

our
recipe
for
growth

ConAgra
Foods
Food you love

CAGNY 2014

Feb. 18, 2014





Agenda

- Gary Rodkin, CEO
- John Gehring, CFO



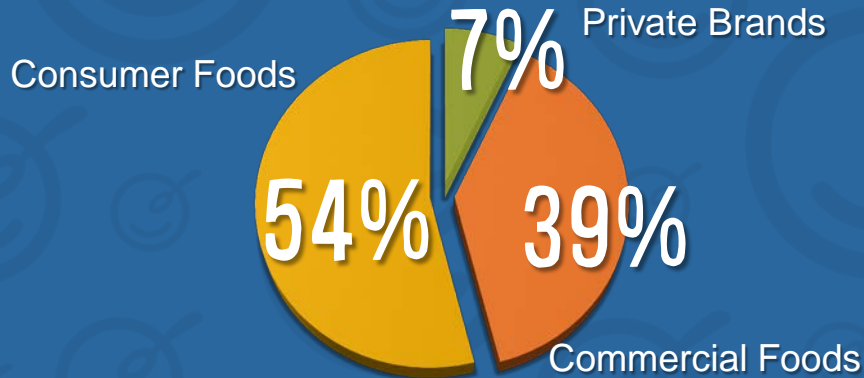
Note on forward-looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. These risks and uncertainties include, among other things: ConAgra Foods' ability to realize the synergies and benefits contemplated by the acquisition of Ralcorp Holdings, Inc., and its ability to effectively integrate the business of Ralcorp; the timing and ability to consummate the potential joint venture combining the flour milling businesses of ConAgra Foods, Cargill, Incorporated, and CHS Inc., including, satisfying the financing and other closing conditions as well as the divestiture of flour milling facilities within the expected timeframe or at all; ConAgra Foods' ability to realize the synergies and benefits contemplated by the potential joint venture; the availability and prices of raw materials, including any negative effects caused by inflation or adverse weather conditions; the effectiveness of ConAgra Foods' product pricing, including any pricing actions and promotional changes; the ultimate outcome of litigation, including the lead paint matter; future economic circumstances; industry conditions; ConAgra Foods' ability to execute its operating and restructuring plans; the success of ConAgra Foods' cost-saving initiatives, innovation, and marketing investments; the competitive environment and related market conditions; operating efficiencies; the ultimate impact of any ConAgra Foods product recalls; access to capital; actions of governments and regulatory factors affecting ConAgra Foods' businesses, including the Patient Protection and Affordable Care Act; the amount and timing of repurchases of ConAgra Foods' common stock and debt, if any; and other risks described in ConAgra Foods' reports filed with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Investors and security holders are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. ConAgra Foods disclaims any obligation to update or revise statements contained in this presentation to reflect future events or circumstances or otherwise.



