

LAMPKIN BUTTS

*President and Chief Operating Officer
Sanderson Farms, Inc.*



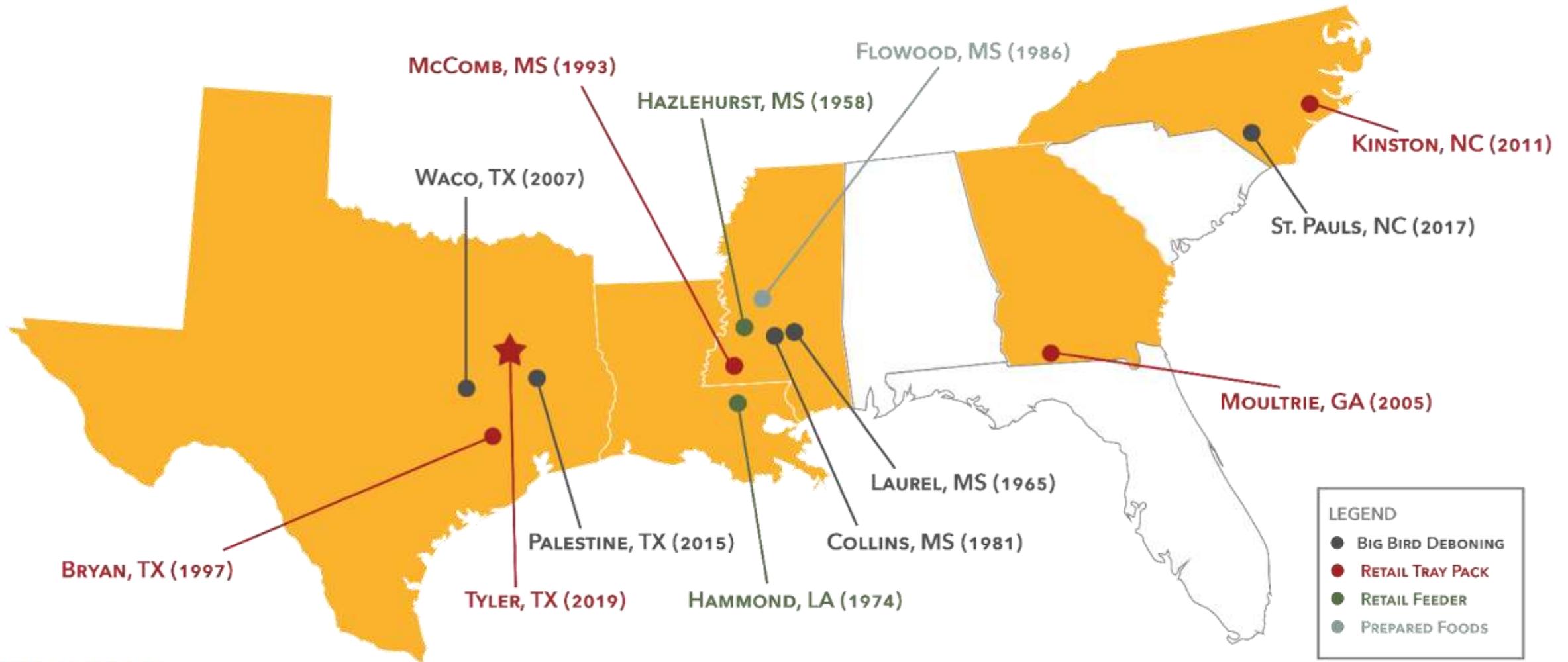


SANDERSON FARMS, INC.

