

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

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**FORM 8-K**

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**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 29, 2014**

**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.)

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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 7.01. Regulation FD Disclosure**

Attached hereto as Exhibit 99.1 is an overview of Pilgrim's Pride Corporation to be referenced during the Company's earnings conference call of October 30, 2014.

**Item 9.01 Financial Statements and Exhibits**

Exhibit 99.1 Overview of Pilgrim's Pride Corporation to be referenced during the Company's earnings conference call of October 30, 2014.

**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 29, 2014

/s/ Fabio Sandri  
Fabio Sandri  
Chief Financial Officer





**Pilgrim's Pride Corporation**  
Financial Results for  
Third Quarter Ended September 28,  
2014

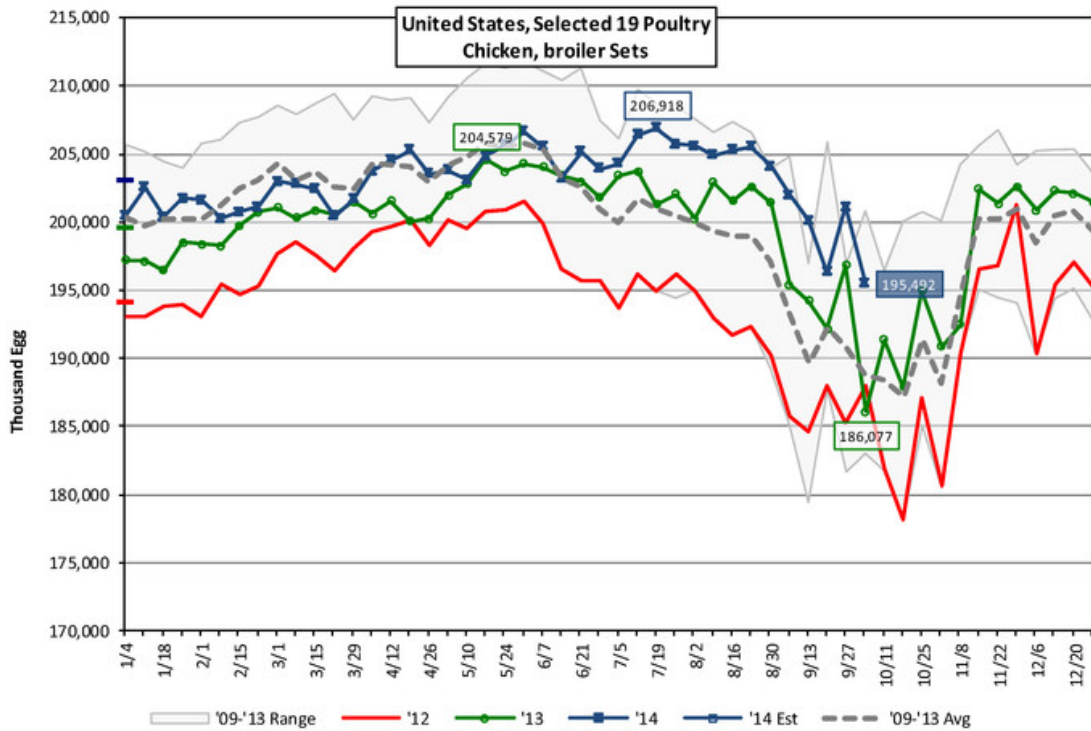


# Cautionary Notes and Forward-Looking Statements

- Statements contained in this presentation that share our intentions, beliefs, expectations or predictions for the future, denoted by the words “anticipate,” “believe,” “estimate,” “should,” “expect,” “project,” “plan,” “imply,” “intend,” “foresee” and similar expressions, are forward-looking statements that reflect our current views about future events and are subject to risks, uncertainties and assumptions. Such risks, uncertainties and assumptions include the following matters affecting the chicken industry generally, including fluctuations in the commodity prices of feed ingredients and chicken; actions and decisions of our creditors; our ability to obtain and maintain commercially reasonable terms with vendors and service providers; our ability to maintain contracts that are critical to our operations; our ability to retain management and other key individuals; certain of our reorganization and exit or disposal activities, including selling assets, idling facilities, reducing production and reducing workforce, resulted in reduced capacities and sales volumes and may have a disproportionate impact on our income relative to the cost savings; risk that the amounts of cash from operations together with amounts available under our exit credit facility will not be sufficient to fund our operations; management of our cash resources, particularly in light of our substantial leverage; restrictions imposed by, and as a result of, our substantial leverage; additional outbreaks of avian influenza or other diseases, either in our own flocks or elsewhere, affecting our ability to conduct our operations and/or demand for our poultry products; contamination of our 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; changes in laws or regulations affecting our operations or the application thereof; new immigration legislation or increased enforcement efforts in connection with existing immigration legislation that cause our costs of business to increase, cause us to change the way in which we do business or otherwise disrupt our operations; competitive factors and pricing pressures or the loss of one or more of our largest customers; currency exchange rate fluctuations, trade barriers, exchange controls, expropriation and other risks associated with foreign operations; disruptions in international markets and distribution channels; and the impact of uncertainties of litigation as well as other risks described herein and under “Risk Factors” in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”).
- Actual results could differ materially from those projected in these forward-looking statements as a result of these factors, among others, many of which are beyond our control. In making these statements, we are not undertaking, and specifically decline to undertake, any obligation to address or update each or any factor in future filings or communications regarding our business or results, and we are not undertaking to address how any of these factors may have caused changes to information contained in previous filings or communications. Although we have attempted to list comprehensively these important cautionary risk factors, we must caution investors and others that other factors may in the future prove to be important and affecting our business or results of operations.
- “EBITDA” is defined as net income (loss) plus interest, income taxes, depreciation and amortization. “Adjusted EBITDA” is defined as the sum of EBITDA plus restructuring charges, reorganization items and loss on early extinguishment of debt less net income attributable to noncontrolling interests. Our method of computation may or may not be comparable to other similarly titled measures used in filings with the SEC by other companies. See the consolidated statements of income and consolidated statements of cash flows included in our financial statements. EBITDA is presented because we believe it provides meaningful additional information concerning a company’s operating results and its ability to service long-term debt and to fund its growth, and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results under U.S. Generally Accepted Accounting Principles (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 and 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.