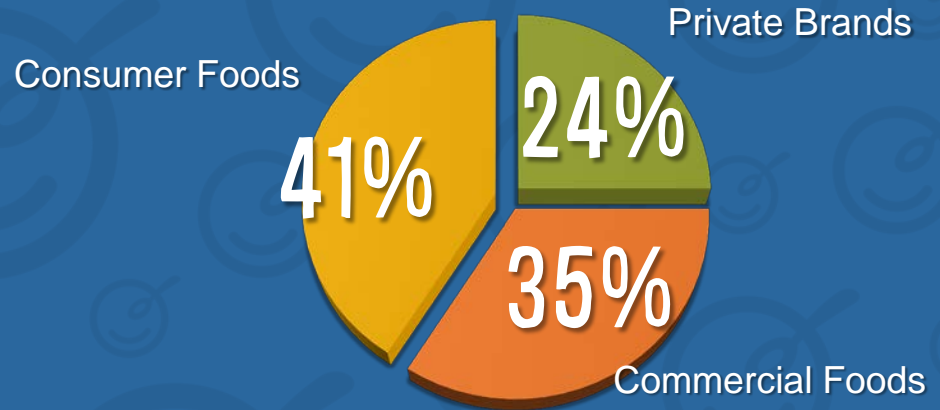
Current snapshot

ConAgra Foods' FY 2013 sales mix



Total ≈ \$14B

ConAgra Foods' FY 2014 (est.) sales mix



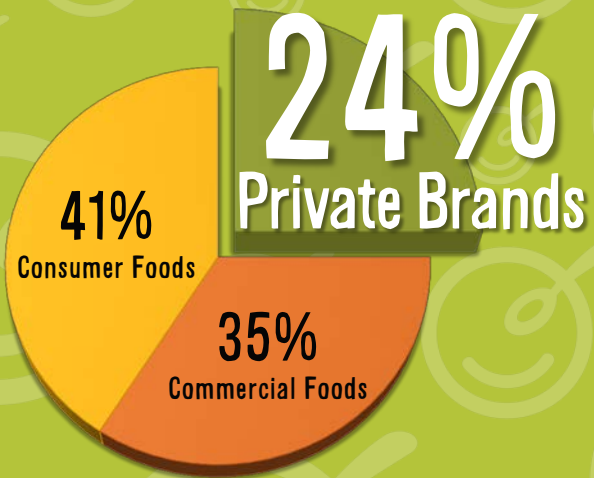
Total ≈ \$18B



Fiscal 2014: short-term issues

- Ralcorp integration
- Foodservice customer disruption
- Consumer brand challenges





Largest private brand food business in North America. Makes and sells private brands to retail customers.





Private Brands: key focus areas

- Organization
- Volume
- Supply chain performance
- Cost synergies
- Customer impact





Cost synergies

- On track to deliver on commitments
- Using scale in sourcing and procurement contracts
- Robust pipeline





Engaging with customers



“We’re excited by the potential of leveraging the entire portfolio. It really simplifies doing business with you.”

– ConAgra Foods retail customer



Fast-growing retailers: a focus on Private Label

“You’re a key partner on our journey. **We will move from good to great with private brands as our differentiator.**”

— ConAgra Foods retail customer

2x

High Focus
Private Label
Retailers

Remaining
Top 30
Retailers

2013
Dollar Sales Growth



Private vs. National Brands

“We like your strategy for Private Brands. You offer both scale and flexibility.”

