



# FY24 Q3 Earnings Presentation

April 4, 2024

# 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. Note that some table calculations may not foot due to rounding.



Sean Connolly

President and Chief Executive Officer

# Q3 Headlines



- Continued top line progress:
  - Sequential top line improvement supported by brand building investments
  - Solid share gains, particularly in Frozen Single-Serve Meals
- Delivered significant cost savings, enabling investment while sustaining margin recovery
- Continued progress on de-levering driven by strong cash flow
- Updating FY24 guidance

# Q3 Unfolded Largely In-Line With Expectations



## Q3 Expectations

- Continued volume recovery in Domestic Retail
- Increased merchandising & advertising investment
- Gross margin stability
- Continued strong cash flow and productivity improvement

## Q3 Results

- Sequential volume improvement over Q2
- Strong merchandising lifts; A&P up over Q2 and YA
- Gross margin expansion
- YTD free cash flow<sup>1</sup> conversion of 124%; YTD 4% cost savings<sup>2</sup>

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

2. Includes productivity and other cost savings as a % of Total Cost of Goods Sold for first nine months of FY24

# Solid Q3 Results



	Q3	Q3 vs. YA
Organic Net Sales <sup>1</sup>	\$3,024	(2.0)%
Adj. Gross Margin <sup>1</sup>	28.7%	+52 bps
Adj. Operating Margin <sup>1</sup>	16.4%	(49) bps
Adj. EPS <sup>1</sup>	\$0.69	(9.2)%

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

# Strong Year-Over-Year Progress in Supply Chain



<sup>1</sup> Represents Case Fill Rate

<sup>2</sup> Represents reduction in inventory balance from Q3FY23 to Q3FY24. Ending inventory balance for Q3FY24 reflects reclassification of certain inventory to assets held for sale within our Condensed Consolidated Balance Sheets.

<sup>3</sup> Includes productivity and other cost savings as a % of Total Cost of Goods Sold