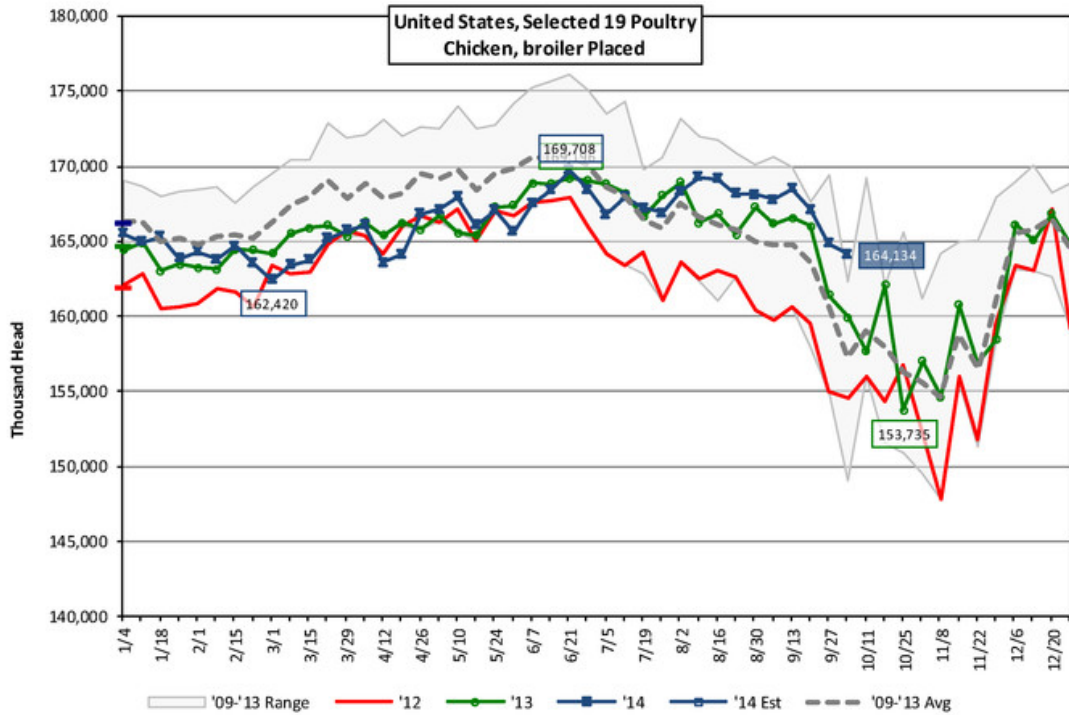
# Broiler Hatcheries Showing Moderate Increase







# Placements Impacted by Low Hatchability



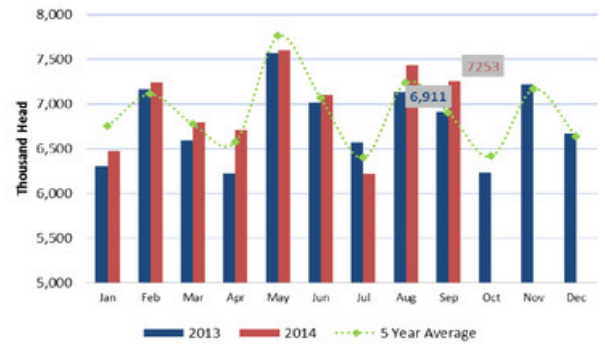


# Hatching Layers Up 2% from 2013

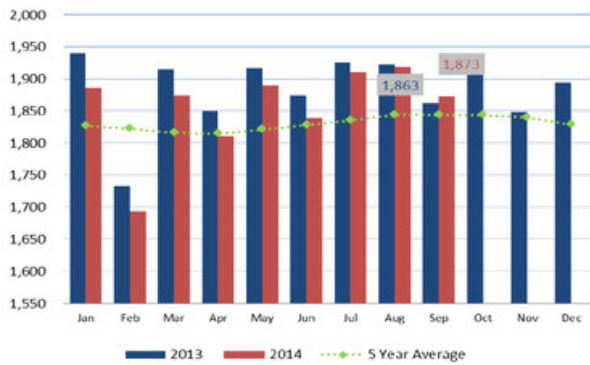
**Broiler Type Hatching Layers**



**Intended Pullet Placements**



**Egg Production Per 100 Layers**



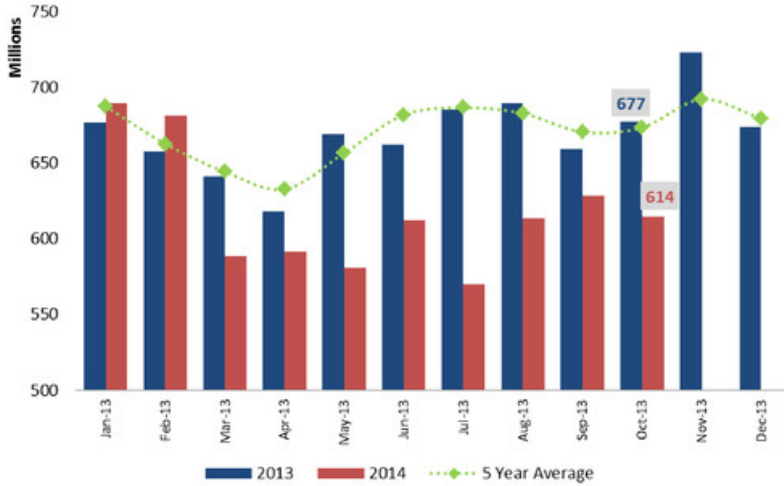
- Hatching layers in Sep are up 2% from 2013 while egg production was unchanged
- Sep pullet placements were up 4% and YTD placements are up 2%





