

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **October 28, 2015**

PILGRIM'S PRIDE CORPORATION

(Exact Name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-9273

(Commission File Number)

75-1285071

(IRS Employer Identification No.)

1770 Promontory Circle
Greeley, CO

(Address of principal executive offices)

80634-9038

(Zip Code)

Registrant's telephone number, including area code: **(970) 506-8000**

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On October 28, 2015 the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

Exhibit 99.1 Press release dated October 28, 2015

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PILGRIM'S PRIDE CORPORATION

Date: October 28, 2015

/s/ Fabio Sandri

Fabio Sandri

Chief Financial Officer

Exhibit Index

Exhibit 99.1 Press release dated October 28, 2015



Pilgrim's Pride Reports Operating Income of \$231 Million with a Margin of 10.9% for the Third Quarter of 2015

GREELEY, Colo., October 28, 2015 (GLOBE NEWSWIRE) - Pilgrim's Pride Corporation (NASDAQ: PPC) reports third quarter 2015 financial results with Net Sales of \$2.11 billion for the thirteen week period, compared to \$2.27 billion for the same period in 2014. The 2015 Q3 Net Income was \$137.1 million compared to the \$256.0 million reported in the same period in 2014. Adjusted Earnings Per Share was \$0.58 in the third quarter of 2015 compared to \$1.01 in the same period last year, while adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") was \$274.3 million, or a 13.0% margin.

"The continued challenges in the export markets, the strong dollar and the lowest chicken cutout in the past five years during Q3 have had an impact on the commodity segments of our business, and on our U.S. export and Mexico sales. Additionally, non-routine costs at two of our facilities further weighed on our results. Despite these challenges, our team has managed to produce solid margins compared to periods when prices were at similar levels," stated Bill Lovette, Chief Executive Officer of Pilgrim's.

"The Q3 results are a strong validation of our portfolio model, and the strategy we have pursued and implemented over the past four years is fundamental in improving our ability to maintain strong performance, minimize the impact of different market conditions, and give us more consistent financial results. Although we expect export markets to gradually reopen soon depending on the domestic AI situation, we choose not to stand still and be complacent. Instead, we continue to seek alternative and creative ways to reduce our dependencies on commodity products to produce more consistent margins by sharpening our focus on high growth markets. We also remain on track to extract \$200 million in operational improvements for the year."

"In spite of the tough environment last quarter, our cash flow generation continues to be strong and our team remains relentless in uncovering additional methods to increase operational efficiencies, enhance relationships with key customers, and build competitive advantages. We remain committed to creating and maximizing shareholder value while retaining our financial discipline. Year to date, we have paid out \$1.5 billion in special dividend to our shareholders, acquired additional Mexican operations to improve our geographic diversification and competitiveness in one of the strongest emerging markets, and instituted a \$150 million share repurchase agreement."

Conference Call Information

A conference call to discuss Pilgrim's quarterly results will be held tomorrow, October 29, at 7:00 a.m. MDT (9 a.m. EDT). Participants are encouraged to pre-register for the conference call using the link below. Callers who pre-register will be given a unique PIN to gain immediate access to the call and bypass the live operator. Participants may pre-register at any time, including up to and after the call start time.

To pre-register, go to: <http://services.choruscall.com/links/ppc151029.html>

You may also reach the pre-registration link by logging in through the investor section of our website at www.pilgrims.com and clicking on the link under “Upcoming Events.”

For those who would like to join the call but have not pre-registered, access is available by dialing +1 (866) 777-2509 within the US, or +1 (412) 317-5413, and requesting the “Pilgrim’s Pride Conference.” Please note that to submit a question to management during the call, you must be logged in via telephone.

Replays of the conference call will be available on Pilgrim’s website approximately two hours after the call concludes and can be accessed through the “Investor” section of www.pilgrims.com. The webcast will be available for replay through November 30, 2015.

About Pilgrim’s Pride

Pilgrim’s employs approximately 38,700 people and operates chicken processing plants and prepared-foods facilities in 12 states, Puerto Rico and Mexico. The Company’s primary distribution is through retailers and foodservice distributors. For more information, please visit www.pilgrims.com.