# Ramped Up Investments in Q3

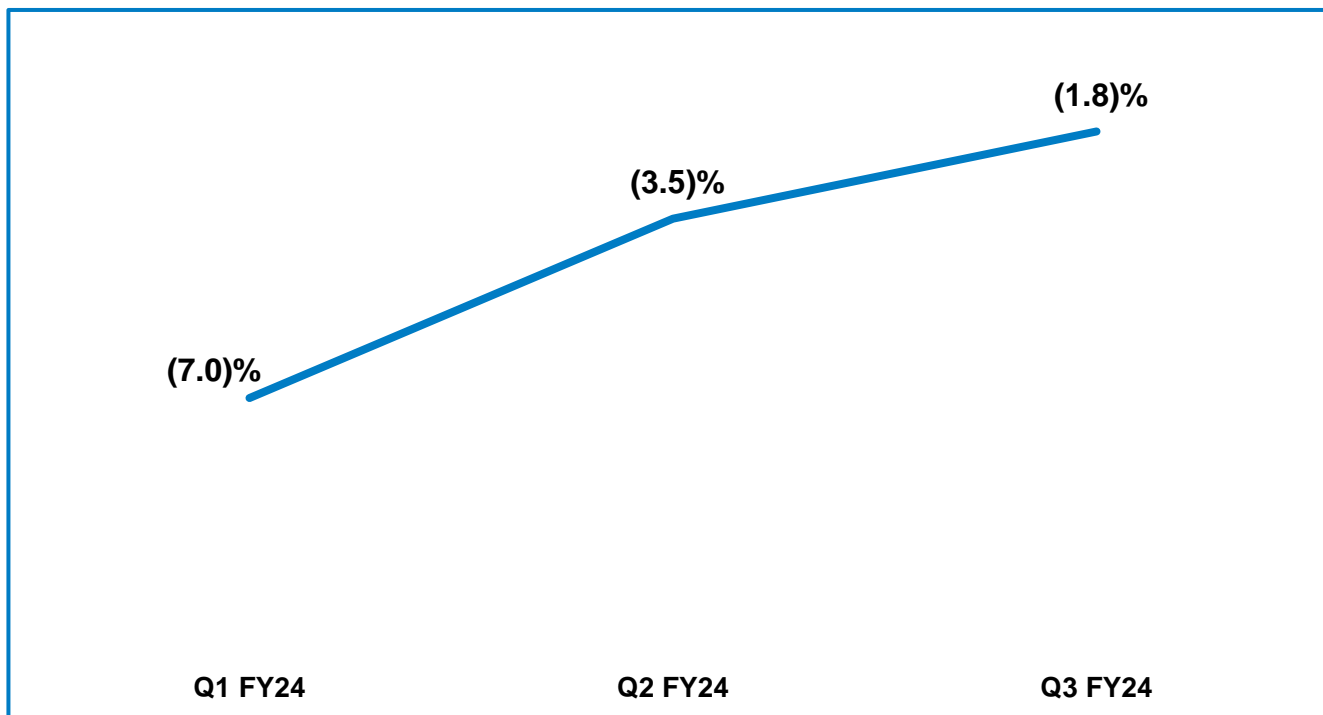




# Volume Recovery Continued To Progress



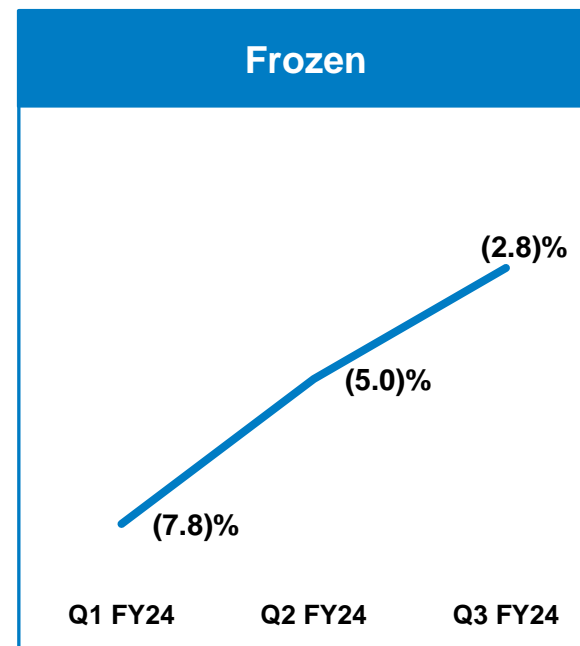
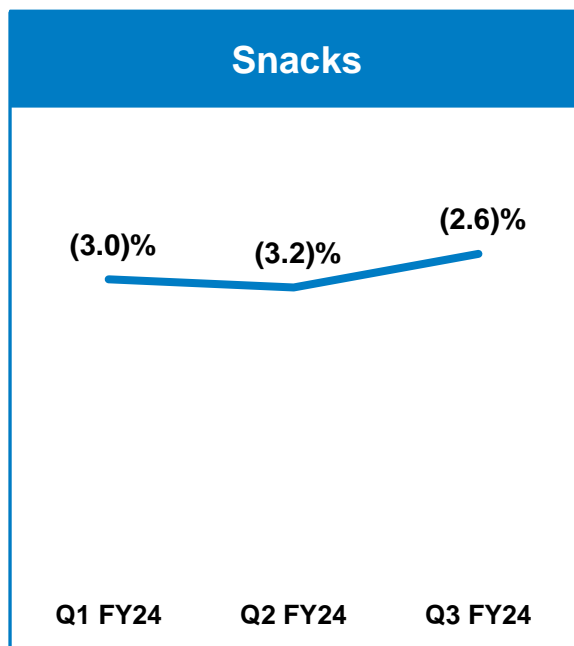
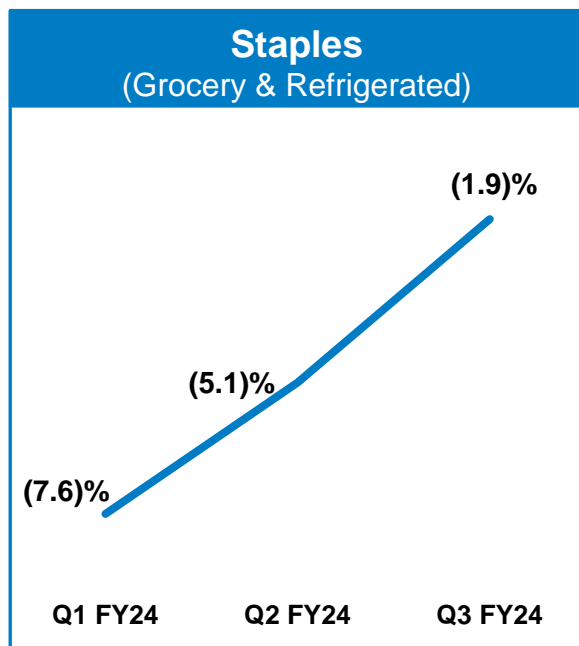
## Total Domestic Retail Shipments (Conagra CSU Volume, % Change vs. YA)



# Consumption Also Improved in All Domains



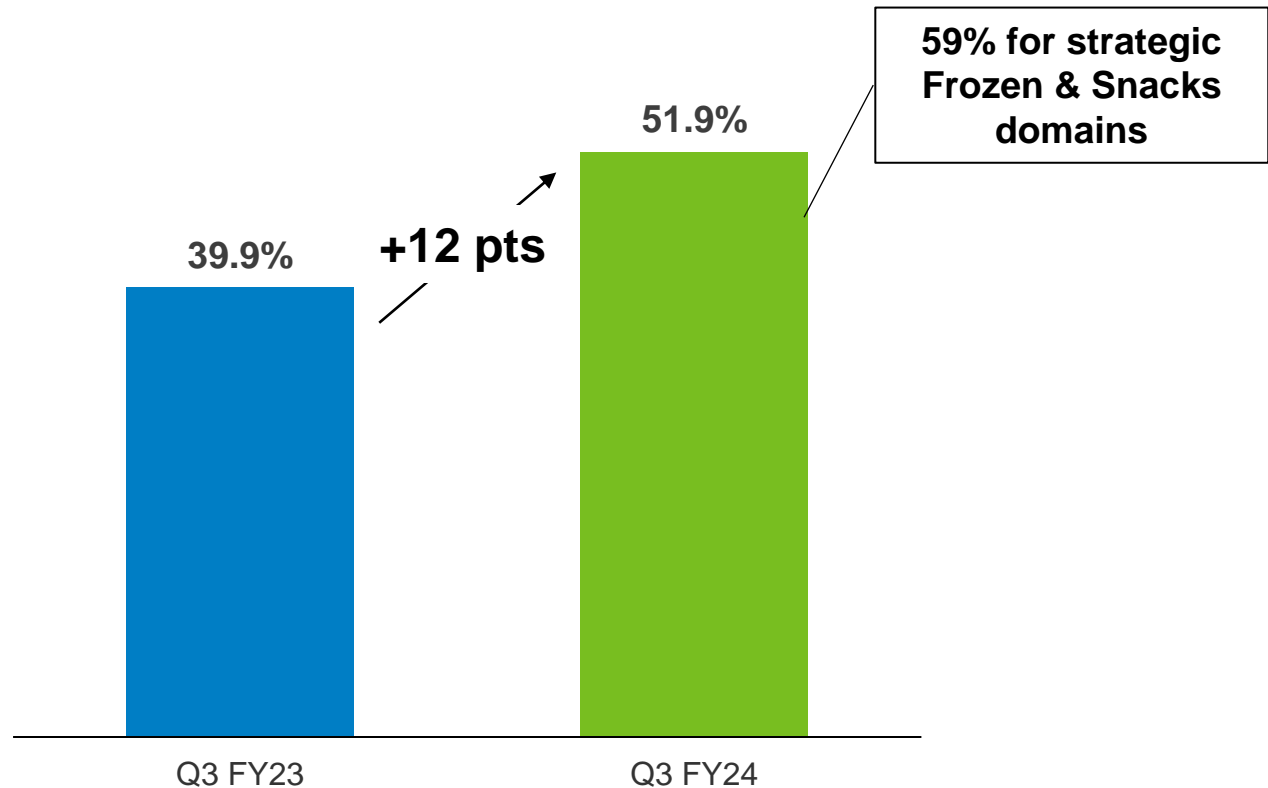
## Conagra Retail Sales (Volume Sales, % Change vs. YA)



