



# A Winning Recipe

*Pilgrim's Pride Corporation 2003*



Grow Responsibly  
Invest Wisely  
Build Carefully  
Support All Our Communities  
Nurture Our People  
Seek Opportunities  
Move Boldly  
Create Synergy

A W I N N I N G R E C I P E



**F**or more than five decades, Pilgrim's Pride has produced healthy, high-quality food products that go into some of the world's finest recipes. In fact, we developed a number of those recipes ourselves, so consumers of our products could enjoy and benefit from them to the fullest. Now we have developed a new recipe – one to enhance the quality and health of our company and all its stakeholders.

The hallmark of our year was the announced acquisition of ConAgra Foods' chicken division. It was a bold move, one that doubled our size, but one that was preceded by careful deliberation and adherence to basic principles. These principles have been key elements of our success since we were founded in 1946 as a feed store.

Creating a winning recipe is often a matter of trying something, judging the results, adjusting the ingredients and trying again. Our success with previous acquisitions coupled with the quality of the ConAgra operation gives us every confidence that these ingredients will work together brilliantly.

Twice the size, twice the reach, twice the opportunity. A winning recipe, indeed.

## Pilgrim's Pride Facility Locations

### Prepared Foods Processing

Chattanooga, TN  
Dallas, TX  
Elberton, GA  
Farmerville, LA  
Franconia, PA  
Moorefield, WV  
Mt. Pleasant, TX  
Nacogdoches, TX  
Waco, TX

### Chicken Processing/Fresh

Athens, AL  
Athens, GA  
Batesville, AR  
Broadway, VA  
Canton, GA  
Chattanooga, TN  
Clinton, AR  
Dallas, TX  
Dalton, GA  
DeQueen, AR  
El Dorado, AR  
Enterprise, AL  
Farmerville, LA  
Gainesville, GA  
Lufkin, TX  
Marshville, NC  
Mayfield, KY  
Moorefield, WV  
Mt. Pleasant, TX  
Nacogdoches, TX  
Natchitoches, LA  
Los Cues, Mexico  
San Luis Potosí, Mexico  
Tepeji, Mexico  
Aibonito, Puerto Rico

### Turkey Processing/Fresh

Hinton, VA  
New Oxford, PA

### Feed Milling

Athens, AL  
Athens, GA  
Batesville, AR  
Broadway, VA  
Canton, GA  
Chattanooga, TN  
Clinton, AR  
El Dorado, AR  
Enterprise, AL  
Farmerville, LA  
Gainesville, GA  
Harrisonburg, VA  
Hope, AR  
Marshville, NC  
Mayfield, KY  
Moorefield, WV  
Mt. Pleasant, TX  
Nacogdoches, TX  
Nashville, AR  
Natchitoches, LA

Pittsburg, TX  
Tenaha, TX  
Colón, Mexico  
Querétaro, Mexico  
Saltillo, Mexico  
San Luis Potosí, Mexico  
Las Piedras, Puerto Rico

### Hatching and/or Grow-out

Athens, AL  
Athens, GA  
Batesville, AR  
Broadway, VA  
Canton, GA  
Center, TX  
Chattanooga, TN  
Clinton, AR  
Concord, NC  
Dalton, GA  
DeQueen, AR  
El Dorado, AR  
Enterprise, AL  
Farmerville, LA  
Gainesville, GA  
Harrisonburg, VA  
Hope, AR  
Mayfield, KY  
Moorefield, WV  
Nacogdoches, TX  
Nashville, AR  
Natchitoches, LA  
Pittsburg, TX  
Sulphur Springs, TX  
Guanajuato, Mexico  
Hidalgo, Mexico  
Querétaro, Mexico  
Saltillo, Mexico  
San Luis Potosí, Mexico  
Aibonito, Puerto Rico

### Distribution Centers

Arlington, TX  
Bristol, TN  
Dallas, TX  
El Paso, TX  
Green Bay, WI  
Greenville, NC  
Houston, TX  
Jackson, MS  
Mt. Pleasant, TX  
North Wilkesboro, NC  
Oskaloosa, IA  
Phoenix, AZ  
Sacramento, CA  
Salt Lake City, UT  
San Antonio, TX  
San Jose, CA  
Shreveport, LA  
Cancún, Mexico  
Coatzacoalcos, Mexico  
Guadalajara, Mexico  
Mérida, Mexico  
Monterrey, Mexico