Headquartered in Laurel, Mississippi



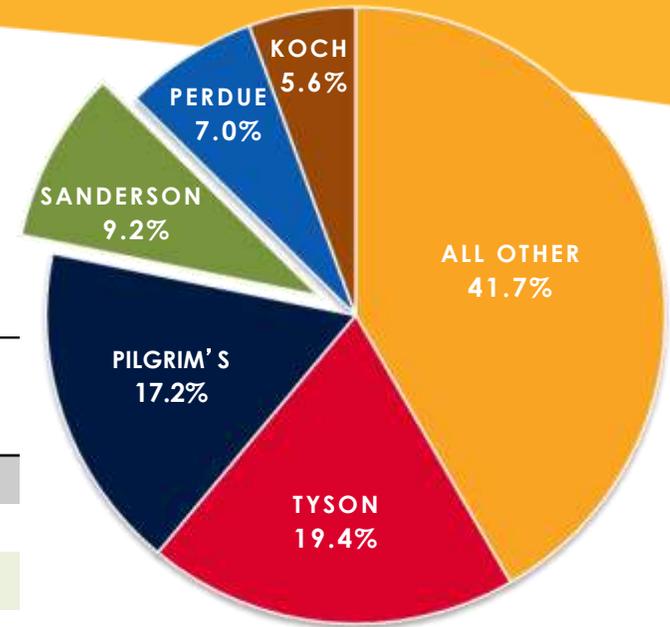
LOCATIONS



TOP 10 POULTRY COMPANIES FOR 2017

Source: WATT PoultryUSA Survey - March 2018

Company	Processing Plants	Further Processing Operations	Million Head	Million Lbs. Live Weight	Average Live Weight	Million Lbs. R-T-C	% R-T-C Market Share
Tyson Foods	32	11/13	35.16	204.12	5.80	174.80	19.4%
Pilgrim's	26	0/4	30.28	173.27	5.72	154.20	17.2%
Sanderson Farms, Inc.	11	1/0	10.76	88.20	8.20	82.50	9.2%
Perdue Foods	11	3/4	13.13	78.70	5.99	62.86	7.0%
Koch Foods, Inc.	8	4/1	12.00	63.60	5.30	50.00	5.6%
Mountaire Farms, Inc.	3		6.63	54.45	8.21	48.48	5.4%
Wayne Farms, LLC	9	1/2	7.10	52.20	7.40	47.10	5.2%
Peco Foods	6	1/2	5.05	44.30	8.77	34.90	3.9%
House of Raeford Farms, Inc.	5	2/2	3.55	32.13	9.05	27.62	3.1%
Keystone Foods, LLC	3	0/4	3.90	29.80	7.64	23.80	2.6%
TOTAL TOP 10	114	23/32	127.56	820.77	6.43	706.26	78.6%
ALL OTHERS	39	26/13	43.26	246.33	5.69	192.61	21.4%
TOTAL	153	49/45	170.82	1,067.10	6.25	898.87	100.0%



- ALL OTHER
- TYSON
- PILGRIM'S
- SANDERSON FARMS



Sanderson Farms®

Throughout over 70 years in business, Sanderson Farms has operated responsibly by preserving our commitment to industry, integrity and innovation. This is a story of that growth and evolution. This is Sanderson Farms.



1974
PURCHASED PROCESSING PLANT
IN HAMMOND, LOUISIANA



1987
SANDERSON FARMS, INC. INITIAL
PUBLIC OFFERING



1993
OPENED POULTRY COMPLEX
IN McCOMB, MISSISSIPPI



2007
OPENED POULTRY COMPLEX IN
WACO, TEXAS



2017
OPENED POULTRY COMPLEX
IN ST. PAULS, NORTH CAROLINA

CELEBRATING 70 YEARS OF INDUSTRY, INTEGRITY AND INNOVATION AT SANDERSON FARMS



1947
SANDERSON FARMS FOUNDED AS
A FEED, SEED AND FARM SUPPLY
BUSINESS



1961
MISS GOLDY, INC. AND
SANDERSON FARMS MERGED



1965
OPENED POULTRY COMPLEX
IN LAUREL, MISSISSIPPI



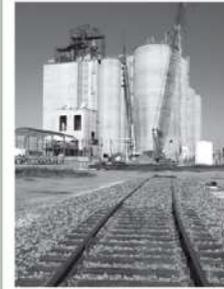
1986
PURCHASED PREPARED FOODS
DIVISION IN JACKSON, MISSISSIPPI



2005
OPENED POULTRY COMPLEX
IN MOULTRIE, GEORGIA



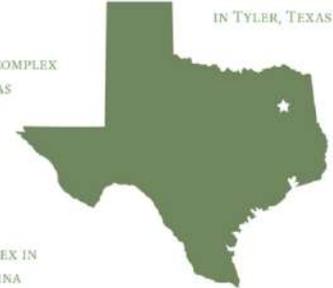
2006
BUILT NEW CORPORATE OFFICE
IN LAUREL, MISSISSIPPI



