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Tyson Foods, Inc. (TSN)

Annual General Meeting

CORPORATE PARTICIPANTS

John H. Tyson
Chairman

R. Read Hudson
Vice President, Associate General Counsel and Secretary

Katherine Kroll
Shareholder Advocate, Green Century Capital Management

Robert C. Scott
Member - Board of Directors & Finance Committee, American Baptist Home Mission Societies

Patricia A. Daly
Executive Director, Tri-State Coalition for Responsible Investment

Matthew Prescott
Senior Food Policy Director, The Humane Society of the United States

Minor Sinclair
Regional Director, Oxfam America, Inc.

Dennis Leatherby
Chief Financial Officer & Executive Vice President

Donald J. Smith
President, Chief Executive Officer & Director

OTHER PARTICIPANTS

Daniel Willett
International Brotherhood of Teamsters

MANAGEMENT DISCUSSION SECTION

John H. Tyson
Chairman

Good morning and welcome to the 53rd Annual Meeting of the shareholders of Tyson Foods. I remember when I went to the first one, it was in the conference room of a bank in the local town and we've grown up a little bit since then. So, I welcome our guests, I welcome our shareholders and family and board members.

We will begin with business portion of our media and the bylaws of the company specify that the Chairman and the Secretary of the company are the Chairman and the Secretary of the annual meeting.

Before I recognize the secretary, I want to read some guidelines. If somebody interrupts and the first time you're not recognized, please be seated. The second time, you've spoken without being recognized, we ask you to be seated and be respectful to the process. And the third time, I hope we don't get there, which we will ask politely that you step out of the room.

With that being said, the chair recognizes the Corporate Secretary, Read Hudson, who will report on the preparations for this meeting.

R. Read Hudson
Vice President, Associate General Counsel and Secretary

Mr. Chairman, all shareholders were mailed a notice of Annual Meeting and proxy on or about December 18, 2015, which is evidenced by an affidavit from our mail agent. As required by Delaware Law, a certified list of shareholders as of the record date of December 7, 2015 is available for inspection in the lobby.

Additional voting cards are available for those who wish to overrule their previous proxy cards, or who might wish to vote if they have not already done so. Anyone desiring a voting card should raise their hand.

The bylaws of the company provide for a proxy committee of one or more persons designated by the Board of Directors. Board of Directors has appointed John Tyson and Kevin McNamara as members of the proxy committee.

Mr. Chairman, I am reporting at the direction of the proxy committee that of the total possible shares of 364,061,358 as of December 7, 2015, 320,927,927 shares were voted and represent a quorum at the meeting.

John H. Tyson

Chairman

Read, thank you. And based upon the report from our Corporate Secretary, I hereby declare that this Shareholders' Meeting has been properly called and we do have a quorum.

I ask that any questions from our shareholders be submitted in writing. If you have a question, raise your hand, we will bring you a notepad. When finished, raise your hand and we will collect it. If we can answer the question in this room without research, I will do so and if we don't, our promise is to get back to you within seven business days.

I hereby appoint Woody Doss as our Sergeant-at-Arms and authorize him to help support the running of a meeting that has a lot of great information in it.

I need a motion. Somebody has a card, they – do you have a question? Okay, the gentlemen over here wants a card or somebody would take something to him, please. Thank you.

I need a motion regarding the minutes of the last Annual Shareholders Meeting. I have a motion in a second, and it has been moved and we waived the reading of the minutes of the 2015 Shareholders' Meeting. All those in favor, please signify by a voice vote of, yea. All of those opposed, nay.

The reading of the minutes of the last Annual Shareholders' Meeting will be waived.

The next item on order of business is the election of our shareholders, I mean our directors. The nominees are set forth in the proxy statement. I would like to introduce the director nominees for the ensuing year and would ask each of them to stand as their names are called, and if you all would hold the applause until all are standing. Gaurdie Banister, our Lead Director, Mike Beebe, Mikel Durham, Kevin McNamara, Brad Sauer, Donnie Smith, Robert Thurber, Barbara Tyson and myself John Tyson. Thank you, all.

