



Supplemental Information

4th Quarter Fiscal 2017

November 13, 2017



Tom Hayes

President &
Chief Executive Officer



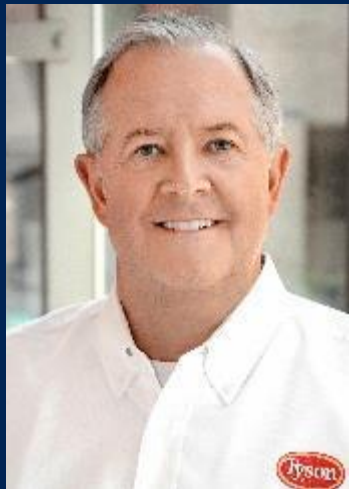
Dennis Leatherby

Executive Vice President &
Chief Financial Officer



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) 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; (ii) 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; (iii) 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; (iv) the integration of AdvancePierre Foods Holdings, Inc.; (v) the effectiveness of our financial fitness program; (vi) the implementation of an enterprise resource planning system; (vii) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (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) effectiveness of advertising and marketing programs; (xii) our ability to leverage brand value propositions; (xiii) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xiv) impairment in the carrying value of our goodwill or indefinite life intangible assets; (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) adverse results from litigation; (xvii) cyber incidents, security breaches or other disruptions of our information technology systems; (xviii) our ability to make effective acquisitions or joint ventures and successfully integrate newly acquired businesses into existing operations; (xix) risks associated with our commodity purchasing activities; (xx) the effect of, or changes in, general economic conditions; (xxi) significant marketing plan changes by large customers or loss of one or more large customers; (xxii) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics or extreme weather; (xxiii) failure to maximize or assert our intellectual property rights; (xxiv) our participation in a multiemployer pension plan; (xxv) the Tyson Limited Partnership’s ability to exercise significant control over the Company; (xxvi) effects related to changes in tax rates, valuation of deferred tax assets and liabilities, or tax laws and their interpretation; (xxvii) volatility in capital markets or interest rates; and (xxviii) those factors listed under Item 1A. “Risk Factors” included in our Annual Report filed on Form 10-K for the period ended September 30, 2017.



Dennis Leatherby



Stewart Glendinning

Q417 & FY17 Highlights



FY17 Highlights

- Record Adjusted Operating Margin* at 8.5%
- Record Adjusted Operating Income* up 15% to \$3.3 billion
- Record Adjusted EPS* of \$5.31, up 21% from last year
- Operating Cash Flow of \$2.6 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.

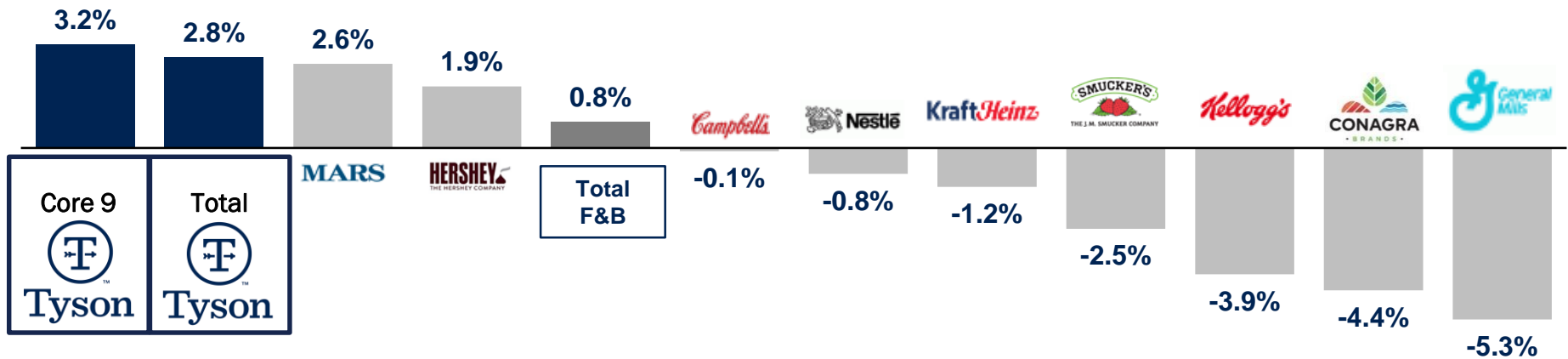
(\$ in millions, except per share data)	Q417	FY17
Sales	\$10,145	\$38,260
Adjusted Operating Income*	\$902	\$3,263
Adjusted Operating Margin*	8.9%	8.5%
Adjusted EPS*	\$1.43	\$5.31