Forward-Looking Statements

Statements contained in this press release that state the intentions, plans, hopes, beliefs, anticipations, expectations or predictions of the future of Pilgrim’s Pride Corporation and its management are considered forward-looking statements. It is important to note that actual results could differ materially from those projected in such forward-looking statements. Factors that could cause actual results to differ materially from those projected in such forward-looking statements include: matters affecting the poultry industry generally; the ability to execute the Company’s business plan to achieve desired cost savings and profitability; future pricing for feed ingredients and the Company’s products; outbreaks of avian influenza or other diseases, either in Pilgrim’s Pride’s flocks or elsewhere, affecting its ability to conduct its operations and/or demand for its poultry products; contamination of Pilgrim’s Pride’s products, which has previously and can in the future lead to product liability claims and product recalls; exposure to risks related to product liability, product recalls, property damage and injuries to persons, for which insurance coverage is expensive, limited and potentially inadequate; management of cash resources; restrictions imposed by, and as a result of, Pilgrim’s Pride’s leverage; changes in laws or regulations affecting Pilgrim’s Pride’s operations or the application thereof; new immigration legislation or increased enforcement efforts in connection with existing immigration legislation that cause the costs of doing business to increase, cause Pilgrim’s Pride to change the way in which it does business, or otherwise disrupt its operations; competitive factors and pricing pressures or the loss of one or more of Pilgrim’s Pride’s largest customers; currency exchange rate fluctuations, trade barriers, exchange controls, expropriation and other risks associated with foreign operations; disruptions in international markets and distribution channel, including anti-dumping proceedings and countervailing duty proceedings; and the impact of uncertainties of litigation as well as other risks described under “Risk Factors” in the Company’s Annual Report on Form 10-K and subsequent filings with the Securities and Exchange Commission. Pilgrim’s Pride Corporation undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact: Dunham Winoto
Director, Investor Relations
IRPPC@pilgrims.com
(970) 506-8192
www.pilgrims.com

PILGRIM'S PRIDE CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

| | September 27, 2015 | December 28, 2014 |
|--|--------------------|-------------------|
| | (Unaudited) | |
| | (In thousands) | |
| Cash and cash equivalents | \$ 396,719 | \$ 576,143 |
| Trade accounts and other receivables, less allowance for doubtful accounts | 369,681 | 378,890 |
| Account receivable from related parties | 2,581 | 5,250 |
| Inventories | 841,273 | 790,305 |
| Income taxes receivable | 4,971 | 10,288 |
| Current deferred tax assets | 37,561 | 27,345 |
| Prepaid expenses and other current assets | 96,857 | 95,439 |
| Assets held for sale | 6,555 | 1,419 |
| Total current assets | 1,756,198 | 1,885,079 |
| Other long-lived assets | 31,813 | 24,406 |
| Identified intangible assets, net | 32,177 | 26,783 |
| Goodwill | 174,431 | — |
| Property, plant and equipment, net | 1,347,239 | 1,182,795 |
| Total assets | \$ 3,341,858 | \$ 3,119,063 |
| Notes payable to banks | \$ 5,869 | \$ — |
| Accounts payable | 524,025 | 399,486 |
| Account payable to related parties | 10,402 | 4,862 |
| Accrued expenses and other current liabilities | 304,459 | 311,879 |
| Income taxes payable | 20,874 | 3,068 |
| Current deferred tax liabilities | 40,368 | 25,301 |
| Current maturities of long-term debt | 102 | 262 |
| Total current liabilities | 906,099 | 744,858 |
| Long-term debt, less current maturities | 1,000,398 | 3,980 |
| Deferred tax liabilities | 89,589 | 76,216 |
| Other long-term liabilities | 103,104 | 97,208 |
| Total liabilities | 2,099,190 | 922,262 |
| Common stock | 2,597 | 2,590 |
| Treasury stock | (45,080) | — |
| Additional paid-in capital | 1,672,501 | 1,662,354 |
| Retained earnings (accumulated deficit) | (324,400) | 591,492 |
| Accumulated other comprehensive loss | (66,002) | (62,541) |
| Total Pilgrim's Pride Corporation stockholders' equity | 1,239,616 | 2,193,895 |
| Noncontrolling interest | 3,052 | 2,906 |
| Total stockholders' equity | 1,242,668 | 2,196,801 |
| Total liabilities and stockholders' equity | \$ 3,341,858 | \$ 3,119,063 |

