



Supplemental Information

3rd Quarter Fiscal 2017

August 7, 2017



Forward-Looking Statements

Certain information contained in this presentation may constitute forward-looking statements, such as statements relating to expected performance and including, but not limited to, statements appearing in the “Outlook” section and statements relating to adjusted EPS guidance. 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 are the following: (i) the effect of, or changes in, general economic conditions; (ii) 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; (iii) 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; (iv) successful rationalization of existing facilities and operating efficiencies of the facilities; (v) risks associated with our commodity purchasing activities; (vi) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (vii) outbreak of a livestock disease (such as 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 access certain domestic and foreign markets; (viii) changes in availability and relative costs of labor and contract growers and our ability to maintain good relationships with employees, labor unions, contract growers and independent producers providing us livestock; (ix) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (x) changes in consumer preference and diets and our ability to identify and react to consumer trends; (xi) significant marketing plan changes by large customers or loss of one or more large customers; (xii) adverse results from litigation; (xiii) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics or extreme weather; (xiv) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xv) 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; (xvi) our ability to make effective acquisitions or joint ventures and successfully integrate newly acquired businesses into existing operations; (xvii) cyber incidents, security breaches or other disruptions of our information technology systems; (xviii) effectiveness of advertising and marketing programs; and (xix) 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.



Q3 FY17

Highlights

- Adjusted EPS* of \$1.28, up 6% from Q3 last year
- Sales up 4.8% from Q3 last year and every segment delivered growth**
- Tightened annual adjusted EPS guidance* to \$4.95-\$5.05, excluding AdvancePierre benefit; estimated Q4 adjusted EPS* of \$1.07 to \$1.17

*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. Projected Adjusted EPS as of 8/7/17. A further explanation of providing Non-GAAP guidance is included in the Appendix.

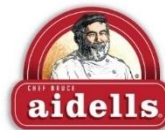
**Includes AdvancePierre Holdings, Inc. acquisition completed on 6/7/17.

(\$ in millions, except per share data)	Q3 FY17
Sales	\$9,850
Adjusted Operating Income*	\$756
Adjusted Operating Margin*	7.7%
Adjusted EPS*	\$1.28

(\$ in millions)	Q3 FY17	
	Dollars	ROS%
Adjusted Operating Income*		
Beef	\$147	3.7%
Pork	136	10.3%
Chicken	298	10.4%
Prepared Foods	195	10.0%
Other	(20)	n/a
Total	\$756	7.7%



Complementary Portfolios of Strong Brands





Q3 FY17 Segment Results

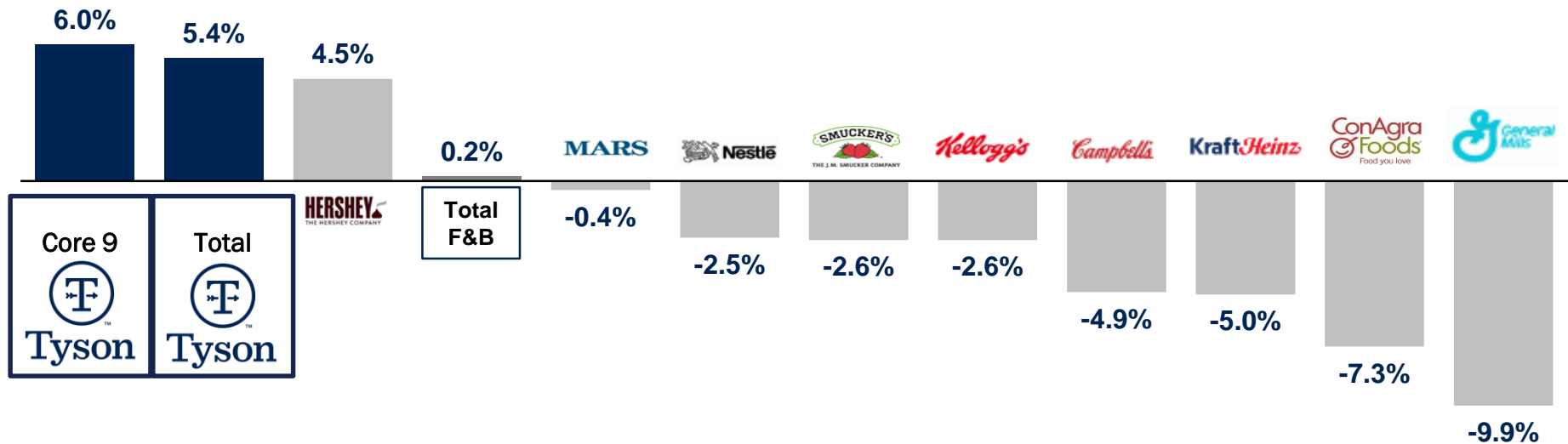
(\$ in millions) Adjusted Operating Income*	Q3 FY17 Results	
	<u>Dollars</u>	<u>ROS%</u>
Beef	\$147	3.7%
Pork	136	10.3%
Chicken	298	10.4%
Prepared Foods	195	10.0%
Other	(20)	n/a
Total	\$756	7.7%