The slate of directors has been nominated as presented to you and would the Secretary please report the results of the vote regarding the election.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were at least 828,699,593 votes cast favoring the election of each nominee presented, representing 89.27% of the votes cast. A clear majority votes for the election of the nominees as directors.

John H. Tyson

Chairman

With 89.27% of the votes casting favoring the election of the nominees, I declare the slate of directors elected as nominated, and I look forward to working with each and every one of you.

At this time, I'd like to acknowledge a director who didn't stand for election, who has been with us for 15 years and has been invaluable in giving us guidance and direction. Jim Kever is a grandfather now, and he is not only getting off our board but several boards, because he's going to go hangout with this grand kids and have a bit – little bit of fun. So all of us on the board and the management team, we appreciate Jim's thoughts through the years. His guidance and his confidence in helping us be a better company. So thank you Jim, we appreciate you. He is not here, but we're going to clap for him.

The next item of business is the proposal to reapprove the annual incentive compensation plan for senior executives, officers as set forth in the proxy statement and would the Secretary please report the results regarding this proposal.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 921,521,634 votes cast favoring the proposal, representing 99.27% of the eligible votes. There were 5,342,745 votes cast against the proposal representing 0.57% of the eligible votes. The clear majority votes for the adoption of the proposal.

John H. Tyson

Chairman

With 99.27% of the votes cast for the proposal, I declare that that proposal has been approved.

The next item of business is the proposal to ratify the selection of PricewaterhouseCoopers LLP, the independent registered public accounting firm as the company's independent registered public accountant for the year ending October 1, 2016. And would the Secretary, please report the results of the vote regarding this ratification.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 949,304,456 votes cast favoring ratification of selection of PricewaterhouseCoopers LLP as independent registered public accountant, it represents 99.82% of the votes cast. There were 384,322 votes cast against ratification representing 0.04% of the votes cast. A clear majority of votes for ratification of PricewaterhouseCoopers LLP as the company's independent registered public accountant.

John H. Tyson

Chairman

With 99.82% of the votes cast for ratification, I declare the selection of PricewaterhouseCoopers LLP as the company's independent registered public accountant ratified.

We're now moving into our shareholder proposals. There are six of them, so I ask each one of the presenters to follow the guidelines as you take time to present your comments on your thoughts.

The first item of the shareholder proposal number one as set forth in our proxy statement, and the Chair recognizes the representative or the proponent to present this proposal. Chair, hold the proposal number one. Thank you.

Katherine Kroll

Shareholder Advocate, Green Century Capital Management

Hello shareholder, members of the board. My name is Katherine Kroll and I'm here to move shareholder proposal number one on behalf of Green Century Capital Management and Investor Advisory Firm. We believe the proposal speaks for itself, I encourage you to [ph] refer (08:30) to it with any questions. Thank you.

John H. Tyson

Chairman

Thank you. The Board of Directors statement with respect to shareholder proposal number one is set forth in the proxy statement and speaks for itself. Would the Secretary please report the results of the vote regarding this shareholder proposal.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 116,822,919 votes cast favoring this shareholder proposal, representing 12.58% of the votes cast. There were 797,339,317 votes cast against this shareholder proposal, representing 85.89% of the votes cast. The clear majority votes against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 85.89% of the votes cast against this shareholder proposal, I declare that shareholder proposal number one has been defeated.

The next item would be shareholder proposal number two, as set forth in our proxy statement. And once again the Chair recognizes the speaker for this shareholder proposal.

Robert C. Scott

Member - Board of Directors & Finance Committee, American Baptist Home Mission Societies

Thank you, Mr. Chair and to our fellow shareholders. My name is Reverend Dr. Robert Charles Scott. I serve as the pastor of the Central Baptist Church at St. Louis Missouri. I'm a member of the Board of Directors and on the Finance Committee of the American Baptist Home Mission Society. I'm here on behalf of the Baptist Church and other Tyson Foods' shareholders who are members of the Interfaith Center on Corporate Responsibility.

