9,401.6	\$ 9,384.2
Less: Cash	39.7	68.7
Net Debt	\$ 9,361.9	\$ 9,315.5

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



	Q2 FY23	LTM²
Net Debt	\$	9,361.9
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 ¹		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		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 EBITDA		3.9

¹ Excludes comparability items related to depreciation.

² Last twelve months

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



	Q2 FY22 LTM ²
Net Debt	\$ 9,315.5
Net income attributable to Conagra Brands, Inc.	\$ 1,101.8
Add Back: Income tax expense	180.3
Income tax expense attributable to noncontrolling interests	(0.6)
Interest expense, net	388.1
Depreciation	328.7
Amortization	59.5
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	\$ 2,057.8
Restructuring plans ¹	32.5
Acquisitions and divestitures	4.1
Corporate hedging derivative gains	(18.2)
Consulting fees on tax matters	7.7
Gain on divestiture of businesses	(53.1)
Proceeds received from the sale of a legacy investment	(3.3)
Impairment of businesses held for sale	39.2
Legal matters	(10.0)
Early extinguishment of debt	24.4
Brand impairment charges	90.9
Adjusted EBITDA	\$ 2,172.0
Net Debt to Adjusted LTM EBITDA	4.3

¹ Excludes comparability items related to depreciation.

² Last twelve months

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



	Q2 FY23	Q2 FY22	% Change
Net income attributable to Conagra Brands, Inc.	\$ 381.9	\$ 275.5	38.6%
Add Back: Income tax expense	122.5	84.2	
Income tax expense attributable to noncontrolling interests	(0.1)	(0.1)	
Interest expense, net	100.3	94.9	
Depreciation	77.8	82.2	
Amortization	14.7	14.8	
Earnings before interest, taxes, depreciation, and amortization	\$ 697.1	\$ 551.5	26.4%
Restructuring plans ¹	1.8	7.7	
Acquisitions and divestitures	0.5	0.6	
Corporate hedging derivative losses (gains)	2.4	1.8	
Fire related costs	7.9	—	
Municipal water break costs	0.6	—	
Consulting fees on tax matters	—	1.7	
Impairment of businesses held for sale	—	39.2	
Proceeds from the sale of a legacy investment	—	(3.3)	
Legal matters	—	(14.6)	
Adjusted Earnings before interest, taxes, depreciation, and amortization	\$ 710.3	\$ 584.6	21.5%

¹ Excludes comparability items related to depreciation.



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