

Lamb Weston Reports Fiscal First Quarter 2020 Results; Reaffirms Fiscal Year 2020 Outlook

October 02, 2019

First Quarter 2020 Highlights

- Net sales increased 8% to \$989 million
- Income from operations increased 11% to \$170 million
- EBITDA including unconsolidated joint ventures⁽¹⁾ increased 9% to \$233 million
- Diluted EPS increased 8% to \$0.79 from \$0.73
- Returned \$34 million of cash to shareholders
- Reaffirms FY 2020 outlook

EAGLE, Idaho--(BUSINESS WIRE)-- Lamb Weston Holdings, Inc. today reported its first quarter 2020 results.

“We’re pleased with our solid start to our fiscal year, with each price/mix and earnings growth,” said Tom Werner, President and CEO. “Our innovation capabilities to support customers’ growth, as well as our operational mix. We’re making good progress on our new ERP system, which will support our acquisitions in Australia. And our new Hermiston, Oregon facility provides flexibility to service and upgrade other production lines that have been impacted by the recent trends. Nonetheless, while current global french fry demand remains strong, we believe we are well-positioned to navigate the current macroeconomic conditions. Although these conditions may temporarily impact demand, we believe we are well-positioned and remain focused on creating value for our stakeholders over the long term.”

“We remain on track to deliver our fiscal 2020 targets, reflecting our favorable current operating environment. In North America, demand remains strong, while manufacturing capacity is being expanded on a long-term basis, we believe the potato crop in our growing regions will be strong. We anticipate that our joint venture’s performance will gradually improve as the potato crop improves. In our key international markets, demand remains strong, reflecting recent trends. Nonetheless, while current global french fry demand remains strong, we believe we are well-positioned to navigate the current macroeconomic conditions. Although these conditions may temporarily impact demand, we believe we are well-positioned and remain focused on creating value for our stakeholders over the long term.”

Summary of First Quarter
(\$ in millions, except
per share amounts)

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| | Year-Over-Year | |
|---|----------------|--------------|
| | Q1 2020 | Growth Rates |
| Net sales | \$ 989.0 | 8% |
| Income from operations | \$ 170.0 | 11% |
| Net income attributable to Lamb Weston | \$ 115.7 | 7% |
| Diluted EPS | \$ 0.79 | 8% |
| EBITDA including unconsolidated joint ventures ⁽¹⁾ | \$ 232.9 | 9% |

Q1 2020 Commentary

Net sales increased \$74.1 million to \$989.0 million, up 8 percent versus the year-ago period. Volume increased 6 percent, primarily driven by growth in the Company's Global segment, and includes an approximate 1 percentage point benefit from acquisitions. Price/mix increased 2 percent due to pricing actions and favorable mix.

Income from operations rose 11 percent to \$170.0 million versus the year-ago period, driven by higher sales and gross profit. Gross profit increased \$18.0 million due to favorable price/mix and volume growth. This increase was partially offset by higher manufacturing costs due to inefficiencies, which were primarily driven by higher maintenance and related costs. Gross profit growth was also tempered by input cost inflation and higher depreciation expense primarily associated with the Company's french fry production line in Hermiston, Oregon, which started operating towards the end of the fourth quarter of fiscal 2019. In addition, gross profit included a \$1.8 million gain related to unrealized mark-to-market adjustments and realized settlements associated with commodity hedging contracts in the current quarter, compared with a \$5.6 million loss related to these items in the prior year quarter.

The increase in gross profit was partially offset by a \$0.6 million increase in selling, general and administrative expenses ("SG&A"). The increase was largely driven by higher expenses related to information technology services and infrastructure, which included approximately \$1 million of expense associated with designing a new enterprise resource platform system, as well as investments in new capabilities. In addition, the increase included an approximate \$1.6 million decline in advertising and promotional expenses.

EBITDA including unconsolidated joint ventures⁽¹⁾ increased \$18.0 million versus the prior year period, primarily due to growth in income from operations and an incremental benefit from entering into an agreement to acquire the Company's joint venture (the "BSW Acquisition"), Lamb Weston, Inc., in 2018, partially offset by lower equity method investment earnings.

