FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-01-12** | Period of Report: **1993-11-28**
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 28, 1993

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________to____________

Commission File Number 1-7275

CONAGRA, INC.
(Exact name of registrant, as specified in charter)

Delaware	47-0248710
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One ConAgra Drive, Omaha, Nebraska	68102-5001
(Address of Principal Executive Offices)	(Zip Code)

(402) 595-4000
(Registrant's telephone number, including area code)

NA
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Number of shares outstanding of issuer's common stock, as of December 26, 1993 was 248,059,975.

PART I - FINANCIAL INFORMATION

CONAGRA, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Dollars in Millions)

	NOV 28, 1993	MAY 30, 1993	NOV 29, 1992
ASSETS			
Current assets:			
Cash and cash equivalents	$ 75.3	$ 257.0	$ 146.7
Receivables, less allowance for doubtful accounts of $58.6, $47.5 and $54.2	2,342.7	1,421.4	1,962.5
Margin deposits and segregated funds	311.7	190.0	172.7
Inventory:			
Hedged commodities	1,127.3	656.5	1,108.6
Other	2,391.9	1,782.7	2,233.1
Total inventory	3,519.2	2,439.2	3,341.7
Prepaid expenses	207.6	179.1	177.4
Total current assets	6,456.5	4,486.7	5,801.0
Other assets:			
Investments in affiliates	239.3	306.1	297.7
Sundry investments, deposits and other noncurrent assets	133.5	137.4	210.1
Total other assets	372.8	443.5	507.8
Property, plant and equipment at cost, less accumulated depreciation of $1435.8, $1330.8 and $1201.0	2,492.5	2,388.2	2,278.8
Brands, trademarks and goodwill, at cost less accumulated amortization	2,652.5	2,670.3	2,704.9
	$ 11,974.3	$ 9,988.7	$ 11,292.5

The accompanying notes are an integral part of the consolidated financial statements.

CONAGRA, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Dollars in Millions)

	NOV 28, 1993	MAY 30, 1993	NOV 29, 1992
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Notes payable	$ 2,795.9	$ 570.2	$ 2,185.3
Current installments of long-term debt	116.4	139.9	131.3
Accounts payable	1,480.7	1,459.6	1,291.5

Advances on sales	274.9	663.5	297.4
Payable to customers, clearing associations, etc.	373.5	270.9	226.7
Other accrued liabilities	1,252.8	1,168.5	1,190.8
Total current liabilities	6,294.2	4,272.6	5,323.0
Senior long-term debt, excluding current installments	1,357.9	1,393.2	1,576.4
Other noncurrent liabilities	1,143.3	1,146.5	1,160.7
Subordinated debt	766.0	766.0	730.0
Preferred shares subject to mandatory redemption	355.9	355.9	355.9
Common stockholders' equity:			
Common stock of $5 par value, authorized 1,200,000,000 shares, issued 252,447,878, 252,256,807 and 247,306,765	1,262.2	1,261.3	1,236.5
Additional paid-in capital	311.5	267.1	435.2
Retained earnings	1,280.2	1,167.0	1,047.7
Foreign currency translation adjustment	(36.8)	(14.6)	(7.2)
Less treasury stock, at cost, common shares 4,686,622, 546,762 and 332,972	(121.3)	(12.7)	(8.3)
	2,695.8	2,668.1	2,703.9
Less unearned restricted stock and value of 22,725,558, 23,889,777 and 16,730,882 common shares held in EEF	(638.8)	(613.6)	(557.4)
Total common stockholders' equity	2,057.0	2,054.5	2,146.5
	$ 11,974.3	$ 9,988.7	$ 11,292.5

The accompanying notes are an integral part of the consolidated financial statements.