I move their shareholder proposal number two, which asks Tyson Food to adopt and implement a water stewardship policy that outlines its leading practices to improve water's quality at Tyson-owned facilities, facilities under contract to Tyson and Tyson suppliers. I live in Missouri. I understand the importance of Tyson's role in our communities, but also understand how devastating Tyson's activities where in Monett, Missouri, were highly acidic animal feed supplements were discharged from a Tyson's facility into the city's sewer system, killing

100,000 fish. The criminal suite in Missouri being pursued by the EPA and a \$530,000 settlement with the Missouri Attorney General over this leak is just one of the reasons why we need a more comprehensive plan.

Water is a community issue as we see in Flint, Michigan. When cooperate – when corporations behave like they have no responsibility to the community in which they operate, among the individuals they employ and their customers, there is a fundamental disconnect between corporations and their social responsibility. Therefore, instead of filing lawsuits and paying fines, our company should be making the commitment to prevent water pollution incidents within its own facilities, among its suppliers and its contract farmers.

Smaller steps were taken in Missouri, but our company needs something more comprehensive, something that makes a sense across all its operations to manage this risk appropriately. We believe that responsible management of water containment risk is both environmentally responsible and financially prudent and most importantly, it will help Tyson to be a better citizen and service communities better.

Thank you for listening and I encourage you to support the protection of water quality by voting for this proposal.

John H. Tyson

Chairman

Well, we thank you for that proposal.

Unverified Participant

Hi, Good morning.

John H. Tyson

Chairman

Do you have some add-on? Please, go ahead.

Patricia A. Daly

Executive Director, Tri-State Coalition for Responsible Investment

I do. Thank you so much for your time, members of the board it's nice to be here. My name is Sister Pat Daly, I'm a Dominican Sister of Caldwell and along with the American Baptist Churches, we're also shareholders and represent other shareholders at the Interfaith Center on Corporate Responsibility. Our proxy doesn't tell you who is sponsoring these resolutions. They're mostly faith communities around the country, prominent organizations such as Oxfam and other institutions who really need to be recognized in this effort.

We've been talking about water for a number of years, so we're really happy that there have been steps that have been taken by your office. We still need a comprehensive approach and real policy on water, that addresses both the breadth and the depth of the issue.

Individuals, we know, more and more want to know where the food comes from, and we also want to know the impact both social and environmental impact of how that food comes to us. So today, I'd like to present the petition that demonstrates this growing concern signed by over a thousand individuals around the world, concerned about the sustainability practices at our company and urging you to adopt the water policy. Even as our share price increases, the practices to improve water quality, worker's safety and sustainability have lagged behind our peers.

We can do better and consumers want to know about this. The challenges of water pollution extend beyond the companies own operations to that of our – almost 4,000 independent poultry producers, and over 6,000 cattle and hog producers with which we do business. Huge amounts of people involved in this, lots of many, many farms.

We continue to be very concerned about the leaks and breaks and storage containment and the toxins that are contaminating water systems. We've spoken with contract – your contract farmers about these concerns, and they are required, obviously, to follow a patchwork of state laws that are not always adequately enforced.

They are responsible for their chicken waste, they know – they have better practices, they want to do that, they feel like their hands are tied because of the costs involved. So we are really encouraging our company to work with your farmers. We can do this better, you have a great sustainability team now, they have many, many challenges before you. I'm skipping most of this because I think I'm over two minutes.

Just a point, all right, last year – if you don't consider the Tyson family, this resolution got over 50% – almost 52% of the vote. If the Tyson family have had voted with us, that's what – it would have been even more. This is a really common sense way to do business, companies around the world are doing this. We're really asking you to work with us, we're grateful you're working with CDP water project on this, so let's get better and better, so I don't have to come here next year.

Unverified Participant

Thank you very much. [audio gap] (15:19-15:29)

John H. Tyson

Chairman

I heard the comments. Our family is very concerned about any and all issues that have been raised and will be raised today and we thank you for your comment. As respect to shareholder proposal number two, it is set forth in the proxy statement and speaks for itself. And will the Secretary please report the results.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 109,651,770 votes cast favoring this shareholder proposal, representing 11.81% of the votes cast. There were 800,012,474 votes cast against this shareholder proposal representing 86.18% of the votes cast. A clear majority votes against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 86.18% of the votes cast against this shareholder proposal, I declare shareholder proposal number two has been defeated.