# Frozen Inventories 9% Below 2013 Levels

Chicken Cold Storage



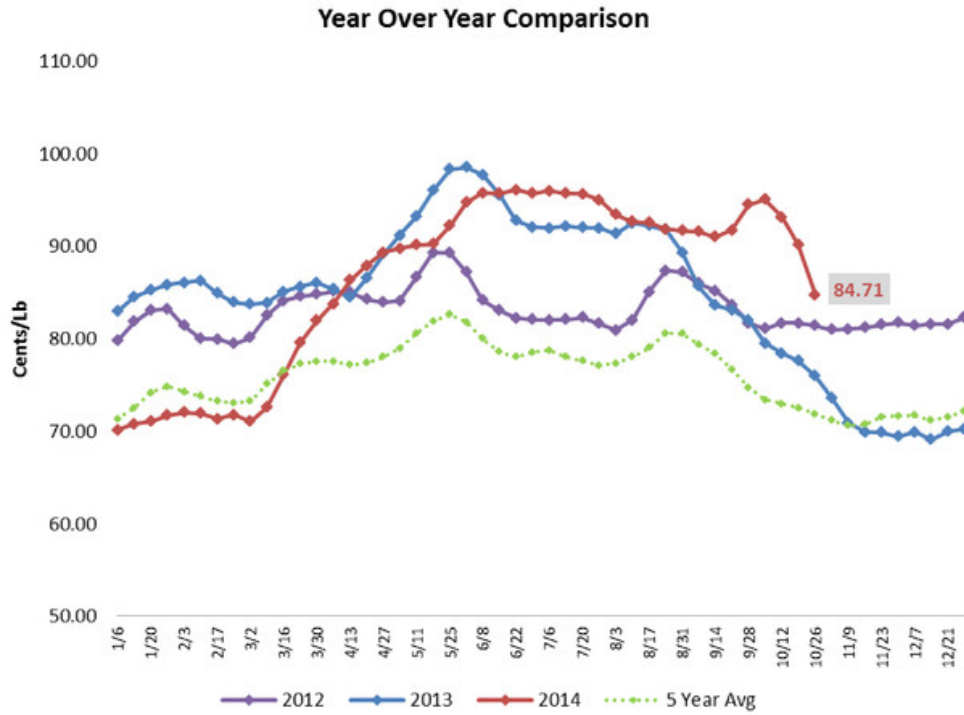
Part	Oct-13	Oct-14	% Change
Broilers	23,244	11,092	-52.3%
Hens	3,155	6,934	119.8%
Breast Meat	89,739	114,033	27.1%
Drumsticks	17,919	17,445	-2.6%
Leg Quarters	153,233	118,616	-22.6%
Legs	7,214	11,859	64.4%
Thighs	6,200	8,434	36.0%
Thigh meat	15,796	16,970	7.4%
Wings	90,926	62,014	-31.8%
Paws and feet	23,130	25,356	9.6%
Other	246,364	221,537	-10.1%
<b>Total Chicken</b>	<b>676,920</b>	<b>614,290</b>	<b>-9.3%</b>

- Overall inventories are well below last year with some of the more significant declines in wings and leg quarters.





