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Pilgrim's Pride Corporation Announces \$190 Million Strategic Capital Investment Plan for Growth and Brand Expansion

GREELEY, Colo., Feb. 16, 2016 (GLOBE NEWSWIRE) -- Pilgrim's Pride Corporation (Nasdaq:PPC) today announced a strategic capital investment plan to enhance growth with key customers and expand production of Pilgrim's Pierce Chicken® brand (www.piercechicken.com). The \$190 million strategy, initiated in Q4 2015, is part of a focused effort to reinvest cash flow back into the business to support sustained margin growth and improve efficiencies consistent with the Company's continued pursuit of operational excellence.

"We believe one of our competitive advantages is the valued partnership we provide to key customers," stated Bill Lovette, President and CEO, Pilgrim's Pride Corporation. "Our cash flow reinvestment plan will present opportunities for our customers to accelerate sales, improve profitability and grow their businesses. Importantly, this effort redirects cash flow back into an area of core business strength in order to maximize return on capital and enhance shareholder value."

The cash flow reinvestment plan is tailored to meet customer needs through targeted capital spending in feed production, fresh chicken, and prepared foods, including case ready. Strategic investments within the plan include, but are not limited to:

- | An \$18 million investment at a Pilgrim's case ready facility to streamline deboning and packaging processes;
- | A \$25 million investment at the Pilgrim's Moorefield, West Virginia, prepared foods facility to enhance existing fully cooked chicken lines and add an additional line to meet growth demands for the Pierce Chicken® brand;
- | A \$35 million investment to acquire property and construct a new feed mill in Nashville, Arkansas, to lower feed costs, enhance feed conversion and improve live poultry performance; and
- | A \$20 million investment at the Pilgrim's Mayfield, Kentucky, poultry complex to reengineer the facility to improve its value-added product mix in alignment with the needs of a key customer. The project will result in the addition of approximately 150 new jobs in 2016.

"We are excited to have the opportunity to leverage our strong balance sheet to reinvest into our Company," stated Fabio Sandri, CFO, Pilgrim's Pride Corporation. "Our strategy remains to explore every opportunity at our disposal to grow our business and create shareholder value. Today's announcement reinforces Pilgrim's commitment to operational excellence, sustainable growth and margin creation."

The total \$190 million cash flow reinvestment represents an amount greater than the Company's depreciation allowance, further demonstrating its willingness to invest for future success.

About Pilgrim's Pride Corporation

Pilgrim's employs approximately 39,000 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.

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