CONAGRA, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(Dollars and shares in millions except per share amounts)

	THIRTEEN WEEKS ENDED	
	NOV 28, 1993	NOV 29, 1992

Net sales	$ 6,355.1	$ 5,564.4
Costs and expenses:		
Cost of goods sold	5,525.8	4,767.8
Selling, administrative and general expenses	537.2	522.7
Interest expense, net	65.2	72.9
	6,128.2	5,363.4
Income before equity in earnings of affiliates and income taxes	226.9	201.0
Equity in earnings(loss) of affiliates	(1.6)	8.2
Income before income taxes	225.3	209.2
Income taxes	91.3	81.6
Net income	134.0	127.6
Less preferred dividends	6.0	6.0
Net income available for common stock	$ 128.0	$ 121.6
Earnings per common and common equivalent share	$ 0.56	$ 0.52
Weighted average number of common and common equivalent shares outstanding	228.8	235.1
Cash dividends declared per common share	$ 0.180	$ 0.155

The accompanying notes are an integral part of the consolidated financial statements.

CONAGRA, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(Dollars and shares in millions except per share amounts)

	TWENTY-SIX WEEKS ENDED	
	NOV 28, 1993	NOV 29, 1992

Net sales	$ 12,042.5	$ 11,080.4
Costs and expenses:		
Cost of goods sold	10,555.5	9,622.5
Selling, administrative and general expenses	1,026.9	1,006.6
Interest expense, net	127.6	142.3
	11,710.0	10,771.4
Income before equity in earnings of affiliates, income taxes and cumulative effect of change in accounting principle	332.5	309.0
Equity in earnings of affiliates	3.5	14.2
Income before income taxes and cumulative effect of change in accounting principle	336.0	323.2
Income taxes	134.4	125.9
Net income before cumulative effect of change in accounting principle	201.6	197.3
Cumulative effect of change in accounting for nonpension postretirement benefits (net of taxes of $74.2)	-	(121.2)
Net income	201.6	76.1
Less preferred dividends	12.0	12.0
Net income available for common stock	$ 189.6	$ 64.1
Earnings per common and common equivalent share:		
Before change in accounting principle	$ 0.83	$ 0.79
Cumulative effect of change in accounting for nonpension postretirement benefits	-	(0.52)
Net income	$ 0.83	$ 0.27
Weighted average number of common and common equivalent shares outstanding	229.5	235.2
Cash dividends declared per common share	$ 0.335	$ 0.290

The accompanying notes are an integral part of the consolidated financial statements.

CONAGRA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Millions)

Decrease in Cash and Cash Equivalents	TWENTY-SIX WEEKS ENDED NOV 28, 1993	NOV 29, 1992
Cash flows from operating activities:		
Net income	$ 201.6	$ 76.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and other amortization	148.7	135.0
Goodwill amortization	36.6	36.3
Provision for deferred income taxes	-	(74.3)
Provision for losses on accounts receivable	15.5	14.8
Undistributed earnings of affiliates	(3.5)	(14.2)
Issuance of common stock in connection with the management incentive plans	3.0	3.8
Provision for nonpension postretirement benefits	10.0	203.2
Other noncash items, primarily interest	1.7	15.0
Change in assets and liabilities before effects from business acquisitions:		
Accounts receivable	(910.1)	(546.5)
Inventory	(996.8)	(920.2)
Prepaid expenses	(20.7)	(3.1)
Accounts payable and accrued expenses	(382.8)	(761.1)
Interest and income taxes	35.6	35.2
Net cash flows from operating activities	(1,861.2)	(1,800.0)
Cash flows from investing activities:		
Sale of property, plant and equipment	15.0	3.6
Additions to property, plant and equipment	(155.9)	(133.4)
(Increase)decrease in investment in affiliates	0.3	(25.6)
Decrease in notes receivable-Monfort Finance Company	9.5	18.4
Other items	(2.9)	(19.5)
Net cash flows from investing activities	(134.0)	(156.5)
Cash flows from financing activities:		
Net short term borrowings	2,223.1	1,829.3
Proceeds from issuance of long-term debt	-	310.5
Decrease in accounts receivable sold	(100.0)	(85.0)
Proceeds from exercise of employee stock options	4.4	8.9
Cash dividends paid	(82.7)	(74.6)
Repayment of long-term debt	(120.4)	(89.8)
Treasury stock purchases	(105.4)	(1.8)
ConAgra Employee Equity Fund stock transactions	8.9	(127.6)
Other items, primarily reduction of other noncurrent liabilities	(14.4)	(21.5)
Net cash flows from financing activities	1,813.5	1,748.4

Net decrease in cash & cash equivalents	(181.7)	(208.1)
Cash and cash equivalents at beginning of year	257.0	354.8
Cash and cash equivalents at end of period	$ 75.3	$ 146.7

The accompanying notes are an integral part of the consolidated financial statements.