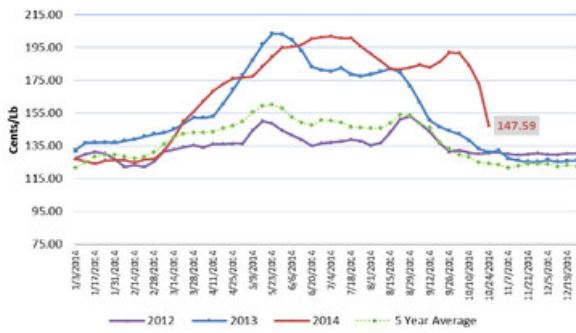
# Chicken Cutout Remains Positive



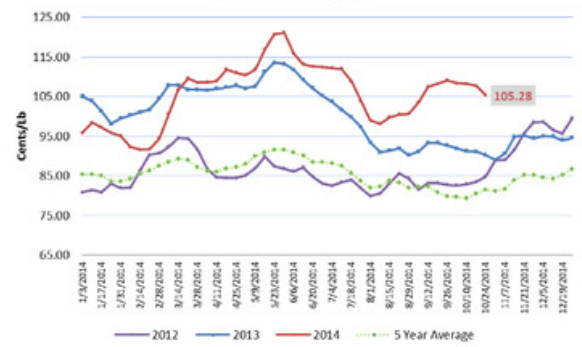


# USDA Chicken Prices

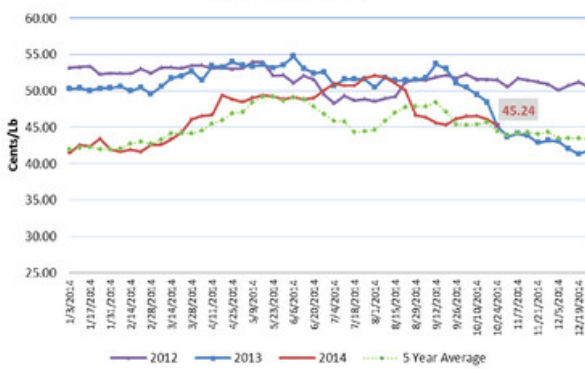
USDA Boneless/Skinless Breast NE



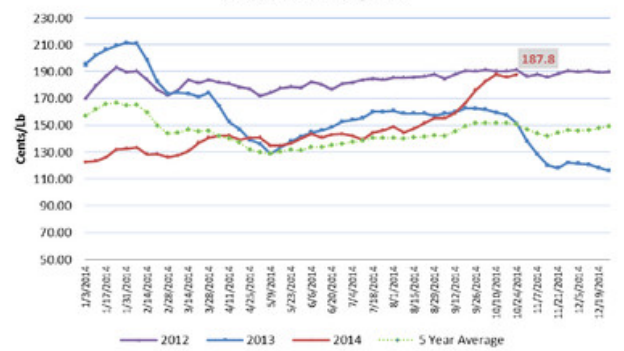
USDA Whole Broiler



USDA Leg Quarters NE

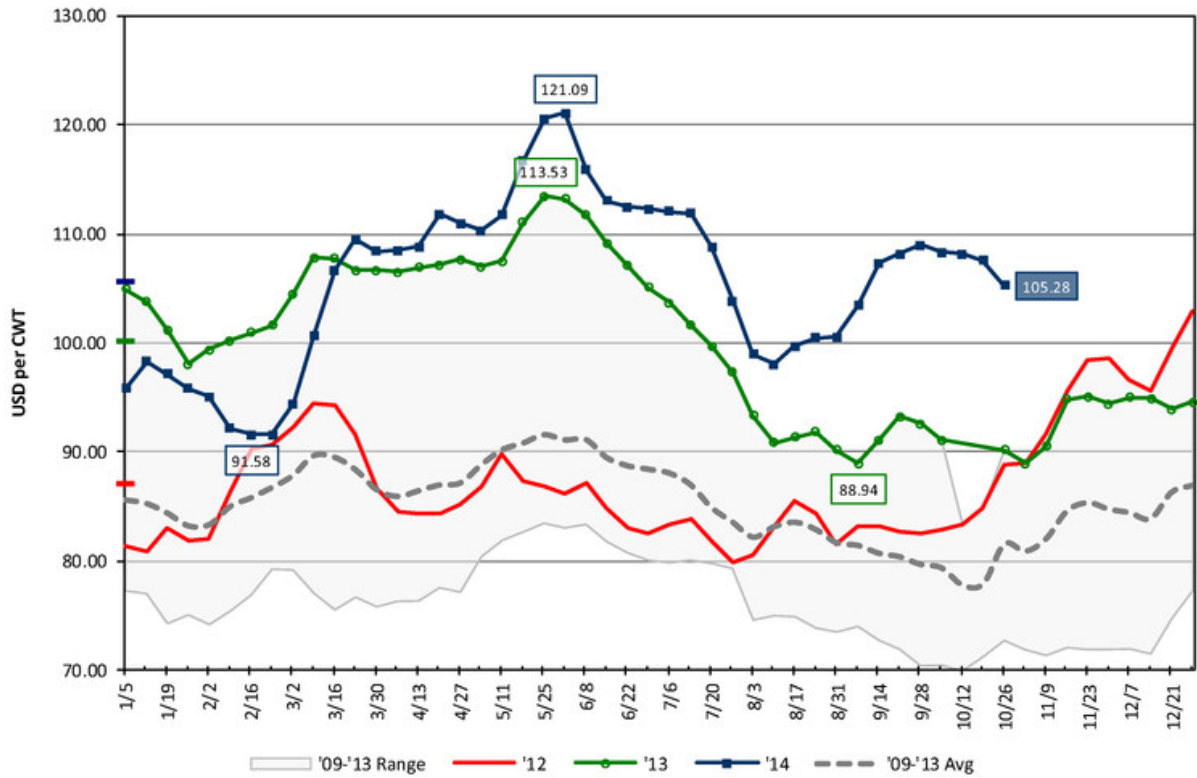


USDA Whole Wings NE



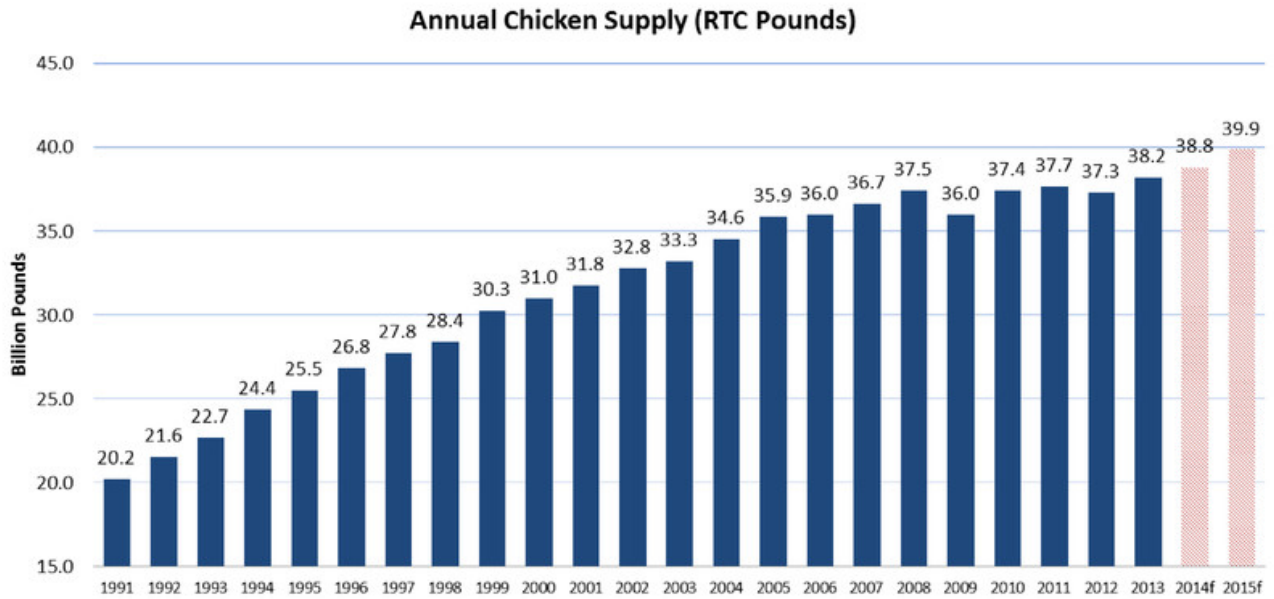


