

FINAL TRANSCRIPT

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CAG - ConAgra Foods Shareholders Meeting

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CORPORATE PARTICIPANTS

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ConAgra Foods, Inc. - Non-Executive Chairman

Colleen Batcheler

ConAgra Foods, Inc. - Secretary of Meeting

Jim Raitt

IDS Associates - Inspector of Elections

Gary Rodkin

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CONFERENCE CALL PARTICIPANTS

Don Hudgins

- Shareholder

Jane Garcia

Tom Lever

- Shareholder

Jim Merrick

- Shareholder

Robert Stanton

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Merv Kristofferson

- Shareholder

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Janet Haney

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PRESENTATION

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Good afternoon. I'm Steve Goldstone, Non-Executive Chairman of the Board. And it's my pleasure to call ConAgra's Foods 2008 Annual Meeting to order. Thanks for joining us today. And on behalf of the board and the management team led by CEO Gary Rodkin, I'd like to thank you for your investment in ConAgra Foods.

Now, I'd like to start today by introducing the rest of your board and I'll ask them to stand as they are introduced. Our first director, Mogens Bay, unfortunately had to attend a funeral, so he is not here. Steve Butler. Jerry Jurgensen. Ruth Ann Marshall. Gary Rodkin is obviously in the back and he'll be talking to you. Andy Schindler, and Ken Stinson.

We also have two board members who are retiring as of the end of the year, both of who have really served us very well for a number of years. General Jack Chain is not here today. You'll remember him as the retired Commander In Chief of the Strategic Air Command and he has been a director since 2001. And our good friend Ron Roskens, who is here and I'm going to ask him to stand, is retired President of the University of Nebraska. And he has been a valued director of ours since 1992.

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So all of us appreciate the work, Ron, you and Jack have done. Your guidance and expertise over the years has really been very much appreciated by all of us. And, really, many thanks to all of our directors. As we're going to go into today, you have been working very hard with our management to get ConAgra going again and we really appreciate it.

Now, today's meeting will be brief and similar in format to last year's meeting. We'll focus on the business of the meeting itself and, of course, we've got our formal proceedings to go through. But I want to talk a little bit about the Company's performance since we last met, and I really want to share with you why I think and our board believes that the potential of ConAgra Foods is still great.

Let's start with the last 12 months, which have been transformational for this Company. We've become much more focused on our core, our core expertise, which is food. You know we sold the trading and merchandising business. Now, the trading business that we sold, it's a terrific business. No question about that.

But it's viewed by our investors as a Wall Street type trading business and it's not given the value for its earnings that our food business is by our investors. And that's because the volatility of the trading earnings. And I can assure you, and you can see it yourself, we sold that business at the very high point of the commodities cycle.

And we returned the capital that we earned from that sale in that business back to our stakeholders using \$900 million to buy our stock back and using \$1.1 billion significantly to reduce our short term debt. And as a result of that, in these difficult times, your Company has a strong balance sheet and we are in a position now with the flexibility to take advantage of investment opportunities as they come along.

Today, Gary and his management team can really devote 100% of their attention to driving sustainable, profitable and predictable growth in the food business. Now, let me tell you, so far we have not achieved all the results we want. We haven't achieved them as quickly as we want. And our stock price has suffered. And your board is very concerned about this. We're paying very close attention to it.

We're paying very close attention to our management's efforts to improve our performance, grow the business, and improve our stock price. Now, Gary Rodkin is going to talk to you in detail about our performance. So I'm not going to go into it now. But let me tell you that our board is satisfied that our management understands the urgency of improving our performance.

And not only that and more important, management is doing, in your board's belief, the right things. The Company has put new energy on reducing our operating costs, putting in place really significant new overhead reductions in the second half of the fiscal year and identifying really material savings opportunities in the supply chain for 2009, 2010, 2011 and beyond that.

And I have to tell you something. If you can't get your costs down, these are tough markets and you can't compete in them. And I think we're making great progress. Recognizing all the inflation that we have faced, our management team has implemented two significant price increases across the consumer foods portfolio in the past nine months.

And any of you who go to the supermarket know that not only do you have to reduce costs, food prices have to go up to meet the increase in commodity costs. In some ways, most importantly, our management has not taken everything to the bottom line. We've continued to invest in innovation and more effective advertising and promotion for our brand. And if you're going to build a strong business, you have to be patient, you have to invest, and you can't try to satisfy the short term by taking everything down to the bottom line.