CONAGRA, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

NOVEMBER 28, 1993

(1) The information furnished herein relating to interim periods has not been examined by independent Certified Public Accountants. In the opinion of management, all adjustments necessary for a fair statement of the results for the periods covered have been included. All such adjustments are of a normal recurring nature. The accounting policies followed by the Company, and additional footnotes, are set forth in the financial statements included in the Company's 1993 annual report, which report was incorporated by reference in Form 10-K for the fiscal year ended May 30, 1993.

(2) The composition of inventories is as follows (in millions):

	NOV 28, 1993	MAY 30, 1993	NOV 29, 1992
Hedged commodities	$ 1,127.3	$ 656.5	$ 1,108.6
Food products and livestock	1,301.3	1,120.2	1,307.6
Agricultural chemicals, fertilizer and feed	399.2	146.1	347.5
Retail merchandise	170.7	170.1	156.1
Other, principally ingredients and supplies	520.7	346.3	421.9
	$ 3,519.2	$ 2,439.2	$ 3,341.7

(3) At November 28, 1993 the Company had equity interests in Saprogal (100%), Sapropor (92%) and Trident Seafoods Corporation (50%). During the second quarter of fiscal 1994, ConAgra increased its equity interest in Australia Meat Holdings Pty. Ltd. (AMH) from 50 percent to approximately 90 percent. The purchase price of this additional interest was approximately $60 million. Because the transaction was effective as of the beginning of fiscal 1994, fiscal 1994's second quarter results include AMH's first half results on a consolidated basis and a reversal of AMH's first quarter contribution to equity in earnings of affiliates. (The reversal accounts for the substantial drop in fiscal 1994 second half and first half equity in earnings of affiliates.)

The summary financial information of these companies and certain other individually insignificant businesses, at and for each of the periods presented, is set forth below and includes amounts since date of acquisition of each respective equity interest:

	NOV 28, 1993	MAY 30, 1993	NOV 29, 1992
Current assets	$ 521.7	$ 619.9	$ 728.2
Noncurrent assets	468.7	612.8	574.4
Total assets	990.4	1,232.7	1,302.6
Current liabilities	407.5	454.6	572.8
Noncurrent liabilities	198.7	281.6	267.8
Total liabilities	606.2	736.2	840.6
Net assets	$ 384.2	$ 496.5	$ 462.0
ConAgra's investment	$ 239.3	$ 306.1	$ 297.7

	THIRTEEN WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	NOV 28, 1993	NOV 29, 1992	NOV 28, 1993	NOV 29, 1992
Net sales	$ 136.8	$ 723.0	$ 857.0	$ 1,470.4
Net income	(7.5)	13.7	2.0	22.9
ConAgra's equity in earnings	(1.6)	8.2	3.5	14.2

(4) Following is a condensed statement of common stockholders' equity (in millions):

<TABLE>
<captions>

	Common Stock	Add'l Paid-In Capital	Retained Earnings	Foreign Curr Trns Adj	Treasury Stock	Unearned Restricted & EEF Stock	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance 5/30/93	$ 1,261.3	$ 267.1	$ 1,167.0	$ (14.6)	$ (12.7)	$ (613.6)	$ 2,054.5
Shares issued in connection with employee stock option and incentive plans	0.7	(7.6)			(3.2)	17.5	7.4
Shares issued in connection with acquisitions	0.2	0.4					0.6

Treasury stock purchases					(105.4)		(105.4)
Other share activity associated with Employee Equity Fund		51.6				(42.7)	8.9
Foreign currency translation adjustment				(22.2)			(22.2)
Cash dividends declared			(88.4)				(88.4)
Net income			201.6				201.6
Balance 11/28/93	$ 1,262.2	$ 311.5	$ 1,280.2	$ (36.8)	$ (121.3)	$ (638.8)	$ 2,057.0

</TABLE>
[TEXT]

(5) With respect to operations of the Company excluding the transaction discussed below, there was no litigation at November 28, 1993 which, in the opinion of management, would have a material adverse effect on the financial position of the Company.