PILGRIM'S PRIDE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

| | Thirteen Weeks Ended | | Thirty-Nine Weeks Ended | |
|--|----------------------|--------------------|-------------------------|--------------------|
| | September 27, 2015 | September 28, 2014 | September 27, 2015 | September 28, 2014 |
| (In thousands, except per share data) | | | | |
| Net sales | \$ 2,112,529 | \$ 2,268,048 | \$ 6,219,324 | \$ 6,472,929 |
| Cost of sales | 1,827,985 | 1,817,783 | 5,125,640 | 5,458,083 |
| Gross profit | 284,544 | 450,265 | 1,093,684 | 1,014,846 |
| Selling, general and administrative expense | 52,620 | 44,629 | 150,961 | 138,437 |
| Administrative restructuring charges | 792 | 135 | 5,605 | 2,286 |
| Operating income | 231,132 | 405,501 | 937,118 | 874,123 |
| Interest expense, net of capitalized interest | 10,501 | 11,372 | 26,870 | 45,407 |
| Interest income | (319) | (1,171) | (3,086) | (2,974) |
| Foreign currency transaction loss (gain) | 12,773 | 6,414 | 23,806 | 4,932 |
| Miscellaneous, net | (2,071) | (610) | (7,135) | (2,609) |
| Income before income taxes | 210,248 | 389,496 | 896,663 | 829,367 |
| Income tax expense | 73,153 | 133,693 | 313,751 | 284,932 |
| Net income | 137,095 | 255,803 | 582,912 | 544,435 |
| Less: Net income (loss) attributable to noncontrolling interests | 33 | (181) | 146 | (26) |
| Net income attributable to Pilgrim's Pride Corporation | \$ 137,062 | \$ 255,984 | \$ 582,766 | \$ 544,461 |

Weighted average shares of common stock outstanding:

| | | | | |
|---|---------|---------|---------|---------|
| Basic | 259,280 | 258,999 | 259,540 | 258,966 |
| Effect of dilutive common stock equivalents | 223 | 523 | 225 | 482 |
| Diluted | 259,503 | 259,522 | 259,765 | 259,448 |

Net income attributable to Pilgrim's Pride Corporation per share of common stock outstanding:

| | | | | |
|---------|---------|---------|---------|---------|
| Basic | \$ 0.53 | \$ 0.99 | \$ 2.25 | \$ 2.10 |
| Diluted | \$ 0.53 | \$ 0.99 | \$ 2.24 | \$ 2.10 |

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

| | Thirty-Nine Weeks Ended | |
|--|-------------------------|--------------------|
| | September 27, 2015 | September 28, 2014 |
| | (In thousands) | |
| Cash flows from operating activities: | | |
| Net income | \$ 582,912 | \$ 544,435 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization | 116,485 | 112,740 |
| Foreign currency transaction losses | — | 8,585 |
| Accretion of bond discount | — | 342 |
| Impairment expense | 4,813 | — |
| Loss (gain) on property disposals | (9,817) | (1,112) |
| Gain on investment securities | — | (49) |
| Share-based compensation | 2,132 | 3,504 |
| Deferred income tax benefit | (7,214) | (79,619) |
| Changes in operating assets and liabilities: | | |
| Trade accounts and other receivables | 40,694 | (35,785) |
| Inventories | 17,162 | (10,339) |
| Prepaid expenses and other current assets | (1,415) | (16,694) |
| Accounts payable, accrued expenses and other current liabilities | 92,159 | 36,686 |
| Income taxes | 17,836 | 239,944 |
| Deposits | — | — |
| Long-term pension and other postretirement obligations | (2,668) | (1,764) |
| Other operating assets and liabilities | 3,235 | 1,534 |
| Cash provided by operating activities | 856,314 | 802,408 |
| Cash flows from investing activities: | | |
| Acquisitions of property, plant and equipment | (129,848) | (131,349) |
| Business acquisition | (373,532) | — |
| Purchases of investment securities | — | (55,100) |
| Proceeds from sale or maturity of investment securities | — | 152,050 |
| Proceeds from property disposals | 13,553 | 8,422 |
| Cash provided by (used in) investing activities | (489,827) | (25,977) |
| Cash flows from financing activities: | | |
| Proceeds from note payable to bank | 5,869 | — |
| Proceeds from revolving line of credit | 1,680,000 | — |
| Payments on revolving line of credit, long-term borrowings and capital lease obligations | (683,742) | (410,199) |
| Tax benefit related to share-based compensation | 7,834 | — |
| Sale of subsidiary common stock | — | 332 |
| Payment of capitalized loan costs | (12,322) | — |
| Purchase of treasury stock | (45,080) | — |
| Cash dividends | (1,498,470) | — |
| Cash used in financing activities | (545,911) | (409,867) |
| Effect of exchange rate changes on cash and cash equivalents | — | (6,173) |
| Increase (decrease) in cash and cash equivalents | (179,424) | 360,391 |
| Cash and cash equivalents, beginning of period | 576,143 | 508,206 |
| Cash and cash equivalents, end of period | \$ 396,719 | \$ 868,597 |

PILGRIM'S PRIDE CORPORATION

Selected Financial Information

(Unaudited)