2015
OPENED POULTRY COMPLEX
IN PALESTINE, TEXAS

NEW SITE SELECTED

2017
PLANNED POULTRY COMPLEX
IN TYLER, TEXAS



1958
OPENED MISS GOLDY
PROCESSING PLANT IN
HAZLEHURST, MISSISSIPPI



1981
PURCHASED PROCESSING PLANT
IN COLLINS, MISSISSIPPI



1997
OPENED POULTRY COMPLEX IN
COLLEGE STATION, TEXAS



2011
OPENED POULTRY COMPLEX IN
KINSTON, NORTH CAROLINA



“Our vision is to be special,
successful, and at the very
top of our industry.”

Joe Frank Sanderson, Jr.

AS MUCH AS WE ARE A CHICKEN COMPANY...

WE ARE REALLY A PEOPLE COMPANY

OUR VISION INCLUDES HOW WE TREAT PEOPLE— EMPLOYEES, GROWERS, CUSTOMERS, VENDORS AND ASSOCIATES.



OUR VISION, MISSION AND STRATEGY INCLUDE:

LOW COST PRODUCER	<ul style="list-style-type: none">• As one of the industry's most efficient producers, well positioned to capture share
FAVORABLE PRODUCT MIX	<ul style="list-style-type: none">• All production is focused on the two most profitable market segments in our industry
ATTRACTIVE GROWTH PROFILE	<ul style="list-style-type: none">• Track record of generating strong internal growth• History of delivering above industry average returns
STRONG BALANCE SHEET	<ul style="list-style-type: none">• Managed and maintained appropriate capital structure• Strong balance sheet enables growth even during industry downturns



**SINCE 1993, WE HAVE BUILT 7 COMPLEXES
AND ARE CURRENTLY WORKING ON THE 8TH COMPLEX IN TYLER, TEXAS.**



NEW POULTRY COMPLEX UNDER CONSTRUCTION IN TYLER, TEXAS.

BALANCED ASSET BASE

POULTRY PLANTS

BIG BIRD DEBONING		FULL CAPACITY PER WEEK ⁽¹⁾	LIVE POUNDS PER WEEK ⁽²⁾	PROCESSED POUNDS PER WEEK ⁽³⁾
LAUREL, MS	1965	625,000	5,625,000	5,217,250
COLLINS, MS	1981	1,250,000	11,250,000	10,434,500
WACO, TX	2007	1,275,000	11,475,000	10,643,000
PALESTINE, TX	2015	1,250,000	11,250,000	10,434,500
ST. PAULS, NC	2017	1,250,000	11,250,000	10,434,500
TOTAL		5,650,000	50,850,000	47,163,750

RETAIL

MCCOMB, MS	1993	1,300,000	8,775,000	7,853,750
BRYAN, TX	1997	1,300,000	8,775,000	7,853,750
MOULTRIE, GA	2005	1,300,000	8,775,000	7,853,750
KINSTON, NC	2011	1,300,000	8,775,000	7,853,750
TYLER, TX	2019 ⁽⁴⁾	1,300,000	8,775,000	7,853,750
TOTAL		6,500,000	43,875,000	39,268,750

