



**Tyson**

—  
**Q1 Fiscal 2024**

Supplemental Information  
February 5, 2024



## Forward-Looking Statements

Certain information in this presentation constitutes forward-looking statements as contemplated by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, current views and estimates of our outlook for fiscal 2023, other future economic circumstances, industry conditions in domestic and international markets, our performance and financial results (e.g., debt levels, return on invested capital, value-added product growth, capital expenditures, tax rates, access to foreign markets and dividend policy). These forward-looking statements are subject to a number of factors and uncertainties that could cause our actual results and experiences to differ materially from anticipated results and expectations expressed in such forward-looking statements. We wish to caution readers not to place undue reliance on any forward-looking statements, which are expressly qualified in their entirety by this cautionary statement and speak only as of the date made. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements are the following: (i) global pandemics have had, and may in the future have, an adverse impact on our business and operations; (ii) the effectiveness of restructuring or financial excellence programs; (iii) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (iv) cyber attacks, other cyber incidents, security breaches or other disruptions of our information technology systems; (v) risks associated with our failure to consummate favorable acquisition transactions or integrate certain acquisitions' operations; (vi) the Tyson Limited Partnership's ability to exercise significant control over the Company; (vii) fluctuations in the cost and availability of inputs and raw materials, such as live cattle, live swine, feed grains (including corn and soybean meal) and energy; (viii) market conditions for finished products, including competition from other global and domestic food processors, supply and pricing of competing products and alternative proteins and demand for alternative proteins; (ix) outbreak of a livestock disease (such as African swine fever (ASF), avian influenza (AI) or bovine spongiform encephalopathy (BSE)), which could have an adverse effect on livestock we own, the availability of livestock we purchase, consumer perception of certain protein products or our ability to conduct our operations; (x) changes in consumer preference and diets and our ability to identify and react to consumer trends; (xi) effectiveness of advertising and marketing programs; (xii) significant marketing plan changes by large customers or loss of one or more large customers; (xiii) our ability to leverage brand value propositions; (xiv) changes in availability and relative costs of labor and contract farmers and our ability to maintain good relationships with team members, labor unions, contract farmers and independent producers providing us livestock, including as a result of our relocation of certain corporate team members to our world headquarters in Springdale, Arkansas; (xv) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (xvi) the effect of climate change and any legal or regulatory response thereto; (xvii) compliance with and changes to regulations and laws (both domestic and foreign), including changes in accounting standards, tax laws, environmental laws, agricultural laws and occupational, health and safety laws; (xviii) adverse results from litigation; (xix) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xx) impairment in the carrying value of our goodwill or indefinite life intangible assets; (xxi) our participation in a multiemployer pension plan; (xxii) volatility in capital markets or interest rates; (xxiii) risks associated with our commodity purchasing activities; (xxiv) the effect of, or changes in, general economic conditions; (xxv) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics, armed conflicts or extreme weather; (xxvi) failure to maximize or assert our intellectual property rights; (xxvii) effects related to changes in tax rates, valuation of deferred tax assets and liabilities, or tax laws and their interpretation; and (xxviii) the other risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission, including those included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our most recent Annual Report on Form 10-K and Quarterly reports on Form 10-Q.

## Non-GAAP Financial Measures

This presentation contains the financial measures "EBITDA," "Adjusted EBITDA," "Adjusted EPS," "Adjusted Operating Income" and "Adjusted Operating Margin" which are not calculated in accordance with U.S. GAAP. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measure has been provided in the Appendix. Non-GAAP financial measures should be considered in addition to, but not as a substitute for, the Company's reported GAAP results.

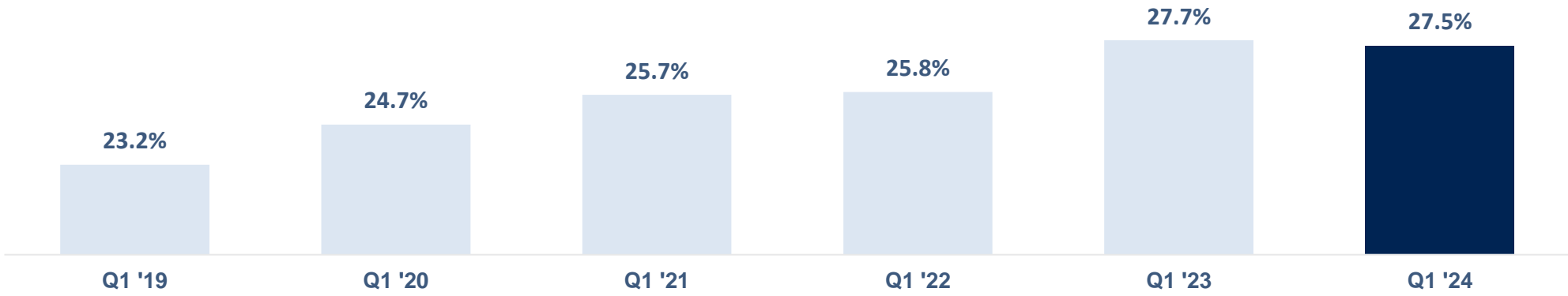
# 1Q24 Key Messages

- 1 Promising start to FY24 – seeing benefits of core protein portfolio
- 2 Focused on controllables – tangible results from actions and strategy
- 3 Brands resonating with consumers – share remains healthy
- 4 Committed to driving long-term value for shareholders



# Brands and market share remain strong

**Tyson Core Business Lines Pound Share**  
*Fiscal Q1 Pound Share Trend*



- 1Q24 volume share remains strong; challenging comparison to record share last year
- Core Business Lines have grown pound share by more than 400 bps since 1Q19

Source: NielsenIQ Total U.S. xAOC Total Core Business Line EQ Share Fiscal Quarter historical trend through FY24 Q1 - w/e 12/30/2023; Tyson Core Business Lines are shared to Total Tyson Core Business Line Categories.

