

Goldman Sachs Global Staples Forum

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Tyson Foods, Inc.



Andy Callahan

President,
Retail Packaged Brands



Dennis Leatherby

Executive Vice President
& Chief Financial Officer

ICONIC BRANDS

Tyson[®], Jimmy Dean[®], Hillshire Farm[®] – Billion \$ Brands



LEADING BRANDS IN GROWTH CATEGORIES

Core 9 Drives Retail Packaged Growth

1 Frozen Prepared Chicken



1 Hot Dogs



1 Branded Stack Pack Bacon



1 Frozen Breakfast Sandwiches



1 Breakfast Sausage



1 Smoked Sausage



2 Branded Lunchmeat



1 Corn Dogs



1 Super Premium Sausage



DIFFERENT TODAY. DIFFERENT TOMORROW.

Today's Takeaways

Differentiated Capabilities

Supply

Expertise at scale that enables Tyson Foods to capitalize on modern food opportunity

Demand

Deep insight that is translated into innovative food experiences

Position Tyson for Growth

Today

Continuous innovation
Iconic brands into adjacent categories
Differentiated protein snacking portfolio

Tomorrow

Committed to global growth markets
Playing to win in new growth channels
Expansive opportunity for Tyson® brand

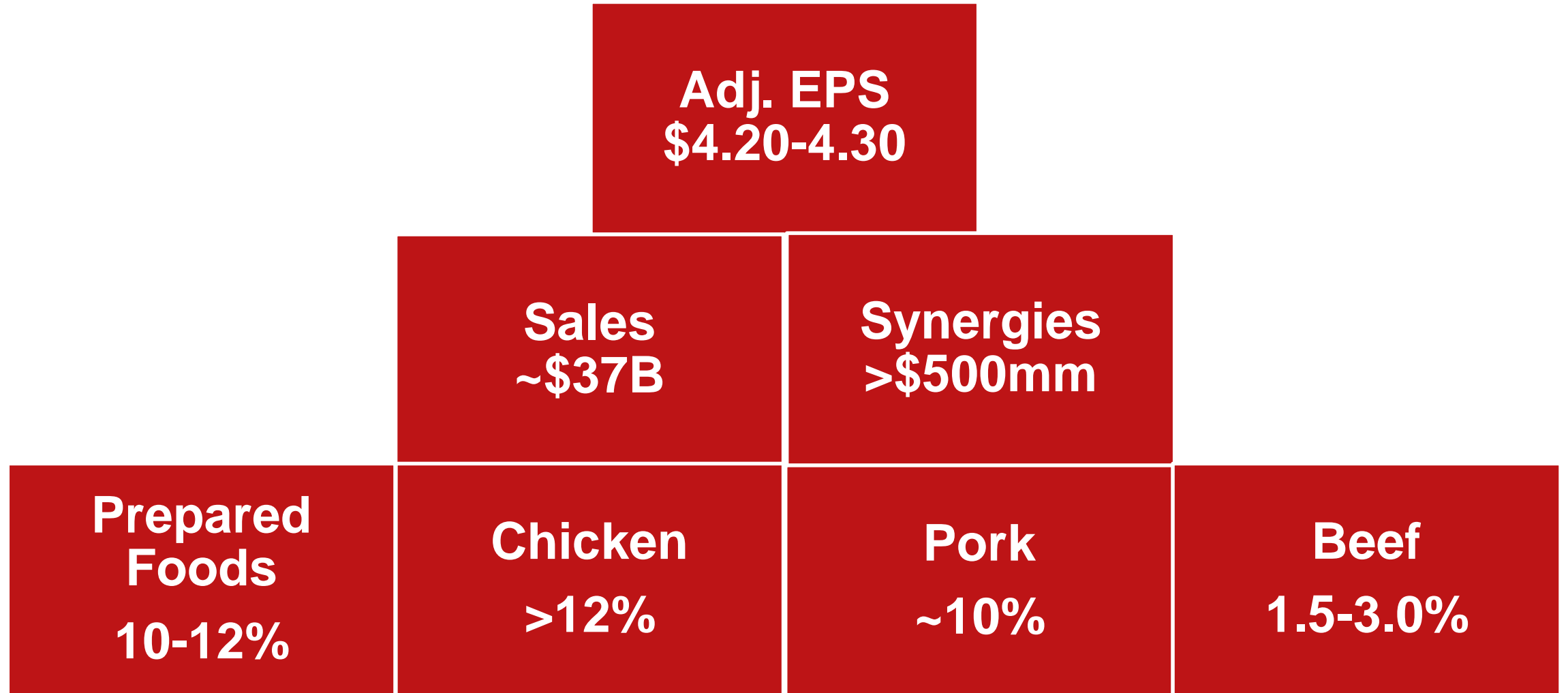
Q2'16 Operating Results

- | Record Q2 Operating Income
- | Record Q2 Return on Sales
 - Record Q2 Chicken Segment Margin at 12.7%
 - Record Q2 Pork Segment Margin at 10.9%