(\$ in millions)	Q417		FY17	
	Dollars	ROS%	Dollars	ROS%
Adjusted Operating Income*				
Beef	\$313	8.2%	\$885	6.0%
Pork	124	9.1%	648	12.4%
Chicken	322	10.6%	1,117	9.8%
Prepared Foods	152	6.7%	675	8.6%
Other	(9)	n/a	(62)	n/a
Total	\$902	8.9%	\$3,263	8.5%

Core 9 and Total Tyson Leading in Dollar Performance



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

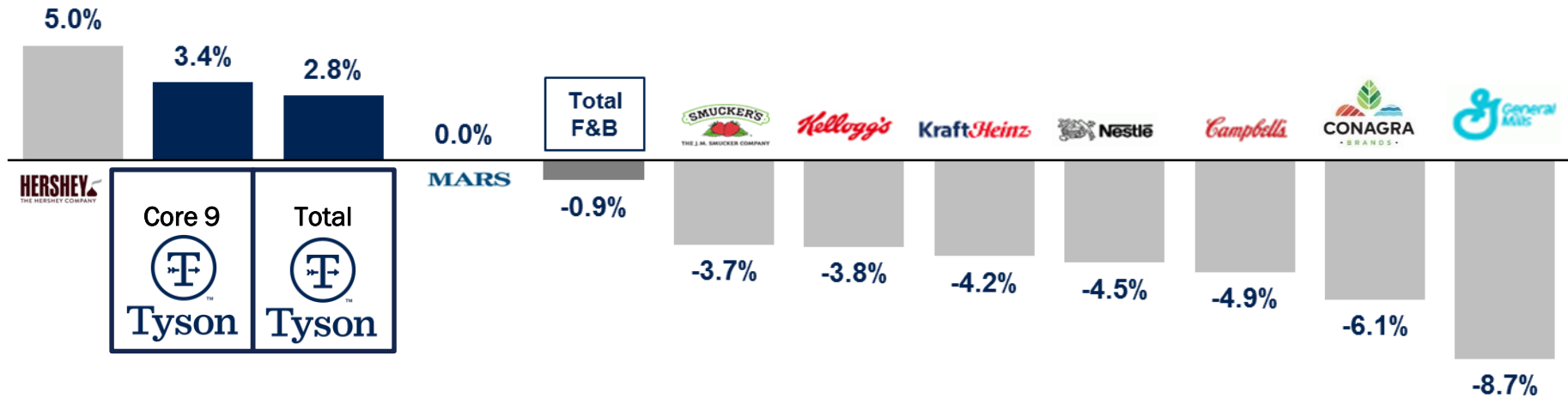


Source: IRI Total U.S. Multi-Outlet (x Costco), Dollar Sales, 52 weeks ending 10/01/2017
Includes Total Edible + Pet Food, Tyson = Tyson + Nature Raised Farms + AdvancePierre

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 10/1/2017
Includes Total Edible + Pet Food, Tyson = Tyson + Nature Raised Farms + Advance Pierre



Operating Segments - Beef

Adjusted Operating Income* (\$ in millions)

Q417		FY17	
<u>Dollars</u>	<u>ROS%</u>	<u>Dollars</u>	<u>ROS%</u>
\$313	8.2%	\$885	6.0%

Q417 Sales volume up 3.3% on 6.0% higher average price

FY17 Sales volume up 1.8% on 0.4% higher average price

FY 18 Outlook:

Adjusted Operating Margin*
> 5%

** Represents a non-GAAP financial measure. Q4'17 and FY17 Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix. A further explanation of providing non-GAAP guidance is included in the Appendix.*



Operating Segments - Pork

Adjusted Operating Income* (\$ in millions)

Q417		FY17	
<u>Dollars</u>	<u>ROS%</u>	<u>Dollars</u>	<u>ROS%</u>
\$124	9.1%	\$648	12.4%

Q417 Sales volume declined 1.2% on 11.7% higher average price

FY17 Sales volume up 0.6% on 6.1% higher average price

FY 18 Outlook:

Adjusted Operating Margin*
> 9%

** Represents a non-GAAP financial measure. Q4'17 and FY17 Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix. A further explanation of providing non-GAAP guidance is included in the Appendix.*