# Segment Highlights

## Prepared Foods

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- Continued traction with Food Service volume recovery
- Lower raw material costs and operating efficiencies driving solid AOI<sup>1</sup>

## Beef

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- Continued spread tightening
- Significant decline in cattle futures market led to an inventory valuation adjustment

## Chicken

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- 3<sup>rd</sup> consecutive quarter of \$100M+ sequential AOI<sup>1</sup> improvement
- Accelerated realization of benefits from plant closures and improved live operations

## Pork

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- Lower hog costs leading to improving spreads drove solid AOI<sup>1</sup>
- Continue to focus on better execution

# Fiscal 2024 Priorities – Controlling the Controllables



## Our Priorities

Win with customers and consumers

Win with team members

Win with excellence in execution

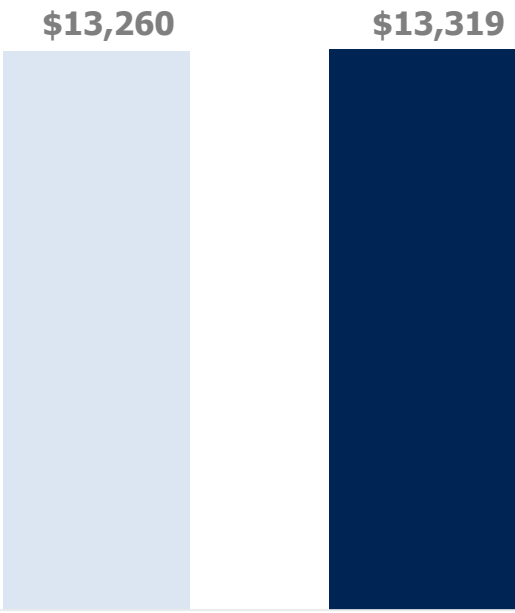
- 1 Focus on capex & working capital to drive cash flow & support dividend
- 2 Continually optimize manufacturing footprint & network design
- 3 Restore performance in Chicken; sustain strength in Prepared Foods
- 4 Manage Beef through cattle cycle; drive efficiencies in Pork

# Sales, AOI and EPS performance

First Quarter FY24 vs Comparable Prior Year Period

## SALES

(in millions of dollars)

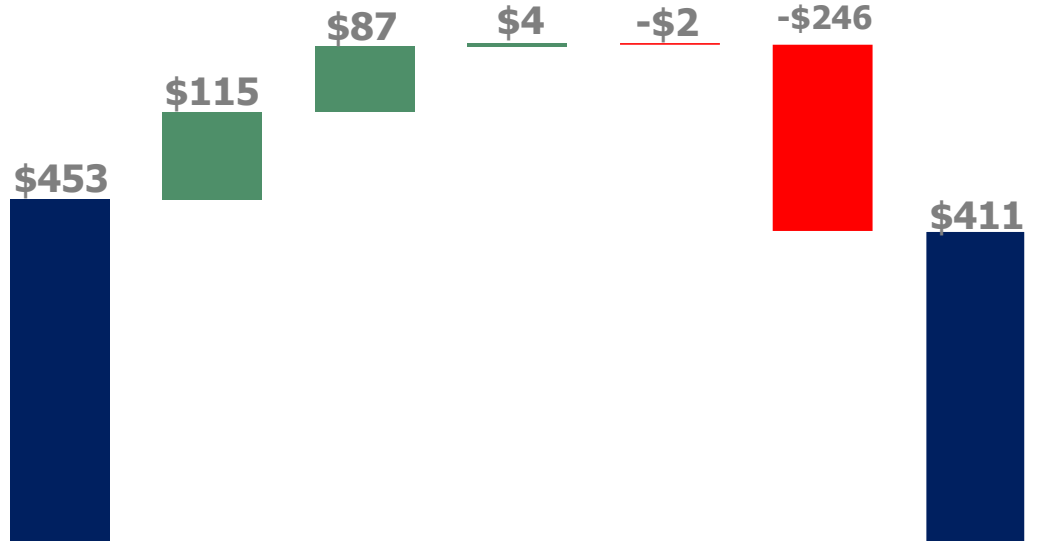


1Q23                      1Q24

- Increased sales in Beef partially offset by decline in Chicken

## ADJUSTED OPERATING INCOME<sup>1</sup>

(in millions of dollars)

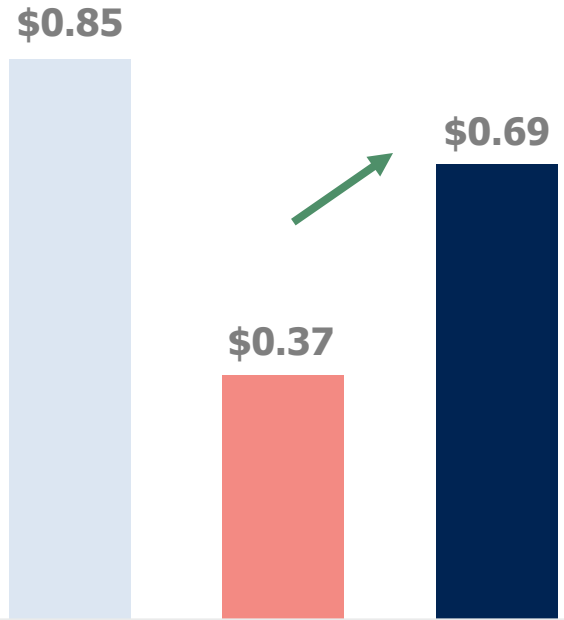


1Q23    Chicken    Pork    Int'l/Other    Prepared    Beef    1Q24

- YoY decline driven by Beef

## ADJUSTED EPS<sup>1</sup>

(in dollars per share)



1Q23                      4Q23                      1Q24

- Sequential improvement driven by Chicken, Prepared Foods, and Pork partially offset by Beef

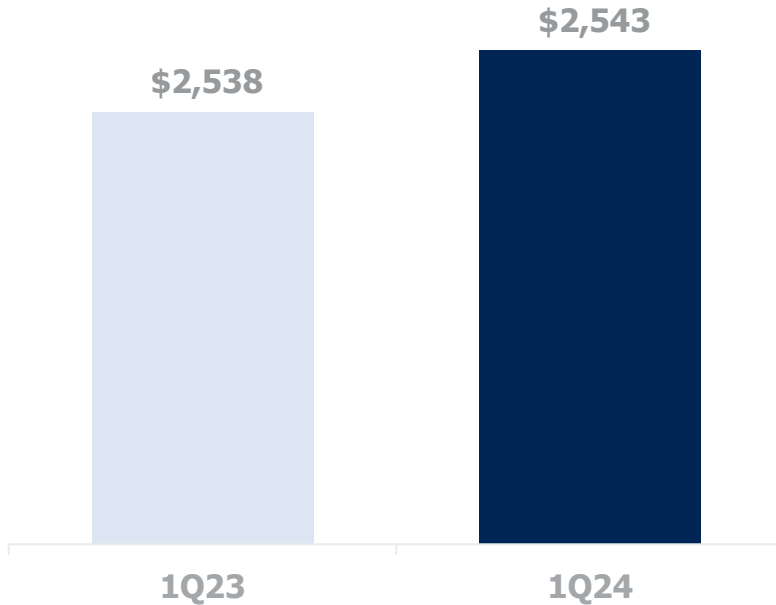
<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