Diluted EPS increased \$0.06, or 8 percent, to \$0.79. The increase was primarily driven by higher income from operations and an approximate \$0.03 benefit from the BSW Acquisition, partially offset by higher equity method investment earnings.

The Company's effective tax rate⁽²⁾ in the first quarter of fiscal 2020 was 21.5 percent in the prior year period. The effective tax rate varies from period to period due to the impact of U.S. state taxes, foreign taxes, permanent differences, and other factors.

Q1 2020 Segment Highlights

Global

Global Segment Summary

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| | Year-Over-Year | | | |
|--|----------------|--------------|-----------|--------|
| | Q1 2020 | Growth Rates | Price/Mix | Volume |
| | (\$ in mil.) | | | |
| Net sales | \$ 517.6 | 11% | 2% | 9% |
| Segment product contribution margin ⁽¹⁾ | \$ 102.7 | 9% | | |

Net sales for the Global segment, which is comprised of the top 100 North American based restaurant chain customers as well as the Company's international business, increased \$50.8 million to \$517.6 million, up 11 percent compared to the prior year period. Volume increased 9 percent, driven by growth in sales, including the benefit of limited time product offerings, to strategic customers in the U.S. and key international markets, as well as an approximate 2 percentage point benefit from acquisitions. Price/mix increased 2 percent, largely reflecting pricing adjustments associated with multi-year contracts.

Global segment product contribution margin⁽¹⁾ increased \$8.2 million to \$102.7 million, up 9 percent compared to the prior year period. Favorable price/mix and volume growth drove the increase, more than offsetting higher manufacturing costs due to inefficiencies, input cost inflation, and higher depreciation expense primarily associated with the new Hermiston production line. The increase was also tempered by acquisition-related costs and higher tariffs on U.S. exports to China.

Foodservice

Foodservice Segment Summary

| | Year-Over-Year | | | |
|--|----------------|--------------|-----------|--------|
| | Q1 2020 | Growth Rates | Price/Mix | Volume |
| | (\$ in mil.) | | | |
| Net sales | \$ 305.4 | | | |
| Segment product contribution margin ⁽¹⁾ | \$ 102.5 | | | |

Net sales for the Foodservice segment, which services North American restaurant chains outside the top 100 North American based restaurant chains, increased \$10.1 million to \$305.4 million, up 3 percent compared to the prior year period. Price/mix improved mix and pricing actions initiated in the fall of 2018. Volume increased 1 percent, driven by *Weston* branded and distributor private label products.

Foodservice segment product contribution margin⁽¹⁾ increased \$10.1 million to \$102.5 million, up 10 percent compared to the prior year period, as favorable price/mix and volume growth offset higher manufacturing costs due to inefficiencies, input cost inflation, and higher depreciation expense primarily associated with the new Hermiston production line.

Retail

Retail Segment Summary

| | Year-Over-Year | | | |
|-----------|----------------|--------------|-----------|--------|
| | Q1 2020 | Growth Rates | Price/Mix | Volume |
| | (\$ in mil.) | | | |
| Net sales | \$ 129.3 | | | |

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| | | | |
|--|----|------|-----|
| Segment product contribution margin ⁽¹⁾ | \$ | 28.9 | 27% |
|--|----|------|-----|

Net sales for the Retail segment, which includes sales of branded and private label products to grocery, mass merchant and club customers in North America, increased \$13.1 million to \$129.3 million, up 11 percent compared to the prior year period. Volume increased 8 percent, driven by increased sales of private label products as well as *Grown in Idaho* and other branded products. Price/mix increased 3 percent, driven by favorable mix and pricing actions.

Retail segment product contribution margin⁽¹⁾ increased \$6.2 million to \$28.9 million, up 27 percent compared to the prior year period, driven by improved price/mix, volume growth and lower advertising and promotional expense, partially offset by higher manufacturing costs due to inefficiencies, input cost inflation and higher depreciation expense, primarily associated with the new Hermiston production line.

Equity Method Investment Earnings

Equity method investment earnings from unconsolidated joint ventures in Europe and the U.S. were \$10.6 million and \$19.9 million for the first quarter of fiscal 2020 and 2019, respectively. These amounts included a \$1.1 million unrealized gain related to mark-to-market adjustments associated with currency and commodity hedging contracts in the current quarter and a \$0.7 million gain related to these items in the prior year quarter. Excluding these adjustments, earnings from equity method investments declined \$9.7 million compared to the prior year period, largely reflecting higher raw potato prices and manufacturing costs associated with last year's poor crop in Europe.