RETAIL FEEDER

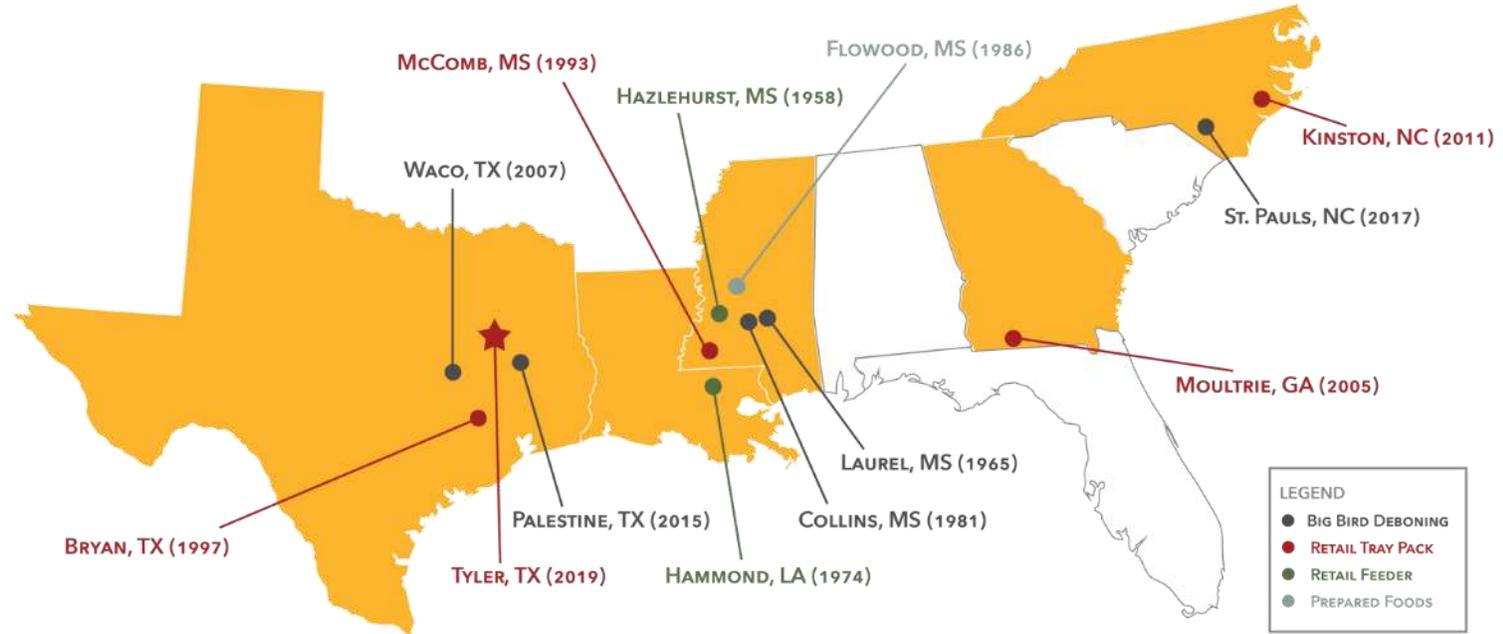
HAZLEHURST, MS	1958	625,000	4,218,750	3,775,750
HAMMOND, LA	1974	625,000	4,218,750	3,775,750
TOTAL		1,250,000	8,437,500	7,551,500

EXPECTED CAPACITY

13,400,000	103,162,500	93,984,000
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PREPARED CHICKEN PLANT