Puerto Vallarta, Mexico  
Querétaro, Mexico  
Reynosa, Mexico  
San Luis Potosí, Mexico  
Tampico, Mexico  
Tepeji, Mexico  
Tlalnepantla, Mexico  
Veracruz, Mexico

### Administration & Sales

Pittsburg, TX (Headquarters)  
Broadway, VA  
Dallas, TX  
Duluth, GA  
Rockwall, TX  
Mexico City, Mexico  
Querétaro, Mexico  
Aibonito, Puerto Rico





T O O U R S H A R E H O L D E R S

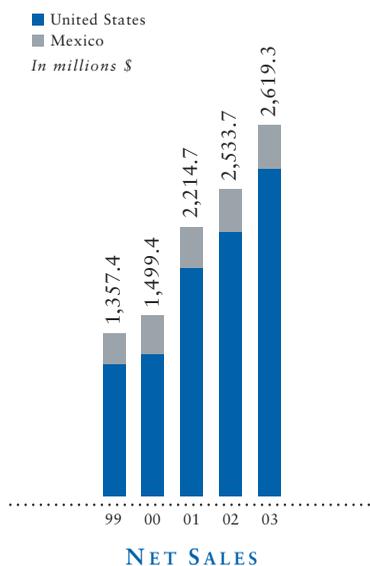


*Dear Friends, Associates and Fellow Stakeholders:*

When we look back on our 2003 fiscal year, several positive facts jump out at us.

We posted record sales of \$2.6 billion. It was our seventh consecutive year of growth in sales, further consolidating our position as America's second-largest poultry producer.

We achieved net income of \$56 million, a \$42 million increase over the previous fiscal year, thanks primarily to recoveries from litigation filed against vitamin suppliers and from the U.S. government for last year's outbreak of avian influenza. Better operating efficiencies and positive market forces, such as improved pricing and export conditions, also favorably impacted our results. Earnings per share rose to \$1.36, up \$1.01 from \$0.35 in fiscal 2002.



Our Prepared Foods Division grew to become 53% of our total chicken revenue. We will continue to stress growth in this higher-margin, value-added segment of our business.

As the fiscal year ended, we were both proud and humble to reflect upon the awards and recognition we received as the result of ongoing investments in our industry and our communities.

Of course, no business ever completely avoids challenges. We take great pride in how the people of Pilgrim's Pride responded to the challenges of fiscal 2003. We displayed special resilience in recovering from the

# Our Prepared Foods Division grew to 53% of our total chicken revenue. We will continue to stress growth in this higher margin segment of our business.

prior year's voluntary recall of turkey deli products and the outbreak of avian influenza. We continue to learn from and build upon our experiences in ways that only a strong, fundamentally sound company can do.

So a normal review of fiscal 2003 would involve the pleasant task of reporting to you on a successful, growing business made up almost entirely of people who appreciate their company, enjoy their work and create good results for their stakeholders.

But this is not a normal review. For we also want to share with you our assessment of one of the most important events in our recent history – the addition of ConAgra's chicken division.

We looked long and hard at the ConAgra opportunity before we pursued it. Every study we made, every pro-forma we ran, every answer we received told us this acquisition could give us a chance to create an even greater company for all of our stakeholders.

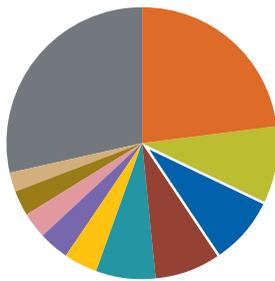
Our customers, and prospective customers, have already given us tremendous positive feedback about the acquisition. They know that by doubling in size,



Lonnie "Bo" Pilgrim  
*Chairman*

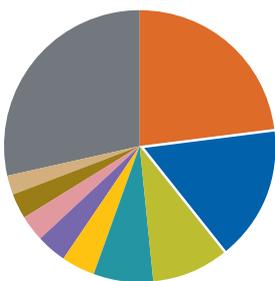
O. B. Goolsby, Jr.  
*President*  
*Chief Operating Officer*

Going forward, we believe our growth opportunities are outstanding. Already, on a pro-forma basis, our company has doubled its sales and earnings potential.