# USDA Whole Bird Chicken Prices





## Chicken Supplies Expected to Increase Moderately in 2015

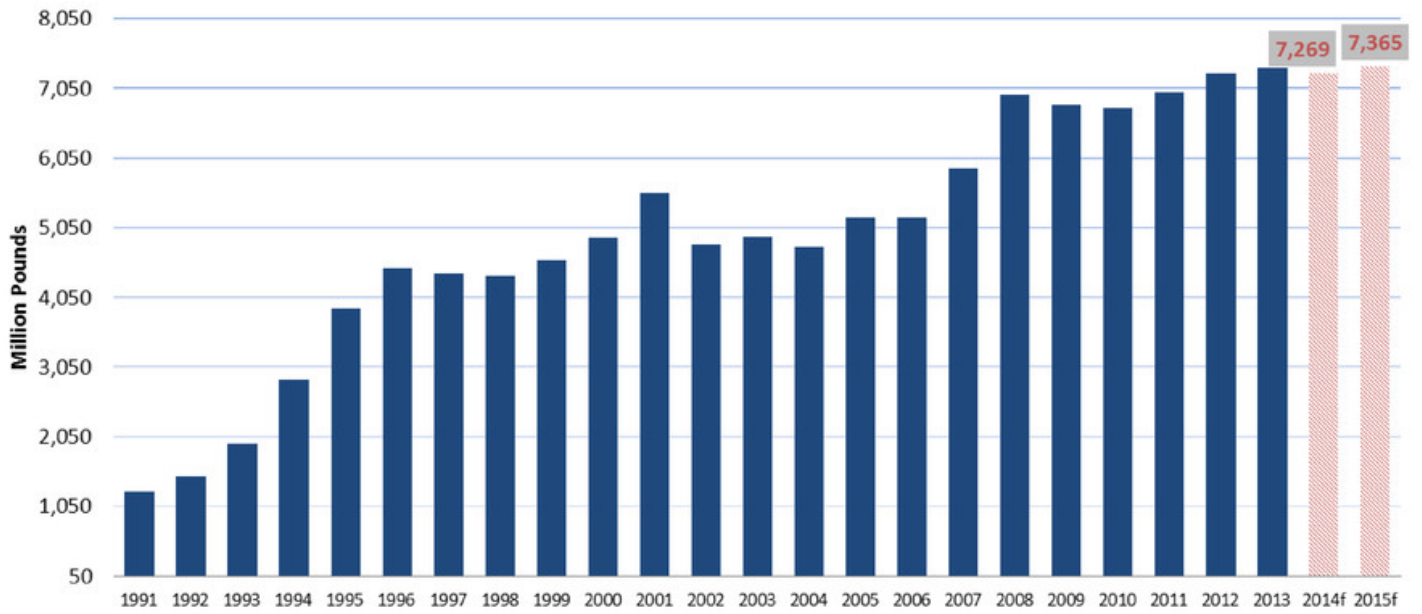


- USDA continues to lower their 2014 estimate for increased chicken production (+1.1% currently) while forecasting a 2.8% increase in production for 2015.



# Exports Continue Consistent Growth Trend

Annual Chicken Exports (Million Pounds)