“EBITDA” is defined as the sum of net income (loss) plus interest, taxes, depreciation and amortization. “Adjusted EBITDA” is calculated by adding to EBITDA certain items of expense and deducting from EBITDA certain items of income that we believe are not indicative of our ongoing operating performance consisting of: (i) income (loss) attributable to non-controlling interests, (ii) restructuring charges, (iii) reorganization items, (iv) losses on early extinguishment of debt and (v) foreign currency transaction losses (gains). EBITDA is presented because it is used by management and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results prepared in conformity with accounting principles generally accepted in the US (“GAAP”), to compare the performance of companies. We believe investors would be interested in our Adjusted EBITDA because this is how our management analyzes EBITDA. The Company also believes that Adjusted EBITDA, in combination with the Company’s financial results calculated in accordance with GAAP, provides investors with additional perspective regarding the impact of certain significant items on EBITDA and facilitates a more direct comparison of its performance with its competitors. EBITDA and Adjusted EBITDA are not measurements of financial performance under GAAP. They should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any other measures of performance derived in accordance with GAAP.

PILGRIM'S PRIDE CORPORATION

Reconciliation of Adjusted EBITDA

| (Unaudited) | Thirteen Weeks Ended | | Thirty-Nine Weeks Ended | |
|---|----------------------|--------------------|-------------------------|--------------------|
| | September 27, 2015 | September 28, 2014 | September 27, 2015 | September 28, 2014 |
| | (In thousands) | | | |
| Net income | \$ 137,095 | \$ 255,803 | \$ 582,912 | \$ 544,435 |
| Add: | | | | |
| Interest expense, net | 10,182 | 10,201 | 23,784 | 42,433 |
| Income tax expense (benefit) | 73,153 | 133,693 | 313,751 | 284,932 |
| Depreciation and amortization | 41,415 | 36,218 | 116,485 | 112,740 |
| Minus: | | | | |
| Amortization of capitalized financing costs | 1,119 | 871 | 2,708 | 7,364 |
| EBITDA | 260,726 | 435,044 | 1,034,224 | 977,176 |
| Add: | | | | |
| Foreign currency transaction losses (gains) | 12,773 | 6,414 | 23,806 | 4,932 |
| Restructuring charges | 792 | 135 | 5,605 | 2,286 |
| Minus: | | | | |
| Net income (loss) attributable to noncontrolling interest | 33 | (181) | 146 | (26) |
| Adjusted EBITDA | \$ 274,258 | \$ 441,774 | \$ 1,063,489 | \$ 984,420 |

The summary unaudited consolidated income statement data for the twelve months ended September 27, 2015 (the LTM Period) have been calculated by subtracting the applicable unaudited consolidated income statement data for the nine months ended September 28, 2014 from the sum of (1) the applicable audited consolidated income statement data for the year ended December 28, 2014 and (2) the applicable audited consolidated income statement data for the nine months ended September 27, 2015.

PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA

| (Unaudited) | Thirteen Weeks Ended December 28, 2014 | Thirteen Weeks Ended March 27, 2015 | Thirteen Weeks Ended June 28, 2015 | Thirteen Weeks Ended September 27, 2015 | LTM Ended September 27, 2015 |
|---|--|---|--|---|------------------------------------|
| (In thousands) | | | | | |
| Net income | \$ 167,003 | \$ 204,193 | \$ 241,624 | \$ 137,095 | \$ 749,915 |
| Add: | | | | | |
| Interest expense, net | 34,838 | 3,365 | 10,237 | 10,182 | 58,622 |
| Income tax expense (benefit) | 106,021 | 111,494 | 129,104 | 73,153 | 419,772 |
| Depreciation and amortization | 43,084 | 36,152 | 38,918 | 41,415 | 159,569 |
| Asset impairments | — | — | — | — | — |
| Minus: | | | | | |
| Amortization of capitalized financing costs | 6,348 | 725 | 864 | 1,119 | 9,056 |
| EBITDA | 344,598 | 354,479 | 419,019 | 260,726 | 1,378,822 |
| Add: | | | | | |
| Foreign currency transaction losses (gains) | 23,047 | 8,974 | 2,059 | 12,773 | 46,853 |
| Restructuring charges | — | — | 4,813 | 792 | 5,605 |
| Minus: | | | | | |
| Net income (loss) attributable to noncontrolling interest | (184) | (22) | 135 | 33 | (38) |
| Adjusted EBITDA | <u>\$ 367,829</u> | <u>\$ 363,475</u> | <u>\$ 425,756</u> | <u>\$ 274,258</u> | <u>\$ 1,431,318</u> |

