

Q2 FISCAL 2018 EARNINGS

DECEMBER 21, 2017

One year after becoming a pure-play, branded food company, Conagra is growing again. Our work to upgrade the quality of our revenue base and rebuild our innovation pipeline is bearing fruit, particularly in our frozen business, where we put much of our year-one focus. Better than expected top-line performance through the second quarter is enabling us to invest more in our U.S. retail business to enhance distribution, merchandising, and consumer trial of our brands – especially where we have new renovation or innovation. Accordingly, we are updating our fiscal 2018 organic net sales and EPS guidance to near the high end of their respective ranges. Higher-than-anticipated inflation, hurricane-related costs, and increased investments to drive distribution and consumer trial are pressuring margins in the near term. We expect fiscal 2018 operating margins to be near the low end of our guidance range as a result of these factors, and our transformation plan remains squarely on-track to achieve our fiscal 2020 targets.

- Sean Connolly, President and Chief Executive Officer of Conagra Brands

CLEAR TOP-LINE PROGRESS IN Q2



+2.3%

organic net sales¹
growth YOY including
~220 basis points
benefit from recent
hurricanes



**Net Sales
Growth**

in each operating
segment



+4%

volume growth
in refrigerated
& frozen segment
YOY

STRONG Q2 EPS GROWTH

\$0.55

ADJ. DILUTED EPS²
+12.2% YOY

\$0.54

DILUTED EPS²
+107.7% YOY

BOLSTERING OUR STRATEGIC PLATFORMS

Agreed to acquire
Sandwich Bros. of Wisconsin
(Pending)



Completed
acquisition
of **Angie's
BOOMCHICKAPOP**

INNOVATION PERFORMING WELL

Continuing to build distribution



Over-indexing to younger,
higher-income consumers

DELIVERING SHAREHOLDER VALUE

UPDATED FY 2018 GUIDANCE³

Organic net sales and adjusted
EPS² are now expected to be
near the high end of their
respective guidance ranges



On Track
for fiscal 2020 targets

Paid dividend of
\$0.2125

in Q2 FY 2018
and approved
Q3 dividend
payment of
\$0.2125



Repurchased approximately
\$280M
in shares in Q2 FY 2018



¹ Organic net sales excludes the impact of foreign exchange and divested businesses, as well as acquisitions (until the anniversary date of the acquisitions). All references to changes in volume and price/mix are based on organic net sales; ² From continuing operations; ³ Including the expected results of the Wesson oil brand for the full fiscal year.



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 and uncertainties include, among other things: the ability and timing to obtain required regulatory approvals and satisfy other closing conditions for the pending Wesson divestiture and the pending acquisition of the Sandwich Bros. of Wisconsin business; our ability to achieve the intended benefits of recent and pending acquisitions and divestitures, including the recent spin-off of our Lamb Weston business; general economic and industry conditions; our ability to successfully execute our long-term value creation strategy; our ability to access capital; our ability to execute our operating and restructuring plans and achieve our targeted operating efficiencies from cost-saving initiatives and to benefit from trade optimization programs; the effectiveness of our hedging activities, and our ability to respond to volatility in commodities; the competitive environment and related market conditions; our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; the ultimate impact of any product recalls and litigation, including litigation related to the lead paint and pigment matters; actions of governments and regulatory factors affecting our businesses; the availability and prices of raw materials, including any negative effects caused by inflation or weather conditions; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; the costs, disruption, and diversion of management's attention associated with campaigns commenced by activist investors; 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.

The inability to predict the amount and timing of the impacts of foreign exchange, acquisitions, divestitures, and other items impacting comparability makes a detailed reconciliation of these forward-looking non-GAAP financial measures impracticable. Please see the end of this release for more information.

Diluted EPS from Continuing Operations

	Q2 FY18	Q2 FY17	% Change
Diluted EPS from continuing operations	\$0.54	\$0.26	107.7%
Net expense related to restructuring plans	0.01	0.03	
Adjustment to the gain on sale of Spicetec and J.M. Swank businesses	—	0.02	
Net expense related to acquisitions and planned divestitures	0.01	—	
Net expense related to goodwill and intangible impairment charges	—	0.09	
Net expense related to pension remeasurement	0.01	—	
Net expense related to extinguishment of debt	—	0.09	
Corporate hedging derivative gains	(0.01)	—	
Net benefit related to unusual tax items	(0.01)	—	
Adjusted diluted EPS from continuing operations	\$0.55	\$0.49	12.2%

Net Sales Reconciliation

% Change	Grocery & Snacks	Refrigerated & Frozen	International	Foodservice	Total Conagra Brands
Net Sales	5.5%	2.3%	4.2%	4.1%	4.1%
Impact of foreign exchange (pp)	—	—	(4.0)	—	(0.4)
Net sales from acquired businesses (pp)	(3.3)	(0.1)	—	—	(1.4)
Organic Net Sales	2.2%	2.2%	0.2%	4.1%	2.3%