The next item of business would be shareholder proposal number three and we recognize the representative for item three.

Unverified Participant

Good morning. I'm speaking on behalf of the sponsor, William Steiner of Piermont, New York. Their shareholders request our Board of Directors to adopt this policy and amend the bylaws as necessary to require the Chair of the Board of Directors whenever possible to be an independent member of the board. The board would have the discretion to phase in this policy for the next CEO transition implemented so it did not violate any existing agreement. If the board determines that a Chair who was independent when selected is not longer independent, the board shall select a new Chair, who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is waived if no independent director is available and willing to serve as Chair. This proposal requests that all the necessary steps to be taken to accomplish the above.

John Tyson, our current Chair is not an independent chair, because he previously served as CEO, and is also a member of the family that controls our company. By comparison many companies already have an independent chair. An independent chair is the prevailing practice in the United Kingdom and many international markets. Shareholders are best served by an independent chair, who can give the board a greater checks and balances [ph] overall than (17:48) the oversight of management. This proposal topic won 50% plus support at five major companies in 2013, including 73% support at Netflix. Please vote to enhance shareholder value, please vote for independent board chair, proposal three.

John H. Tyson

Chairman

The Board of Directors' statement with respect to shareholder proposal number three is set forth in the proxy statement and speaks for itself. And will the Secretary please report the results of the vote regarding this proposal.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 145,919,145 votes cast favoring this shareholder proposal, representing 15.71% of the votes cast. There were 780,583,204 votes cast against this shareholder proposal, representing 84.08% of the votes cast. A clear majority vote against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 84.08% of the votes cast against this shareholder proposal, I declare shareholder proposal number three has been defeated.

The next item is shareholder proposal number four and the Chair recognizes the spokesperson for shareholder number – proposal four.

Matthew Prescott

Senior Food Policy Director, The Humane Society of the United States

Hi. Thank you so much. My name is Matt Prescott representing The Humane Society of the United States. Nice to see you all. I'm going to let the proposal in the proxy speak for itself, so anybody here has any questions about it, can just take a look there, and I'm pretty sure all the details are contained there within, so well, thanks a lot.

John H. Tyson

Chairman

Thank you, John. The Board of Directors' statement with respect to shareholder proposal number four set forth in the proxy statement and speaks for itself. Would the Secretary please report the results for the vote regarding this shareholder proposal.

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 206,849,041 votes cast favoring this shareholder proposal representing 22.28% of the votes cast. There were 719,865,550 votes cast against this shareholder proposal representing 77.54% of the votes cast. A clear majority votes against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 77.54% of the votes cast against this shareholder proposal, I declare that shareholder proposal number four has been defeated. The next item of business is shareholder proposal number five, and the Chair recognizes the spokesperson for number five.

Minor Sinclair

Regional Director, Oxfam America, Inc.

Thank you, Mr. Chairman. It's a pleasure to be here with you and thank you other members of the Board of Directors. My name is Minor Sinclair, and I'm a representative of Oxfam America, and I want to move this shareholder proposal on behalf of our organization and many other organizations who co-file with us. This is a resolution that will improve the working conditions inside the plants and will have a positive long-term impact and well being on the company and its employees.

Why is this important? Occupational health and safety issues when not managed properly, directly impact worker absenteeism, turnover, and performance. They also pose regulatory, legal, reputational, and financial risks. As well, Tyson customers are increasingly concerned about where their food comes from, and are willing to base their purchasing decisions on issues of corporate social responsibility. While we celebrate the strong financial picture of Tyson, we also need to consider the Tyson associates who are right now laboring inside those plants, they are doing the hard work that has built this company, that these workers are not sharing in the bounty that we are all applauding today. Survey after survey with poultry workers reveals these problems, low wages, unsafe working conditions, and a climate of fear.