# Strong Year-Over-Year Share Gains Across the Portfolio...



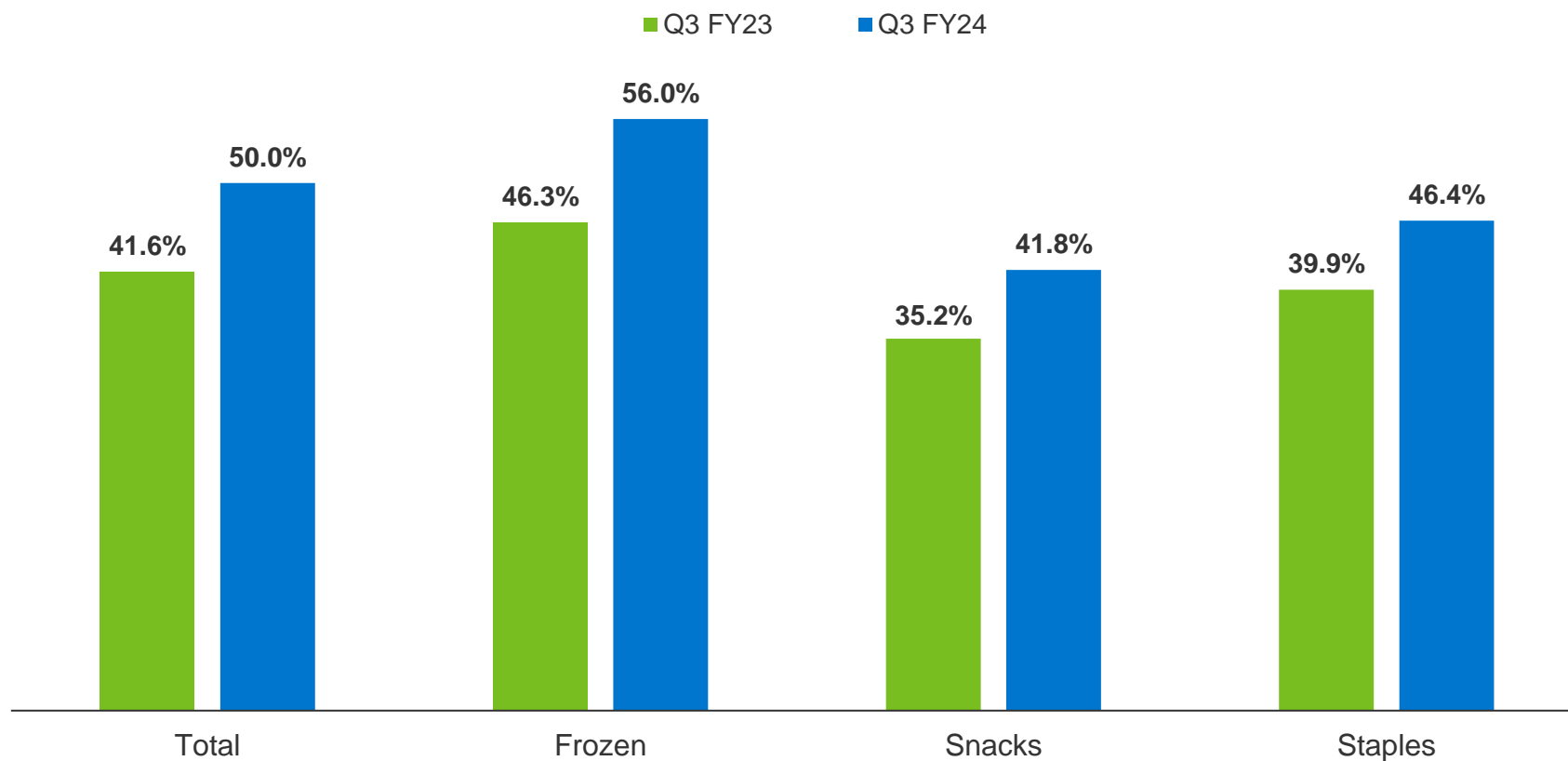
## % of Conagra Portfolio Holding or Gaining Unit Share



