



NEWS RELEASE

Strong Chicken Demand Prompts Tyson Foods to Expand Production

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Company to build state-of-the-art chicken operation in eastern Kansas

TONGANOXIE, Kan., Sept. 05, 2017 (GLOBE NEWSWIRE) -- In response to strong consumer demand for chicken, Tyson Foods, Inc. (NYSE:TSN) today announced plans to build a \$320 million poultry complex in eastern Kansas.

The company will construct a processing plant, hatchery and feed mill near the city of Tonganoxie, in Leavenworth County, which will employ approximately 1,600 people and contract with northeast Kansas farmers and ranchers to raise chickens. The operation, currently scheduled to begin production in mid-2019, will produce pre-packaged trays of fresh chicken for retail grocery stores nationwide.

"More people want fresh food and as one of the world's leading protein companies, we're well-positioned to provide it," said Tom Hayes, president and CEO of Tyson Foods. "We believe this new operation, which will incorporate the latest production technology, will enable us to meet the sustained growth in consumer demand for fresh chicken."

The poultry plant will be capable of processing 1.25 million birds per week, increasing Tyson Foods' overall production capacity. The payroll and payments to farmers from the new operation, along with its purchase of grain and utilities, is expected to generate an annual economic benefit to the state of Kansas of \$150 million.

"Kansas will be an outstanding home for this Tyson complex," said Governor Sam Brownback. "Growing Kansas means we must grow the food and agriculture sector which accounts for nearly 45 percent of the state's economy. The far-reaching impact of this development will be felt by farmers, ranchers, agribusinesses and communities throughout eastern Kansas. This is a step in the right direction to further diversify and grow our state's economy."

The Governor emphasized the importance of local-level support for economic development. "Kansas is known throughout the world for our commitment to animal agriculture and for our communities which offer an

exceptional place for companies of this quality to find a talented workforce in a business-friendly environment.”

“Tonganoxie is looking forward to a successful partnership with Tyson Foods,” said Tonganoxie Mayor Jason Ward. “We have planned for a development of this type for many years by making strategic investments in public infrastructure targeted to support future industrial growth. This project will bring much anticipated opportunities for local residents to enjoy the quality of life benefit of working close to home. Tyson has a long history of support for small towns and local markets. They will be a great fit for our community.”

“The Leavenworth County Board of Commissioners is excited that Tyson Foods will be opening a state-of-the-art poultry processing facility in southern Leavenworth County,” said Mark Loughry, Leavenworth County administrator. “This represents a significant investment by Tyson and creates new jobs at the plant for our citizens. More than that it provides an opportunity for area ag producers that was previously unheard of in Kansas.”

“We believe eastern Kansas is the right location because of the availability of grain and labor, as well as access to our nationwide customer base that is accessible through the state’s top-notch transportation network,” said Doug Ramsey, group president of Poultry for Tyson Foods. “We’re grateful for the tremendous support we’ve received for this project from Governor Brownback, as well as leaders from the City of Tonganoxie, Leavenworth County, the Leavenworth County Development Corporation, and a host of other city, county and state officials.”

Tyson Foods anticipates purchasing about 300 acres of property south of Tonganoxie and currently plans to break ground sometime this fall. The company will work with outside contractors to build the plant, hatchery, feed mill and related infrastructure and expects the construction project to involve hundreds of workers. Farmers and ranchers who have interest in raising chickens for the new poultry complex are encouraged to go to www.growwithtyson.com for more information.

Earlier this year, Tyson Foods **announced** it was moving to No Antibiotics Ever (NAE) in its Tyson® branded retail chicken products, making it the world’s largest producer of NAE. The Tonganoxie plant will be part of the continued expansion of the company’s NAE offerings.

Tyson Foods currently operates facilities in six Kansas communities, employing about 5,700 in the state with an annual payroll of more than \$210 million. In its 2016 fiscal year, Tyson Foods paid Kansas cattle suppliers more than \$2 billion and hog suppliers more than \$1.3 million. The company estimates its total statewide annual impact for fiscal 2016, including grain purchases, utilities, property taxes and charitable contributions to be more than \$2.4 billion.

About Tyson Foods, Inc.

Tyson Foods Inc. (NYSE:TSN) is one of the world’s largest food companies and a recognized leader in protein. Founded in 1935 by John W. Tyson and grown under three generations of family leadership, the company has a broad portfolio of products and brands like Tyson®, Jimmy Dean®, Hillshire Farm®, Ball Park®, Wright®, Aidells®,

ibp® and State Fair®. Tyson Foods innovates continually to make protein more sustainable, tailor food for everywhere it's available and raise the world's expectations for how much good food can do. Headquartered in Springdale, Arkansas, the company has 114,000 team members. Through its Core Values, Tyson Foods strives to operate with integrity, create value for its shareholders, customers, communities and team members and serve as stewards of the animals, land and environment entrusted to it. Visit www.tysonfoods.com.

Forward-looking Statements

Certain information contained in the press release may constitute forward-looking statements, including but not limited to statements relating to expected (i) consumer demand for certain products that we produce, (ii) construction expense and production timeframes and capacities, and (iii) labor and grain availabilities. These forward-looking statements are subject to a number of factors and uncertainties which could cause our actual results and experiences to differ materially from the 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 speak only as of the date made. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements those factors listed under Item 1A. "Risk Factors" included in our Annual Report filed on Form 10-K for the period ended October 1, 2016 and subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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Source: Tyson Foods Inc