– ConAgra Foods retail customer

Price to Consumer

Private Brand

National Brand

Retailer's Cost

Private Brand

National Brand

Retailer's Gross Profit \$

Private Brand

National Brand



Private Brands + Consumer Brands

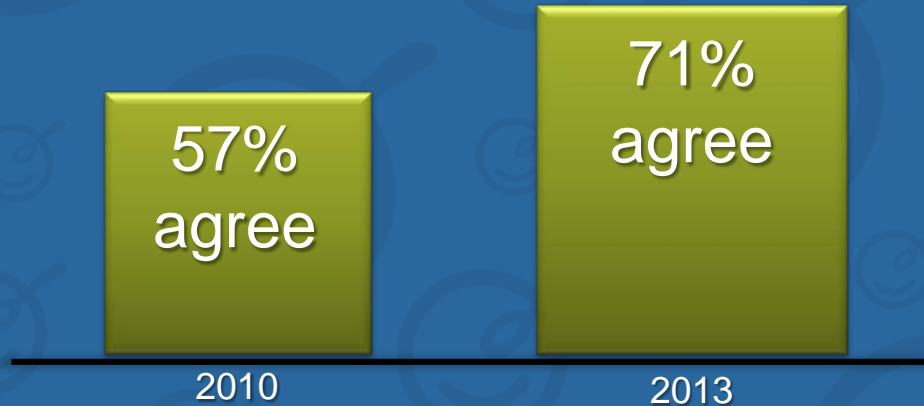


Private brands resonate • Consumer brands connect



Growing appeal to consumers

Store brands as good as national brands

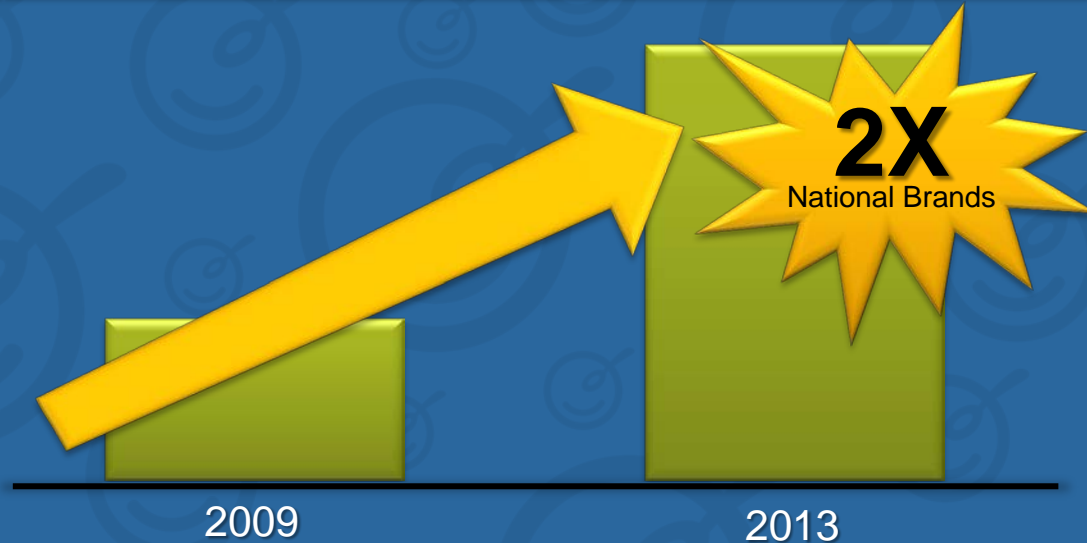


87%
purchase store brands



Private label growth

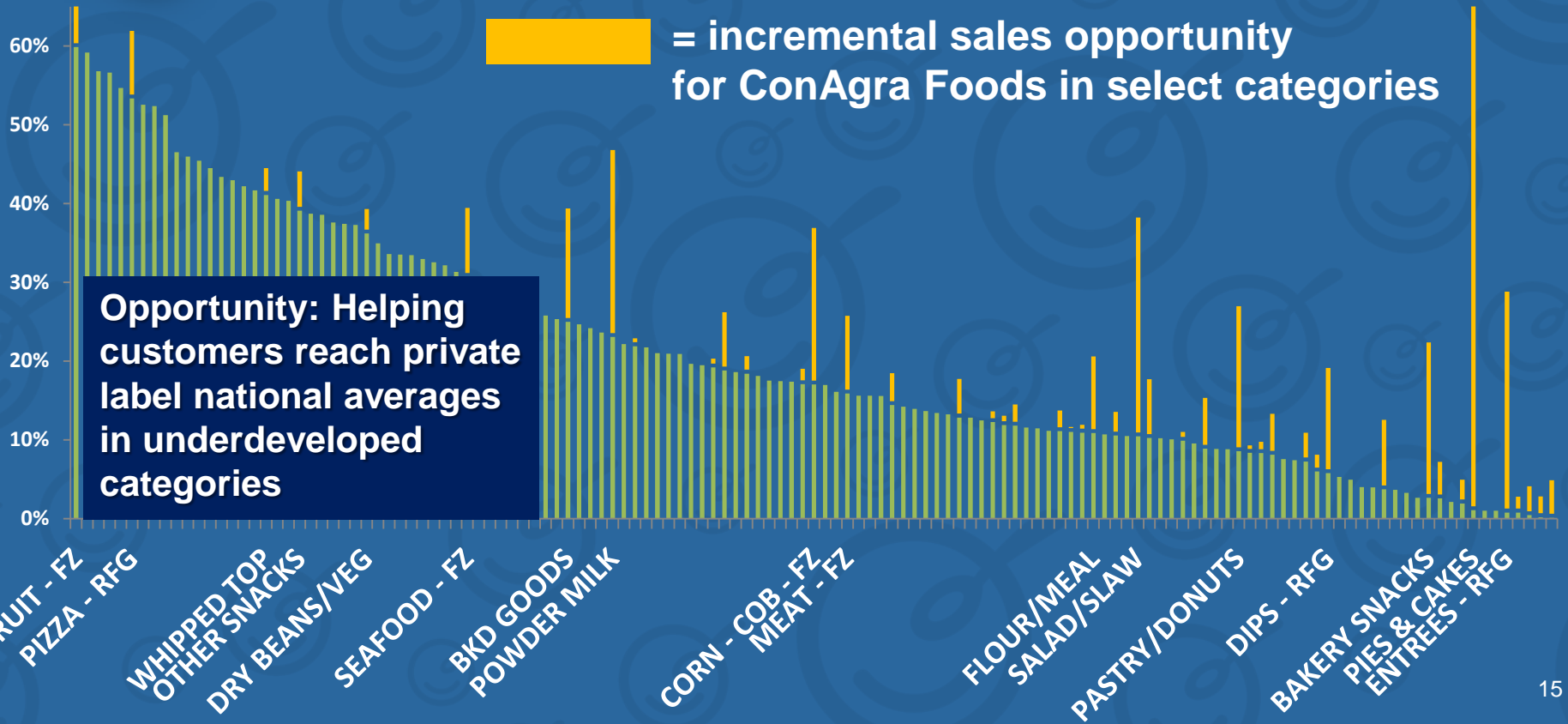
Private label CAGR \approx +4%





Distribution opportunity for ConAgra Foods

Potential: \$20 million of sales at one customer





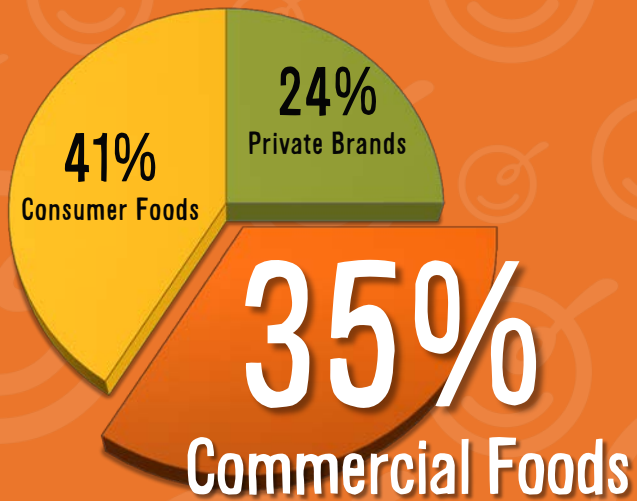
ConAgra Foods differentiation

- Innovation
- Category and Shopper Insights
- Joint Business Planning
- Packaging
- Procurement
- Transportation and Warehousing
- Food Safety expertise

“Your expanded portfolio is a big differentiator.”

– ConAgra Foods retail customer





Makes and sells specialty food and ingredients to restaurants, foodservice operators and other food makers across the world.





Commercial Foods

Lamb Weston

ConAgra Mills

JM SWANK

ConAgra
Foodservice
FOOD | SERVICE | SMART.

spicetec
FLAVORS & SEASONINGS

ConAgra
Foods
Bakeries





Lamb Weston

- Leading North American supplier
- Double-digit international growth
- Major customer transition
- Crop quality challenge