**Represents a non-GAAP financial measure. Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.*



Core 9 and Total Tyson Leading in Volume Performance

Volume sales % change among top 10 branded food companies >\$5B

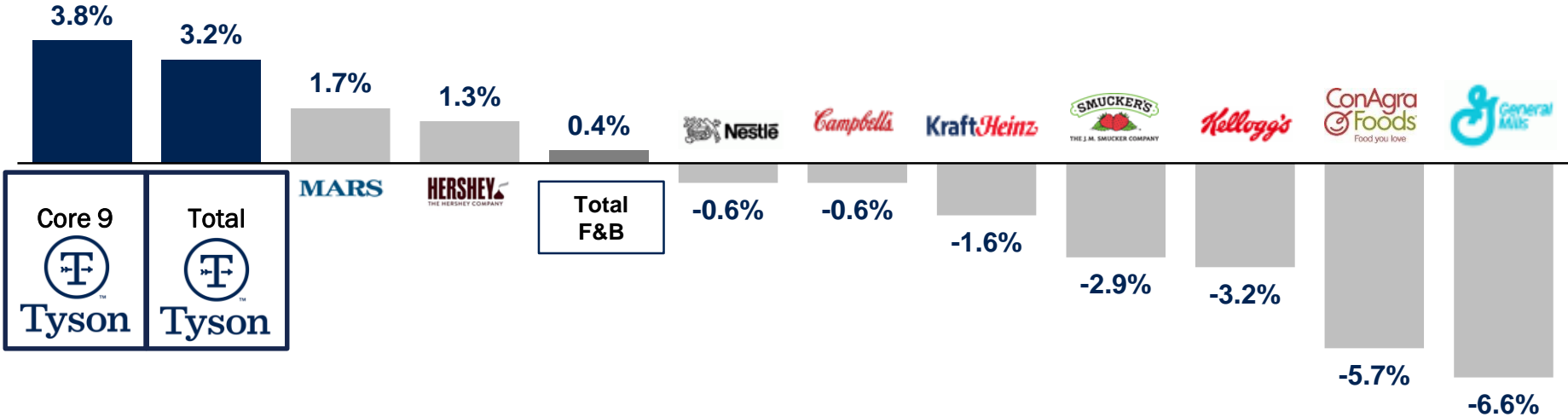


Source: IRI Total U.S. Multi-Outlet (x Costco) Volume Sales 52 weeks ending 7/2/2017
Includes Total Edible + Pet Food



Core 9 and Total Tyson Leading in Dollar Performance

Dollar sales % change among top 10 branded food companies >\$5B



Source: IRI Total U.S. Multi-Outlet (x Costco) Volume Sales 52 weeks ending 7/2/2017
Includes Total Edible + Pet Food