Outlook

The Company provides guidance on its financial outlook on a non-GAAP basis and does not reconcile guidance to GAAP as the Company cannot predict items impacting comparability that are included in reported GAAP results. These items are discussed in more detail in the notes to this press release.

The Company's fiscal 2020 outlook includes the contribution of a 53rd week in the fiscal period, with the additional week falling in the fourth quarter.

| FY 2020 Outlook Summary | |
|--|-----------------------------|
| Net sales growth rate | |
| Adjusted EBITDA including unconsolidated joint ventures ⁽¹⁾ | \$ |
| Interest expense | / |
| Effective tax rate ⁽²⁾ excluding comparability items | |
| Cash used for capital expenditures, excluding acquisitions | / |
| Depreciation and amortization | Approximately \$110 million |

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As summarized in the table above, for fiscal 2020, the Company continues to expect:

- Net sales to grow mid-single digits, largely driven by volume as well as modestly higher price/mix.
- Adjusted EBITDA including unconsolidated joint ventures^{'''} in the range of \$950 million to \$970 million. The Company expects:
 - Volume-driven gross profit growth, with higher price/mix offsetting input cost inflation;
 - SG&A, excluding advertising and promotional expenses and investments to upgrade the Company's enterprise resource planning and other information systems infrastructure, to be 8.0 percent to 8.5 percent of net sales.
- Equity method investment earnings to improve versus fiscal 2019, reflecting the effect of a normalized raw potato cost environment in Europe.
- The Company increased its target for capital expenditures to approximately \$300 million from approximately \$275 million to reflect updated spending estimates for the upgrade of its enterprise resource planning system and other capital projects.

End Notes

(1) Adjusted EBITDA including unconsolidated joint ventures, EBITDA including unconsolidated joint ventures, and segment product contribution margin are non-GAAP financial measures. Please see the discussion of non-GAAP financial measures, including a discussion of earnings guidance provided on a non GAAP basis, and the reconciliations at the end of this press release for more information.

(2) The effective tax rate is calculated as the ratio of income tax expense to pre-tax income, inclusive of equity method investment earnings.

Webcast and Conference Call Information

Lamb Weston will host a conference call to review its first quarter results and analysts may access the call toll-free by dialing (866) 548-5580168. A listen-only webcast will be provided at www.lambweston.com

About Lamb Weston

Lamb Weston, along with its joint venture partners, is a leading provider of potato and vegetable products to restaurants and retailers around the world. We have led the industry in innovation, introducing inventive products to our customers and make things more delicious for their customers. As we have grown to proactive customer partnerships, Lamb Weston always looks at a potato, we see possibilities. Learn more about us at www.lambweston.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Securities Act, such as "continue," "expect," "support," "grow," "will," "believe," "anticipate," "intend," "create," "leverage," "make," "integrate," "provide," "deliver," and "achieve." Words and phrases are intended to identify forward-looking statements. Examples of forward-looking statements are limited to, statements regarding the Company's plans, executive compensation, and other matters. Forward-looking statements are based on management's current expectations and are subject to change in circumstances. Readers of this press release should not rely on these statements as guarantees of performance or results. Many factors could affect

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them to vary materially from the expectations contained in the forward-looking statements, including those set forth in this press release. These risks and uncertainties include, among other things: the Company's ability to successfully execute its long-term value creation strategies; its ability to execute on large capital projects, including construction of new production lines; the competitive environment and related conditions in the markets in which it and its joint ventures operate; political and economic conditions of the countries in which it and its joint ventures conduct business and other factors related to its international operations; disruption of its access to export mechanisms; risks associated with possible acquisitions, including its ability to complete acquisitions or integrate acquired businesses; its debt levels; the availability and prices of raw materials; changes in its relationships with its growers or significant customers; the success of its joint ventures; actions of governments and regulatory factors affecting its businesses or joint ventures; the ultimate outcome of litigation or any product recalls; levels of pension, labor and people-related expenses; its ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends; the Company's ability to remediate the material weakness in internal control described in the Company's Form 10-K; and other risks described in the Company's reports filed from time to time with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance on any forward-looking statements included in this press release, which speak only as of the date of this press release. The Company undertakes no responsibility for updating these statements, except as required by law.