# ...Enabled by Growth in Merchandising Lifts



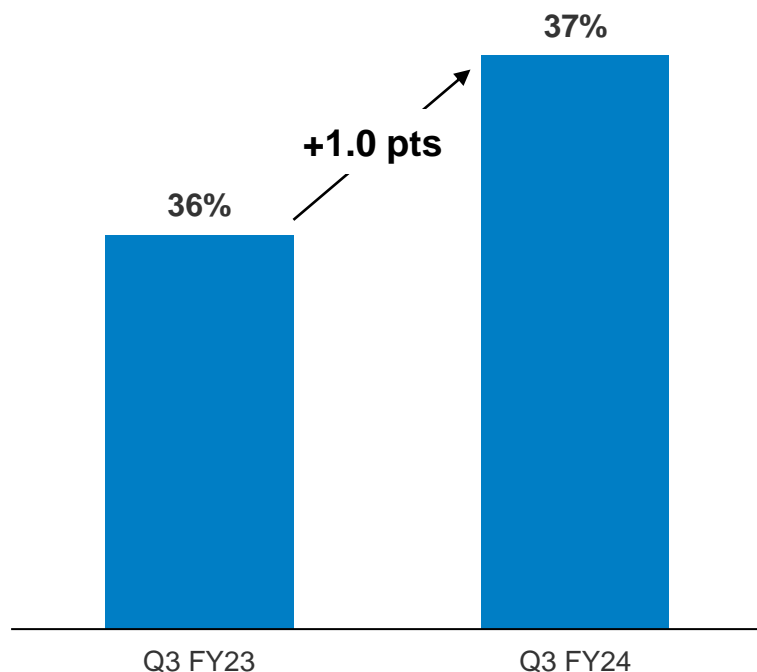
## Unit Lift on Merchandising



# Solid Share Gains Within Frozen



## Conagra Frozen Weighted Unit Share



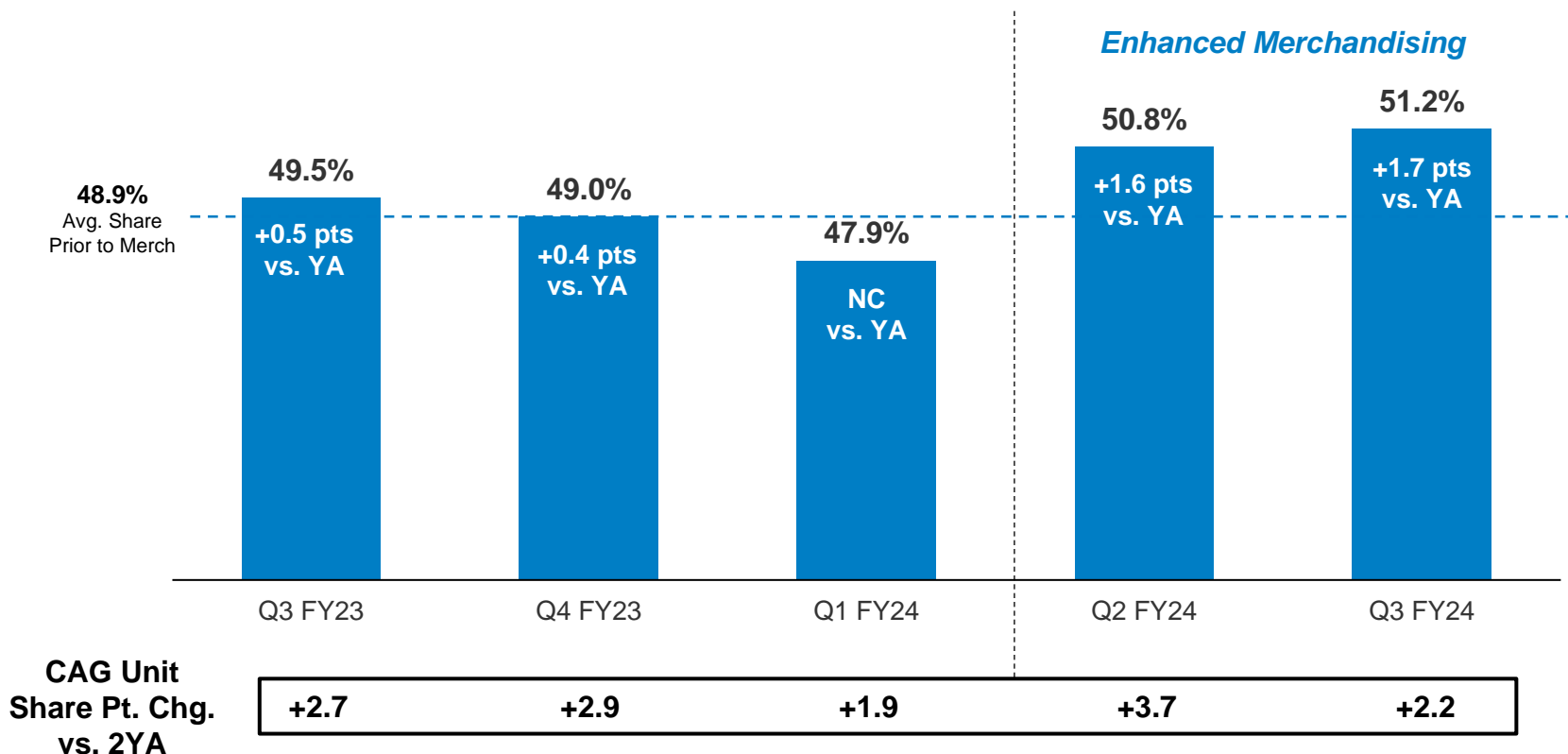
## Frozen Unit Share Gains Highlights



# Investments in Single-Serve Meals Drove Record Share Levels



## Conagra Frozen Single-Serve Meals Unit Share of Category



# Exciting 2024 Innovation





# International and Foodservice Solid Top Line Contributors



## International



**Q3 ONS<sup>1</sup>: +1.0%**  
**YTD ONS<sup>1</sup> +4.8%**

## Foodservice



**Q3 ONS<sup>1</sup>: (1.0)%**  
**YTD ONS<sup>1</sup> +2.9%**



# Strong Free Cash Flow Continued in Q3



## Free Cash Flow<sup>1</sup>

(Dollars in Millions)

\$436

\$1,222

YTD Q3 FY23

YTD Q3 FY24

## Net Leverage Ratio<sup>1</sup>

3.65x

3.44x

Q3 FY23

Q3 FY24

# Updated Fiscal 2024 Guidance; Increased Adj. Operating Margin



Updated Guidance	
Organic Net Sales <sup>1</sup> Growth (vs. FY23)	(1)% to (2)%
Adj. Operating Margin <sup>1</sup>	~15.8%
Adj. EPS <sup>1</sup>	\$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



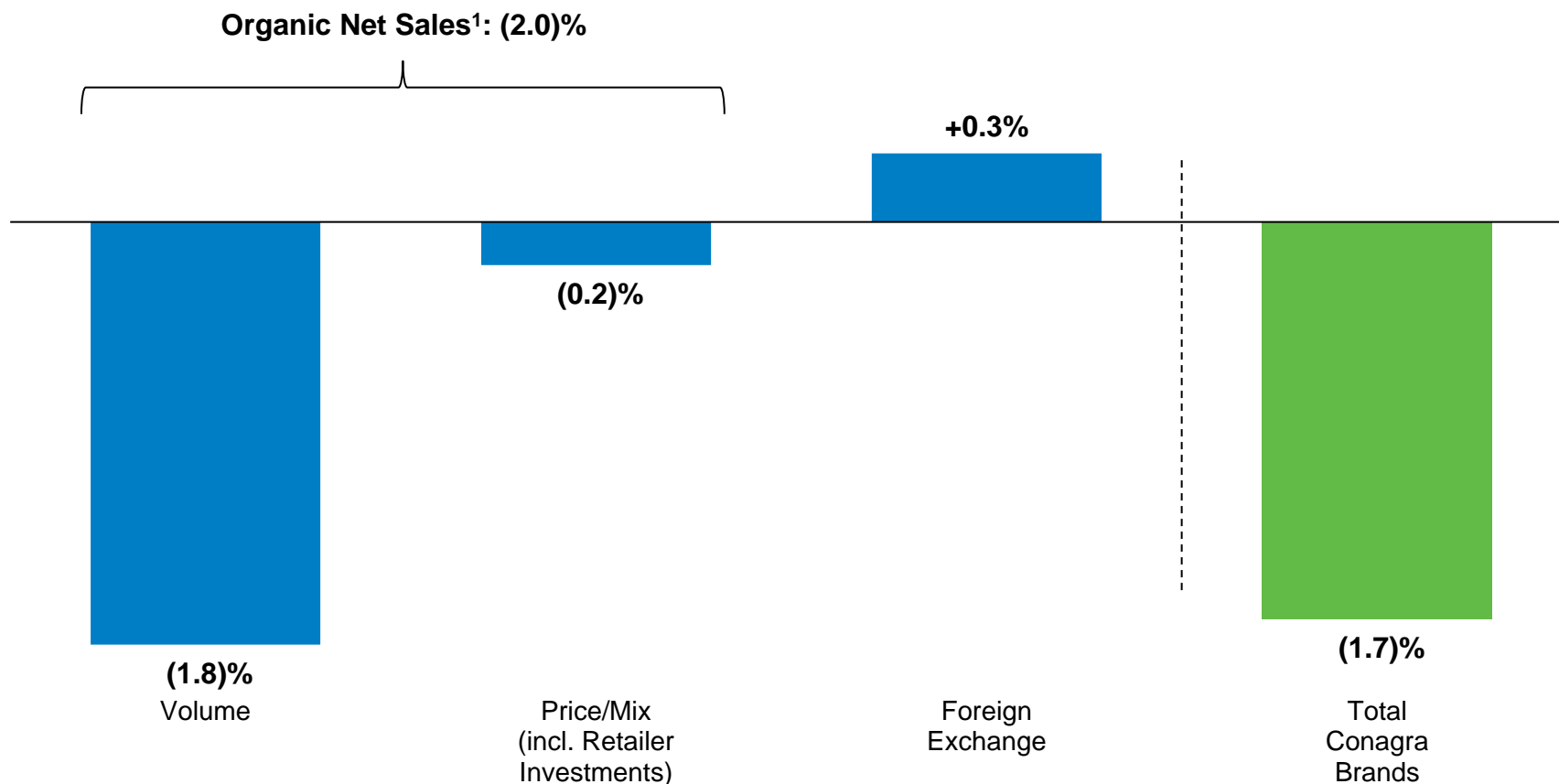
Dollars in Millions, except per share data Increase/(Decrease)	Q3	vs. YA
Reported Net Sales	\$3,033	(1.7)%
Organic Net Sales <sup>1</sup> Growth		(2.0)%
Adj. Gross Profit <sup>1</sup>	870	+0.1%
Adj. Gross Margin <sup>1</sup>	28.7%	+52 bps
A&P	86	+6.5%
A&P as % of NS	2.8%	+22 bps
Adj. SG&A <sup>1</sup>	286	+7.4%
Adj. SG&A <sup>1</sup> as % of NS	9.4%	+80 bps
Adj. Op. Profit <sup>1</sup>	498	(4.6)%
Adj. Op. Margin <sup>1</sup>	16.4%	(49) bps
Equity Earnings	41	(18.5)%
Adj. Net Income <sup>1</sup>	329	(10.1)%
Adj. EBITDA <sup>1</sup>	634	(5.3)%
Adj. EPS <sup>1</sup>	\$0.69	(9.2)%