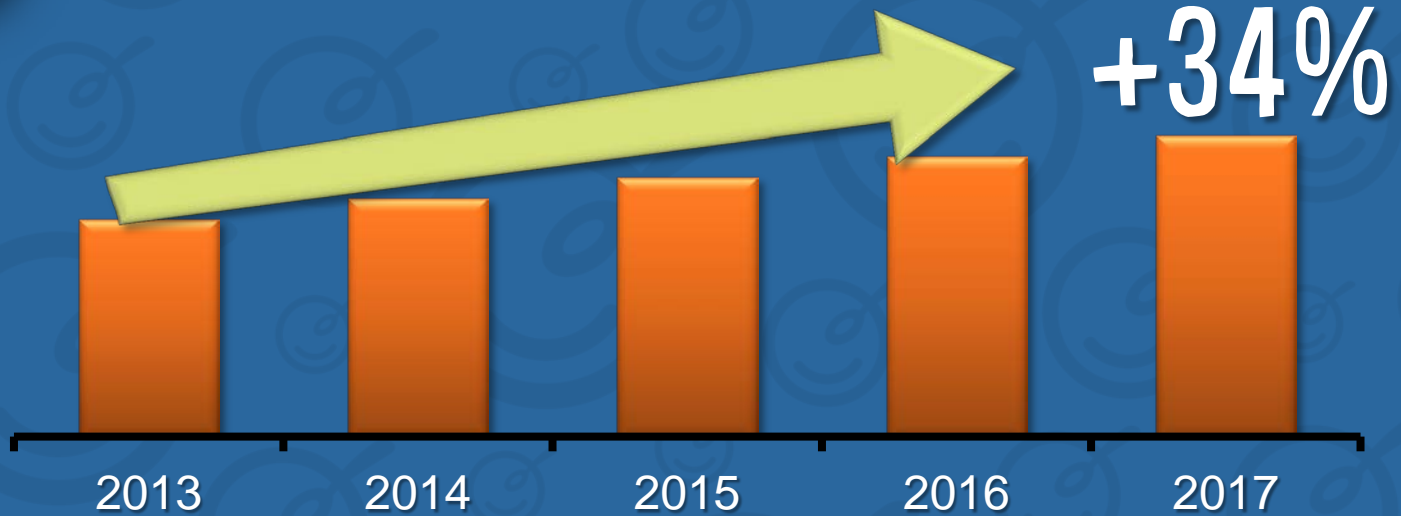
Lamb Weston





Global growth opportunity

Expected QSR \$ international growth



By 2017, over 25 billion pounds of frozen potato products expected to be consumed worldwide each year



Ardent Mills: focused joint venture

- Proposed JV to be owned by ConAgra Foods, Cargill and CHS
- Combine operations of ConAgra Mills and Horizon Milling (a Cargill/CHS joint venture) to create a premier flour milling company
- Supported across North America by strong network of mills and bakery mix facilities
- Strategically and financially beneficial



Ardent Mills[™]

41%

Consumer Foods

24%
Private Brands

35%
Commercial Foods

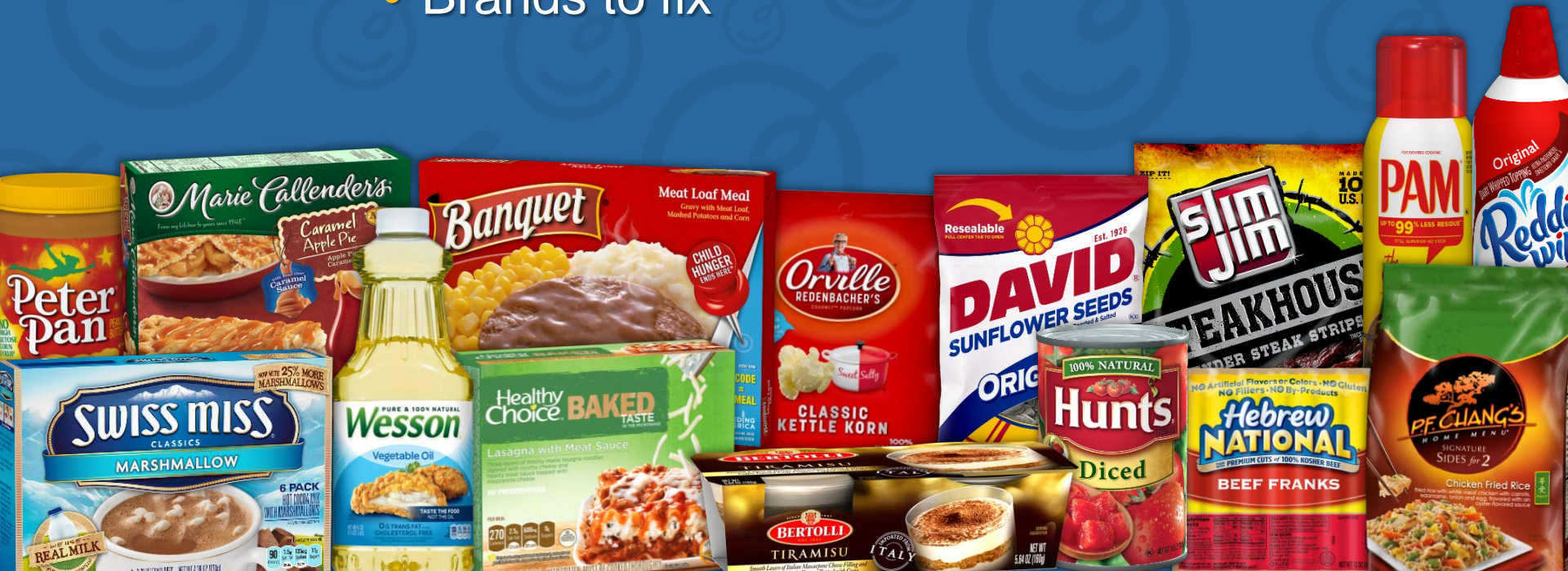
Makes and sells leading consumer branded food to retail customers.