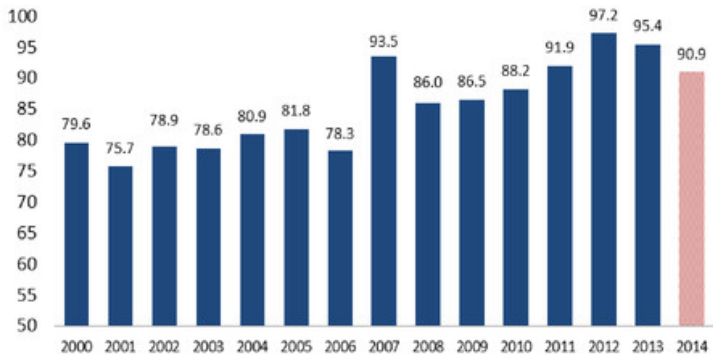




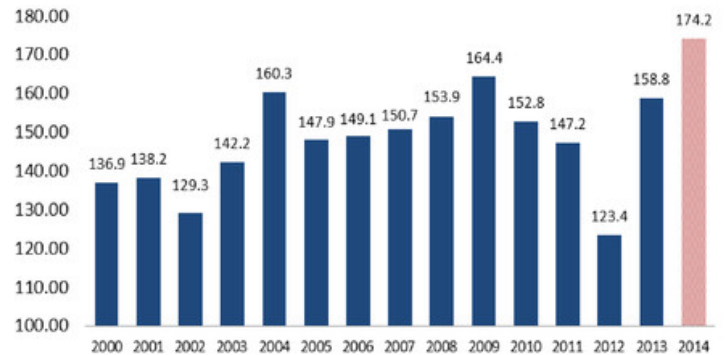


# Corn Production to Set Another Record in 2014

**US Corn Planted Acres**  
(Million Acres)



**US Corn Yield**  
(Bushels Per Acre)

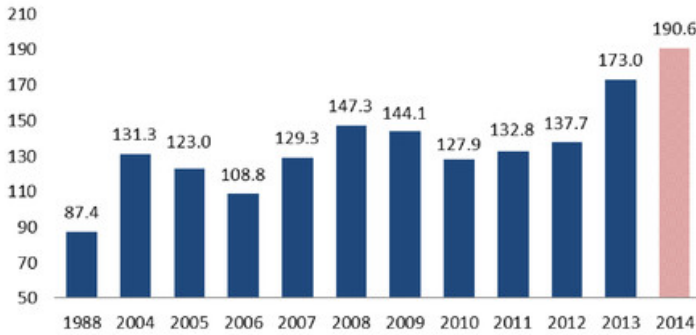


- Farmers in the US planted nearly 4 million fewer acres responding to better economics from soybeans.
- Even with the decline in corn acreage planted, production is forecasted to set a record in 2014.

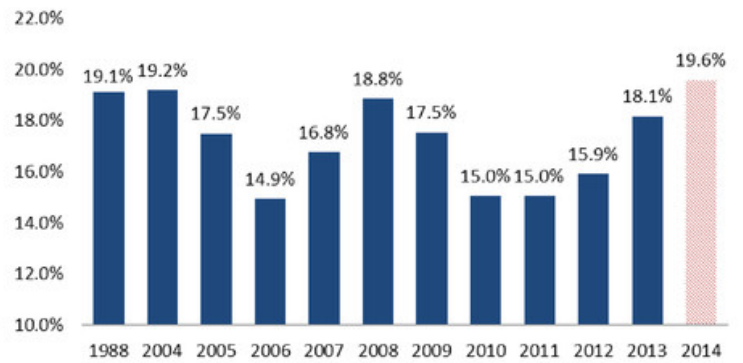


# Global Corn Stocks Continue to Rise

**Global Corn Stocks**  
(Million Metric Tons)



**Global Corn Stocks/Use**



- Back to back record corn crops in the US combines with Brazilian corn production, pushing global stocks to over 190 million tons.
- At a 19.6% stocks-to-use ratio, global inventories will be at one of the highest levels historically.





## Third Quarter 2014 Financial Results

Main Indicators (\$M)	3Q 14	3Q 13
Net Revenue	2,268.0	2,142.8
Gross Profit	450.3	236.6
SG&A	44.7	47.5
Net Interest	10.2	14.7
Net Income	256.0	160.9
Net Income per Share	0.99	0.62
EBITDA*	435.0	222.5
EBITDA Margin	19.2%	10.4%

\*EBITDA is a non-GAAP measurement considered by management to be useful in understanding our results. Please see most recent SEC financial filings for definition of EBITDA and reconciliation to GAAP.

Strong quarter in both the US and Mexico:

- Net Revenue 5.8% higher than Q3-2013 on 1.7% higher volume

- Live Cost \$98M lower than Q3 2013

- SG&A lower than Q3 2013, in line with higher bonus accruals

- EBITDA 95% higher than Q3-2013

- Income taxes of \$134MM (34.3%)



## Third Quarter 2014 Liquidity

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

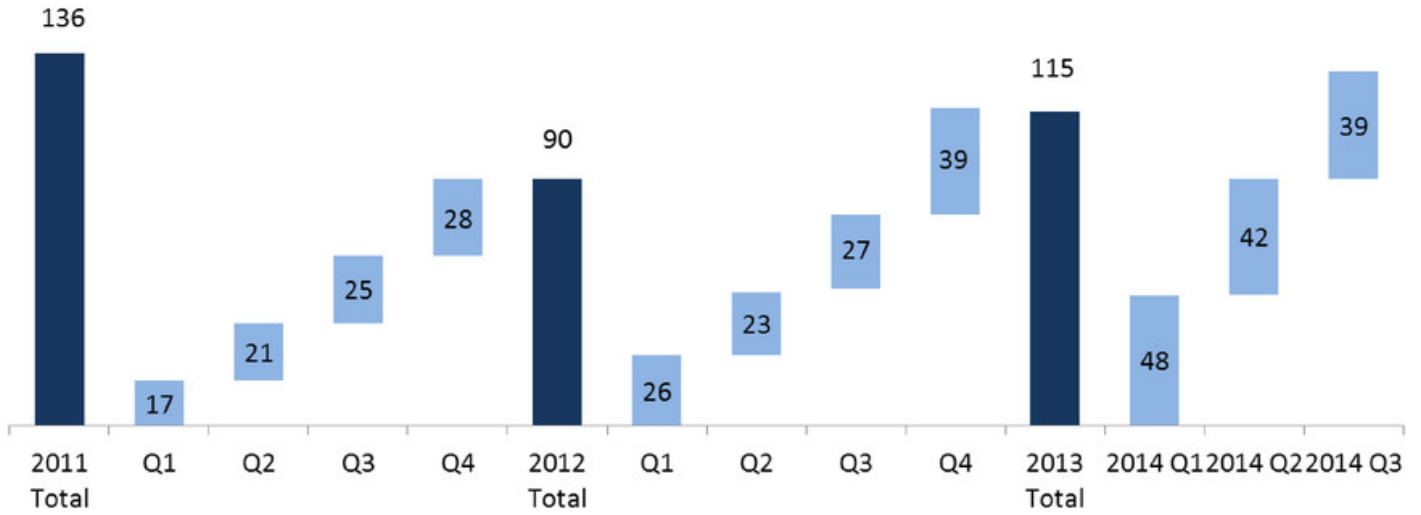
	December 30,	December 29,	Thirty-Nine Weeks Ended	
	2012	2013	September 28, 2014	September 29, 2013
	<b>(in thousands)</b>			
Long term debt, less current maturities	\$1,148,870	\$501,999	\$502,115	\$912,019
Add: Current maturities of long term debt	15,886	410,234	260	396
Minus: Cash and cash equivalents	68,180	508,206	868,597	330,316
Minus: Available-for-sale Securities	—	96,902	—	—
Net debt (Cash position)	\$1,096,576	\$307,125	<b>(\$366,222)</b>	\$582,099