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



## Q3 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		
	Q3	Reported vs. YA	Organic <sup>1</sup> vs. YA
Grocery & Snacks	\$1,286	+3.4%	+3.4%
Refrigerated & Frozen	1,202	(8.1)%	(8.1)%
International	272	+4.6%	+1.0%
Foodservice	273	(1.0)%	(1.0)%
<b>Total Conagra Brands</b>	<b>\$3,033</b>	<b>(1.7)%</b>	<b>(2.0)%</b>

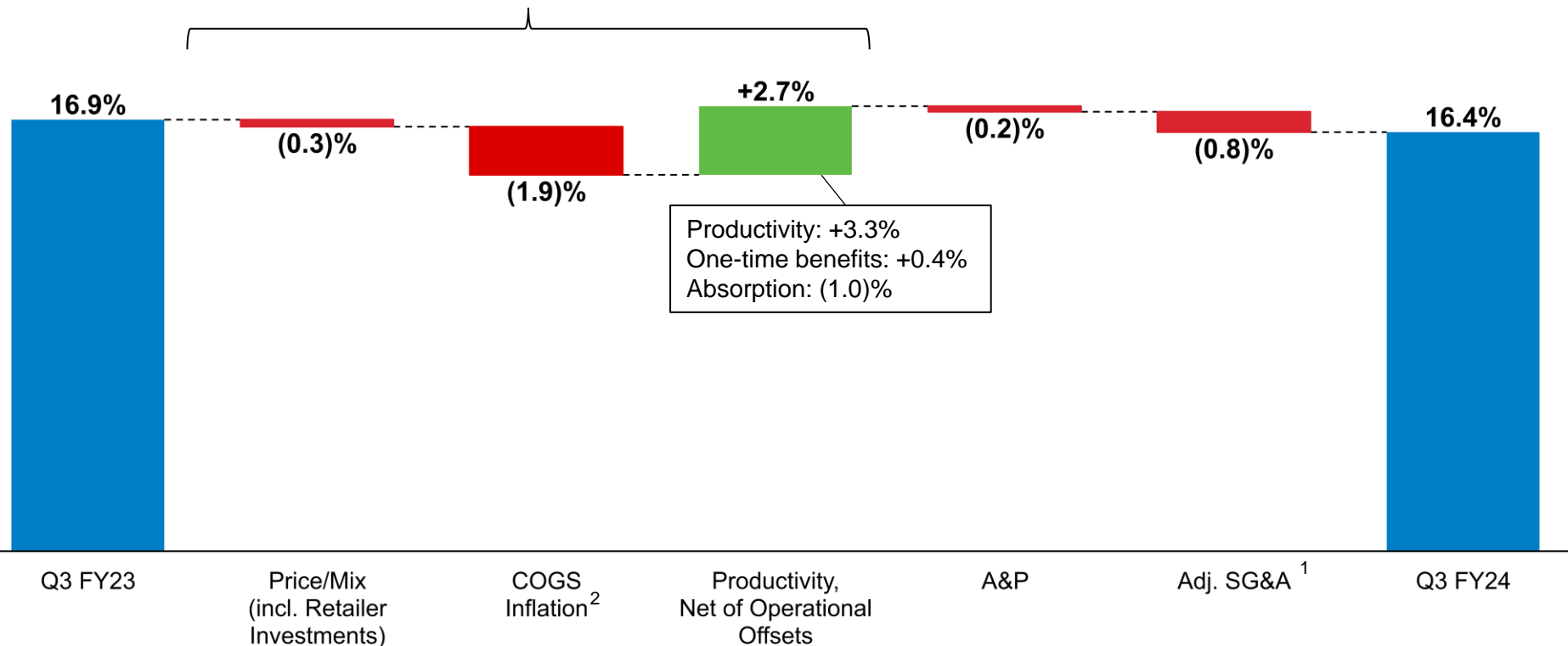
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.

# Operating Margin Bridge



## Q3 Adj. Operating Margin<sup>1</sup> (% Change vs. YA)

Adj. Gross Margin<sup>1</sup>: +52 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 Profit<sup>1</sup> & Margin<sup>1</sup> Summary



Dollars in Millions Increase/(Decrease)	Adj. Op. Profit <sup>1</sup>		Adj. Op. Margin <sup>1</sup>	
	Q3	vs. YA	Q3	vs. YA
Grocery & Snacks	\$299	+16.5%	23.3%	+261 bps
Refrigerated & Frozen	203	(25.2)%	16.9%	(385) bps
International	43	+16.4%	15.9%	+161 bps
Foodservice	35	+40.6%	13.0%	+383 bps
Adjusted Corporate Expense <sup>1</sup>	(82)	21.2%	-	-
<b>Total Conagra Brands</b>	<b>\$498</b>	<b>(4.6)%</b>	<b>16.4%</b>	<b>(49) bps</b>

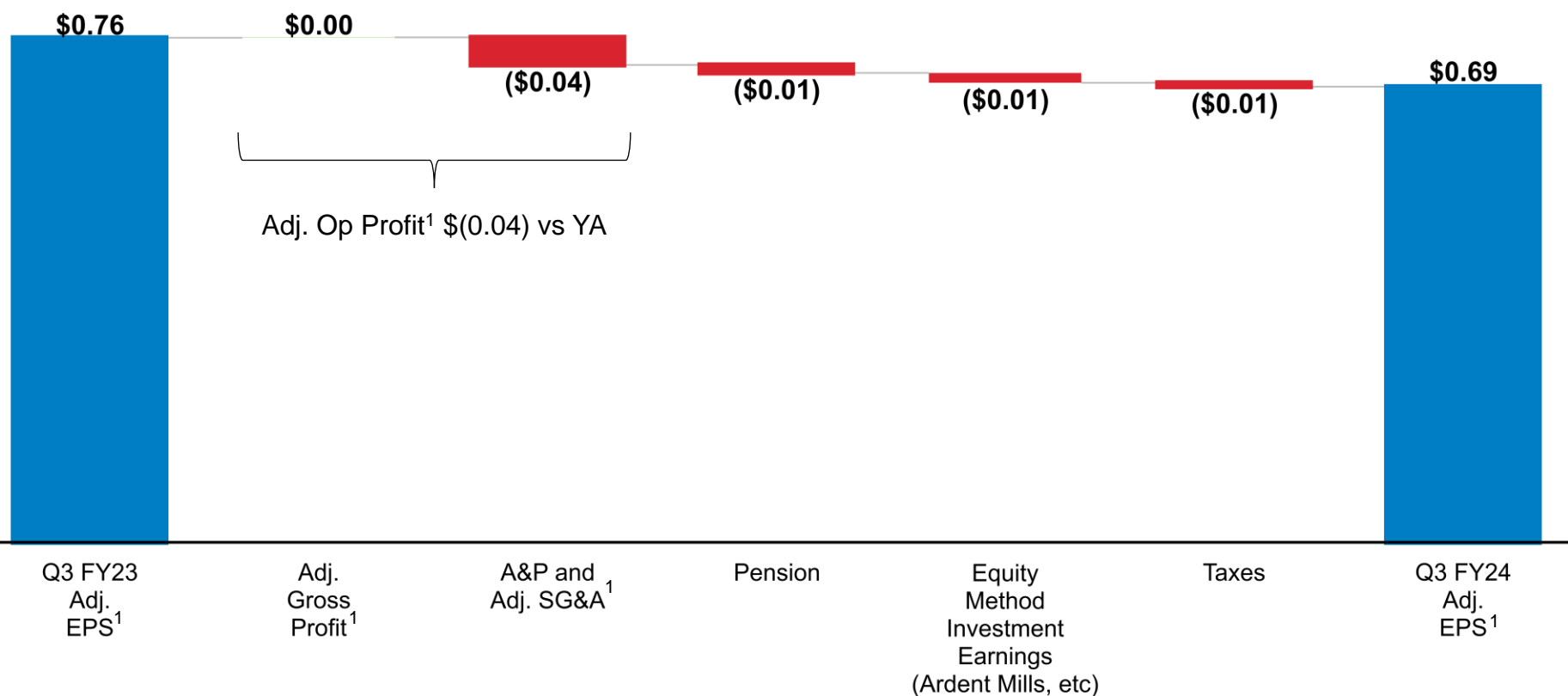
1. Non-GAAP financial measure. See the appendix for certain definitions and reconciliations to the most directly comparable GAAP measure.