A reconciliation of net income (loss) attributable to Pilgrim's Pride Corporation per common diluted share to adjusted net income (loss) attributable to Pilgrim's Pride Corporation per common diluted share is as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted Earnings
(Unaudited)

| | Thirteen Weeks Ended | | Thirty-Nine Weeks Ended | |
|--|-----------------------|-----------------------|-------------------------|-----------------------|
| | September 27, 2015 | September 28, 2014 | September 27, 2015 | September 28, 2014 |
| (In thousands, except per share data) | | | | |
| Net income (loss) attributable to Pilgrim's Pride Corporation | \$ 137,062 | \$ 255,984 | \$ 582,766 | \$ 544,461 |
| Loss on early extinguishment of debt | — | — | 68 | — |
| Foreign currency transaction losses (gains) | 12,773 | 6,414 | 23,806 | 4,932 |
| Income (loss) before loss on early extinguishment of debt and foreign currency transaction losses (gains) | 149,835 | 262,398 | 606,640 | 549,393 |
| Weighted average diluted shares of common stock outstanding | 259,503 | 259,522 | 259,765 | 259,448 |
| Income (loss) before loss on early extinguishment of debt and foreign currency transaction losses (gains) per common diluted share | \$ 0.58 | \$ 1.01 | \$ 2.34 | \$ 2.12 |

Net debt is defined as total long term debt less current maturities, plus current maturities of long term debt and notes payable, minus cash, cash equivalents and investments in available-for-sale securities. Net debt is presented because it is used by management, and we believe it is frequently used by securities analysts, investors and other parties, in addition to and not in lieu of debt as presented under GAAP, to compare the indebtedness of companies. A reconciliation of net debt is as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of Net Debt
(Unaudited)

| | December 30, | December 29, | December 28, | Thirty-Nine Weeks Ended | |
|---|-----------------------|-------------------|---------------------|-------------------------|-----------------------|
| | 2012 | 2013 | 2014 | September 28, 2014 | September 27, 2015 |
| | (In thousands) | | | | |
| Long term debt, less current maturities | \$ 1,148,870 | \$ 501,999 | \$ 3,980 | \$ 502,115 | \$ 1,000,398 |
| Add: Current maturities of long term debt and notes payable | 15,886 | 410,234 | 262 | 260 | 5,971 |
| Minus: Cash and cash equivalents | 68,180 | 508,206 | 576,143 | 868,597 | 396,719 |
| Minus: Available-for-sale securities | — | 96,902 | — | — | — |
| Net debt (cash position) | <u>\$ 1,096,576</u> | <u>\$ 307,125</u> | <u>\$ (571,901)</u> | <u>\$ (366,222)</u> | <u>\$ 609,650</u> |

PILGRIM'S PRIDE CORPORATION
Supplementary Selected Segment and Geographic Data

| | Thirteen Weeks Ended | | Thirty-Nine Weeks Ended | |
|--|----------------------|---------------------|-------------------------|---------------------|
| | September 27, 2015 | September 28, 2014 | September 27, 2015 | September 28, 2014 |
| | (Unaudited) | | | |
| (In thousands) | | | | |
| Sources of net sales by country of origin: | | | | |
| US: | \$ 1,798,375 | \$ 2,026,277 | \$ 5,479,993 | \$ 5,758,704 |
| Mexico: | 314,154 | 241,771 | 739,331 | 714,225 |
| Total net sales: | <u>\$ 2,112,529</u> | <u>\$ 2,268,048</u> | <u>\$ 6,219,324</u> | <u>\$ 6,472,929</u> |
| Sources of cost of sales by country of origin: | | | | |
| US: | \$ 1,552,282 | \$ 1,634,863 | \$ 4,511,157 | \$ 4,900,087 |
| Mexico: | 275,727 | 182,920 | 614,554 | 557,996 |
| Elimination: | (24) | — | (71) | — |
| Total cost of sales: | <u>\$ 1,827,985</u> | <u>\$ 1,817,783</u> | <u>\$ 5,125,640</u> | <u>\$ 5,458,083</u> |
| Sources of gross profit by country of origin: | | | | |
| US: | \$ 246,093 | \$ 391,414 | \$ 968,836 | \$ 858,617 |
| Mexico: | 38,427 | 58,851 | 124,777 | 156,229 |
| Elimination: | 24 | — | 71 | — |
| Total gross profit: | <u>\$ 284,544</u> | <u>\$ 450,265</u> | <u>\$ 1,093,684</u> | <u>\$ 1,014,846</u> |