Sources of Liquidity 2014	Facility Amount				Amount Outstanding				Amount Available			
	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Cash and cash equivalents									508.2	515.0	527.4	868.6
Short-term investments in available-for-sale securities									96.9	37.0	-	-
<b>Borrowing arrangements:</b>												
U.S. Credit Facility	700.0	700.0	700.0		-	-	-	-	665.8	664.8	679.9	679.9
Mexico Credit Facility (in USD)	42.7	42.6	43.0		-	-	-	-	42.7	42.6	43.0	41.7
<b>Total Availability:</b>									<b>1,313.6</b>	<b>1,259.4</b>	<b>1,250.3</b>	<b>1,590.2</b>



# Third Quarter 2014 Capital Spending

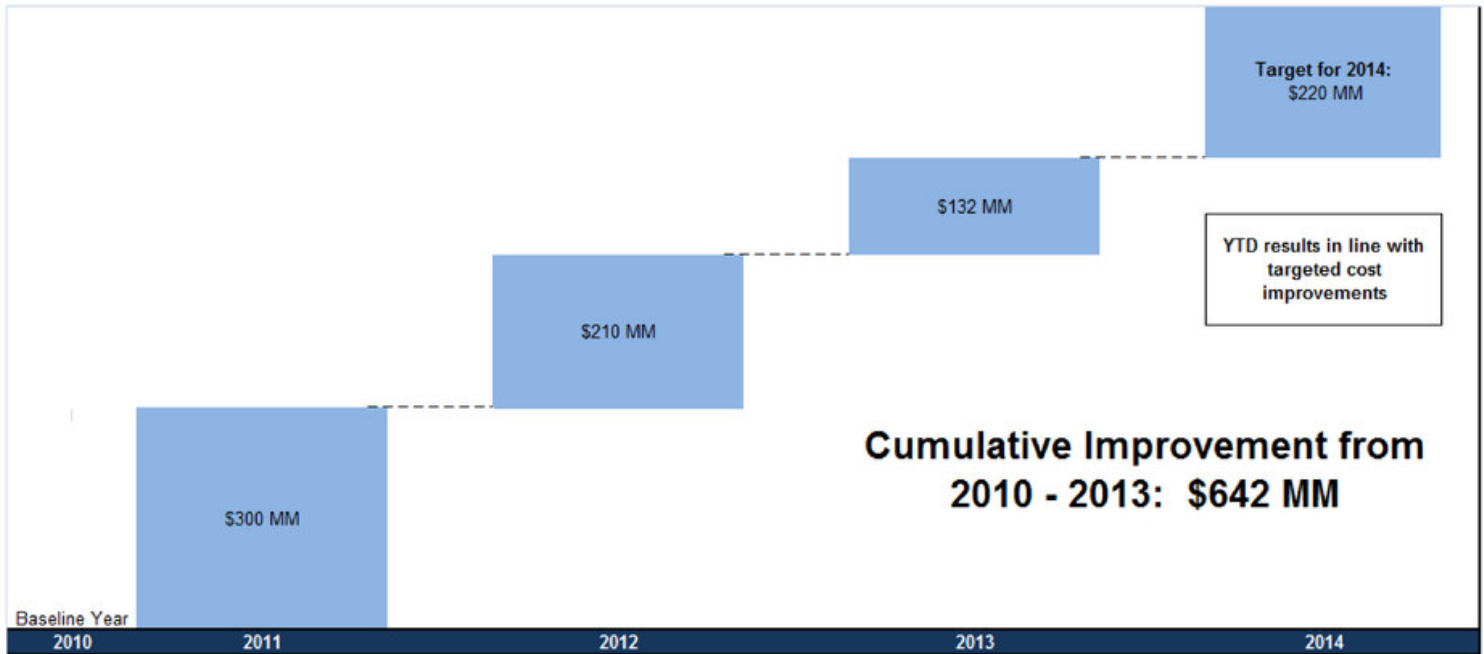
Capex (US\$MM)



Strong free cash flow generation has enabled us to direct more capital spending towards identified projects with rapid payback.



# Evolution of Cost Improvements Over 2010 Baseline





## Investor Relations Contact

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### Investor Relations:

**E-mail:** [IRPPC@pilgrims.com](mailto:IRPPC@pilgrims.com)

**Address:** 1770 Promontory Circle  
Greeley, CO 80634 USA

**Website:** [www.pilgrims.com](http://www.pilgrims.com)



## Appendix: EBITDA Reconciliation

"EBITDA" is defined as the sum of net income (loss) plus interest, taxes, depreciation and amortization. "Adjusted EBITDA" is defined as the sum of EBITDA plus restructuring charges, reorganization items and loss on early extinguishment of debt less net income attributable to noncontrolling interests. 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.