# Q3 Adjusted EPS<sup>1</sup> Bridge



## Drivers of Q3 Adjusted EPS<sup>1</sup> vs. YA

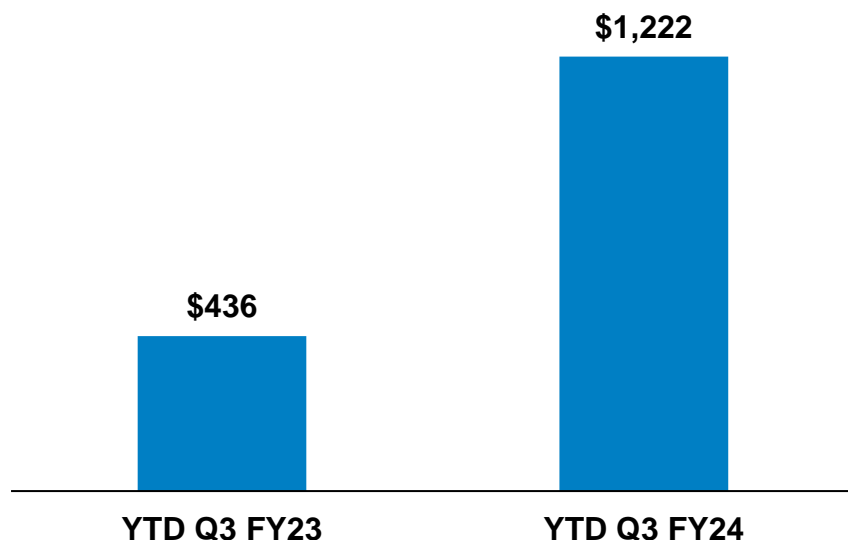


# Strong Free Cash Flow Continued in Q3

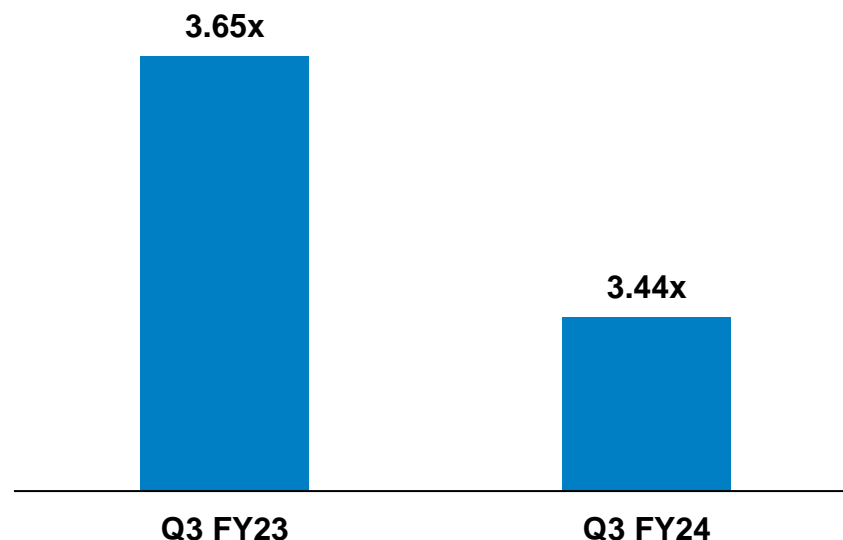


## Free Cash Flow<sup>1</sup>

(Dollars in Millions)



## Net Leverage Ratio<sup>1</sup>



- YTD Free Cash Flow<sup>1</sup> Conversion ~124%
- Debt repayment of ~\$400mm since Q2 and over \$700mm in the last 12 months
- Expecting year end net leverage ratio<sup>2</sup> of approximately 3.44x

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.

# Updated Fiscal 2024 Guidance



Updated Guidance	
Organic Net Sales <sup>1</sup> Growth (vs. FY23)	(1)% to (2)%
Adj. Operating Margin <sup>1</sup>	~15.8%
Adj. EPS <sup>1</sup>	\$2.60 to \$2.65

Updated P&L Assumptions	
Capex	\$425M
Interest Expense	\$435M

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



# 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 Q3 FY24 Organic Net Sales by Segment YOY Change (in millions)

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
<b>Q3 FY24</b>					
<b>Net Sales</b>	\$ 1,286.0	\$ 1,202.4	\$ 271.7	\$ 272.8	\$ 3,032.9
Impact of foreign exchange	—	—	(9.4)	—	(9.4)
<b>Organic Net Sales</b>	<u>\$ 1,286.0</u>	<u>\$ 1,202.4</u>	<u>\$ 262.3</u>	<u>\$ 272.8</u>	<u>\$ 3,023.5</u>
<b>Year-over-year change - Net Sales</b>	<b>3.4%</b>	<b>(8.1)%</b>	<b>4.6%</b>	<b>(1.0)%</b>	<b>(1.7)%</b>
Impact of foreign exchange (pp)	—	—	(3.6)	—	(0.3)
<b>Organic Net Sales</b>	<u><b>3.4%</b></u>	<u><b>(8.1)%</b></u>	<u><b>1.0%</b></u>	<u><b>(1.0)%</b></u>	<u><b>(2.0)%</b></u>
<b>Volume (Organic)</b>	<b>(0.8)%</b>	<b>(3.3)%</b>	<b>2.7%</b>	<b>(4.8)%</b>	<b>(1.8)%</b>
<b>Price/Mix</b>	<b>4.2%</b>	<b>(4.8)%</b>	<b>(1.7)%</b>	<b>3.8%</b>	<b>(0.2)%</b>
<b>Q3 FY23</b>					
<b>Net Sales</b>	\$ 1,243.7	\$ 1,307.7	\$ 259.7	\$ 275.4	\$ 3,086.5
Net sales from divested businesses	—	—	—	—	—
<b>Organic Net Sales</b>	<u>\$ 1,243.7</u>	<u>\$ 1,307.7</u>	<u>\$ 259.7</u>	<u>\$ 275.4</u>	<u>\$ 3,086.5</u>