# Strong performance in Prepared Foods

First Quarter FY24 vs Comparable Prior Year Period

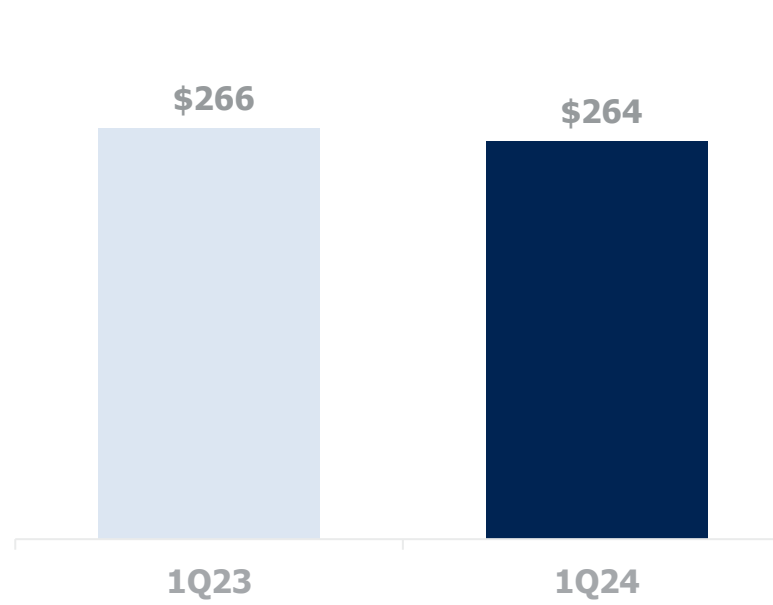
## SALES

(in millions of dollars)



## ADJUSTED OPERATING INCOME<sup>1</sup>

(in millions of dollars)



## HIGHLIGHTS

- Volume growth driven by Williams acquisition and Foodservice
- Average sales price decreased primarily due to mix
- Operating income in line YoY with lower raw material costs and operational efficiencies offset by increased MAP support, facility startup costs and mix

Sales Development	Volume	Price
1Q24 vs. 1Q23	↑ 2.5%	↓ (2.3)%

Adj Operating Margin <sup>1</sup>	
1Q23	10.5%
1Q24	10.4%



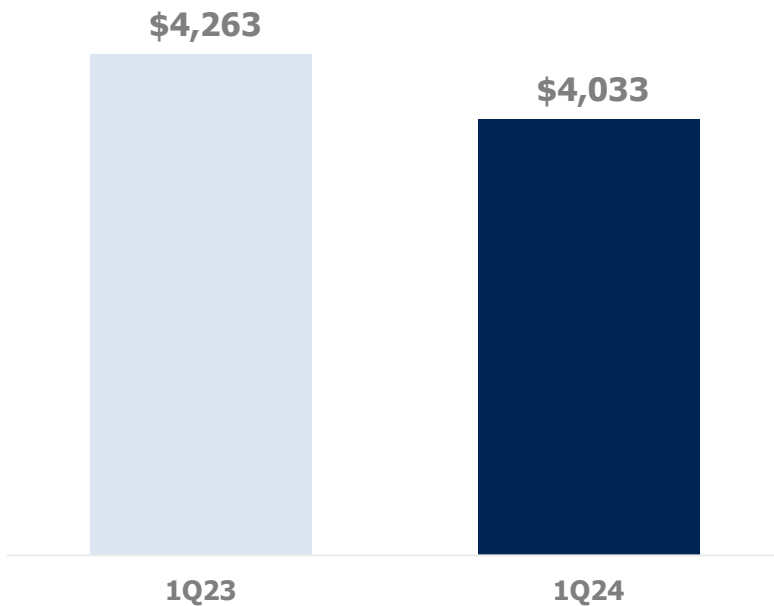
<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

# Strategic actions driving improved results in Chicken

First Quarter FY24 vs Comparable Prior Year Period

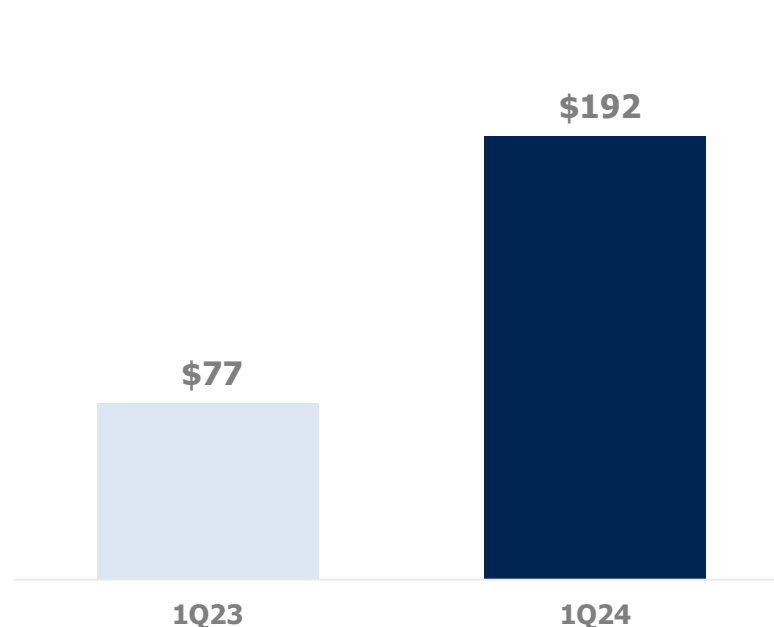
## SALES

(in millions of dollars)



## ADJUSTED OPERATING INCOME<sup>1</sup>

(in millions of dollars)



## HIGHLIGHTS

- Modest volume decrease driven by lower production offset by sell-through of finished goods inventory
- Average sales price decrease due to lower commodity protein prices
- Operating income increased, driven by benefits of strategic actions and operational efficiencies; benefits of lower input costs offset by lower pricing