We acknowledge that working on the line is difficult and arduous. Yet much should be done to improve these conditions. Paying decent wages, offering sick leaves, reducing injuries, and respecting the rights and dignity of employees are essential to enhance the wellbeing and status of the company. We're glad that Tyson has taken steps in the right direction.

The resolution on the table would require Tyson to publish a report disclosing objective assessments of working conditions in its processing plants. This would alert managers to the scope and types of issues and allow them in turn to do more to safeguard the health and safety of Tyson's most vulnerable employees.

Thank you very much.

John H. Tyson

Chairman

Thank you. The Board of Directors' statement with respect to shareholder proposal number five is set forth in the proxy statement and speaks for itself, because we all care about the people that work at Tyson Foods, would the Secretary please report the results?

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 42,182,372 votes cast favoring this shareholder proposal representing 4.54% of the votes cast. There were 865,708,153 votes cast against this shareholder proposal, representing 93.25% of the votes cast. A clear majority votes against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 93.25% of the votes cast against this shareholder proposal, I declare that shareholder proposal number five has been defeated. The next item would be shareholder proposal number six and the Chair recognizes the proponent for this proposal.

Daniel Willett

International Brotherhood of Teamsters

Good morning. [indiscernible] (23:44) shareowners and members of the Board, my name is Daniel Willett and on behalf of the Congregation of Sisters of Saint Agnes and the International Brotherhood of Teamsters, I move item six that asks our company to provide a report on its state and federal lobbying expenditures, including indirect funding of lobbying through trade associations. Transparency and accountability in corporate spending to influence public policy are in the best interest of Tyson shareowners. Without a clear system ensuring accountability, corporate assets can be used to promote public policy objectives, which may pose risk to our company and its shareowners.

Tyson spent over \$5.5 million from 2012 to 2015 on federal lobbying activities according to federal disclosure reports and there is incomplete disclosure about spending at the state level, where our company also lobbies. Tyson is required to report its lobbying and already has this information, so it could easily provide more complete information to shareowners. Tyson does not disclose its trade association memberships and payments nor the portion of these payments used for lobbying. These amounts can be quite large. For example, many companies belong to the Chamber of Commerce, which is consistently the largest lobbying group in Washington D.C., spending more than \$400 million on lobbying in the last four years. Tyson's shareowners' currently have no way to know about trade association memberships or contributions being used to lobby on its behalf.

Proxy Advisors, ISS, and Glass Lewis each support this proposal with ISS noting that Tyson, "does not have a comprehensive lobbying policy nor does it disclose its direct and indirect lobbying expenditures, and Board oversight." And Glass Lewis stating that, "increased disclosure would allow shareholders to more fully assess risks presented by the company's political spending."

In summary, publicly available data does not provide a complete picture of Tyson's lobbying expenditures. Our Board and shareowners need complete disclosure to be able to evaluate the use of corporate assets for lobbying, and any risk this spending can pose. We urge shareowners to vote for this proposal.

John H. Tyson

Chairman

The Board of Directors' statement with respect to shareholder proposal number six is set forth in our proxy statement, and speaks for itself, would the Secretary please report the results of the vote regarding this shareholder proposal?

R. Read Hudson

Vice President, Associate General Counsel and Secretary

Mr. Chairman, there were 88,739,566 votes cast favoring this shareholder proposal, and represents 9.55% of the votes cast. There were 823,617,310 votes cast against this shareholder proposal, representing 88.72% of the votes cast. A clear majority votes against the adoption of this shareholder proposal.

John H. Tyson

Chairman

With 88.72% of the votes cast against this shareholder proposal, I declare that shareholder proposal number six has been defeated.

As this concludes the business portion of our meeting and there being no further business, do I hear a motion for adjournment? Do I hear a second?

Unverified Participant

[Inaudible] (27:05)

John H. Tyson

Chairman

I declare the business portion of our 53rd Annual Shareholders' Meeting adjourned and at this time, we'll hear from Dennis Leatherby, our Chief Financial Officer.

Excuse me ma'am, we're not going to argue, there is no microphone. And we have a certain amount of time and as we stated earlier, we ask that you to respect the rules, you stepped outside those rules, and I understand Robert's Rules of Order, you have the microphone and we look forward to your comment.