You know, look; ConAgra has great products. People want them, they need them, and people are going to choose them, even when they're trying to stretch their dollar. In our commercial foods businesses, the bulk of our ingredients in potato products go into the businesses, really restaurants, that people continue to turn to, even when they have less to spend. I'm talking about places like McDonald's and Burger Kings and Arby's, all great customers of ConAgra Foods.

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And one of the things we can all be very proud of is the -- not only proud of but really to congratulate our management, the ConAgra Foods innovation pipeline has turned out real winners this year. I'm very pleased to tell you that Healthy Choice Caf Steamer meals introduced last year were the number one food product innovation for the first six months of calendar year 2008. And that's compared to all new food and beverage products in the grocery store. The accomplishment is based on dollar sales and the closest competitor was \$20 million behind us.

So, for the past two years I stood in front of you and told you how confident I was in the direction of the business. I still am confident. This is a terrific Company. Management is focused and we're going to grow this business. But that doesn't mean that Gary or this board is satisfied with the last 12 months. Gary and his team are working every day to make sure ConAgra Foods delivers sustainable, profitable and predictable growth for you, our shareholders.

Now, you're going to hear from Gary in a few minutes with more specifics on our challenges and opportunities. But I should mention before we get to the business of the meeting, the legal business and the voting, that if you didn't see the news we put out today, we did authorize a continuation of the dividend at its current rate of \$0.19 a share.

Now it's time to hear from Colleen Batcheler, Secretary of the meeting. And she is going to convene the formal business portion of the proceedings. Colleen?

Colleen Batcheler - ConAgra Foods, Inc. - Secretary of Meeting

Thank you, Steve, and good afternoon. During today's remarks we will make some forward-looking statements and while we're making those statements in good faith and our confidence about our Company's direction, we do not have any guarantee about the results that we will achieve. So if you would like to learn more about the risks and factors that could influence and affect our business, I'll refer you to the documents that we file with the SEC, which include cautionary language.

This annual meeting is convened in accordance with the notice and proxy statements first mailed on August 15, 2008 to stockholders of record as of August 1, 2008. As in past years, Jim Raitt of [IDS Associates] has been appointed our independent Inspector of Elections. We've entrusted Mr. Raitt with a certified list of all stockholders of record eligible to vote at this meeting.

Mr. Raitt has informed me that at least 89% of ConAgra Foods voting stock is represented at this meeting, either in person or by proxy. A quorum is present and the legal requirements to proceed with this meeting have been met.

To promote the efficient conduct of the meeting, the Chairman has waived the formalities of requesting motions and seconds from the audience and has declared the order of business to be as stated in the agenda to be accepted by those present in the meeting room. The polls for voting is open and will remain open until officially closed later in the meeting.

Steve Goldstone - ConAgra Foods, Inc. - Non-Executive Chairman

Thank you, Colleen. There are a few things I should mention before we move to the voting. First, as you entered the meeting today you received an agenda and meeting procedures summary. Take a minute to review those procedures if you haven't done that already.

Second, if you did not vote by proxy or if you choose to rescind your proxy and vote in person by ballot, you ought to go at this time to the balloting table in the lobby outside the meeting entrance. It's that way, right, just out there. And you can hand in your proxy card there or obtain a ballot.

Third, our bylaws set out the procedures that must be followed for a proposal to be properly presented for a vote at this meeting and for a director nomination to be made. The proxy statement which was mailed to you indicated two items to be voted on

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and identified the board's nominees for directors. There are no other proposals that will be presented for a vote at this meeting. No proposals or nominations from the floor will be heard.

Now, let's address the items to be voted on. Item one is the election of our board of directors of ConAgra Foods for one-year terms. As I mentioned earlier, General Chain and Dr. Roskens are retiring from the board upon completion of this meeting. They each have reached the mandatory retirement age for directors. As such, the board nominees are listed on the screen behind me.

Item two is the ratification of the appointment of KPMG as the independent auditors for fiscal 2009. Representatives from KPMG, Mr. Rick Seagraves and Miss Dana Foote, are present and are available to respond to appropriate questions.