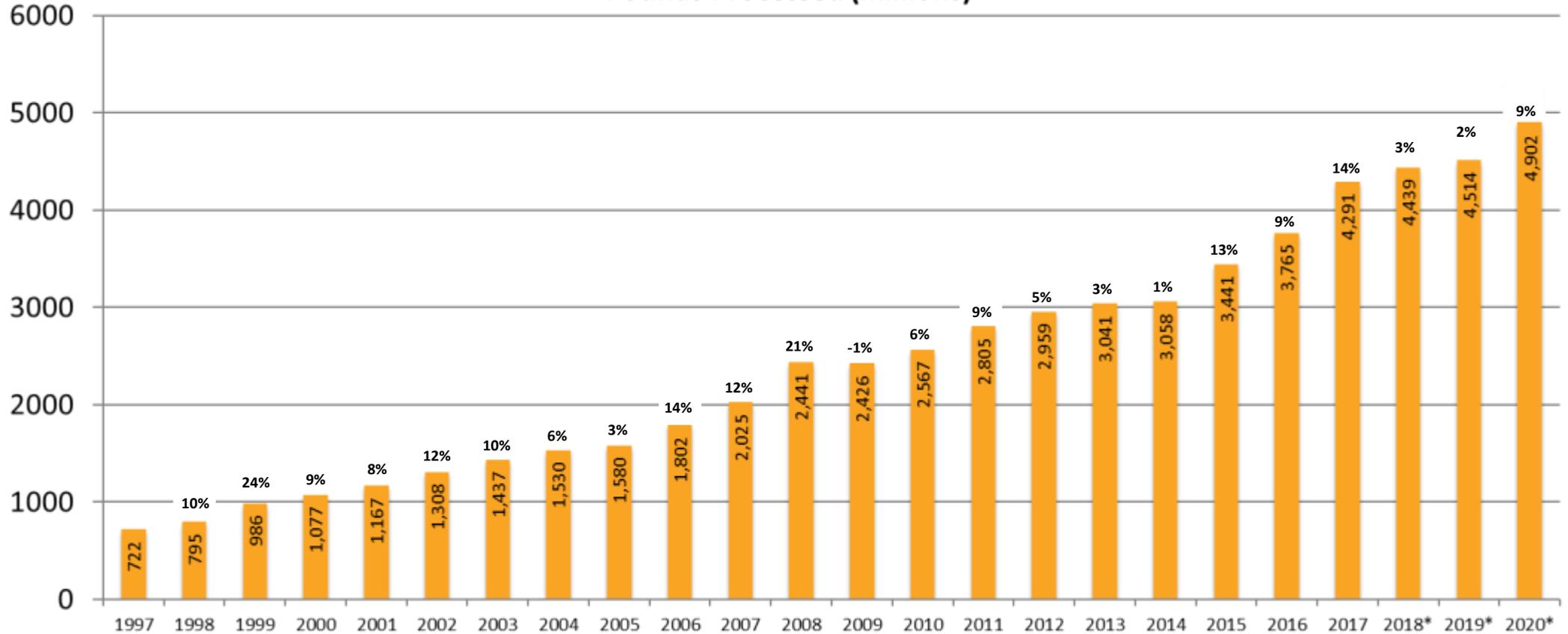
JACKSON, MS	1986
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- NOTE:
- (1) Capacity measured in head/week
 - (2) Based on target live weights
 - (3) Based on historical yields
 - (4) Expected to open 1st Quarter of 2019

STRONG TRACK RECORD OF ORGANIC GROWTH

Pounds Processed (millions)



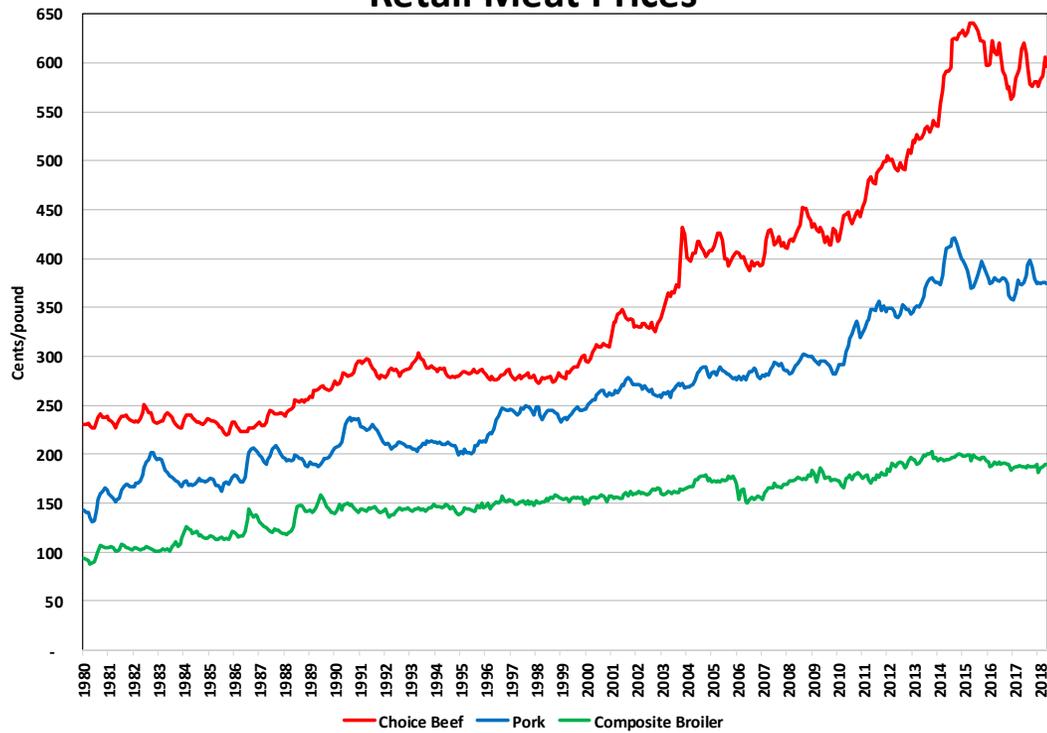
* Estimated:

Assumes St. Pauls, NC reaches full production in 1st Quarter 2018.