Operating Segments - Chicken

Adjusted Operating Income* (\$ in millions)

Q417		FY17	
<u>Dollars</u>	<u>ROS%</u>	<u>Dollars</u>	<u>ROS%</u>
\$322	10.6%	\$1,117	9.8%

Q417 Sales volume up 4.1% on 3.7% higher average price

FY17 Sales volume up 1.2% on 3.1% higher average price

FY 18 Outlook:

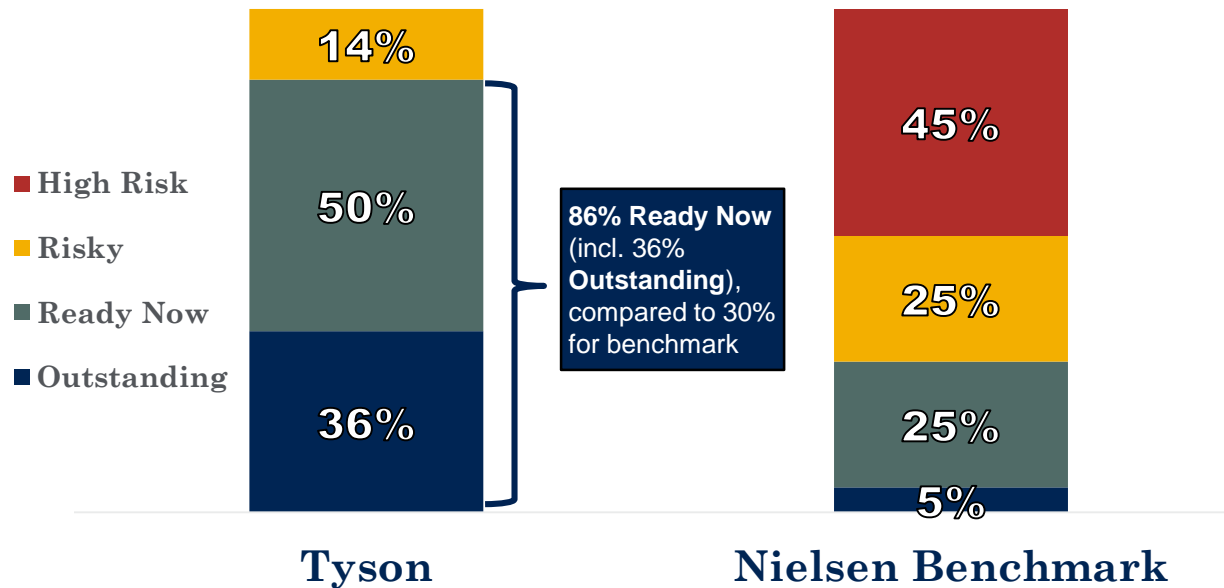
Adjusted Operating Margin*
~ 11% with around 3% volume growth

* Represents a non-GAAP financial measure. Q4'17 and FY17 Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix. A further explanation of providing non-GAAP guidance is included in the Appendix.

Innovation Pipeline



The Innovation Pipeline for the *Tyson*[®] brand is promising, with significantly more concepts showing potential for success compared to Nielsen benchmark



Tyson includes Tyson and Tyson Tastemakers branded Snapshot concepts fielded Jan – Sept 2017 (44 total); Probability of Success at concept level is comprised of 6 factors of success – Attention Catching, Need Desire, Credibility, Acceptable Cost, Distinct Proposition, and Advantage

Nielsen Benchmark is based on a Nielsen Innovation Total Historical Average across 7000+ concepts and is not Tyson specific.



Operating Segments – Prepared Foods

Adjusted Operating Income* (\$ in millions)

Q417		FY17	
<u>Dollars</u>	<u>ROS%</u>	<u>Dollars</u>	<u>ROS%</u>
\$152	6.7%	\$675	8.6%

Q417 Sales volume up 9.5% on 12.5% higher average price

FY17 Sales volume up 3.2% on 3.6% higher average price

FY 18 Outlook:

Adjusted Operating Margin*
11-12% with > 10% volume growth**

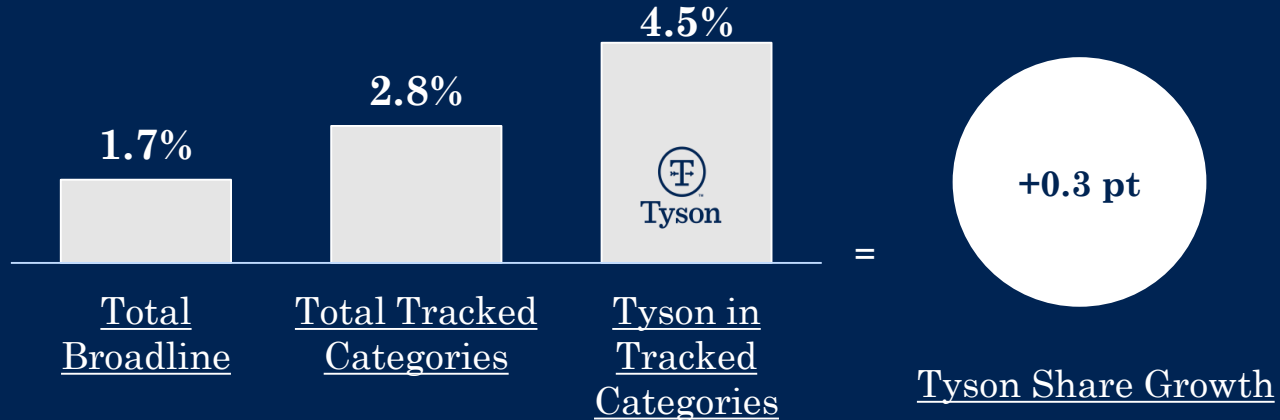
* Represents a non-GAAP financial measure. Q4'17 and FY17 Adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix. A further explanation of providing non-GAAP guidance is included in the Appendix.

** Excluding impact of planned divestitures

Foodservice Broadline Volume Performance



Volume %
Change vs. PY
(52 wks ending August 2017)



NPD SupplyTrack® data, 12 Months Ending August 2017

Excludes Large Chain and Operator Label data

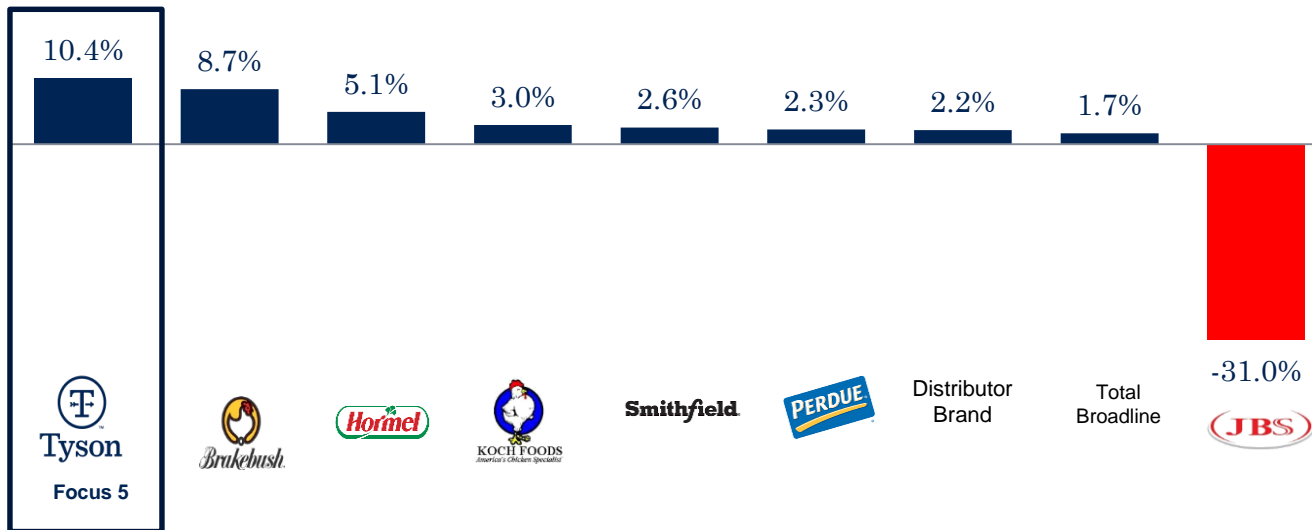
Total Tracked – Chicken (Chicken As-Is, Chicken Value Added, Chicken Stuffed, Chicken Deli) Bacon, Sausage (Breakfast Sausage, Dinner Sausage, Pizza Toppings (Pepperoni and Crumbles)), Breaded Beef, Philly Steak, FC Burger – Patties