On August 14, 1990, ConAgra acquired Beatrice Company. The Beatrice businesses and its former subsidiaries (the "Subsidiaries") are engaged in various litigation proceedings incident to their respective businesses and in various environmental and other matters. Beatrice and various of its Subsidiaries have agreed to indemnify divested businesses or the purchasers thereof for various legal proceedings and tax matters. The federal income tax returns of Beatrice and its predecessors for the fiscal years ended 1985 through 1987 have been audited by the Internal Revenue Service and a report has been issued. The findings contained in the examining agent's report have been timely protested and negotiations with the Appellate Division of the Internal Revenue Service are underway in an attempt to resolve disputed items. Disputed items being negotiated with the Appellate Division of the Internal Revenue Service include proposed deficiencies relating to previously filed carryback claims to fiscal years ended prior to 1985 (principally fiscal years ended 1982 through 1984). Additionally, the federal income tax returns of Norton Simon, Inc. ("NSI"), have been audited by the Internal Revenue Service for the fiscal years ended 1982 and 1983 and a report has been issued. The findings contained in the examining agent's report have been timely protested and negotiations with the Appellate Division of the Internal Revenue Service are underway in an attempt to resolve disputed items. Various state tax authorities are also examining tax returns of Beatrice and its predecessors for prior taxable years, including, in the case of one state, years back to fiscal 1978. It is expected that additional claims will be asserted for additional taxes. It is not possible at this time to determine the ultimate liabilities that may arise from these matters which at any given point in time will be at various stages of administrative and legal proceedings and will aggregate hundreds of millions of dollars. Substantial reserves for these matters have been established and are reflected as liabilities on the Subsidiaries' balance sheets. The liabilities include accrued interest on the tax claims. After taking into account liabilities that have been recorded and payments made, management is of the opinion that the ultimate disposition of the above matters will not have a material adverse effect on ConAgra's financial condition, results of operations or liquidity.

(6) Earnings per common and common equivalent share are calculated on the basis of the weighted average outstanding common shares and, when applicable, those outstanding options which are dilutive and after giving effect to the preferred stock dividend requirements. Fully diluted earnings per share did not differ significantly from primary earnings per share in any period presented.

(7) On December 3, 1993, the board of directors of the Company declared a quarterly common stock cash dividend of 18 cents per share payable March 1, 1994 to stockholders of record February 4, 1994.

(8) In the fourth quarter of 1993, the Company adopted, effective June 1, 1992, the provisions of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions." Provisions of the statement, and its effect on the Company, are set forth in the accounting policies and additional footnotes 16 and 19 in the financial statements included in the Company's 1993 annual report, which report was incorporated by reference in Form 10-K for the fiscal year ended May 30, 1993. Fiscal 1993 quarterly results have been restated to reflect this effect.

CONAGRA, INC. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management's discussion and analysis of certain significant factors which have affected the Company's financial condition and operating results for the periods included in the accompanying consolidated condensed financial statements. Results for the fiscal 1994 second quarter and first half are not necessarily indicative of results which may be attained in the future.

FINANCIAL CONDITION

During the first half of fiscal 1994, the Company's capital investment (working capital plus noncurrent assets) decreased $36.0 million. Working capital decreased $51.8 million and noncurrent assets increased $15.8 million.

The decrease in working capital resulted from an increase in notes payable and was primarily due to the purchase of property, plant and equipment, treasury stock and the additional interest in AMH (see Note 3).

The Company's objective is that senior long-term debt normally will not exceed 30 percent of total long-term debt plus equity. At November 28, 1993, senior long-term debt was 30 percent of total long-term debt plus equity compared to 30 percent at May 30, 1993 and 33 percent at November 29, 1992.

OPERATING RESULTS

A summary of the period to period increases(decreases) in the principal components of operations is shown below (dollars in millions, except per share amounts).