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

	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
<b>Q3 FY24 YTD</b>					
Net Sales	\$ 3,784.0	\$ 3,692.5	\$ 811.5	\$ 857.0	\$ 9,145.0
Impact of foreign exchange	—	—	(23.3)	—	(23.3)
<b>Organic Net Sales</b>	<b>\$ 3,784.0</b>	<b>\$ 3,692.5</b>	<b>\$ 788.2</b>	<b>\$ 857.0</b>	<b>\$ 9,121.7</b>
<b>Year-over-year change - Net Sales</b>	<b>0.1%</b>	<b>(6.2)%</b>	<b>7.9%</b>	<b>2.9%</b>	<b>(1.7)%</b>
Impact of foreign exchange (pp)	—	—	(3.1)	—	(0.3)
<b>Organic Net Sales</b>	<b>0.1%</b>	<b>(6.2)%</b>	<b>4.8%</b>	<b>2.9%</b>	<b>(2.0)%</b>
Volume (Organic)	(3.0)%	(5.6)%	2.1%	(4.1)%	(3.7)%
Price/Mix	3.1%	(0.6)%	2.7%	7.0%	1.7%
<b>Q3 FY23 YTD</b>					
Net Sales	\$ 3,781.9	\$ 3,936.8	\$ 751.9	\$ 833.1	\$ 9,303.7
Net sales from divested businesses	—	—	—	—	—
<b>Organic Net Sales</b>	<b>\$ 3,781.9</b>	<b>\$ 3,936.8</b>	<b>\$ 751.9</b>	<b>\$ 833.1</b>	<b>\$ 9,303.7</b>

# Reconciliation of Q3 FY24 Adj. Operating Profit by Segment – YOY Change (in millions)



Q3 FY24	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
<b>Operating Profit</b>	\$ 299.3	\$ 201.5	\$ 42.2	\$ 35.4	\$ (107.0)	\$ 471.4
Restructuring plans	0.2	0.5	1.1	—	(0.1)	1.7
Legal matters	—	—	—	—	17.9	17.9
Fire related costs	—	0.6	—	—	—	0.6
Corporate hedging derivative losses (gains)	—	—	—	—	6.8	6.8
<b>Adjusted Operating Profit</b>	<b>\$ 299.5</b>	<b>\$ 202.6</b>	<b>\$ 43.3</b>	<b>\$ 35.4</b>	<b>\$ (82.4)</b>	<b>\$ 498.4</b>
Operating Profit Margin	23.3%	16.8%	15.6%	13.0%		15.5%
Adjusted Operating Profit Margin	23.3%	16.9%	15.9%	13.0%		16.4%
Year-over-year % change - Operating Profit	16.7%	(23.6)%	13.9%	48.7%	17.6%	(3.8)%
Year-over year % change - Adjusted Operating Profit	16.5%	(25.2)%	16.4%	40.6%	21.2%	(4.6)%
Year-over-year bps change - Operating Profit	265 bps	(340) bps	126 bps	434 bps		(33) bps
Year-over-year bps change - Adjusted Operating Profit	261 bps	(385) bps	161 bps	383 bps		(49) bps



# Reconciliation of Q3 FY24 Adj. Operating Profit by Segment – YOY Change Cont. (in millions)



Q3 FY23	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Corporate Expense	Total Conagra Brands
<b>Operating Profit</b>	\$ 256.4	\$ 263.6	\$ 37.1	\$ 23.8	\$ (90.9)	\$ 490.0
Restructuring plans	0.3	1.9	0.1	—	0.2	2.5
Acquisitions and divestitures	—	—	—	—	0.2	0.2
Fire related costs	—	5.2	—	1.4	—	6.6
Municipal water break costs	0.3	—	—	—	—	0.3
Corporate hedging derivative losses (gains)	—	—	—	—	22.7	22.7
<b>Adjusted Operating Profit</b>	<b>\$ 257.0</b>	<b>\$ 270.7</b>	<b>\$ 37.2</b>	<b>\$ 25.2</b>	<b>\$ (67.8)</b>	<b>\$ 522.3</b>
Operating Profit Margin	20.6%	20.2%	14.3%	8.6%		15.9%
Adjusted Operating Profit Margin	20.7%	20.7%	14.3%	9.1%		16.9%

# Reconciliation of Q3 FY24 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, and Adj. EPS – YOY Change (in millions)



Q3FY24	Gross profit	Selling, general and administrative expenses	Operating profit <sup>1</sup>	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
<b>GAAP Reported</b>	<b>\$ 858.8</b>	<b>\$ 387.4</b>	<b>\$ 471.4</b>	<b>\$ 308.6</b>	<b>\$ 0.64</b>
<i>% of Net Sales</i>	<i>28.3%</i>	<i>12.8%</i>	<i>15.5%</i>		
Restructuring plans	1.1	0.6	1.7	1.2	—
Corporate hedging derivative losses (gains)	6.8	—	6.8	5.1	0.01
Advertising and promotion expenses <sup>2</sup>	—	85.6	—	—	—
Fire related cost (benefit)	2.8	(2.2)	0.6	0.4	—
Legal matters	—	17.9	17.9	13.6	0.03
Rounding	—	—	—	—	0.01
<b>Adjusted</b>	<b>\$ 869.5</b>	<b>\$ 285.5</b>	<b>\$ 498.4</b>	<b>\$ 328.9</b>	<b>\$ 0.69</b>
<i>% of Net Sales</i>	<i>28.7%</i>	<i>9.4%</i>	<i>16.4%</i>		
<i>Year-over-year % of net sales change - reported</i>	<i>114 bps</i>	<i>147 bps</i>	<i>(33) bps</i>		
<i>Year-over-year % of net sales change - adjusted</i>	<i>52 bps</i>	<i>80 bps</i>	<i>(49) bps</i>		
<i>Year-over-year change - reported</i>	<i>2.4%</i>	<i>11.0%</i>	<i>(3.8)%</i>	<i>(9.7)%</i>	<i>(9.9)%</i>
<i>Year-over-year change - adjusted</i>	<i>0.1%</i>	<i>7.4%</i>	<i>(4.6)%</i>	<i>(10.1)%</i>	<i>(9.2)%</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 Q3 FY24 Adj. Gross Margin, Adj. Gross Profit, Adj. SG&A, Adj. Net Income, and Adj. EPS – YOY Change Cont. (in millions)