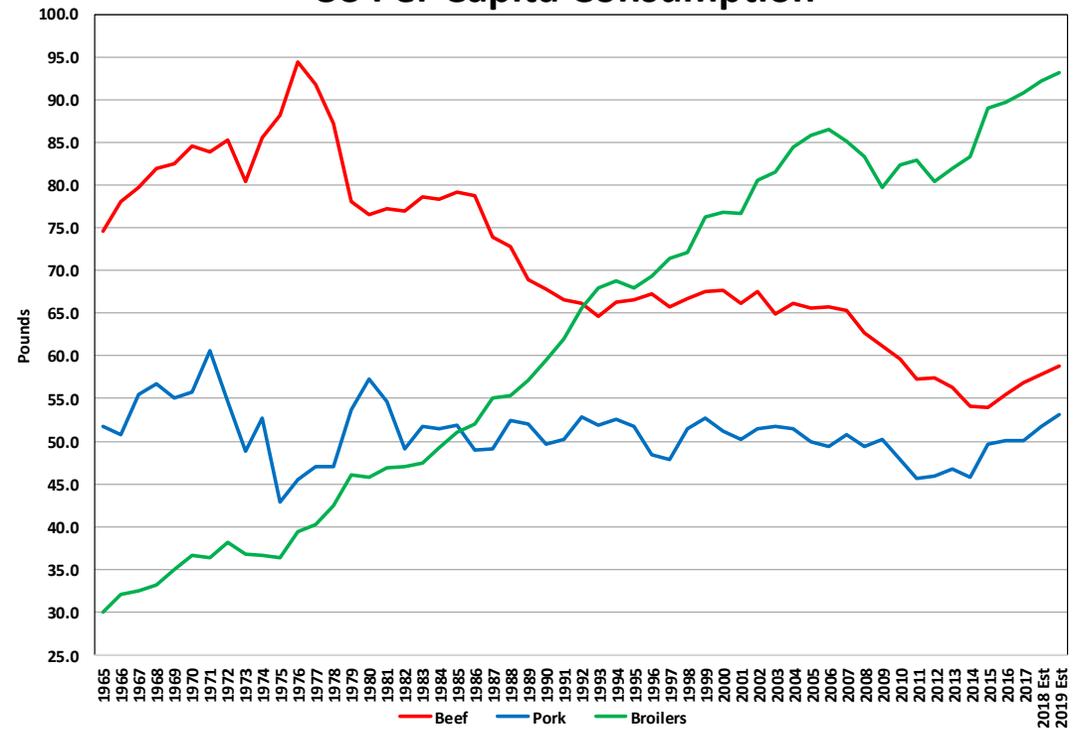
Assumes Tyler, TX opens 1st Quarter 2019 and reaches full production in 2nd Quarter 2020.

Assumes Hammond & Hazlehurst return to Big Bird Debone in 2020.

Retail Meat Prices



US Per Capita Consumption



INDUSTRY DOWNTURNS, CYCLES AND EVENTS

1. RUSSIAN EMBARGO (2002-2003)
2. AVIAN INFLUENZA (2006)
3. RECESSION, \$8 CORN (2008-2009)
4. DROUGHT INDUCED HIGH GRAIN PRICES AND OVERSUPPLY (2011)

**AT SANDERSON FARMS, WE BELIEVE FOR THIS NEW PRODUCT TO BE
ABSORBED AT PROFITABLE PRICES, WE WILL NEED THE FOLLOWING:**

- 1. LOW GRAIN PRICES**
- 2. EXCELLENT EXPORT DEMAND**
- 3. CONTINUED EXCELLENT DEMAND FOR FRESH CHICKEN AT RETAIL GROCERY STORES**
- 4. A STRONGER GROSS DOMESTIC PRODUCT AND A RETURN TO NORMAL FOOD SERVICE DEMAND**