Non-GAAP Financial Measures

To supplement the financial information included in this press release, the Company has presented EBITDA including unconsolidated joint ventures and segment product contribution margin, each of which is considered a non-GAAP financial measure. The non-GAAP financial measures provided should be viewed in addition to, and not as an alternative for, financial measures prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") that are presented in this press release. The non-GAAP financial measures presented may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures the same way. These measures are not substitutes for their comparable GAAP financial measures, such as net income, or other measures prescribed by GAAP, and there are limitations to using non-GAAP financial measures.

Management uses these non-GAAP financial measures to assist in comparing the Company's performance on a consistent basis for purposes of business decision making. Management believes that presenting these non-GAAP financial measures provides investors with useful information and that presenting this information regarding financial performance by excluding certain items is more useful than using the same tools that management uses to budget, make historical performance, and (iii) otherwise provide supplemental information when evaluating the Company's results. The Company believes that these measures, when considered together with the corresponding GAAP financial measures, provides investors with additional understanding of the Company's business than could be obtained absent these disclosures.

The Company also provides guidance on its financial outlook and certain elements that are included in reported GAAP results, including significant acquisition and integration costs, and other items in the financial statements, and the Company will update as necessary as items are highly variable and could be significant to its GAAP measures. A full reconciliation of Adjusted EBITDA to net income has not been provided.

| | |
|--|--|
| Lamb Weston Holdings, Inc. | |
| Consolidated Statement of Operations | |
| (unaudited, dollars in millions, except per share amounts) | |
| | |
| | |
| | |
| | |
| | |

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| | | |
|---|------------|------------|
| Net sales | \$ 989.0 | \$ 914.9 |
| Cost of sales | 740.4 | 684.3 |
| Gross profit | 248.6 | 230.6 |
| Selling, general and administrative expenses | 78.6 | 78.0 |
| Income from operations | 170.0 | 152.6 |
| Interest expense, net | 28.2 | 26.8 |
| Income before income taxes and equity method earnings | 141.8 | 125.8 |
| Income tax expense | 36.7 | 34.3 |
| Equity method investment earnings | 10.6 | 19.9 |
| Net income | 115.7 | 111.4 |
| Less: Income attributable to noncontrolling interests (1) | — | 3.6 |
| Net income attributable to Lamb Weston Holdings, Inc. | \$ 115.7 | \$ 107.8 |
| Earnings per share | | |
| Basic | \$ 0.79 | \$ 0.73 |
| Diluted | \$ 0.79 | \$ 0.73 |
| Dividends declared per common share | \$ 0.20000 | \$ 0.19125 |

Computation of diluted earnings per share:

| | | |
|---|----------|----------|
| Net income attributable to Lamb Weston Holdings, Inc. | \$ 115.7 | \$ 107.8 |
| Less: Increase in redemption value of noncontrolling interests in excess of earnings allocated, net of tax benefits (1) | — | 0.9 |
| Net income available to Lamb Weston common stockholders | \$ 115.7 | \$ 106.9 |
| Diluted weighted average common shares outstanding | | |
| Diluted earnings per share | | |

(1) On November 2, 2018, we entered into an agreement to acquire BSW, LLC ("Lamb Weston BSW"). Our Consolidated Statements of Earnings will include BSW's earnings beginning November 2, 2018. See Note 7, "Acquisitions," of the Combined and Consolidated Financial Statements in "Part I - Financial Information" of the Company's fiscal 2019 Form 10-K, for more information.