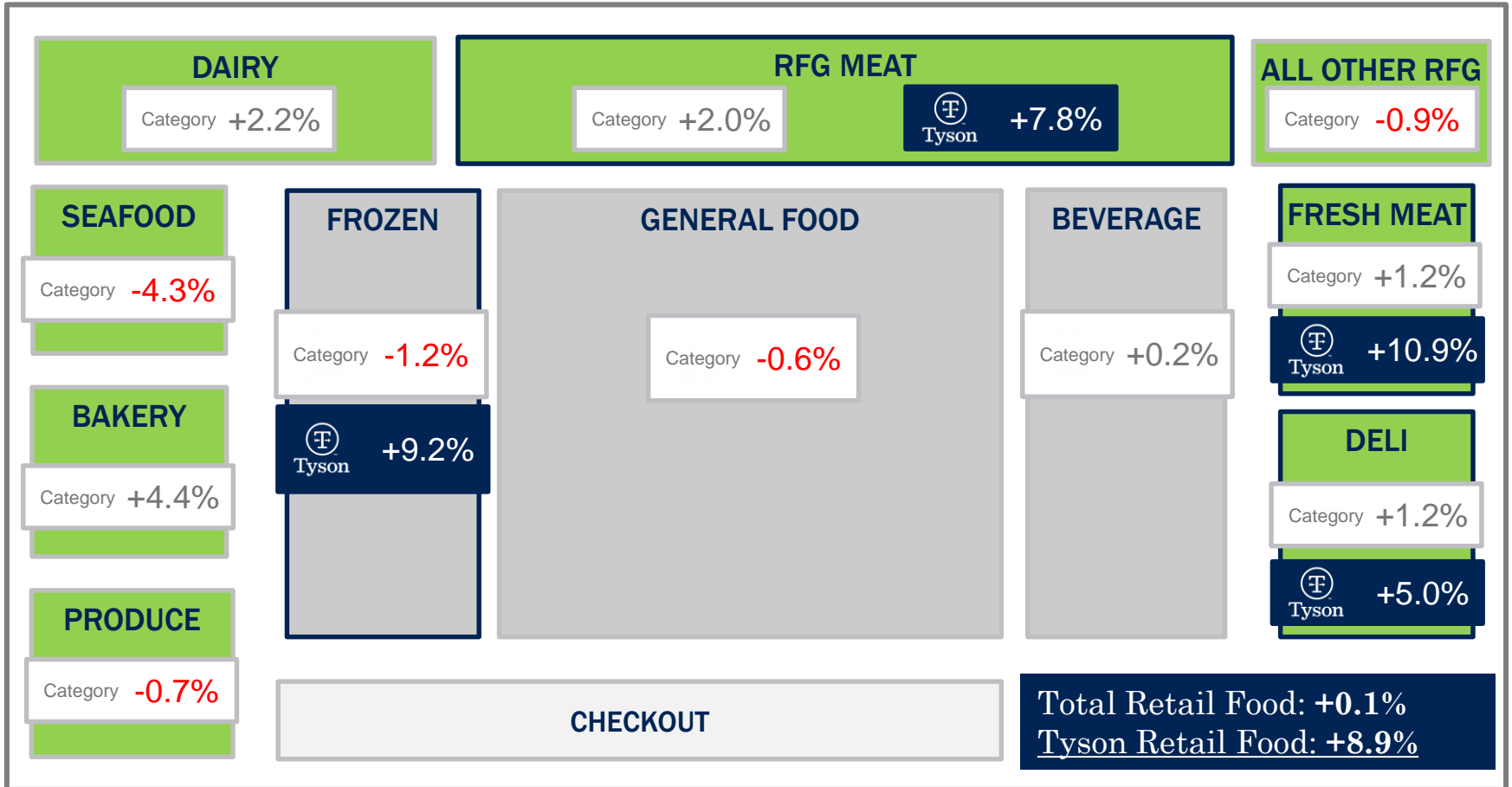


Tyson is well positioned to capitalize on growth in the fresh retail perimeter

Retail Department Volume Growth (%) vs. YA



indicates departments where Tyson has a significant presence





Innovation Platforms

**Fresh
Meal Kits
& Starters**

**Fresh
Take on
Breakfast**

**Keeping
Core 9[™]
Fresh**

Innovation – Recent Product Launches





Strategic Intent

Sustainably feed the world with the fastest growing portfolio of protein packed brands



FY18 Outlook*

Sales of ~\$41B**

Topline growth of ~6% as we grow volume and have full year benefit of AdvancePierre

CapEx of ~\$1B+

Beef Segment operating margin around 5%

Pork Segment operating margin above 6-8% normalized range

Chicken Segment operating margin approximately 10% with nearly 3% volume growth

Prepared Foods Segment operating margin in the upper half of 10-12% normalized range with ~10% volume growth, excluding impact of divestitures

*Does not include expected Other operating loss of approximately \$70 million in fiscal 2018

**Includes incremental impact of AdvancePierre acquisition, partially offset by the sale of three non-protein businesses



Nine Months of FY17

Highlights

- Record Adjusted EPS* of \$3.88, up 13% from last year
- Record Adjusted Operating Income* of \$2.4 billion, up 5% from last year
- Operating Cash Flow of \$1.4 billion

*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.