Now, let's see if there's any discussion on the two voting items. Please note that at this point, discussion is limited only to the two voting items I mentioned. We're going to hold a general Q&A session later and I'll let you know when we get to that point of the meeting. But at this time, we're just dealing with these two specific items and discussions of -- any discussion of other topics will be ruled out of order.

If you'd like to discuss either of these items, please come to one of the microphones in the aisles. Discussion is limited to stockholders only. When I acknowledge your microphone, please introduce yourself and then proceed with your question or comment. Any question on these two items?

Thank you. We don't have any questions so we can go ahead and vote on the proposals. Those of you voting by ballot, just mark your ballot on items one and two, then raise your hand when you've completed and signed your ballot. We'll collect it from you. And if any proxies have been assigned to you or you have a proxy card that you haven't yet returned, they also should be submitted.

Okay, this completes the items to be voted on. The poll for voting is now closed and we'll announce the preliminary results of the votes later in the meeting once all the votes have been counted.

With that, I'd like to bring out your CEO, Gary Rodkin.

Gary Rodkin - ConAgra Foods, Inc. - CEO

Thank you. Thank you, Steve. And just to get this distraction out of the way, I had an unfortunate accident over the weekend so I'm not as photogenic as I normally am, but hopefully that won't distract anyone. It is a pleasure to be here today.

And as you read in our annual report, the last 12 months have continued to be a year of change and challenge for ConAgra Foods. I'm proud of our successes. Top line growth last year in our food business was 10%. We had very strong performance from our commercial businesses. We completed the sale of our trading and merchandising business, as Steve said, at the right time and the right price. And we really did hit the ball out of the park with our Healthy Choice Caf Steamer meals, which had sales of \$100 million in its first full year in the frozen case.

But I'd like to take a few minutes and talk about some of the factors that went into last year. So, I want to take just a few minutes to go over some of those and some of the reasons that I think and believe that we are positioned to be able to deliver that sustainable, profitable growth that Steve talked about.

So in the last 12 months I would tell you that fiscal 2008 was a real challenge for us in the consumer foods segment, which makes up about 65% of our total net sales. And if you followed our first quarter 2008 earnings announcement last Thursday, you heard that our first quarter for consumer foods also wasn't as profitable as we would have liked. So that really begged the question, what does it take to deliver that sustainable, profitable and predictable growth.

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To put it simply, it takes excellent execution, day in and day out. And I can tell you today that we have a heightened sense of urgency within the Company and we are truly developing the nimbleness that we need to make those good business decisions, especially in a very volatile economy. Taking smart action swiftly is a big part of our operating principle of accountability, which you may have heard me talk about before.

When we become focused and aligned, we can move much faster. And to put a fine point on that, accountability isn't just about responsibility, it's about being accountable for the agreed upon results and getting to that result as quickly as possible. And that's what I mean when I say we have to execute with excellence.

I am keenly aware of the accountability that I have as the CEO of ConAgra Foods to lead this Company to more significant profitability, particularly within our consumer foods segment. I can also tell you that my leadership team and all of our employees across the Company understand their role in creating an improved ConAgra Foods and they're stepping up to this accountability with a real sense of urgency. But we all know that commitment isn't enough. Our results have to tell the story.

And to that end, we're taking actions that are already seeing positive signs that I want to talk to you about a bit this afternoon that make me more confident that we will have some favorable results in our business. But let me talk first about our input inflation, our pricing and our operating efficiencies. It's critical, very critical to our ability to deliver profitable growth in fiscal 2009 to be able to offset some very significant input cost inflation in our consumer foods business. We've got to be able to do that with pricing and with operating efficiencies.

I'm happy to tell you that I think we're in a much better position on those factors as we move through fiscal 2009. Inflation is still very, very significant but we are starting to see it moderate. We're starting to see the rate of inflation moderate. On pricing, we took a big round of pricing at the end of March. We did another major round of pricing at the end of August to enable us to at least recover a portion, a big portion of those increasing input costs. And unlike last fiscal year, we will have the benefit throughout the rest of this fiscal '09 of those two pricing actions.

We're also becoming increasingly efficient in our supply chain and we're continuing to find ways to drive substantial cost savings by operating smarter and by getting the scale of operating as one company. In fiscal 2008, we saved over \$240 million just on the consumer foods side of our supply chain. And this year, we expect to do at least that well again.