Unverified Participant

Just a question. When you close the business section, does that mean that the rest of the rest of meeting is not on record..

Unverified Participant

No.

John H. Tyson
Chairman

It's a public record.

Unverified Participant

All right. That's all I needed to know. Okay.

Unverified Participant

Okay.

Unverified Participant

The business portion of the meeting is what we keep the actual minutes of, but this meeting is webcast and I think transcribed, someone maybe can help me with -?

Unverified Participant

Yeah.

Unverified Participant

Yeah, so it's transcribed. The whole meeting will be out there verbatim, that'll be great. So...

Unverified Participant

So it will still go on record. I only asked the question because we're not even at peak, 30 minutes. This is the only time that our Board members get a chance to hear shareholders. They work for the shareholders, not the management. So, if the questions don't go on the record, I think that's a concern.

John H. Tyson
Chairman

Yeah. But we had spoken earlier, if you remember. We gave you the option to raise your hand, write the question down, we told you we would pick it up with two promises, if we could answer it within the timeframe of the meeting, we would, and if not, we would get back to you within seven days. I made that promise to you, that promise still stands.

Unverified Participant

Thank you.

John H. Tyson
Chairman

What concern is it that you think we're not addressing?

Unverified Participant

No, it's just that the comments or other questions that will continue in this meeting, will it be a matter of record?

John H. Tyson
Chairman

[ph] It's open maybe.(29:22)

Unverified Participant

Okay. Thank you.

John H. Tyson
Chairman

All right, Mr. Chairman, I mean, Mr. Secretary, to make sure that we've appropriately closed the business portion of the meeting before there was a concern about public comments, let me go back through that process.

This concludes the business portion of our meeting. There being no further business, do I hear a motion for adjournment? And do I hear a second? I declare the business portion of our 53rd Annual Shareholders' Meeting adjourned, and at this time, you are going to hear from Dennis Leatherby and Donnie Smith who are getting ready to talk about a wonderful first quarter.

Dennis Leatherby

Chief Financial Officer & Executive Vice President

Good morning. I need to remind you our remarks today include forward-looking statements as defined in the Private Securities Litigation Reform Act, 1995. These statements are subject to risks and uncertainties that could cause actual results to differ materially from our expectations and projections. We encourage you to read today's press release and our filings with the SEC for a discussion of the risks that can affect our business.

I'll be referring to adjusted results for fiscal 2015. Our press release issued November 23 has a full reconciliation of our GAAP to adjusted results. So let's take a look at 2015, which was another record setting year. We had record adjusted earnings per share of \$3.15 that's an increase of over 7% over 2014, and a fourth consecutive year of EPS growth.

We also had record adjusted sales of \$40.6 billion, an increase of 9%, and a sixth consecutive year of record growth. Record adjusted operating income was \$2.3 billion, an increase of 37% over the previous year, and the third consecutive year of growth. Record cash flow from operations was \$2.6 billion nearly doubling our previous record set in 2010. So before I go on to some more current expectations, we did have our first quarter 2016

earnings released this morning, we also had a webcast. Rather than go through all of that, I would encourage you to go to the Tyson Foods Investor Relations website to take a look at not only the earnings release, but the webcast and/or the transcript.

The total liquidity at the end of our most recent quarter was \$2.4 billion. This was bolstered by cash intended to use to basically pay off our \$638 million of 2016 notes coming due in this quarter. When these notes are retired, we will have paid down \$2.4 billion of gross debt in 19 months. Our rapid deleveraging allows us to maintain a solid investment grade rating. Over the past six months, we've also repurchased \$750 million worth of stock, 16.2 million shares.

I'll quickly go over our 2016 outlook. We expect it to be another record setting year. We changed our guidance. We moved it from \$3.50 a share to \$3.65 a share, up to \$3.85 a share to \$3.95 a share. That means that over the past four years, including this year's guidance, we would have at least 18% compounded annual growth rate in earnings per share. We still plan to be very disciplined around our capital allocation practices and also to drive shareholder value. Our priorities for cash include growing our businesses organically through operational efficiency and capital expansion projects, along with investing in innovation and brand building.