(\$ in millions, except per share data)	<u>Nine Months FY17</u>
Sales	\$28,115
Adjusted Operating Income*	\$2,361
Adjusted Operating Margin*	8.4%
Adjusted EPS*	\$3.88

(\$ in millions)	Nine Months FY17	
	<u>Dollars</u>	<u>ROS%</u>
Adjusted Operating Income*		
Beef	\$572	5.2%
Pork	524	13.5%
Chicken	794	9.5%
Prepared Foods	524	9.4%
Other	(53)	n/a
Total	\$2,361	8.4%



FY17 Outlook

Sales of ~\$38B

Expect AdvancePierre to have an incremental impact of approximately \$550 million

CapEx of ~\$1B

Adjusted EPS of \$4.95-5.05*

- ~13-15% growth over FY16
- 5 year CAGR of ~20%

**Projected Adjusted EPS as of 8/7/17. Represents a non-GAAP financial measure. Adjusted EPS is explained and reconciled to comparable GAAP measures in the Appendix. A further explanation of providing non-GAAP guidance is included in the Appendix.*



FY17 Segment Outlook

Adjusted ROS%*	YTD FY17	Q4 Projection	FY17 Outlook
Beef	5.2%	~4-5%	~5%
Pork	13.5%	~6-8%	~12%
Chicken	9.5%	~10-11%	~10%
Prepared Foods	9.4%	~7-8%	~9%

**Represents a non-GAAP financial measure. Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.*



FY18 Outlook*

Sales of ~\$41B**

Topline growth of ~6% as we grow volume and have full year benefit of AdvancePierre

CapEx of ~\$1B+

Beef Segment operating margin around 5%

Pork Segment operating margin above 6-8% normalized range

Chicken Segment operating margin approximately 10% with nearly 3% volume growth

Prepared Foods Segment operating margin in the upper half of 10-12% normalized range with ~10% volume growth, excluding impact of divestitures

*Does not include expected Other operating loss of approximately \$70 million in fiscal 2018

**Includes incremental impact of AdvancePierre acquisition, partially offset by the sale of three non-protein businesses

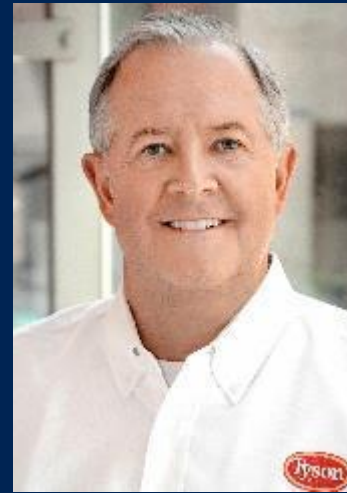


Q&A



Tom Hayes

President &
Chief Executive Officer



Dennis Leatherby

Executive Vice President &
Chief Financial Officer



Appendix

3rd Quarter Fiscal 2017 Non-GAAP Reconciliations

EPS Reconciliations

In millions, except per share data
(Unaudited)



	Third Quarter				Nine Months Ended			
	Pretax Impact		EPS Impact		Pretax Impact		EPS Impact	
	2017	2016	2017	2016	2017	2016	2017	2016
Reported net income per share attributable to Tyson			\$ 1.21	\$ 1.25			\$ 3.72	\$ 3.50
Add: AdvancePierre purchase accounting and acquisition related costs (a)	\$ 77	\$ -	0.14	-	\$ 77	\$ -	0.14	-
Add: San Diego Prepared Foods operation impairment	\$ -	\$ -	-	-	\$ 52	\$ -	0.09	-
Less: Tax benefit related to expected sale of a non-protein business	\$ -	\$ -	(0.07)	-	\$ -	\$ -	(0.07)	-
Less: Recognition of previously unrecognized tax benefit	\$ -	\$ -	-	(0.04)	\$ -	\$ -	-	(0.07)
Adjusted net income per share attributable to Tyson			<u>\$ 1.28</u>	<u>\$ 1.21</u>			<u>\$ 3.88</u>	<u>\$ 3.43</u>

(a) AdvancePierre purchase accounting and acquisition related costs impacting operating income includes a \$24 million purchase accounting adjustment for the fair value step-up of inventory and \$35 million of acquisition related costs and \$18 million of acquisition bridge financing fees.