So with additional input costs moderating in terms of the rate of increase and the pricing that's in place today, along with the increasing efficiencies in our operations, I do truly believe that we can improve the profitability. And although we've got a very intense focus on costs, we're also focused on delivering very effective marketing.

What I'd like to do is show you just a sampling of some of our commercials that are currently running that will help drive these brands. And the first is from that new product I talked about, Healthy Choice Asian Steamers.

(VIDEO PLAYS)

If you haven't tried that product yet, please do. It's as good as any takeout you can find in town here. I guarantee that.

Next, here's an ad from Hunt's, Hunt's tomatoes.

(VIDEO PLAYS)

Hunt's hasn't been on TV for decades. But these commercials, which focus on the wholesomeness of Hunt's as part of your home cooking, has driven both market share and volume increases for the brand.

Our new Reddi-wip spot emphasizes the real differentiating factor on our product, real cream.

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(VIDEO PLAYS)

Orville Redenbacher popcorn is a natural fit for advertising in movie theaters because roughly 60% of the nation's movie theaters serve Orville Redenbacher. And so to raise consumer's awareness that the gold standard of popcorn is being served in their theaters, we launched a campaign in theaters. You can see that here in at the lead AMC theaters in Omaha, and it looks like this.

(VIDEO PLAYS)

And finally, here's a brand that's actually our biggest consumer brand, Banquet, which, like Hunt's, hasn't been on television in many decades. In this ad you're going to see one television commercial and you're going to hear one radio commercial really capture the essence of the value positioning of Banquet with the tagline, So good for so little. Banquet truly hasn't been advertised for many, many years and we expect great things from this campaign. And it has just begun. I believe it started this week. And the radio spot is from a country celebrity you may now as Lee Ann Womack.

(VIDEO PLAYS)

Actually, I thought we were going to hear a radio commercial, but I guess we'll save that for later. I think that all of these spots demonstrate that we're getting good traction on the marketing front. And I encourage you to try all of our products and you did receive, I hope, a coupon book when you came in the meeting today that highlighted some of the products that we just showed.

Profitably expanding our brands and businesses is really the driver, the driving force behind our innovation agenda. Healthy Choice Caf Steamers have done extremely well, but there's much more to come. We intend to build on that innovation success with our next big breakthrough and that's called Healthy Choice Fresh Mixers. These meals are based on a consumer want and need for a shelf stable nutritious and great tasting dish, something that the lunch crowd can take to the office with them, things like Rotini with marinara sauce and sesame teriyaki chicken.

It's just started to appear on the shelves. Customer reception has been extremely strong. And we're ready to meet that demand for the first restaurant quality microwaveable meals that have the nutrition of Healthy Choice but don't need to be frozen; they're shelf stable. And we've got a selection of our Healthy Choice Fresh Misers product right outside the auditorium and I encourage you to pick one up on the way out.

We've got additional exciting innovations set to ship in the second half of this fiscal year 2009 and we're committed also to growing the other side of our business, the commercial side. Our Lamb Weston business continues to be North America's leading producer of potato products. In ConAgra Mills, Gilroy Foods & Flavors and J.M. Swank, while smaller businesses, still positively contributed to last year's results and are expected to perform well again in fiscal 2009.

Finally, we're investing in our people. Attracting, retaining and engaging top talent is incredibly important, more today than ever before, particularly when we're working to transform ConAgra Foods. We've made investments in learning and development programs for our employees and we believe those investments will bring strong returns. While we know we still have a lot to accomplish on our path towards the sustainable, profitable and predictable growth, we believe these steps all will take us closer.

With a good innovation agenda, a leaner and less volatile portfolio and talented people, we believe that we've got the right ingredients to bring stronger returns to you, our shareholders. And I personally believe in a bright future for ConAgra Foods. I want to thank you for being part of our progress so far and I look forward to being here with you again as part of ConAgra Food's future.

And with that, I'll conclude the business review, turn it back over to Colleen, who will let us know about the votes. Colleen?