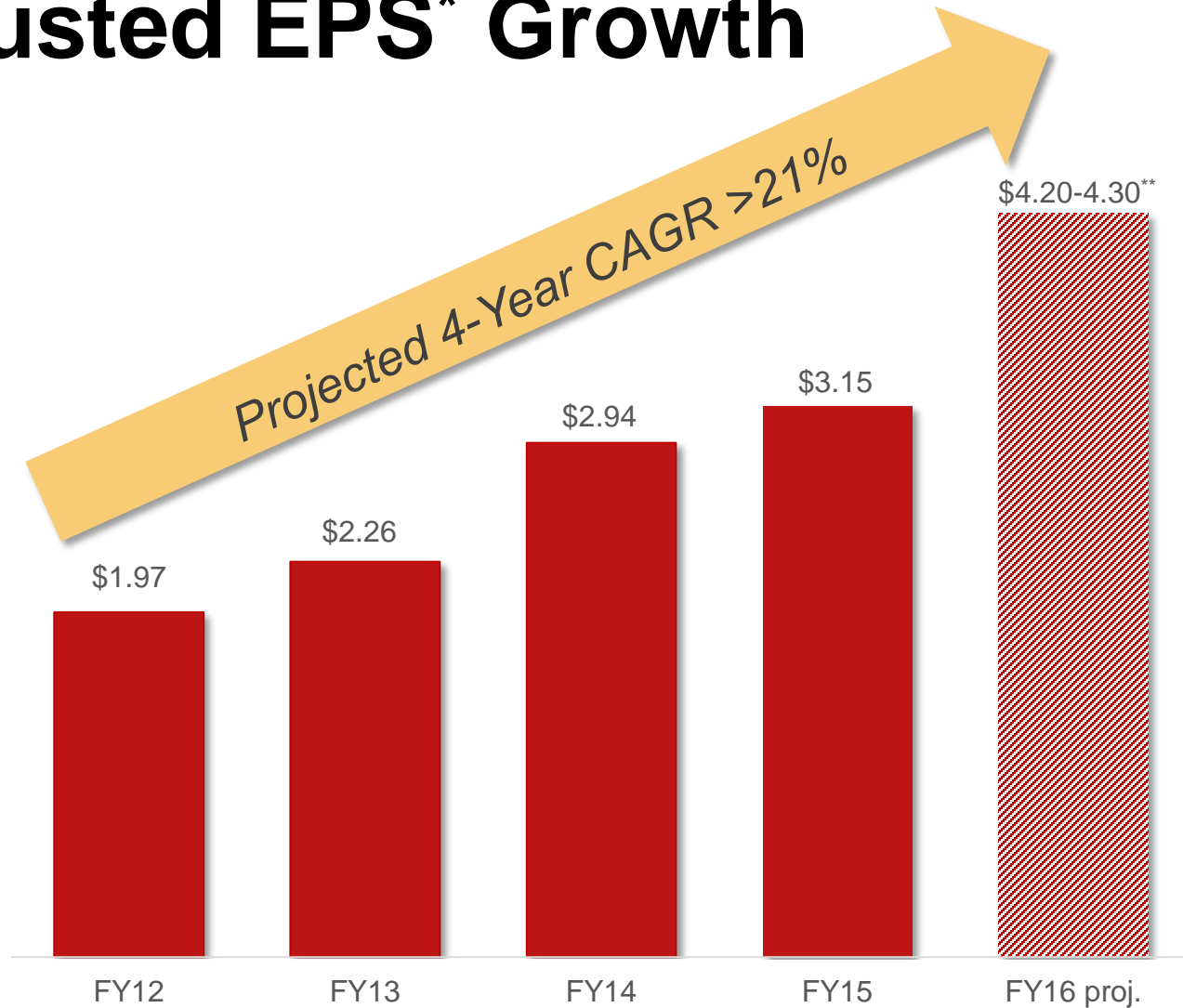
(\$ in millions)	Q2'16	Q2'15	YOY Growth %
Sales	\$ 9,170	\$ 9,979	(8)%
Adj. Oper. Income*	\$ 704	\$ 553	27%
ROS*	7.7%	5.5%	
<u>Adj. EPS*</u>	<u>\$ 1.07</u>	<u>\$ 0.75</u>	<u>43%</u>