Sanderson
Farms[®]

GOOD

HONEST

Chicken



★ RAISED
Cage Free ★

HORMONES
NO ADDED
OR STEROIDS

RAISED
WITHOUT
ANTIBIOTICS

LOCALLY
RAISED

“THERE ARE THEORIES, THERE IS RESEARCH, BUT THERE IS NO PROVEN LINK THAT TIES ANTIBIOTIC USAGE IN POULTRY PRODUCTION TO ANTIBIOTIC RESISTANCE IN HUMANS.”

WE DEVELOPED OUR POSITION TO USE ANITBIOTICS JUDICIOUSLY BASED ON FOUR FACTS:



ANIMAL WELFARE



FOOD SAFETY



SUSTAINABILITY



CONSUMER PREFERENCE

2017 ENVIRONMENTAL HIGHLIGHTS



24%

reduction in electricity usage
at Sanderson Farms'
production and processing
facilities since 2008



44%

reduction in natural gas usage
at Sanderson Farms'
production and processing
facilities since 2008



14%

reduction in natural gas usage
for 2017 as a result of renewable
energy generated by capturing
and refining biogas



41%

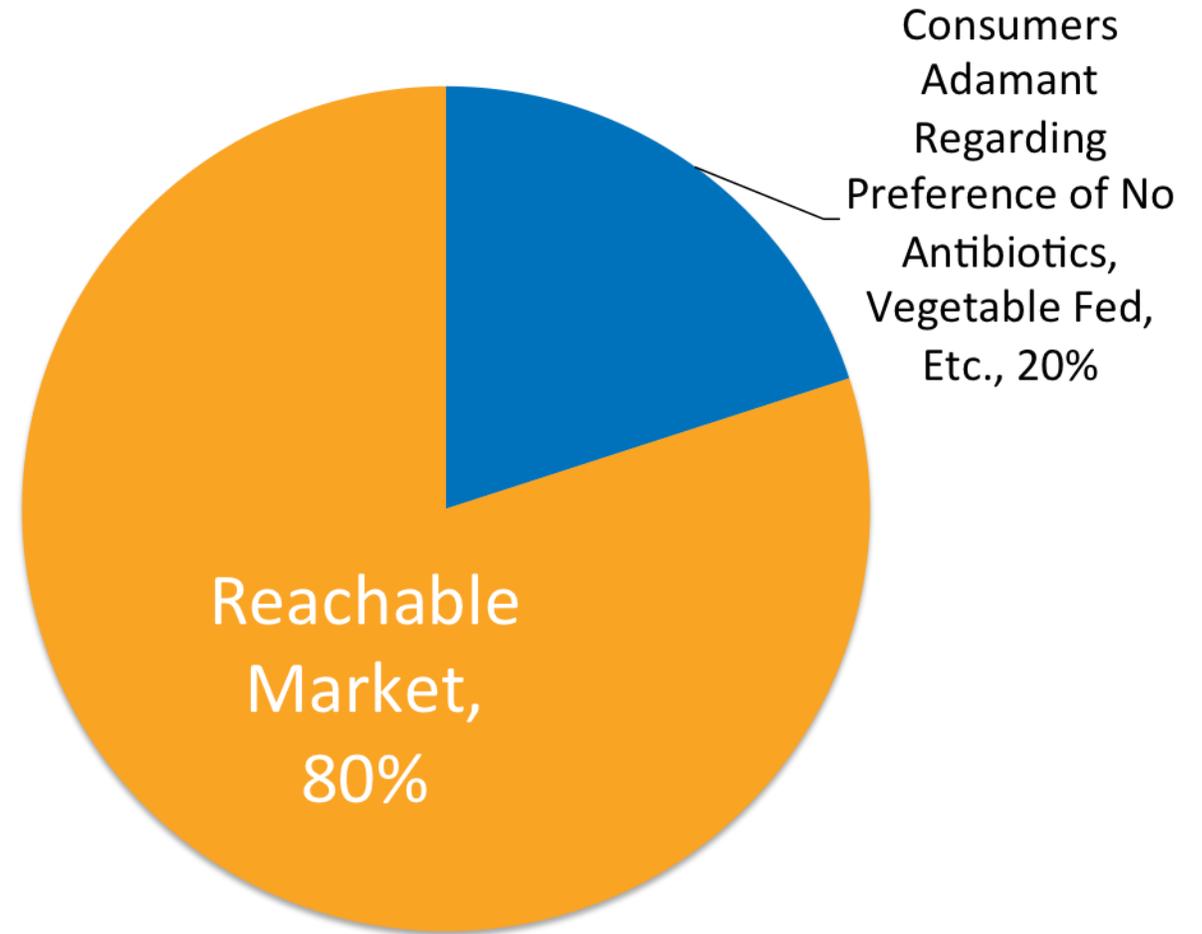
reduction in water usage
at Sanderson Farms'
production and processing
facilities since 2008