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Colleen Batcheler - *ConAgra Foods, Inc. - Secretary of Meeting*

Thanks, Gary. The inspectors have given me a preliminary tally. The shareholders have approved items one and two with the necessary votes. Shareholders have elected Mogens Bay, Steve Butler, Steve Goldstone, Gerry Jurgensen, Ruth Ann Marshall, Gary Rodkin, Andrew Schindler and Ken Stinson as directors of ConAgra Foods. Shareholders also have ratified the appointment of the independent auditors.

The final tally of votes certified by the inspector will be incorporated with the minutes of this meeting and publicly available in our next Form 10-Q filed with the SEC.

Steve?

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Thanks, Colleen. Now that we've had Gary's report and the results of the voting, I'll officially adjourn the business portion of our meeting. Gary and I are very happy to entertain your questions and your comments. We'll follow the same microphone procedure I mentioned earlier in the day.

And you just should feel free if you have a question about the business, the operations of the business, you go right ahead and address it to Gary directly. If there's any question you might have for the board of directors or on governance, I'll be happy to answer them. And if Gary and I both can't answer the question, we have a tremendous management in the room and we'll certainly call on them or refer you to them for the appropriate answer.

So it's a little hard to see with the lights, but if somebody -- if you raise your hand if you have a question or kind of move to the aisle so that we can see. Yes, sir?

QUESTIONS AND ANSWERS

Don Hudgins - *Shareholder*

My name is [Don Hudgins]. Last year, I think I was one of the first people to stand up and thank you for raising the dividends. And I understood you to say that the dividends were increased \$0.19. I don't hear very good and I found out afterwards that the dividends were increased to \$0.19 from \$0.18. So it was only a penny.

So I'm not quite as grateful as I had appeared last year. And I'm really disappointed this year that you didn't raise it again. I had anticipated another increase because for so many years we were seeing the dividends grow 15% a year under Mr. Harper's leadership and it's a real disappointment.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

I understand that. You and I have -- we've chatted out in the hallway and I'll say to you here what I said to you there. We fully expect that our business performance is going to improve and we will increase the dividend along with our business performance, but we have to be responsible. We can't destroy our balance sheet and we can't pay out cash dividends beyond the ability of the business to provide the cash.

So the key is not what we do with the dividends because your board wants to pay a healthy dividend. It's what we do with the business. And I think you heard from Gary's report that we're doing the right thing. The board is very concerned about it, as is Gary and his management team. And when we execute and get it done, those dividends will go up. Thank you, sir.

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Don Hudgins -- *Shareholder*

I suppose my expectations are too high. But I've been a shareholder since 1965 or 1966 and my expectations were exceeded for many years there.

Jane Garcia

Buenos dias, Mr. Chairman. My name is [Jane Garcia] and I flew in today from Detroit. Gary, how are you today? I'm here to tell you that it's been a very challenging year for all of us, including Detroit. I know you've read a lot about it, but I wanted to make sure that you understood that I come here as a grateful consumer.

Obviously I talked about [Fideo] last year and this year we're hoping to speak more about the Mexican rice [mix with Hunt's]. So I want to make sure that's always been a brand in our house and we advertise Rotella, which is a shortcut to Fideo. We used to be longer taking. Trust me; we need to get that recipe out there. People will use it, especially if you look at the consumers and the growth of Hispanic communities.

This is the Hispanic month celebrated throughout the country. And I just wanted you to know that we, [National Fair], which Gary is very familiar with (inaudible), we're very grateful that through Maria Valentine you have continuously supported [the Fair] National and their programs and whatever we give away they give us -- consumers this year.

I know you were having challenging times. But we got a lot of thank you notes from our overseas in Iraq because whatever we don't use, we ship on your behalf to our service people. And trust me; we get very nice notes because I think that's something we have to share with everyone.

As you look at your board of directors, and they're very committed, you need to diversify. I think this country is very specifically a more minority community more and more in the consumer market. So advertising the enchilada is very important. I think those are the things that we do and that we will continue to support.

But as you look at your -- as you look at your products and you look at your country and you see the diversity of the communities, whether they're African Americans or Hispanic or Asian and Native Americans, I think it's very important that we start reflecting that.

Muchisimas gracias for all that you have done. I, Jane Garcia, I'm -- officially go on record a thank you. Gracias.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

De nada y bienvenidos. Thank you for that comment.

Yes, sir?