Total Broadline excluding Chemicals, Disposables and Wipers

Foodservice Volume Performance



Within the **Broadline Distribution Channel**, Tyson Focus 5 volume growth is outpacing the channel and competitors



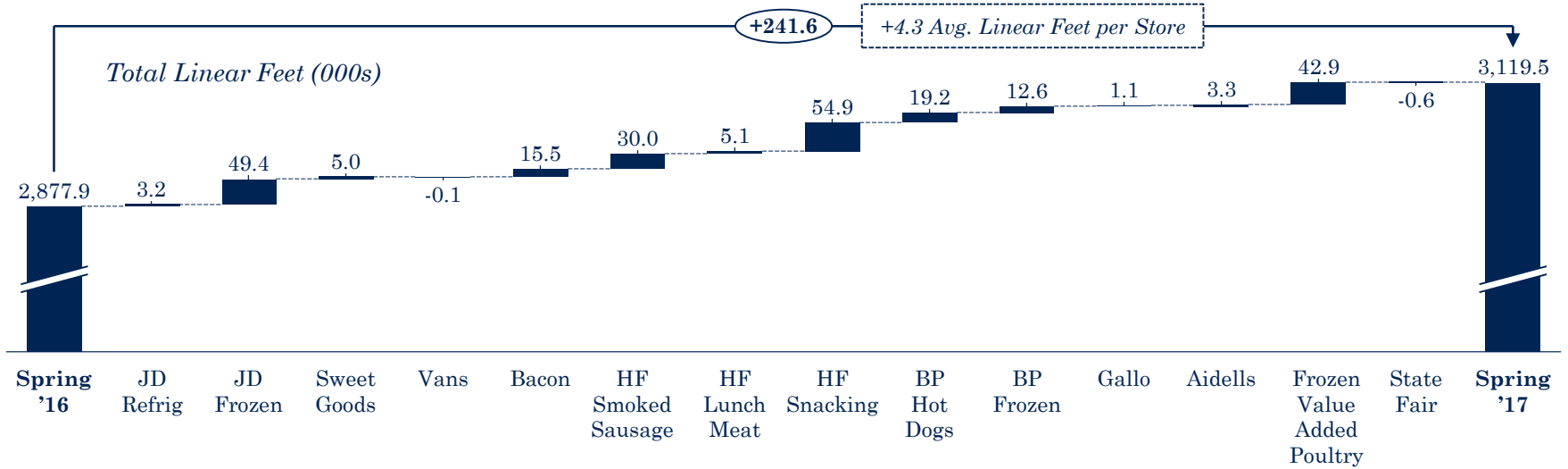
NPD SupplyTrack® data, Month Ending August 2017

Excludes Large Chain and Operator Label data

Focus Five = Value-Added Chicken, Breakfast Sausage, Dinner Sausage, Pepperoni, Bacon