### Sales Development

1Q24 vs. 1Q23



### Volume

(1.5)%



### Price

(3.9)%

### Adj Operating Margin<sup>1</sup>

1Q23

1.8%

1Q24

4.8%



More to Love Tyson

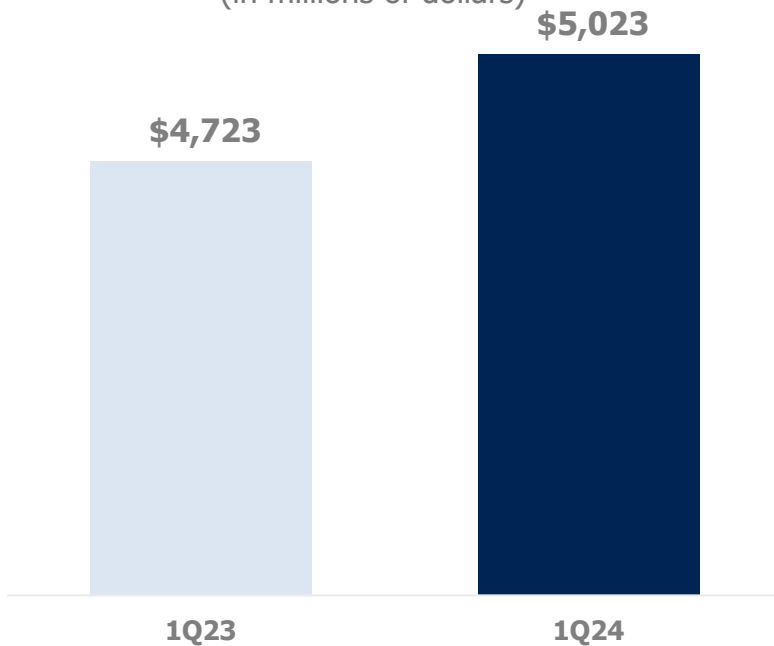
<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

# Beef industry fundamentals remain challenging

First Quarter FY24 vs Comparable Prior Year Period

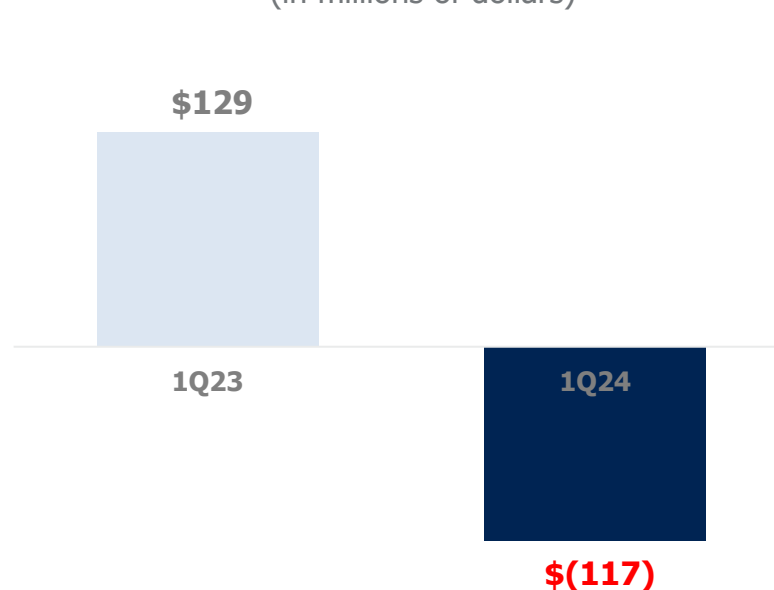
## SALES

(in millions of dollars)



## ADJUSTED OPERATING INCOME<sup>1</sup>

(in millions of dollars)



## HIGHLIGHTS

- Sales increased driven by higher price per pound offset by lower head throughput
- Operating income decreased due to spread compression and an inventory valuation adjustment

### Sales Development

1Q24 vs. 1Q23

Volume	Price
↓ (4.1)%	↑ 10.5%

### Adj Operating Margin<sup>1</sup>

1Q23	1Q24
2.7%	(2.3)%



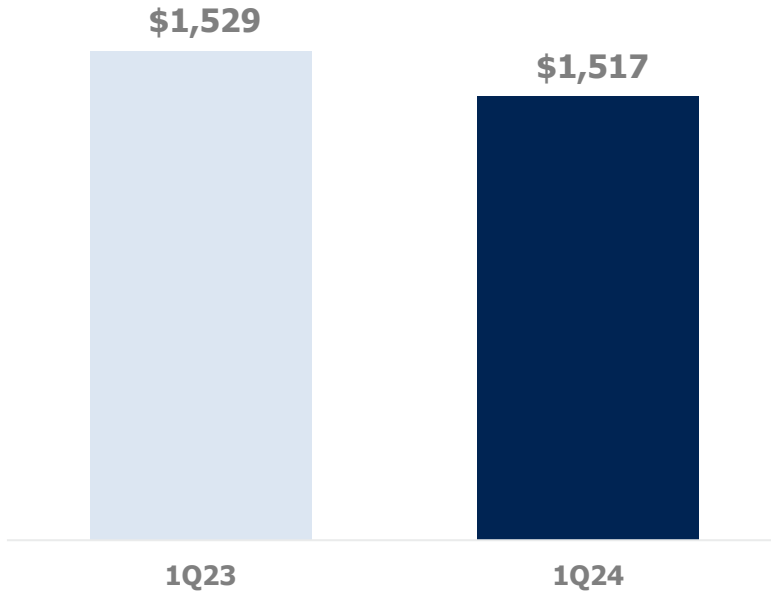
<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

# Improving spreads in Pork

First Quarter FY24 vs Comparable Prior Year Period

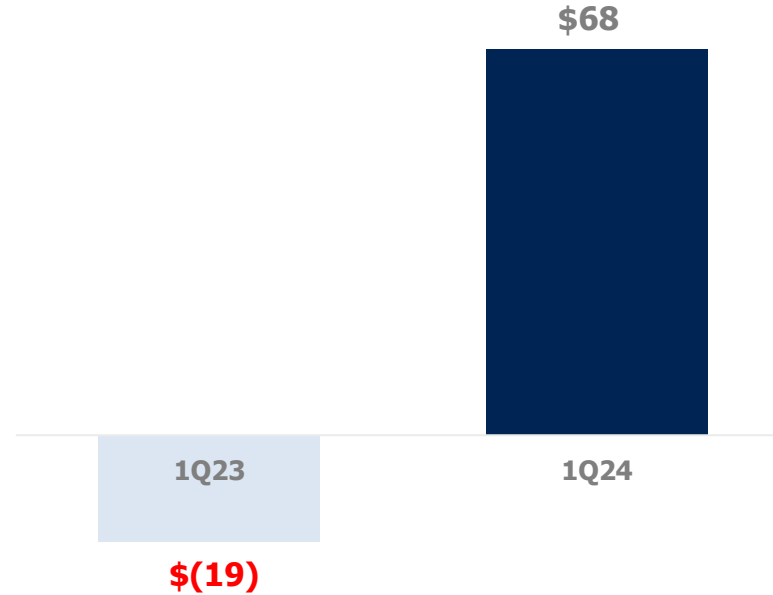
## SALES

(in millions of dollars)