We also plan to acquire businesses that support our strategic objectives and we plan to return cash to shareholders through share repurchases and dividend. Yesterday, the Board of Directors increased share repurchases authorization by 50 million shares. And as a reminder, in November, the Board increased the quarterly dividend by 50% bringing our annual dividend for Class A shares to \$0.60. And beginning next year, we expect to increase future dividends for Class A shares by at least \$0.10 per share increase annually. This increase in our commitment to steady future dividend increases demonstrates our confidence in the enduring strength and stability of our cash generation power, maintaining plenty of liquidity, investment grade ratings, and continuing to expand our debt capacity are all key.

Now, I'd like to introduce our President and CEO, Donnie Smith.

Donald J. Smith

President, Chief Executive Officer & Director

Good morning. So, 2015 was a great year, it was important, because we proved that we can produce record sales and earnings and all those other records that Dennis talked about in less than optimal conditions. It wasn't easy, we had some significant and unusual challenges in 2015. There was the West Coast port slowdown, which interrupted our beef and pork exports. There was an avian influenza outbreak that closed several export markets that for our chicken business and that affected our turkey operations. And in the last couple of weeks of the fiscal year, there was an unprecedented decline in live cattle futures. We didn't just adjust – we didn't adjust our earnings for these \$300 million worth of challenges, but we still produced record adjusted sales, earnings, operating income, and cash flows. Meanwhile, we paid down debt, bought back stock, and successfully brought together two large companies capturing \$322 million in total synergies.

As Dennis said, 2016 is off to a strong start, and we're building momentum into 2017. I couldn't be more confident in the team. I don't think there's a better food company anywhere that's better positioned than we are right now.

Now, I'd like to turn the podium back to our Chairman who will honor someone who was very important to me professionally and personally. Mr. Chairman?

John H. Tyson

Chairman

Thank you, Donnie and Dennis, and of course they represent the great Tyson team and the team members in all our locations, be it Dakota Dunes, Chicago, Springdale and the hard work that's gone in putting a lot of work and effort in trying to respond and address and run a company that I am proud of, and all of us are proud of. And as Donnie mentioned, a few weeks ago, we lost Buddy Ray who was a very important part of the company and to all of us. There is simply no way to express what Buddy meant to Tyson Foods and to the lives he touched during the 50-year career he had at our company. Buddy helped build the foundation for the success we enjoy, he mentored many of us here and countless others. We will miss him. We will honor him though through our actions and service to this company and to our communities. We thank you, Buddy.

Buddy, not only instilled in us a mindset of looking forward, we're making every effort to move in that direction. So as we continue to grow and move forward, we must ask ourselves the right honest questions. We have the responsibility to be proactive and open minded enough to do the right thing for the right reason. We must continue to not only look at into our future, but move forward in a positive and proactive manner. Our consumers, our customers, our shareholders hold us to a higher standard. It is our job and our responsibility not only to meet those expectations but surpass them.

We envision a relationship from the farm to the consumers with a promise of meeting society's expectations of sustainable quality, safe, affordable food. People are more conscious about how their food is produced. We must recognize those concerns. Animal welfare, food safety, food quality, environmental responsibilities, team member welfare, being good neighbors in the communities where we live and work while meeting the challenge of producing the right food for a changing appetite of the global population.

As one of the leading food companies, it is our responsibility to feed people sustainable, quality, safe, affordable food. And as our core values direct us, we strive to be a company of diverse people while providing a safe work environment. We strive to serve as stewards of the animals, land, and environment entrusted to us. We strive to provide sustainable, quality, safe, affordable food. We use the word strive because we don't have all the answers and at times we may not get it right.

Food is part of the everyday life experience, and I feel, we feel, that our calling is important and noble. Food is shared experiences with friends, coworkers, team members, our neighbors and family. Food is fun. My commitment, our commitment, is helping create this shared experience. We will provide sustainable, quality, safe, affordable food.

Thank you. Have a good day and everybody travel safe.

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