Tom Lever -- *Shareholder*

My name is [Tom Lever]. I'm a stockholder. And I had a question for Mr. Rodkin regarding acquisitions in the last year. There were four acquisitions. One that caught my eye was the Watts Brothers acquisition.

It's described as an agricultural and farming business, which would seem to be a return back to the commodities type businesses that for many years now this Company has been disposing of. And I'd like you to maybe discuss the rationale for Watts Brothers purchase and how that fits in with the plan going forward. Thank you.

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Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Watts Brothers is extremely strategic for us, particularly for our Lamb Weston business. So it's been folded in with our Lamb Weston business, which is, frankly, our biggest and strongest business. It's really about the land and it's about being fundamental in ingredients.

Watts Brothers in fact I believe was our largest frozen vegetable supplier to our own frozen dinners as well. So from many different perspectives being able to capture that and the synergies and folding it in with Lamp Weston really made a lot of sense for us.

Tom Lever - *Shareholder*

Thank you very much.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

You're welcome.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

We have -- I just want to make sure everybody gets a chance so the only -- yes, sir?

Jim Merrick - *Shareholder*

My name is [Jim Merrick]. I'm a shareholder. I know some employees and I've also read some message boards and there's a lot of talk that ConAgra may be sold down the road. Would you mind commenting on that?

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

We have absolutely no plans whatsoever. Obviously it's a free market and anybody can bid for us or any other company at any time. But -- we have no plans in that direction. Our plans right now are focused on improving our business and getting our stock price up.

Jim Merrick - *Shareholder*

Thank you. I also noticed when I was reading the annual report I didn't notice Peter Pan mentioned as much. Is there a reason for that?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Peter Pan is well on its way back to being the same size franchise, same market share as before the recall. So the business is actually performing very well. And if it wasn't in the annual report, that was an omission on our part.

Jim Merrick - *Shareholder*

Okay, thank you.

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Gary Rodkin - ConAgra Foods, Inc. - CEO

You're welcome.

Steve Goldstone - ConAgra Foods, Inc. - Non-Executive Chairman

Any other questions -- questioners other than from -- ?

Robert Stanton -- Shareholder

[Robert Stanton] from down in Missouri, a longtime shareholder. And I cannot figure out why you use a peer group to compensate your employees. Wont you do it on performance and pay them what they're worth and you keep them?

Steve Goldstone - ConAgra Foods, Inc. - Non-Executive Chairman

Well, I'll tell you something. We do pay on performance. What you have to do in order to attract employees -- where we get terrific employees, we get them obviously first from other food companies and we have to be careful that other food companies don't recruit our employees from us. So we have to look and see what other food companies are paying employees to make sure that we're competitive in pay.

But once -- when we are competitive in pay, what we do is we set targets for pay. And you don't get paid that target amount unless you make your business plan. If you miss your business plan, your pay starts to drop. So our employees, our top employees, these are our top level of management, are all at risk for their compensation based on the performance of the Company. And that's the way it has to be and that's the way we have it.

Yes, sir?

Merv Kristofferson -- Shareholder

[Merv Kristofferson], shareholder. I continue to be pleased and excited by some of the product innovation of ConAgra. Fairly longtime shareholder and I think we have just superb products. I have a concern. I'm just -- my interest only -- isn't only in the return as a stockholder, but it is pretty important. And I hear good things in terms of both in the report and what you presented today relative to wanting to increase profitability and increase share price.

It concerns me. My wife and I have some investments in other food companies, some of which are doing much better, in terms of the share price at least. And I wish you could help enlighten me as to why it is that we're here this year and find that -- I looked at the share price, I think, for yesterday and we're not doing as well as I know you want to and we want to.

And I wish you could help me understand relationship between some of what you're doing in terms of innovation, trying to reduce costs and so on, and share price. What is that drives the share price? Why is it that ConAgra is not as well regarded by shareholders as I think it ought to be and what do we do about that?

Steve Goldstone - ConAgra Foods, Inc. - Non-Executive Chairman

Well, listen. That's a very fair question. And I'm not an investment expert. I wouldn't even begin to try to predict today or any other day what the stock market does or even why they think what they think about us. But I think there is something fundamental that your board believes and I know Gary believes.

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From the bottom up, not the top down, we have to do -- we have to execute well operationally because we do have good brands, we do have a good reputation in the business. We have to meet the challenges of getting our costs down, investing in marketing.