## ADJUSTED OPERATING INCOME<sup>1</sup>

(in millions of dollars)



## HIGHLIGHTS

- Sales decline driven by lower pricing offset by volume growth
- Operating income increased as spreads improved; remain focused on continued execution

Sales Development	Volume	Price
1Q24 vs. 1Q23	↑ 7.7%	↓ (8.5)%

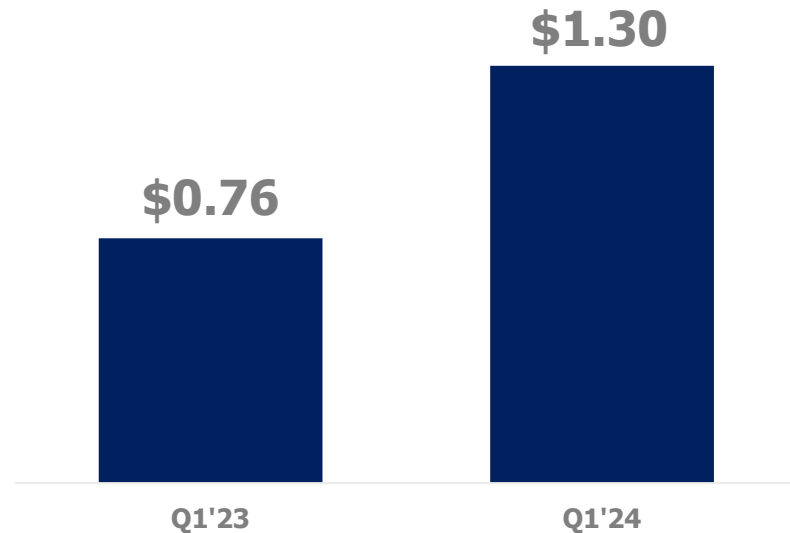
Adj Operating Margin <sup>1</sup>	
1Q23	1Q24
(1.2)%	4.5%



<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

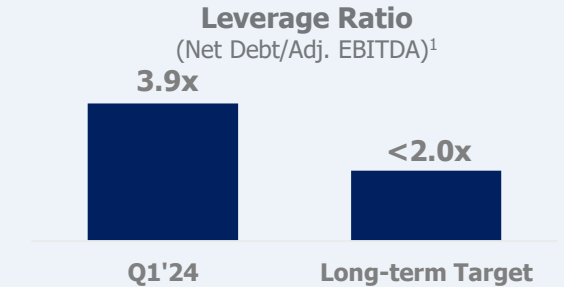
# Strong cash generation and improving financial health

## OPERATING CASH FLOW (in billions of dollars)



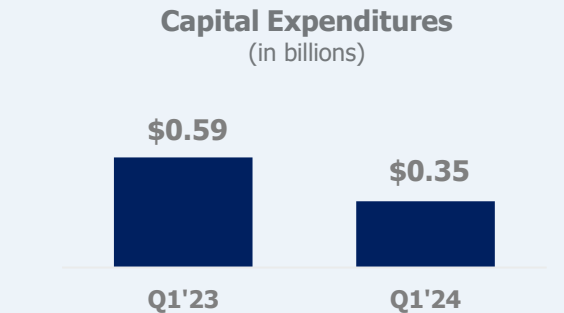
## BUILD FINANCIAL STRENGTH

*Manage our leverage ratio to be at or below our long-term target*



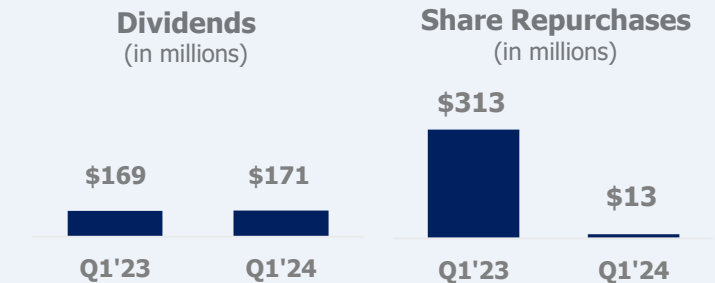
## INVEST IN OUR BUSINESS

*Disciplined investments to modernize and expand capacity and support growth*



## RETURN CASH TO SHAREHOLDERS

*Committed to returning cash to shareholders through dividends and opportunistic share repurchases*



<sup>1</sup> Represents a non-GAAP financial measure. Net debt/adjusted EBITDA is explained and reconciled to comparable GAAP measures in the Appendix.

# Revised guidance

## FY2024 Guidance<sup>2</sup>

	Prior Indication	Revised Indication
<b>Sales</b>	~Flat	Unchanged
<b>Prepared Foods AOI<sup>1</sup></b>	\$800M - \$1B	Unchanged
<b>Chicken AOI</b>	\$400-700M	\$500-700M
<b>Beef AOI<sup>1</sup></b>	\$(400)-0M	Unchanged
<b>Pork AOI<sup>1</sup></b>	~Breakeven	\$0-100M
<b>Total AOI<sup>1</sup></b>	\$1.0B - 1.5B	Unchanged
<b>Capital Expenditures</b>	\$1.0B – 1.5B	Unchanged
<b>Net Interest Expense</b>	~\$400M	Unchanged
<b>Effective Tax Rate</b>	~23%	23-24%
<b>Free Cash Flow</b>	Positive	Unchanged

<sup>1</sup> Represents a non-GAAP financial measure. Adjusted EPS, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

<sup>2</sup> The Company is not able to reconcile its full-year fiscal 2024 projected adjusted results to its fiscal 2024 projected GAAP results because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. Therefore, because of the uncertainty and variability of the nature of the number of future adjustments, such as legal contingency accruals and other significant items which could be significant, the Company is unable to provide a reconciliation for these forward-looking non-GAAP measures without unreasonable effort. Adjusted operating margin should not be considered a substitute for operating margin or any other measures of financial performance reported in accordance with GAAP. Investors should rely primarily on the Company's GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.