Total Broadline results excludes Chemicals, Disposables and Wipers

Tyson Added 46 Miles of Retail Shelf Space

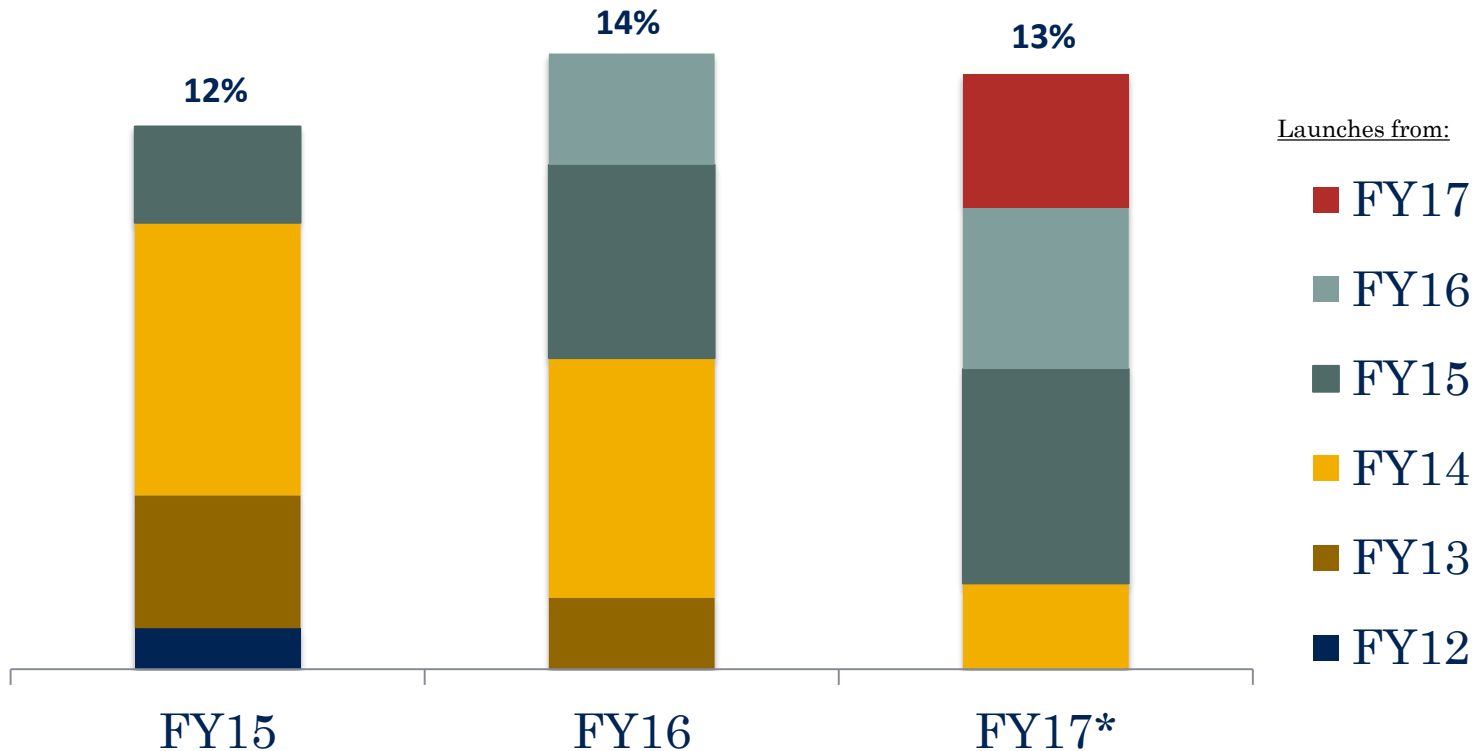


Source: IRI Worldwide – Custom Shelf Audit – Spring 2016 vs. 2017; Total U.S. Food, Walmart and Target

Retail Innovation Vitality – Best in Class



Vitality Index = % of sales dollars from Retail Packaged Brands products created in the previous three years



* FY17 represents 11 periods of actuals and one period of forecast

C-Store News Best New Product Awards





FY17

Highlights

- Record Adjusted Operating Margin* at 8.5%
- Record Adjusted Operating Income* up 15% to \$3.3 billion
- Record Adjusted EPS* of \$5.31, up 21% from last year
- Operating Cash Flow of \$2.6 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>FY17</u>
Sales	\$38,260
Adjusted Operating Income*	\$3,263
Adjusted Operating Margin*	8.5%
Adjusted EPS*	\$5.31

(\$ in millions)	FY17	
	<u>Dollars</u>	<u>ROS%</u>
Adjusted Operating Income*		
Beef	\$885	6.0%
Pork	648	12.4%
Chicken	1,117	9.8%
Prepared Foods	675	8.6%
Other	(62)	n/a
Total	\$3,263	8.5%



Targets Established – Net Savings

GROWTH
ENABLED BY
ONGOING
FINANCIAL
FITNESS

- **FY18 ~ \$200 million**
- **FY19 ~ \$400 million**
- **FY20 ~ \$600 million**



FY18 Outlook*

**Sales of
~\$41 billion****

Topline growth of ~7% as we grow volume and have full year benefit of AdvancePierre

**CapEx
~\$1.4 billion**

**Adjusted EPS
\$5.70-5.85*****

~7-10% growth over FY17

Beef Segment
adjusted operating margin > 5%

Pork Segment
adjusted operating margin > 9%

Chicken Segment
adjusted operating margin ~ 11% with around 3% volume growth

Prepared Foods Segment
adjusted operating margin 11-12% with >10% volume growth**

* Does not include expected other operating loss of approximately \$40 million in fiscal 2018

** Does not include sales or volume from planned divestitures

*** Projected Adjusted EPS as of 11/13/17. 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.

Grow.



Our businesses
through
differentiated
capabilities

Deliver.



Ongoing financial
fitness through
continuous
improvement

Sustain.