Just as Gary said, it's really -- think about it, it's been years. I tell you, when I was in the back and I was listening to Gary talk about Hunt's and realized that it may be more than 10 years since that great brand has been on television.

Well, reason it hasn't been on television is because it costs money to put it on television and the pressure to put that money instead to the earnings and not to invest in the business is what happens. And when you do that over a period of time, your brands start to weaken.

And you know what? When you start doing the right thing with the business, which is what your board believes Gary and his team are doing now, it's not like turning the lights on and off like they do back here for this auditorium. You've got to invest. You have to have patience and it takes a few years.

And you know what? We were disappointed last year because we did get hit by inflation and we didn't execute perfectly. We're not perfect, but I do believe and I think the board believes we're doing the right things.

And if we keep doing the right things, we hang in there and we have patience, and I don't mean patience for the next decade, but patience, this Company will respond, our brands will respond, and our stock will respond because once our earnings start growing on a regular basis, investors take notice and our stock will go back up. And my own feeling is today this is a value company at this price. Don't rely on my investment advice but that's what I believe. That's what I personally believe. Thank you, sir.

Merv Kristofferson - - *Shareholder*

I believe it as well, and I hope you're right.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Thank you. Are there any other questions or comments? I'm not meaning to skip you, Mr. Hudgins, but I just want to make sure other people get a chance before we let you have the microphone again. Okay, you seem to be the last one. Why don't you ask your question?

Don Hudgins - - *Shareholder*

Well, on the peanut butter thing that he mentioned, I noticed that the name Peter Pan is missing from all of the press releases. I'd like to see it back on there. I think it's a fine peanut butter. I've eaten it since I was a little squirt and it used to be one of the major brands in the country. I'd like to see it back on the press releases as one of our brands.

How many aircraft do we have now?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Eight.

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Don Hudgins -- *Shareholder*

Eight?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Eight.

Don Hudgins -- *Shareholder*

And what is the annual budget for that?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

And , do you -- is it about \$15 million? About \$15 million and the average yield, meaning number of people per flight, these are eight-seat planes, is about six. So we are using them extremely effectively. We're a company that's spread out. We've got operations, big operations in Chicago, I should say Naperville, Edina, Minnesota, Lamb Weston out in Washington, and many of those flights are for people in and out of Omaha to those sites.

Don Hudgins -- *Shareholder*

And our research and development budget is about \$68 million? Is that right? Is that what I saw in the -- ?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

In the neighborhood, yes. Sounds about right.

Don Hudgins -- *Shareholder*

So airplanes are about 25% of that.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Haven't really looked at it that way.

Don Hudgins -- *Shareholder*

There was an article in the newspaper the other day. Well, there was an AP press release. I saw it on the internet. And it was talking about a price fixing thing that involved somebody from ConAgra and there was a little article in the newspaper this morning that said that the person is on administrative leave.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Yes. There is a probe into tomato price fixing with the tomato processors, not with us. We're on the other side of that one. But there was one employee who was suspected of potentially being involved, but no evidence. And that was -- Colleen, was that six months ago or so? Eight months ago; was put on administrative leave while we delve into the situation.

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Don Hudgins -- *Shareholder*

So that is an ethical lapse on somebody's part in the Company?

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Well, we don't have the proof yet but we didn't want to take any chances.

Don Hudgins -- *Shareholder*

And some sort of punitive action will be taken against him.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Depending on the outcome.

Don Hudgins -- *Shareholder*

Well, last year at this meeting I asked the question and you referred me to Mr. Sharpe. The question involved the United Ag Products thing, where there was a misstatement of earnings from one year to the next. And it turned out as reported in the newspaper June 30th of last year that the SEC found there was a little more than just an accounting mix-up of reporting earnings early and there was some chicanery going on there.

And I'm curious as to why with the ethics -- code of ethics we have, why would the Company have not gone after the former chief executive officer and corporate secretary and tried to recapture some of their bonuses and things that were predicated on the profits that were illegally reported by United Ag Products? And additionally, I believe that the former chief executive officer's consulting contract should be cancelled.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Let me -- first of all, I'm happy to answer this by again telling you the truth and referring you to our legal counsel. You're now asking us legal questions. All I can tell you is based on the legal advice we've received, we take the actions or don't take the actions that we think are in the interests of the -- best interests of the Company. And you are absolutely free to talk to our general counsel extensively about this question.