## Q & A



**Donnie King**  
President & CEO



**John R. Tyson**  
CFO



**Brady Stewart**  
Group President,  
Beef, Pork and Chief  
Supply Chain Officer



**Melanie Boulden**  
Group President,  
Prepared Foods and  
Chief Growth Officer



**Wes Morris**  
Group President,  
Poultry



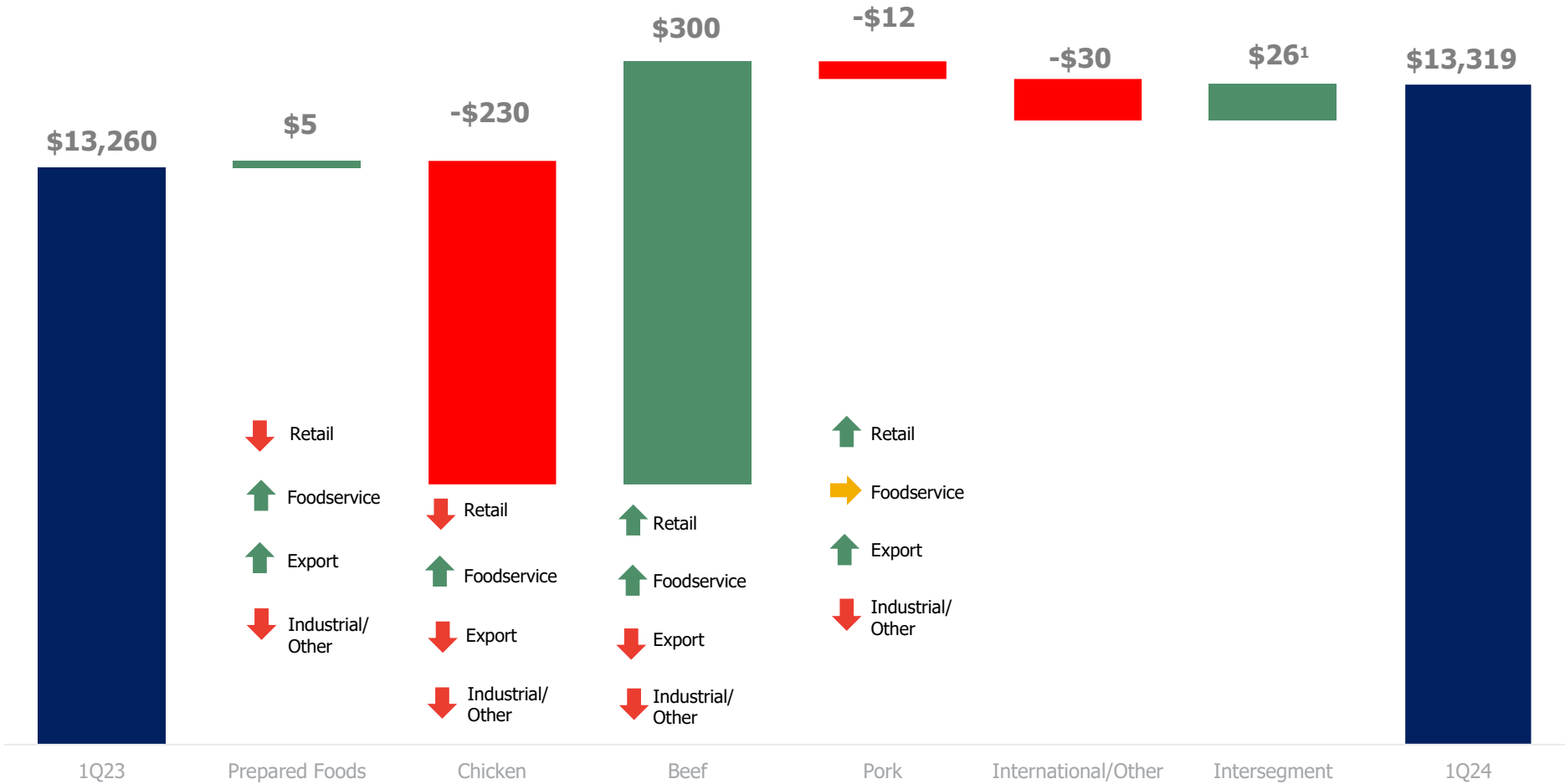
**Amy Tu**  
President, International

# Appendix

# Segment Sales Channel Bridge

First Quarter FY24 vs Comparable Prior Year Period

\$ millions

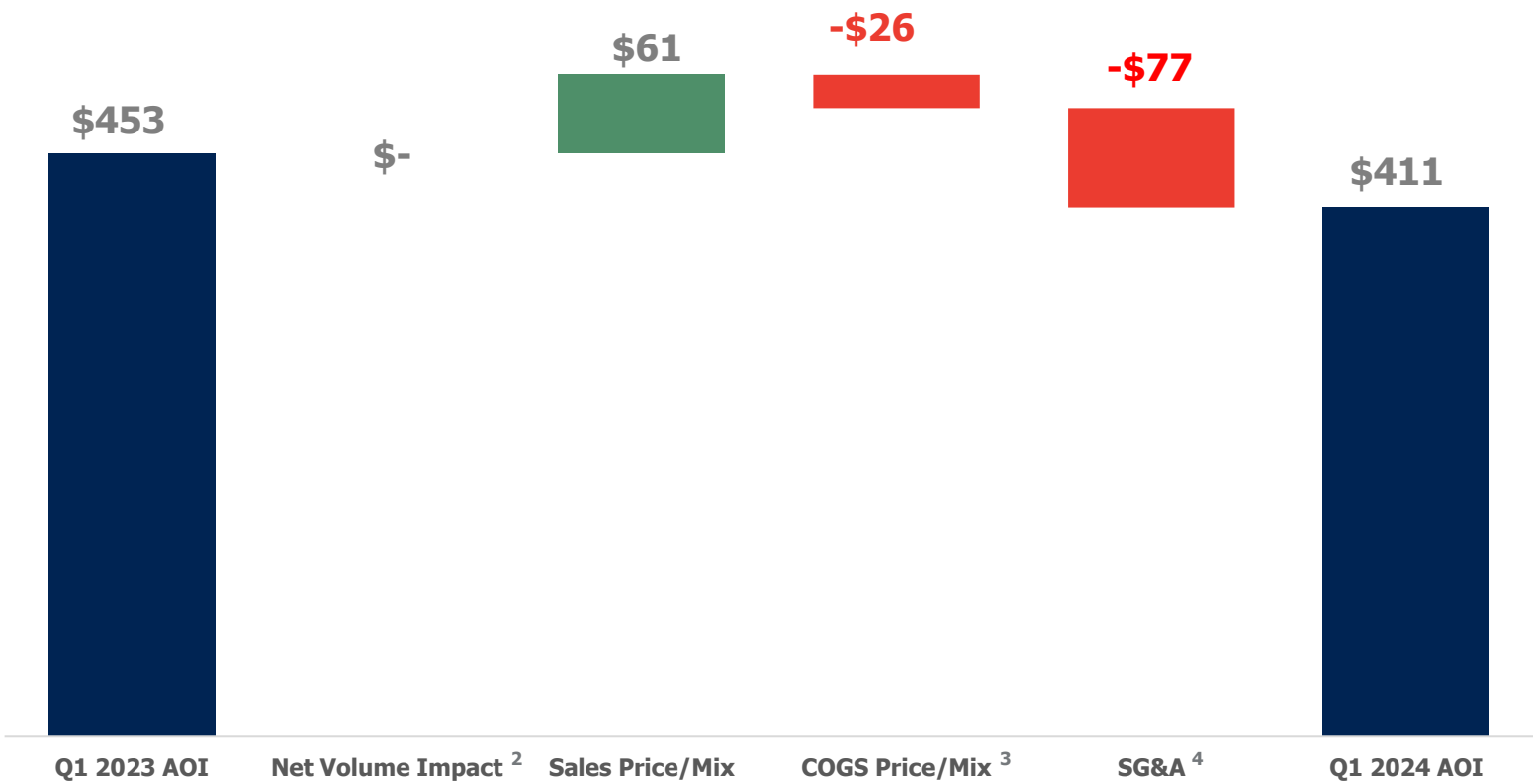


<sup>1</sup> The amount of intersegment sales decreased on a year-over-year basis, which is an addition to total company sales

# AOI Bridge by P&L Items

First Quarter FY24 vs Comparable Prior Year Period

\$ millions



<sup>2</sup> Represents the net impact of the change in Sales and change in COGS attributable to increased sales volumes.

<sup>3</sup> Excludes the impacts of \$75 million of plant closure charges, \$73 million of legal accruals, \$3 million of restructuring and related charges and \$2 million of production facilities fire costs, net of proceeds in the first quarter of fiscal 2024 and \$8 million of restructuring and related charges and \$35 million of production facilities fire proceeds, net of costs in the first quarter of fiscal 2023.

<sup>4</sup> Excludes the impacts of \$27 million and \$13 million of restructuring and related charges in the first quarter of fiscal 2024 and first quarter of fiscal 2023, respectively.

# Non-GAAP Financial Measures

Adjusted Operating Income (Loss), Adjusted Income (Loss) before Income Taxes, Adjusted Income Tax Expense (Benefit), Adjusted Net Income (Loss) Attributable to Tyson and Adjusted EPS, EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measures in the evaluation of our business that are not required by, or presented in accordance with GAAP. The non-GAAP financial measures are tools intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis. These non-GAAP measures should not be a substitute for their comparable GAAP financial measures. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. We believe the presentation of these non-GAAP financial measures helps management and investors to assess our operating performance from period to period, including our ability to generate earnings sufficient to service our debt, enhances understanding of our financial performance and highlights operational trends. These measures are widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Our calculation of non-GAAP measures may not be comparable to similarly titled measures reported by other companies and other companies may not define these non-GAAP financial measures in the same way, which may limit their usefulness of comparative measures.