Q3FY23	Gross profit	Selling, general and administrative expenses	Operating profit <sup>1</sup>	Net income attributable to Conagra Brands, Inc.	Diluted EPS from income attributable to Conagra Brands, Inc common stockholders
<b>GAAP Reported</b>	<b>\$ 838.8</b>	<b>\$ 348.8</b>	<b>\$ 490.0</b>	<b>\$ 341.7</b>	<b>\$ 0.71</b>
<i>% of Net Sales</i>	<i>27.2%</i>	<i>11.3%</i>	<i>15.9%</i>		
Restructuring plans	0.5	2.0	2.5	1.9	—
Acquisitions and divestitures	—	0.2	0.2	0.1	—
Corporate hedging derivative losses (gains)	22.7	—	22.7	17.1	0.04
Advertising and promotion expenses <sup>2</sup>	—	80.5	—	—	—
Fire related costs	6.4	0.2	6.6	4.9	0.01
Municipal water break costs	0.3	—	0.3	0.3	—
<b>Adjusted</b>	<b>\$ 868.7</b>	<b>\$ 265.9</b>	<b>\$ 522.3</b>	<b>\$ 366.0</b>	<b>\$ 0.76</b>
<i>% of Net Sales</i>	<i>28.1%</i>	<i>8.6%</i>	<i>16.9%</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 – YOY Change (in millions) and Free Cash Flow Conversion



	Q3FY23 YTD	Q3FY24 YTD
<b>Net income attributable to Conagra Brands, Inc.</b>	<b>\$ 646.1</b>	<b>\$ 914.5</b>
Restructuring plans	6.9	22.0
Acquisitions and divestitures	0.6	0.2
Corporate hedging derivative losses (gains)	18.5	(7.1)
Fire related cost (benefit)	10.9	(1.7)
Municipal water break costs	2.7	—
Impairment of businesses held for sale	20.1	34.3
Goodwill and brand impairment charges	326.8	—
Legal matters	—	24.0
<b>Adjusted Net income attributable to Conagra Brands, Inc.</b>	<b>\$ 1,032.6</b>	<b>\$ 986.2</b>
	<b>February 26, 2023</b>	<b>February 25, 2024</b>
Net cash flows from operating activities - continuing operations	\$ 703.4	\$ 1,531.3
Additions to property, plant and equipment	(267.4)	(309.6)
<b>Free cash flow</b>	<b>\$ 436.0</b>	<b>\$ 1,221.7</b>
<b><i>Free cash flow year-over-year change</i></b>		<b>180.2%</b>
<b><i>Free cash flow conversion rate - reported</i></b>		<b>134%</b>
<b><i>Free cash flow conversion rate - adjusted</i></b>		<b>124%</b>

# Reconciliation of YTD FY24 Net Debt (in millions)



	Q3 FY24	Q3 FY23
Notes payable	\$ 166.3	\$ 653.7
Current installments of long-term debt	1,019.2	516.6
Senior long-term debt, excluding current installments	7,491.8	8,081.2
<b>Total Debt</b>	<b>\$ 8,677.3</b>	<b>\$ 9,251.5</b>
Less: Cash	78.5	70.1
<b>Net Debt</b>	<b>\$ 8,598.8</b>	<b>\$ 9,181.4</b>

# Reconciliation of Q3 FY24 Net Leverage Ratio (in millions)



	Q3 FY24
<b>Net Debt<sup>1</sup></b>	<b>\$ 8,598.8</b>
<b>Net income attributable to Conagra Brands, Inc.</b>	<b>\$ 952.0</b>
Add Back: Income tax expense	\$ 278.8
Income tax expense attributable to noncontrolling interests	(0.3)
Interest expense, net	433.8
Depreciation	330.9
Amortization	53.7
<b>Earnings before interest, taxes, depreciation, and amortization (EBITDA)</b>	<b>\$ 2,048.9</b>
Restructuring plans <sup>2</sup>	26.8
Acquisitions and divestitures	7.8
Corporate hedging derivative losses (gains)	2.9
Goodwill and brand impairment charges <sup>3</sup>	343.6
Legal matters	35.7
Fire related benefit	(3.3)
Third-party vendor cybersecurity incident	4.4
Impairment of business held for sale	34.2
<b>Adjusted EBITDA</b>	<b>\$ 2,501.0</b>
<b>Net Debt to Adjusted EBITDA<sup>4</sup></b>	<b>3.44</b>

1. As of February 25, 2024

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 Q3 FY23 Net Leverage Ratio (in millions)



	Q3 FY23
<b>Net Debt <sup>1</sup></b>	<b>\$ 9,181.4</b>
<b>Net income attributable to Conagra Brands, Inc.</b>	<b>\$ 805.0</b>
Add Back: Income tax expense	263.7
Income tax expense attributable to noncontrolling interests	0.1
Interest expense, net	397.8
Depreciation	308.7
Amortization	58.1
<b>Earnings before interest, taxes, depreciation, and amortization (EBITDA)</b>	<b>\$ 1,833.4</b>
Restructuring plans <sup>2</sup>	18.3
Acquisitions and divestitures	1.0
Consulting fees on tax matters	1.1
Corporate hedging derivative losses	25.5
Impairment of businesses held for sale	26.7
Goodwill and brand impairment charges <sup>3</sup>	592.7
Legal matters	(5.0)
Environmental matters	(6.5)
Fire related costs	25.8
Municipal water break costs	3.5
<b>Adjusted EBITDA</b>	<b>\$ 2,516.5</b>
<b>Net Debt to Adjusted EBITDA <sup>4</sup></b>	<b>3.65</b>

1. As of February 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 Q3 FY24 EBITDA (in millions)



	Q3 FY24	Q3 FY23	% Change
Net income attributable to Conagra Brands, Inc.	\$ 308.6	\$ 341.7	(9.7)%
Add Back: Income tax expense	95.9	100.1	
Income tax expense attributable to noncontrolling interests	—	(0.2)	
Interest expense, net	106.5	104.2	
Depreciation	82.4	77.7	
Amortization	13.4	13.8	
<b>Earnings before interest, taxes, depreciation, and amortization</b>	<b>\$ 606.8</b>	<b>\$ 637.3</b>	<b>(4.8)%</b>
Restructuring plans <sup>1</sup>	1.5	2.1	
Acquisitions and divestitures	—	0.2	
Corporate hedging derivative losses (gains)	6.8	22.7	
Fire related costs	0.6	6.6	
Municipal water break costs	—	0.3	
Legal matters	17.9	—	
<b>Adjusted Earnings before interest, taxes, depreciation, and amortization</b>	<b>\$ 633.6</b>	<b>\$ 669.2</b>	<b>(5.3)%</b>

1. Excludes comparability items related to depreciation.