Lamb Weston Holdings, Inc.
Consolidated Balance Sheet
(unaudited, dollars in millions)

ASSETS

Current assets:

Cash and cash equivalents

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| | | |
|--|-------------------|------------------|
| Receivables, less allowance for doubtful accounts of \$1.3 and \$1.3 | 371.1 | 340.1 |
| Inventories | 466.5 | 498.3 |
| Prepaid expenses and other current assets | 49.6 | 110.9 |
| Total current assets | 906.2 | 961.5 |
| Property, plant and equipment, net (1) | 1,555.1 | 1,597.8 |
| Operating lease assets (1) | 160.3 | — |
| Goodwill | 306.4 | 205.9 |
| Intangible assets, net | 40.4 | 37.6 |
| Equity method investments | 225.5 | 224.6 |
| Other assets | 28.7 | 20.7 |
| Total assets | \$ 3,222.6 | \$3,048.1 |

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

| | | |
|---|--------------|--------------|
| Short-term borrowings | \$ — | \$ 8.4 |
| Current portion of long-term debt and financing obligations | 36.5 | 38.0 |
| Accounts payable | 284.9 | 289.2 |
| Accrued liabilities (1) | 218.7 | 217.2 |
| Total current liabilities | 540.1 | 552.8 |

Long-term liabilities:

| | | |
|---|---------|---------|
| Long-term debt and financing obligations, excluding current portion (1) | 2,210.1 | 2,280.2 |
| Deferred income taxes | 143.5 | 125.7 |
| Other noncurrent liabilities (1) | 236.6 | 94.0 |

Total long-term liabilities

Commitments and contingencies

Stockholders' equity:

Common stock of \$1.00 par value, 600,000,000 shares authorized, 146,654,827 shares issued

Additional distributed capital

Retained earnings (1)

Accumulated other comprehensive loss

Treasury stock, at cost, 697,515 and 585,794 common shares

Total stockholders' equity (deficit)

Total liabilities and stockholders' equity

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(1) Effective May 27, 2019, the Company adopted Accounting Standards Update 2016-02, "Leases" ("ASU 2016-02"), and Accounting Standards Update 2018-01, "Leases" ("ASU 2018-01"), using the modified retrospective transition method, recording the cumulative effect of initially applying the guidance. The Company did not recast prior periods presented in the Consolidated Financial Statements. The adoption of the new lease standard resulted in the recognition of an operating lease liability of \$155.5 million. The adoption also resulted in a decrease of \$20.5 million (\$20.5 million, net of tax), to increase retained earnings related to a sale leaseback and the elimination of \$38.7 million of lease financing obligations also related to the sale

impact on the Company's results of operations or cash flows. See Notes 1 and 6 of the Condensed Notes to Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of the Company's fiscal 2020 first quarter Form 10-Q, for more information.

Lamb Weston Holdings, Inc.
Consolidated Statements of Cash Flows
(unaudited, dollars in millions)

| | Thirteen Weeks Ended | |
|---|----------------------|--------------------|
| | August 25, 2019 | August 26, 2018 |
| Cash flows from operating activities | | |
| Net income | \$ 115.7 | \$ 111.4 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization of intangibles and debt issuance costs | 46.0 | 38.6 |
| Stock-settled, stock-based compensation expense | 5.4 | 4.2 |
| Earnings of joint ventures in excess of distributions | (0.5) | (3.2) |
| Deferred income taxes | 10.3 | 13.9 |
| Other | 5.6 | 3.1 |
| Changes in operating assets and liabilities, net of acquisition: | | |
| Receivables | (27.0) | (18.6) |
| Inventories | 35.6 | 33.2 |
| Income taxes payable/receivable, net | 24.8 | 9.5 |
| Prepaid expenses and other current assets | | |
| Accounts payable | | |
| Accrued liabilities | | |
| Net cash provided by operating activities | | |
| Cash flows from investing activities | | |
| Additions to property, plant and equipment | | |
| Acquisition of business, net of cash acquired | | |
| Other | | |
| Net cash used for investing activities | | |
| Cash flows from financing activities | | |
| Proceeds from issuance of debt | | |
| Debt repayments | | |
| Dividends paid | | |
| Payments of short-term borrowings | | |
| Repurchase of common stock and common stock withheld to | | |
| Cash distributions paid to noncontrolling interest | | |
| Other | | |
| Net cash used for financing activities | | |
| Effect of exchange rate changes on cash and cash equivalents | | |

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| | | |
|--|----------------|-----------------|
| Net increase in cash and cash equivalents | 6.8 | 94.9 |
| Cash and cash equivalents, beginning of the period | 12.2 | 55.6 |
| Cash and cash equivalents, end of period | <u>\$ 19.0</u> | <u>\$ 150.5</u> |

Lamb Weston Holdings, Inc.