Consumer Foods

- “Perfect at Retail” 4Ps approach
- Brands to fix





“Perfect at Retail”

Pricing

Packaging

Placement

Promotion



Pricing

- Right everyday pricing
- Competitive promotions
- Overall value



Value at multiple price-points



\$1



\$2.50



Packaging





Placement



- More facings for best sellers
- Shopper-oriented displays
- Retailer-efficient space designs



Promotion



Hunt's Chili Kit



Win With Dinner



Focused improvement initiatives





Healthy Choice Turnaround

Transform by:

- Focus on the core consumer
- Leverage Café Steamers





ConAgra Foods: moving forward

- Progress on near-term issues in FY15
- Conviction in differentiating strategy
- Confident in long-term goals



our
recipe
for
growth

ConAgra
Foods
Food you love

CAGNY 2014

Feb. 18, 2014

John Gehring
Chief Financial Officer



CFO agenda

- Financial priorities
- Productivity
- EPS outlook



Financial priorities

- Strong earnings and cash flows
- Healthy balance sheet and strong liquidity
- Capital allocation
 - Near term
 - Debt repayment
 - Maintain strong dividend
 - Long term
 - Dividend growth, M&A, share repurchase
 - Debt repayment



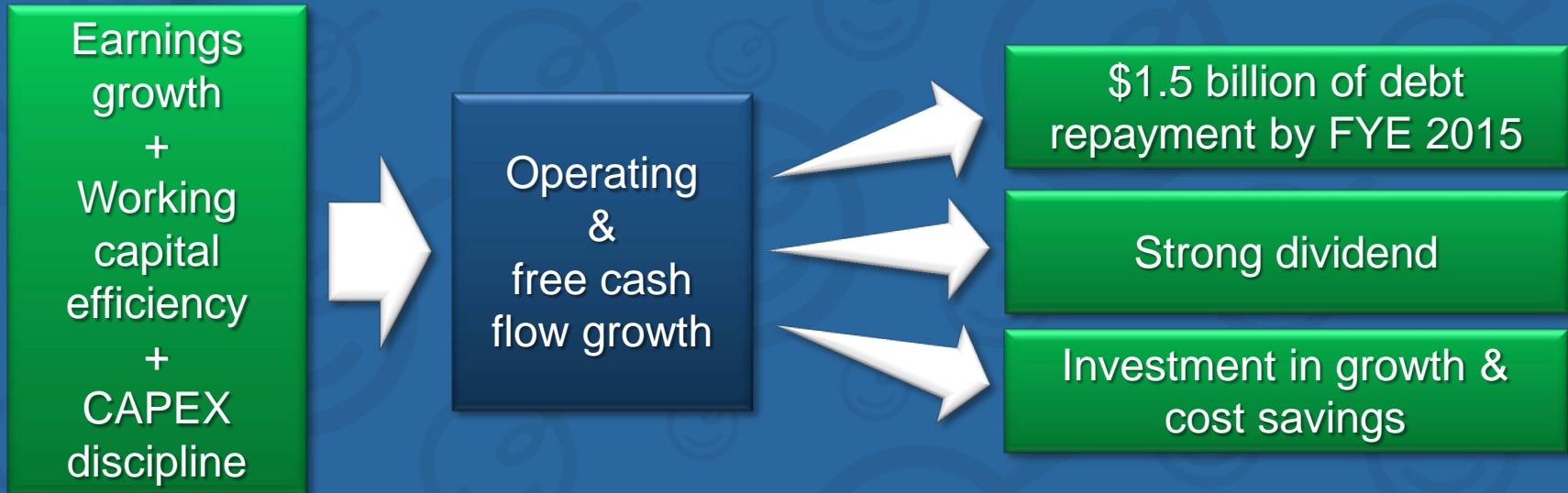
Cash flow



- Strong earnings drivers
 - Top-line fundamentals
 - Productivity
 - SG&A discipline
- Working capital efficiency
- Capital expenditure discipline