Adjusted net income per share attributable to Tyson (adjusted EPS) is presented as a supplementary measure of our financial performance that is not required by, or presented in accordance with, GAAP. We use adjusted EPS as an internal performance measurement and as one criterion for evaluating our performance relative to that of our peers. We believe adjusted EPS is meaningful to our investors to enhance their understanding of our financial performance and is frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted EPS. Further, we believe that adjusted EPS is a useful measure because it improves comparability of results of operations from period to period. Adjusted EPS should not be considered as a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted EPS may not be comparable to similarly titled measures reported by other companies.

Adjusted net income per share attributable to Tyson guidance is provided in this presentation on a non-GAAP basis. The Company is not able to reconcile its full-year fiscal 2017 Adjusted EPS guidance to its full-year fiscal 2017 projected GAAP guidance because certain information necessary to calculate such measure 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 amount of future adjustments, which could be significant, the Company is unable to provide a reconciliation of this measure without unreasonable effort.

Segment Operating Income and Operating Margin Reconciliations



In millions
(Unaudited)

	Adjusted Segment Operating Income (Loss) (for three months ended July 1, 2017)						
	Beef	Pork	Chicken	Prepared Foods	Other	Intersegment Sales	Total
Sales	\$ 4,000	\$ 1,322	\$ 2,870	\$ 1,944	\$ 85	\$ (371)	\$ 9,850
Reported operating income (loss)	147	136	294	174	(54)	-	697
Add: AdvancePierre purchase accounting and acquisition related costs (a)	-	-	4	21	34	-	59
Adjusted operating income (loss)	\$ 147	\$ 136	\$ 298	\$ 195	\$ (20)	\$ -	\$ 756
Reported operating margin %	3.7%	10.3%	10.2%	9.0%	n/a	n/a	7.1%
Adjusted operating margin %	3.7%	10.3%	10.4%	10.0%	n/a	n/a	7.7%

	Adjusted Segment Operating Income (Loss) (for nine months ended July 1, 2017)						
	Beef	Pork	Chicken	Prepared Foods	Other	Intersegment Sales	Total
Sales	\$ 11,015	\$ 3,876	\$ 8,374	\$ 5,590	\$ 257	\$ (997)	\$ 28,115
Reported operating income (loss)	572	524	790	451	(87)	-	2,250
Add: AdvancePierre purchase accounting and acquisition related costs (a)	-	-	4	21	34	-	59
Add: San Diego Prepared Foods operation impairment	-	-	-	52	-	-	52
Adjusted operating income (loss)	\$ 572	\$ 524	\$ 794	\$ 524	\$ (53)	\$ -	\$ 2,361
Reported operating margin %	5.2%	13.5%	9.4%	8.1%	n/a	n/a	8.0%
Adjusted operating margin %	5.2%	13.5%	9.5%	9.4%	n/a	n/a	8.4%

(a) AdvancePierre purchase accounting and acquisition related costs impacting operating income includes a \$24 million purchase accounting adjustment for the fair value step-up of inventory and \$35 million of acquisition related costs.

Adjusted segment operating income and adjusted segment operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted segment operating income and adjusted segment operating margin as internal performance measurements and as two criteria for evaluating our performance relative to that of our peers. We believe adjusted segment operating income and adjusted segment operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted segment operating income and adjusted segment operating margin. Further, we believe that adjusted segment operating income and adjusted segment operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted segment operating income and Adjusted segment operating margin should not be considered as a substitute for segment operating income, segment operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted segment operating income and adjusted segment operating margin may not be comparable to similarly titled measures reported by other companies.