Our company
and our
world for future
generations



Appendix

4th Quarter Fiscal 2017 Non-GAAP Reconciliations

EPS Reconciliations

In millions, except per share data
(Unaudited)



	Fourth Quarter				12 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			\$ 1.07	\$ 1.03			\$ 4.79	\$ 4.53
Add: AdvancePierre purchase accounting and acquisition related costs (a)	\$ 26	\$ -	0.04	-	\$ 103	\$ -	0.18	-
Add: Restructuring and related charges	\$ 150	\$ -	0.26	-	\$ 150	\$ -	0.26	-
Add: San Diego Prepared Foods operation impairment	\$ -	\$ -	-	-	\$ 52	\$ -	0.09	-
Add/Less: Impairment net of tax benefit related to the expected sale of a non-protein business (b)	\$ 45	\$ -	0.06	-	\$ 45	\$ -	(0.01)	-
Less: Recognition of previously unrecognized tax benefit	\$ -	\$ -	-	(0.07)	\$ -	\$ -	-	(0.14)
Adjusted net income per share attributable to Tyson			<u>\$ 1.43</u>	<u>\$ 0.96</u>			<u>\$ 5.31</u>	<u>\$ 4.39</u>

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

(b) EPS impact of twelve months ended 2017 includes a tax benefit related to the expected sale of a non-protein business of (\$0.07) recognized in the third quarter of fiscal 2017.

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 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 (Adjusted EPS guidance) and Adjusted operating margin guidance are provided on a non-GAAP basis. The Company is not able to reconcile its full-year fiscal 2018 Adjusted EPS guidance, or Adjusted operating margin guidance, to its full-year fiscal 2018 projected GAAP EPS or GAAP operating margin, because certain information necessary to calculate such measures on a GAAP basis are 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 these measures without unreasonable effort.

Segment Operating Income and Operating Margin Reconciliations



In millions
(Unaudited)

	Adjusted Segment Operating Income (Loss) <i>(for the fourth quarter ended September 30, 2017)</i>						
	Beef	Pork	Chicken	Prepared Foods	Other	Intersegment Sales	Total
Sales	\$ 3,808	\$ 1,362	\$ 3,035	\$ 2,263	\$ 92	\$ (415)	\$ 10,145
Reported operating income (loss)	305	121	263	11	(19)	-	681
Add: AdvancePierre purchase accounting and acquisition related costs (a)	-	-	3	14	9	-	26
Add: Restructuring and related charges	8	3	56	82	1	-	150
Add: Impairment related to the expected sale of non-protein business	-	-	-	45	-	-	45
Adjusted operating income (loss)	313	124	322	152	(9)	-	902
Reported operating margin %	8.0%	8.9%	8.7%	0.5%	n/a	n/a	6.7%
Adjusted operating margin %	8.2%	9.1%	10.6%	6.7%	n/a	n/a	8.9%

	Adjusted Segment Operating Income (Loss) <i>(for the twelve months ended September 30, 2017)</i>						
	Beef	Pork	Chicken	Prepared Foods	Other	Intersegment Sales	Total
Sales	\$ 14,823	\$ 5,238	\$ 11,409	\$ 7,853	\$ 349	\$ (1,412)	\$ 38,260
Reported operating income (loss)	877	645	1,053	462	(106)	-	2,931
Add: AdvancePierre purchase accounting and acquisition related costs (b)	-	-	8	34	43	-	85
Add: San Diego Prepared Foods operation impairment	-	-	-	52	-	-	52
Add: Restructuring and related charges	8	3	56	82	1	-	150
Add: Impairment related to the expected sale of a non-protein business	-	-	-	45	-	-	45
Adjusted operating income (loss)	885	648	1,117	675	(62)	-	3,263
Reported operating margin %	5.9%	12.3%	9.2%	5.9%	n/a	n/a	7.7%
Adjusted operating margin %	6.0%	12.4%	9.8%	8.6%	n/a	n/a	8.5%

(a) AdvancePierre purchase accounting and acquisition related costs impacting operating income for the fourth quarter ended September 30, 2017, included a \$12 million purchase accounting adjustment for the fair value step-up of inventory and \$14 million of acquisition related costs

(b) AdvancePierre purchase accounting and acquisition related costs impacting operating income for the twelve months ended September 30, 2017, included a \$36 million purchase accounting adjustment for the fair value step-up of inventory and \$49 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.