Cash flow



Estimated operating cash flow:
FYE 2014 = \$1.4 billion, FYE 2015 = \$1.6+ billion



Healthy balance sheet and strong liquidity

Balance sheet

- Commitment to investment grade
 - Debt / EBITDA*
 - Long-term target: < 3.0x
-

Debt repayment

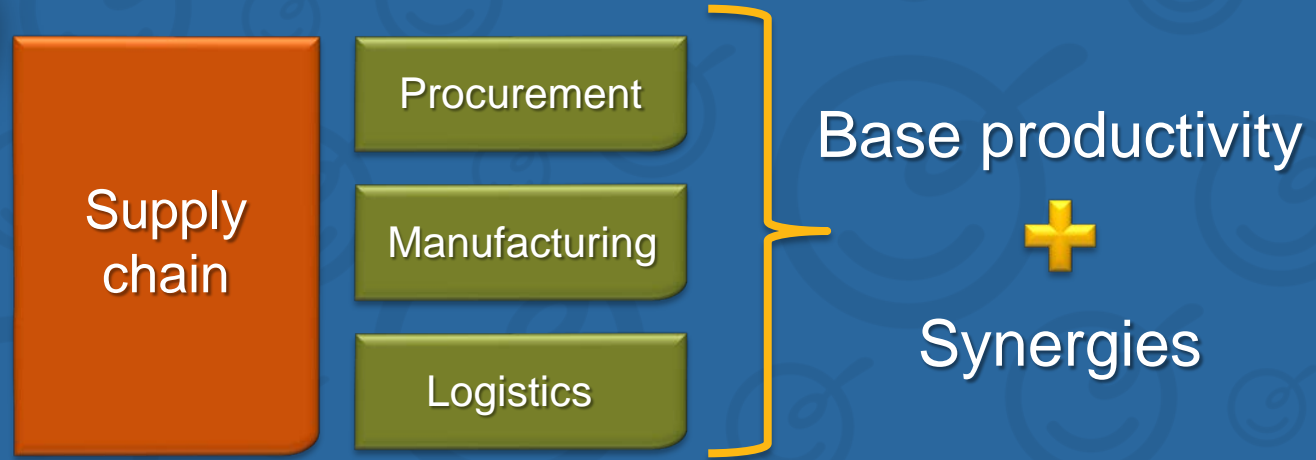
- \$1.5 billion by FY15
 - Additional \$400+ million (Arden Mills proceeds)
-

Liquidity

- \$1.5 billion revolver
- Manageable debt maturities



Productivity to fuel growth



FY 2015 – FY 2017:
\$350 - \$375 million/year ≈ \$1.1 billion (cumulative)
Includes: RAH synergies*, network optimization, core productivity
Inflation expectation: Low-single digit



Supply Chain Opportunities

Procurement

- Scale
 - Collaborative sourcing
 - Design for preference and value
 - Commodity procurement and hedging
-

Manufacturing

- ConAgra Performance System
 - Reliability improvement
 - Zero-loss culture
 - Network optimization
-

Logistics

- Scale
- Transportation sourcing
- Single distribution network



Incremental SG&A benefit

Enabled by restructuring

Corporate overhead / SG&A



Administrative efficiency

Incremental \$ from SG&A efficiency initiatives:
\$100+ million annual savings (run rate) by the end of FYE 2016



Earnings Per Share (EPS*)

- FY 2014: \$2.22 to \$2.25 per share*
- Q3: approximately \$0.60 per share*
- Q4: approximately \$0.65 per share*



FY 2015 outlook – headlines

EPS growth expected, more details with Q4 FYE 2014 release

Major drivers

Top line

- Address specific brand challenges
- Stabilize and grow private brands
- Drive international growth in Lamb Weston

Margin management

- Low inflation
- Strong productivity – base and synergies

SG&A

- Administrative cost efficiency

Ardent Mills first-year dilution



Long-term goals

FY 2016 –17

Annual EPS* growth = 10%+

After FY 2017

Annual EPS* growth 7-9%

Long-term
annual sales
growth target =
3 - 4%

ROIC: targeting a low double digit ROIC in \approx 3 years

our
recipe
for
growth

ConAgra
Foods
Food you love

CAGNY 2014

Feb. 18, 2014