A RECENT REPORT WRITTEN BY DR. JAYSON LUSK AT PURDUE UNIVERSITY SHOWS:

1. ONLY 3% OF RESPONDENTS CORRECTLY SAID BROILERS ARE NOT RAISED IN CAGES.
2. 90% OF RESPONDENTS SAID MORE THAN 20% OF CHICKENS ARE RAISED WITH ADDED HORMONES.

OUR RESEARCH SHOWS:

- 20% OF CONSUMERS HAVE THEIR MINDS MADE UP ABOUT THEIR PREFERENCE REGARDING NO ANTIBIOTICS, ORGANIC, VEGETABLE FED, ETC.
- 80% OF THE MARKET IS WILLING TO LISTEN AND CAN BE REACHED WITH THE RIGHT MESSAGE.











Jeffrey King Thank god a company that will tell the truth not cave in to consumers who know nothing about animal production! I used to grow chickens for a company that went with a all veggie diet and ended up leaving them because of how it affected bird health in a neg way.

Like · Reply · 3w



AIM NIOIS 1 week ago
Great commercial!



Ann Babygurl 1 week ago
Love this!! 🤔🤔



Julie Woodbury Sanderson Farms, thanks for telling it like it is!!! I love this commercial!

Like · Reply · 1w



Maddy Farrell This is amazing. Thank you for spreading #factsnotfear

Like · Reply · 1w



Kate Edge 6 days ago
Thank you so very much for this commercial.



JoelDawn Suderman Thank you Sanderson Farms! Finally, somebody who's honest and it is refreshing! This farmer thanks you. We need more companies like yours!

Like · Reply · 1w



Evan Walton 1 week ago
It's about time someone says it!



Kelsey Stuart We saw this commercial on TV and had to stop and laugh. Loved it! Finally a company that realizes chickens aren't vegetarian!

Like · Reply · 6d



Vonda Stevens Kirkpatrick Thank you so much for being a truth teller!! Honest marketing is so rare these days, it really stands out, and I have started buying your brand when I can find it just because of your awesome commercials. Not only do they bring facts and good sense to light, they do it with humor. Spot on. ❤️

And as a farmer, I appreciate your vocal support for what we do!

Like · Reply · 1w



Leon DieBoer As a poultry nutritionist I love how Sandersons are pushing back against the main stream fake news about animal nutrition. I studied 9 years at University to know whats best for chickens, just trust me that we're doing the right thing. I have neither the time nor the coloring in pencils to explain it to you here...

Like · Reply · 1w



**SANDERSON FARMS IS THE
COMPANY THAT LIKES TO
“TELL THE TRUTH.”**

FAMILY FARMERS

WE DEVELOPED OUR POSITION TO USE ANITBIOTICS JUDICIOUSLY BASED ON FOUR FACTS:



ANIMAL WELFARE



FOOD SAFETY



SUSTAINABILITY



CONSUMER PREFERENCE

AT SANDERSON FARMS, WE GROW AND THRIVE BY:

- LIVING OUT OUR VISION
- DOING OUR RESEARCH
- BEING TRANSPARENT



THANK YOU

LAMPKIN BUTTS, SANDERSON FARMS, INC.
PRESIDENT AND CHIEF OPERATING OFFICER