**Represents a non-GAAP financial measure. Adjusted operating income, adjusted EPS and adjusted return on sales are explained and reconciled to a comparable GAAP measure in the Appendix.*

FY16 Outlook



Adjusted EPS* Growth



| Our goal is to deliver at least 10% annual EPS growth over time

*Represents a non-GAAP financial measure. Adjusted EPS is explained and reconciled to a comparable GAAP measure in the Appendix.

** Projected EPS guidance as of 05/09/16

Appendix

EPS Reconciliations

in millions, except per share data
Unaudited

	Second Quarter			
	Pre-Tax Impact		EPS Impact	
	2016	2015	2016	2015
Reported net income per share attributable to Tyson			\$ 1.10	\$ 0.75
Less: Proceeds related to a legacy Hillshire Brands plant fire	\$ -	\$ (8)	-	(0.02)
Add: Merger and integration costs	\$ -	\$ 14	-	0.02
Less: Recognition of previously unrecognized tax benefit	\$ -	\$ -	(0.03)	-
Adjusted net income per share attributable to Tyson			<u>\$ 1.07</u>	<u>\$ 0.75</u>

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.

Operating Income and Operating Margin Reconciliation

in millions
Unaudited

	Second Quarter	
	2016	2015
Reported Sales	\$ 9,170	\$ 9,979
Reported operating income	704	547
Add: Merger and integration costs	-	14
Less: proceeds related to a legacy Hillshire Brands plant fire	-	(8)
Adjusted operating income	704	553
Adjusted operating margin %	7.7%	5.5%

Adjusted operating income is presented as a supplementary measure of our operating performance that is not required by, or presented in accordance with, GAAP. We use adjusted operating income as an internal performance measurement and as one criterion for evaluating our performance relative to that of our peers. We believe adjusted operating income is meaningful to our investors to enhance their understanding of our operating 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 operating income. Further, we believe that adjusted operating income is a useful measure because it improves comparability of results of operations from period to period. Adjusted operating income should not be considered as a substitute for operating income 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 operating income may not be comparable to similarly titled measures reported by other companies.

EPS Reconciliations

Unaudited

	12 Months Ended			
	October 3, 2015	September 27, 2014	September 28, 2013	September 29, 2012
	EPS	EPS	EPS	EPS
Reported from Continuing Operations	\$ 2.95	\$ 2.37	\$ 2.31	\$ 1.68
Less:				
Recognition of previously unrecognized tax benefit	(0.06)	(0.15)	-	-
Insurance proceeds (net of costs) related to a legacy Hillshire Brands plant fire	(0.02)	-	-	-
Gain on sale of equity securities	(0.03)	-	-	-
Gain on sale of Mexico operations	(0.24)	-	-	-
Estimated impact of additional week	(0.06)	-	-	-
Gain from currency translation adjustment	-	-	(0.05)	-
Gain on sale of interest in an equity method investment	-	-	-	-
Reversal of reserves for foreign uncertain tax positions	-	-	-	-
Add:				
China Impairment	0.41	-	-	-
Merger and integration costs	0.09	-	-	-
Prepared Foods network optimization impairment charges	0.09	-	-	-
Denison plant closure	0.02	-	-	-
Loss related to early extinguishment of debt	-	-	-	0.29
Brazil impairment/Mexico undistributed earnings tax	-	0.16	-	-
Hillshire Brands acquisition, integration and costs associated with our Prepared Foods improvement plan	-	0.37	-	-
Hillshire Brands post-closing results, purchase price accounting and costs related to a legacy Hillshire Brands plant fire	-	0.07	-	-
Hillshire Brands acquisition financing incremental interest costs and share dilution	-	0.12	-	-
Adjusting from Continuing Operations	\$ 3.15	\$ 2.94	\$ 2.26	\$ 1.97

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