	COMPARISON OF THE PERIODS ENDED NOV. 28, 1993 & NOV. 29, 1992			
	THIRTEEN WEEKS		TWENTY-SIX WEEKS	
	DOLLARS	%	DOLLARS	%
Net sales	790.7	14.2	962.1	8.7
Cost of goods sold	758.0	15.9	933.0	9.7
Gross profit	32.7	4.1	29.1	2.0
Selling, administrative and general expense	14.5	2.8	20.3	2.0
Interest expense, net	(7.7)	(10.6)	(14.7)	(10.3)
Income before equity in earnings of affiliates and income taxes	25.9	12.9	23.5	7.6
Equity in earnings of affiliates (See Note 3)	(9.8)	NM	(10.7)	(75.4)
Income before income taxes and cumulative effect of change in accounting principle	16.1	7.7	12.8	4.0
Income taxes	9.7	11.9	8.5	6.8
Net income before cumulative effect of change in accounting principle	6.4	5.0	4.3	2.2
Earnings per common and common equivalent share before change in accounting principle	0.04	7.7	0.04	5.1

The acquisition of the additional equity interest in AMH during the second quarter of fiscal 1994 (see Note 3), and the resulting consolidation of previously unconsolidated accounts, was the primary source of increased sales and expenses during the Company's second quarter and first half. Also contributing to sales and expenses during the second quarter and first half were increases in the crop protection chemical and red meat businesses, and the acquisition, after last year's first quarter, of National Foods.

In the Company's largest industry segment, Prepared Foods, operating profit increased in fiscal 1994's second quarter and first half.

Poultry products operating profit increased in the second quarter and first half as better margins and earnings in chicken products overshadowed a downturn in turkey products earnings. The Australian and U.S. beef processing businesses paced a second quarter gain in fresh red meat earnings; first half earnings were down due to lower first quarter margins in the U.S. beef business.

Hunt-Wesson's operating profit was up in the second quarter and down in the first half. The diversified products businesses enjoyed second quarter and first half earnings gains, led by profit growth in the Lamb-Weston potato processing business and Golden Valley microwave foods business.

In the consumer frozen foods business, second quarter operating profit was down versus last year but first half earnings were up. Branded packaged meats earnings were down in the second quarter and flat in the first half.

In the Company's Trading and Processing industry segment, operating profit was up in the second quarter and down in the first half. Earnings were up in both periods in the grain processing and edible bean businesses and down in the grain merchandising and wool businesses.

In the Company's Agri-Products segment, operating profit decreased in the second quarter and first half. Earnings in the crop protection chemical and fertilizer businesses were up in the second quarter and down in the first half. Specialty retailing earnings decreased in both periods.

Operating profit is based on net sales less all identifiable operating expenses and includes the related equity in earnings of companies included on the basis of the equity method of accounting. General corporate expense, interest expense (except financial businesses) and income taxes are excluded from segment operations. For financial businesses, operating profit includes the effect of interest, which is a large element of their operating costs.

The Company increased its interest in AMH (see Note 3) from 50 percent to approximately 90 percent at the end of fiscal 1994's second quarter. Because the transaction was effective as of the beginning of the fiscal year, fiscal 1994 second quarter results include AMH's first half results on a consolidated basis and a reversal of AMH's first quarter contribution to equity in earnings of affiliates.

The reversal accounts for the substantial drop in fiscal 1994 second quarter and first half equity in earnings of affiliates. Lower equity in earnings of affiliates was the major reason why the Company's effective income tax rate increased about one perentage point to 40 percent in fiscal 1994's first half versus 39 percent in last year's first half.

Weighted average shares outstanding decreased in fiscal 1994's second quarter and first half as a consequence of share repurchase programs last year and this year.

In the fourth quarter of 1993, the Company adopted the provisions of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions." As provided therein, financial statements for the first half and second quarter of fiscal 1993 have been restated to reflect adoption, effective June 1, 1992. Provisions of the statement, and its effect on the Company, are set forth in the accounting policies and additional footnotes 16 and 19 in the financial statements included in the Company's 1993 annual report, which report was incorporated by reference in Form 10-K for the fiscal year ended May 30, 1993.