Segment Information

(unaudited, dollars in millions)

| | Thirteen Weeks Ended | | | | |
|----------------------|----------------------|--------------------|-----------------|-----------|--------|
| | Year-Over- | | | | |
| | Year | | | | |
| | August 25, 2019 | August 26, 2018 | Growth Rates | Price/Mix | Volume |
| Segment sales | | | | | |
| Global | \$ 517.6 | \$ 466.8 | 11% | 2% | 9% |
| Foodservice | 305.4 | 297.8 | 3% | 2% | 1% |
| Retail | 129.3 | 116.2 | 11% | 3% | 8% |
| Other | 36.7 | 34.1 | 8% | (10%) | 18% |
| | <u>\$ 989.0</u> | <u>\$ 914.9</u> | 8% | 2% | 6% |

Segment product contribution margin (1)

| | | | |
|---|-----------------|-----------|----|
| Global | \$ 102.7 | \$ 94.5 | 9% |
| Foodservice | 102.5 | 102.0 | 0% |
| Retail | 28.9 | | |
| Other | 9.7 | | |
| | <u>243.8</u> | | |
| Other selling, general, and administrative expenses | 73.8 | | |
| Income from operations | <u>\$ 170.0</u> | <u>\$</u> | |

(1) Product contribution margin is defined as net sales, less cost of goods sold. Segment product contribution margin excludes general corporate expenses. Management believes these amounts are not directly associated with the operations of the segments.

Lamb Weston Holdings, Inc. Reconciliation of Non-GAAP (unaudited, dollars in millions)

To supplement the financial information included in this press release, we are providing a reconciliation of net income attributable to Lamb Weston to EBITDA, including unconsolidated joint ventures, which is considered a non-GAAP financial measure.

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| | Thirteen Weeks Ended | |
|---|----------------------|------------|
| | August 25, | August 26, |
| | 2019 | 2018 |
| Net income attributable to Lamb Weston Holdings, Inc. | \$ 115.7 | \$ 107.8 |
| Income attributable to noncontrolling interests | — | 3.6 |
| Equity method investment earnings | (10.6) | (19.9) |
| Interest expense, net | 28.2 | 26.8 |
| Income tax expense | 36.7 | 34.3 |
| Income from operations | 170.0 | 152.6 |
| Depreciation and amortization | 43.1 | 37.4 |
| EBITDA (1) (2) | 213.1 | 190.0 |
| Unconsolidated Joint Ventures (3) | | |
| Equity method investment earnings | 10.6 | 19.9 |
| Interest expense, income tax expense, and depreciation and amortization included in equity method investment earnings | 9.2 | 7.5 |
| Add: EBITDA from unconsolidated joint ventures | 19.8 | 27.4 |
| Consolidated Joint Ventures (3) | | |
| Income attributable to noncontrolling interests | — | (3.6) |
| Interest expense, income tax expense, and depreciation and amortization included in income attributable to noncontrolling interests | — | (0.9) |
| Subtract: EBITDA from consolidated joint ventures | — | (4.5) |
| EBITDA including unconsolidated joint ventures (1) | | |

(1) EBITDA including unconsolidated joint ventures is a non-GAAP measure that may not be comparable to other companies' EBITDA, which may impact comparability between periods as it believes these operations of the Company. Lamb Weston presents this measure to evaluate the performance of the Company on an annual basis. The measure is used by the Company's management and assists in providing a more complete analysis of non-GAAP financial measures should be done in accordance with GAAP. This non-GAAP measure is not intended to be used as such.

(2) EBITDA includes EBITDA from consolidated joint ventures for the period.

(3) Lamb Weston holds equity interests in two potato processing companies, Lamb Weston/RDO Frozen and Lamb-Weston/Meijer v.o.f., which are accounted for using the equity method of accounting. Prior to purchasing the remaining 50% of Lamb Weston/RDO Frozen, Lamb Weston consolidated the financial statements of Lamb Weston/RDO Frozen. Lamb Weston began recognizing 100% of Lamb Weston/RDO Frozen Earnings on November 2, 2018. See Note 7, Investments in Related Parties, in the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of the Company's fiscal 2019 Form 10-K, for more information.

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