## Definitions

**EBITDA** is defined as net income (loss) before interest, income taxes, depreciation and amortization. Net debt to EBITDA (Adjusted EBITDA) represents the ratio of our debt, net of cash, cash equivalents and short-term investments, to EBITDA (and to Adjusted EBITDA). EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measurements in the evaluation of our business.

**Adjusted EBITDA, Adjusted Operating Income (Loss), Adjusted Income (Loss) before Income Taxes, Adjusted Income Tax Expense (Benefit), Adjusted Net Income (Loss) Attributable to Tyson and Adjusted EPS** are defined as EBITDA, Operating Income (Loss), Income (Loss) before Income Taxes, Income Tax Expense (Benefit), Net Income (Loss) Attributable to Tyson and diluted earnings per share, respectively, excluding the impacts of any items that management believes do not directly reflect our core operations on an ongoing basis.

# GAAP Results to Non-GAAP Results Reconciliations

\$ in millions, except per share data (Unaudited)

Results for the first quarter ended December 30, 2023									
	Sales	Cost of Sales	Selling, General and Administrative	Operating Income	Other (Income) Expense	Income before Income Taxes	Income Tax Expense	Net Income Attributable to Tyson	EPS Impact
GAAP Results				\$ 231		\$ 161	\$ 47	\$ 107	\$ 0.30
Production facilities fire costs, net of insurance proceeds <sup>2</sup>	-	2	-	2	(3)	(1)	(6)	5	0.01
Restructuring and related charges	-	3	27	30	-	30	8	22	0.06
Plant closures	-	75	-	75	-	75	19	56	0.16
Legal contingency accruals	-	73	-	73	-	73	18	55	0.16
Adjusted Non-GAAP Results				\$ 411		\$ 338	\$ 86	\$ 245	\$ 0.69

Results for the first quarter ended December 31, 2022									
	Sales	Cost of Sales	Selling, General and Administrative	Operating Income	Other (Income) Expense	Income before Income Taxes	Income Tax Expense	Net Income Attributable to Tyson	EPS Impact
GAAP Results				\$ 467		\$ 434	\$ 114	\$ 316	\$ 0.88
Production facilities fire insurance proceeds, net of costs <sup>2</sup>	-	(35)	-	(35)	2	(35)	(8)	(27)	(0.07)
Restructuring and related charges	-	8	13	21	-	21	5	16	0.04
Adjusted Non-GAAP Results				\$ 453		\$ 420	\$ 111	\$ 305	\$ 0.85