What I'd love you to do now, because you have a whole auditorium of people, everyone else who has asked the questions they're interested in and the time is going, why don't you figure out what's the most important question you'd like to ask about the business to Gary or about the board or governance to me and we'll get that answer to you. And then let's be -- then we'll be able to adjourn the meeting and everybody can go on their way.

Okay, thank you very much. If there are no further questions, our 2008 Annual --

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Steve?

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Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Oh, I'm sorry. I didn't -- I'm so sorry.

Marsha Easton -- *Shareholder*

That's okay. My name is [Marsha Easton] and I'm a longtime stockholder. And I must admit I don't eat or use a lot of your products because they're very heavy in salt and very low in seasoning. Okay. There's one restaurant. It was the -- I'm in the Twin City area and there's one restaurant we know the owners, but I do not like going there because their food is very bland and they don't use any seasoning.

When we set a table, the salt and pepper shaker goes on the table and who chooses the salt can salt and who chooses not to can. There's a lot of blood pressure problems and there's a lot of health issues related to salt. And I look at it as if you advertise that you have 10% less salt or 15% less salt, most people pick up that product.

If you wish to add the salt and you advertise that we don't put as much salt in as the other person because we feel you can add the salt if you like more salt, the person that's health conscious will pick up the product with less salt. They'll pick up the product with more seasoning. If you go to Weight Watchers, Weight Watchers tell you to put in seasoning. They don't tell you to put in salt; they tell you to put in seasoning. If you make your food more flavorful and better tasting it sells. Okay, thank you.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Thank you.

Unidentified Audience Member

I have several questions. I'm a shareholder. Have been for several years. Gary Rodkin says in his opinion we're doing well, but still yet the performance as it is. According to Mr. Goldstone, from what I understand, we have a wonderful board. We've had it for three, four years or better. Right? But the performance is -- has not been there this year, last year, but we're going to perform better in the future. When? Which future?

You mentioned that your employees are performance based. Right? Their pay is performance based. Still yet, what has happened with our board? What has happened to your salary? Mr. Rodkin, too much for you to answer? You going to put me off like you do him? Fine. Have at it.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

I appreciate the comment. Any other comments? Question, yes -- yes, ma'am?

Janet Haney -- *Shareholder*

My question is -- my name is [Jane Haney] and I'm a longtime stockholder and in fact, Consolidated Mills was the originator of ConAgra, as we all know. And I'm concerned also about the salt in the products and especially the Healthy Choice Soups. But my main concern is shelf space because even when you had the jelly brand, left my mind --

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

Knott's Berry Farm.

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Janet Haney -- *Shareholder*

Yes. I thought that was a wonderful product. But Omaha had such little space and even the Hunt's tomato sauces -- when you go to California they, on the shelves there, which it originated in California I know, so it's been there a long, long time and a very popular brand, but they have so many other choices of the ingredients of the Hunt's products.

And I'm concerned about the Omaha shelf space because I'm sure that Omaha has many, many, many ConAgra stockholders that would buy your products if they were on the shelves. And I know that that's also bought, or a commodity that you have to pay for lots of shelf space in the grocery stores.

But I would think Omaha should give ConAgra a little leeway on their shelf space in the stores. I think you have wonderful products and I do feel the board probably is overcompensated, like we all would feel because we don't make that kind of money. But if there're doing their best job, I appreciate that very much.

And there's a lot of people that say, pay them well and they'll do their best job. That isn't always true. However, I do feel you've stayed with ConAgra and you have tried to improve ConAgra. Thank you.

Gary Rodkin - *ConAgra Foods, Inc. - CEO*

I do believe that our shelf presence in Omaha is probably a bit better maybe than you may have experienced recently. But I guarantee you we will go back and our sales force will check that out to make sure that the shelves in Omaha are stocked full of Hunt's products.

Steve Goldstone - *ConAgra Foods, Inc. - Non-Executive Chairman*

Okay, I do think that's it. I don't see anyone else. So our 2008 Annual Shareholders Meeting is now adjourned. Thank you very much for your joining us today.

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