(Unaudited)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 28, 2014	September 29, 2013	September 28, 2014	September 29, 2013
	(In thousands)			
Net income from continuing operations	\$255,803	\$161,024	\$544,435	\$406,043
Add:				
Interest expense, net	10,201	19,842	42,433	66,705
Income tax expense (benefit)	133,693	5,578	284,932	24,216
Depreciation and amortization	36,218	37,914	112,740	113,853
Asset impairments	—	361	—	361
Minus:				
Amortization of capitalized financing costs	871	2,204	7,364	7,238
EBITDA	435,044	222,515	977,176	603,940
Add:				
Restructuring charges	135	3,658	2,286	4,622
Minus:				
Net income (loss) attributable to noncontrolling interest	(181)	106	(26)	(162)
Adjusted EBITDA	\$435,360	\$226,067	\$979,488	\$608,724





## Appendix: Reconciliation of LTM EBITDA

The summary unaudited consolidated income statement data for the last twelve months ended September 28, 2014 (the LTM Period) have been calculated by subtracting the applicable unaudited consolidated income statement data for the thirty-nine weeks ended September 29, 2013 from the sum of (1) the applicable audited consolidated income statement data for the year ended December 29, 2013 and (2) the applicable unaudited consolidated income statement data for the thirty-nine weeks ended September 28, 2014.

(Unaudited)	<b>Thirteen Weeks Ended</b>	<b>Thirteen Weeks</b>	<b>Thirteen Weeks</b>	<b>Thirteen Weeks Ended</b>	<b>LTM Ended</b>
	<b>December 29, 2013</b>	<b>March 30, 2014</b>	<b>June 29, 2014</b>	<b>September 28, 2014</b>	<b>September 28, 2014</b>
	<b>(In thousands)</b>				
Net income from continuing operations	\$143,670	\$98,187	\$190,445	\$255,803	\$688,105
Add:					
Interest expense, net	18,176	18,662	13,570	10,201	60,609
Income tax expense (benefit)	11	52,012	99,227	133,693	284,943
Depreciation and amortization	36,670	38,260	38,261	36,218	149,409
Asset impairments	—	—	—	—	—
Minus:					
Amortization of capitalized financing costs	2,069	3,586	2,906	871	9,432
EBITDA	196,458	203,535	338,597	435,044	1,173,634
Add:					
Restructuring charges	1,039	1,713	438	135	3,325
Minus:					
Net income (loss) attributable to	319	70	85	(181)	293
Adjusted EBITDA	\$197,178	\$205,178	\$338,950	\$435,360	\$1,176,666



## Appendix: Reconciliation of EBITDA Margin

EBITDA margins have been calculated using by taking the unaudited EBITDA figures and income statement components, then dividing by Net Revenue for the applicable period.

(Unaudited)	Thirteen Weeks Ended		Thirty-Nine Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 28, 2014	September 29, 2013	September 28, 2014	September 29, 2013	September 28, 2014	September 29, 2013	September 28, 2014	September 29, 2013
	(In thousands)							
Net income from continuing operations	\$255,803	\$161,024	\$544,435	\$406,043	11.28%	7.51%	8.41%	6.38%
Add:								
Interest expense, net	10,201	19,842	42,433	66,705	0.45%	0.93%	0.66%	1.05%
Income tax expense (benefit)	133,693	5,578	284,932	24,216	5.89%	0.26%	4.40%	0.38%
Depreciation and amortization	36,218	37,914	112,740	113,853	1.60%	1.77%	1.74%	1.79%
Asset impairments	-	361	-	361	0.00%	0.02%	0.00%	0.01%
Minus:								
Amortization of capitalized financing costs	871	2,204	7,364	7,238	0.04%	0.10%	0.11%	0.11%
EBITDA	435,044	222,515	977,176	603,940	19.18%	10.38%	15.10%	9.49%
Add:								
Restructuring charges	135	3,658	2,286	4,622	0.01%	0.17%	0.04%	0.07%
Minus:								
Net income (loss) attributable to noncontrolling interest	(181)	106	(26)	(162)	-0.01%	0.00%	0.00%	0.00%
Adjusted EBITDA	\$435,360	\$226,067	\$979,488	\$608,724	19.20%	10.55%	15.13%	9.57%
Net Revenues	\$ 2,268,048	\$ 2,142,815	\$ 6,472,929	\$ 6,363,863	\$ 2,268,048	\$ 2,142,815	\$ 6,472,929	\$ 6,363,863



## Appendix: Net Debt / Cash Position Reconciliation

Net debt is defined as total long term debt less current maturities, plus current maturities of long term debt, 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 / cash position is as follows:

<b>PILGRIM'S PRIDE CORPORATION</b>				
<b>Reconciliation of Net Debt</b>				
<b>(Unaudited)</b>				
	<b>December 30,</b>	<b>December 29,</b>	<b>Thirty-Nine Weeks Ended</b>	
	<b>2012</b>	<b>2013</b>	<b>September 28, 2014</b>	<b>September 29, 2013</b>
<b>(in thousands)</b>				
Long term debt, less current maturities	\$1,148,870	\$501,999	\$502,115	\$912,019
Add: Current maturities of long term debt	15,886	410,234	260	396
Minus: Cash and cash equivalents	68,180	508,206	868,597	330,316
Minus: Available-for-sale Securities	—	96,902	—	—
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