# Adjusted Operating Income (Loss) Non-GAAP Reconciliations

\$ in millions (Unaudited)

<b>Adjusted Segment Operating Income (Loss)</b>						
<i>(for the first quarter ended December 30, 2023)</i>						
	<b>Beef</b>	<b>Pork</b>	<b>Chicken</b>	<b>Prepared Foods</b>	<b>International/ Other</b>	<b>Total</b>
Reported operating income (loss)	\$ (206)	\$ 39	\$ 177	\$ 243	\$ (22)	\$ 231
Add/(Less): Production facilities fire insurance costs, net of proceeds <sup>2</sup>	-	-	(24)	-	26	2
Add: Restructuring and related charges	4	1	4	21	-	30
Add: Plant closures	40	-	35	-	-	75
Add: Legal contingency accruals	45	28	-	-	-	73
Adjusted operating income (loss)	\$ (117)	\$ 68	\$ 192	\$ 264	\$ 4	\$ 411

<b>Adjusted Segment Operating Income (Loss)</b>						
<i>(for the first quarter ended December 31, 2022)</i>						
	<b>Beef</b>	<b>Pork</b>	<b>Chicken</b>	<b>Prepared Foods</b>	<b>International/ Other</b>	<b>Total</b>
Reported operating income (loss)	\$ 166	\$ (21)	\$ 69	\$ 258	\$ (5)	\$ 467
Add/(Less): Production facilities fire insurance costs, net of proceeds <sup>2</sup>	(42)	-	7	-	-	(35)
Add: Restructuring and related charges	5	2	1	8	5	21
Adjusted operating income (loss)	\$ 129	\$ (19)	\$ 77	\$ 266	\$ -	\$ 453

# EBITDA and Adjusted EBITDA Non-GAAP Reconciliations

\$ in millions, except per share data  
(Unaudited)

	Three Months Ended		Fiscal Year Ended	Twelve Months Ended
	December 30, 2023	December 31, 2022	September 30, 2023	December 30, 2023
Net income (loss)	\$ 114	\$ 320	\$ (649)	\$ (855)
Less: Interest income	(10)	(9)	(30)	(31)
Add: Interest expense	105	84	355	376
Add/(Less): Income tax expense (benefit)	47	114	(29)	(96)
Add: Depreciation	312	243	1,100	1,169
Add: Amortization <sup>1</sup>	59	58	229	230
<b>EBITDA</b>	<b>\$ 627</b>	<b>\$ 810</b>	<b>\$ 976</b>	<b>\$ 793</b>
<b>Adjustments to EBITDA:</b>				
Less: Production facilities fire insurance proceeds, net of costs <sup>2</sup>	\$ (1)	\$ (35)	(75)	(41)
Add: Restructuring and related charges	30	21	124	133
Add: Plant closures	75	-	322	397
Add: Legal contingency accruals	73	-	156	229
Add: Goodwill impairment	-	-	781	781
Less: China plant relocation remuneration	-	-	(19)	(19)
Add: Product line discontinuation	-	-	17	17
Less: Depreciation included in EBITDA adjustments <sup>3</sup>	(60)	(6)	(133)	(187)
<b>Total Adjusted EBITDA</b>	<b>\$ 744</b>	<b>\$ 790</b>	<b>\$ 2,149</b>	<b>\$ 2,103</b>
<b>Total gross debt</b>			<b>9,506</b>	<b>9,678</b>
Less: Cash and cash equivalents			(573)	(1,484)
Less: Short-term investments			(15)	(15)
<b>Total net debt</b>			<b>\$ 8,918</b>	<b>\$ 8,179</b>
<b>Ratio Calculations:</b>				
Gross debt/EBITDA			9.7x	12.2x
Net debt/EBITDA			9.1x	10.3x
Gross debt/Adjusted EBITDA			4.4x	4.6x
Net debt/Adjusted EBITDA			4.1x	3.9x

<sup>1</sup> Excludes the amortization of debt issuance and debt discount expense of \$2 million for the three months ended December 30, 2023 and December 31, 2022, and \$10 million for the fiscal year ended September 30, 2023 and the twelve months ended December 30, 2023 as it is included in interest expense.

<sup>2</sup> Relates to fires at production facilities in International/Other in the first quarter of fiscal 2024, Chicken in the fourth quarter of fiscal 2021 and Beef in the fourth quarter of fiscal 2019.

<sup>3</sup> Removal of accelerated depreciation of \$60 million related to plant closures for the three months ended December 30, 2023; \$6 million related to restructuring and related charges for the three months ended December 31, 2022; \$19 million related to restructuring and related charges and \$114 million related to plant closures for the twelve months ended September 30, 2023; and \$13 million related to restructuring and related charges and \$174 million related to plant closures for the twelve months ended December 30, 2023 as they are already included in depreciation expense.



# Chicken Segment Operating Income (Loss) Reconciliations

\$ in millions (Unaudited)

	Three Months Ended		Change
	July 1, 2023	April 1, 2023	
Reported operating income (loss)	\$ (314)	\$ (258)	\$ (56)
(Less): Production facilities fire insurance proceeds, net of costs <sup>2</sup>	(22)	-	(22)
Add: Restructuring and related charges	10	-	10
Add: Plant closures	15	92	(77)
Add: Legal contingency accruals	38	-	38
Add: Goodwill impairment	210	-	210
Adjusted operating income (loss)	\$ (63)	\$ (166)	\$ 103

	Three Months Ended		Change
	September 30, 2023	July 1, 2023	
Reported operating income (loss)	\$ (267)	\$ (314)	\$ 47
Add/(Less): Production facilities fire insurance proceeds, net of costs <sup>2</sup>	4	(22)	26
Add: Restructuring and related charges	5	10	(5)
Add: Plant closures	215	15	200
Add: Legal contingency accruals	118	38	80
Add: Goodwill impairment	-	210	(210)
Adjusted operating income (loss)	\$ 75	\$ (63)	\$ 138

	Three Months Ended		Change
	December 30, 2023	September 30, 2023	
Reported operating income (loss)	\$ 177	\$ (267)	\$ 444
Add/(Less): Production facilities fire insurance proceeds, net of costs <sup>2</sup>	(24)	4	(28)
Add: Restructuring and related charges	4	5	(1)
Add: Plant closures	35	215	(180)
Add: Legal contingency accruals	-	118	(118)
Adjusted operating income (loss)	\$ 192	\$ 75	\$ 117