CONAGRA, INC. AND SUBSIDIARIES
PART II - OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

ConAgra's annual meeting of stockholders was held on September 23, 1993. The stockholders elected four directors to serve three-year terms and also ratified the appointment of Deloitte & Touche to examine ConAgra's financial statements for the fiscal year ending May 29, 1994. Voting on these items was as following:

1. ELECTION OF DIRECTORS.

	FOR	WITHHELD
Ronald W. Roskens	213,515,418	2,765,816
Frederick B. Wells	214,344,740	1,936,494
Thomas R. Williams	214,624,279	1,656,955
Clayton K. Yeutter	214,105,645	2,175,589

2. RATIFICATION OF ACCOUNTANTS

FOR:	213,656,816
AGAINST:	1,008,828
ABSTAIN:	1,615,589
BROKER/NON-VOTES:	0

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(A) EXHIBITS.

A - Statement regarding computation on ratio of earnings to fixed charges, and ratio of earnings to combined fixed charges and preferred dividends.

(B) REPORTS ON FORM 8-K.

ConAgra did not file any reports on Form 8-K during the fiscal quarter ended November 28, 1993.

CONAGRA, INC.

STEPHEN L. KEY
By:________________________
Stephen L. Key
Executive Vice President and
Chief Financial Officer

DWIGHT J. GOSLEE
By:________________________
Dwight J. Goslee
Vice President, Controller

Dated this 11th day of January, 1994.

EXHIBIT INDEX

EXHIBIT	DESCRIPTION	PAGE
A	Statement regarding computation of ratio of earnings to fixed charges, and ratio of earnings to combined fixed charges and preferred dividends..........................	

EXHIBIT A

CONAGRA, INC. AND SUBSIDIARIES
COMPUTATIONS OF RATIOS OF EARNINGS TO FIXED
CHARGES AND OF EARNINGS TO COMBINED FIXED
CHARGES & PREFERRED STOCK DIVIDENDS
($ IN MILLIONS)

	Six Months Ended November 28, 1993
Fixed charges:	
Interest expense	$ 139.7
Capitalized interest	0.7
Interest in cost of goods sold	6.3
One third of non-cancellable lease rent	22.0
Total fixed charges (A)	168.7
Add preferred stock dividends of the company	19.4
Total fixed charges and preferred stock dividends (B)	$ 188.1
Earnings:	
Pretax income	$ 336.0
Adjustment for unconsolidated subidiaries	1.4
Pretax income of the Company as a whole	337.4
Add fixed charges	168.7
Less capitalized interest	(0.7)
Earnings and fixed charges (C)	$ 505.4
Ratio of earnings to fixed charges (C/A)	3.0
Ratio of earnings to combined fixed charges and preferred stock dividends (C/B)	2.7

For the purpose of computing the above ratio of earnings to fixed charges, earnings consist of income before taxes and fixed charges. Fixed charges, for the purpose of computing earnings are adjusted to exclude interest capitalized and that component of fixed charges representing ConAgra's proportionate share of the preferred stock dividend requirement of a 50% owned subsidiary. Fixed charges include interest on both long and short term debt (whether said interest is expensed or capitalized and including interest charged to cost of goods sold), a portion of noncancellable rental expense representative of the interest factor and ConAgra's proportionate share of the preferred stock dividend requirement of a 50% owned subsidiary, excluding that which would be eliminated in consolidation. The ratio is computed using the amounts for ConAgra as a whole, including its majority-owned subsidiaries, whether or not consolidated, and its proportionate share of any 50% owned subsidiaries, whether or not ConAgra guarantees obligations of these subsidiaries.

Excluding short term interest and unguaranteed fixed charges of subsidiaries, the ratio of earnings to fixed charges would have been 3.6 for the six months ended November 28, 1993.

For purposes of calculating the above ratio of earnings to combined fixed charges and preferred dividends, preferred stock dividend requirements (computed by increasing preferred stock dividends to an amount representing the pre-tax earnings which would be required to cover such dividend requirements) are combined with fixed charges as described above, and the total is divided into earnings as described above.