**PRE-ACQUISITION MARKET SHARE**

- 23.0% Tyson Foods
- 9.1% Gold Kist
- 8.5% Pilgrim's Pride
- 7.8% ConAgra Foods
- 7.1% Perdue Farms
- 4.0% Wayne Farms
- 3.6% Sanderson Farms
- 3.1% Foster Farms
- 3.0% Mountaire Farms
- 2.3% Cagle's
- 28.5% Other (32 Companies)



**POST-ACQUISITION MARKET SHARE**

- 23.0% Tyson Foods
- 16.3% Pilgrim's Pride
- 9.1% Gold Kist
- 7.1% Perdue Farms
- 4.0% Wayne Farms
- 3.6% Sanderson Farms
- 3.1% Foster Farms
- 3.0% Mountaire Farms
- 2.3% Cagle's
- 28.5% Other (32 Companies)

we cemented our position as the undisputed number-two poultry producer in America and became the number-two producer in chicken as well. They know our resulting distribution capabilities and product choice will be second to none. They know our ability to develop new products to meet their needs will be enhanced. And they know our service – being there when they need us with the products they want at a fair price – will remain a leader in the business.

Shareholders have also reacted positively to the financial opportunities that the acquisition represents. They know that the ConAgra chicken division was acquired at a very favorable price, and will be accretive to earnings soon. There is very little overlap in market focus, distributor relationships and geographic locations.

Our shareholders appreciate the fact that we will have the opportunity to leverage the resulting mixture of cash, notes and stock. They appreciate the fact that we structured the acquisition so that it did not increase our total debt-to-capital ratio. And they understand the benefits we gain by creating a single class of stock, which will help our access to capital markets and our ability to clearly demonstrate shareholder value.

The simple fact is that Pilgrim's Pride has doubled in almost every category; sales, locations, people, product scope, capacity, earnings potential and financial flexibility – everything is twice as big as it was before.

And one of the best parts is that the combination is almost totally complementary. Geographic locations, market focus, distributor relationships, products, brands – there are almost no overlapping concerns. We will be even more efficient than before, and we were already recognized as one of the best in operational and customer service capabilities.

Going forward, we believe our growth opportunities are outstanding. Already, on a pro-forma basis, your company has doubled its sales and earnings potential. We have improved our ability to create and consolidate brands to give our customers what they want, when and where they want it.

Our ability to compete for new customer relationships has grown, too, along with our product innovation capabilities and our ability to exert a positive influence on our industry.

In summary, we are invigorated by the possibilities that lie before us. All of us believed that we had a once in a lifetime opportunity. And we have great confidence that we can realize the potential this opportunity represents. That confidence is based on our history, our track record of success, and the superb people who will execute our strategy for growth. We are determined that we will take advantage of these growth opportunities to produce long-term benefits for our customer-partners, our employee-partners, our supplier-partners and our shareholders.

Sincerely,



Lonnie "Bo" Pilgrim  
*Chairman*



O.B. Goolsby, Jr.  
*President*  
*Chief Operating Officer*



BLENDING OUR INGREDIENTS



How does a recipe become a classic? Some recipes are handed down from generation to generation, through a network of friends and family. Some are created from scratch, combining a knowledge of past successes with a burst of creative energy. Some begin in shiny, modern test kitchens. Others, in homes, the old-fashioned way. But all classic recipes call for the best ingredients, handled with care, prepared with skill, served with pride. That is how our winning recipe was prepared.

*The best ingredients:*

Pilgrim's Pride and ConAgra's chicken division.

*Handled with care:*

Thorough, painstaking review and due diligence.

*Prepared with skill:*

Dedicated teams working through every detail.

*Served with pride:*

The employee-partners of Pilgrim's Pride.

Adding the ConAgra chicken division to Pilgrim's Pride creates opportunities for growth that are unparalleled in our company's history. Instantly, we doubled our size – \$5 billion in sales, nearly 42,000 people,



*Our ability to deliver precise, exact-weight products makes Pilgrim's Pride best-in-class in the case-ready fresh meat category.*

CHICKEN AND PASTA PRIMAVERA

2 T. olive oil, 1 c. julienne onions, 1 c. sliced zucchini, 1 c. sliced yellow squash, 1 c. diced tomato, 1/2 lb. angel hair pasta, cooked, 1 qt. marinara sauce, 1/4 c. Half and Half, 1/2 c. grated parmesan cheese, 10 Pilgrim's Pride Chicken Tenders and fresh basil, thinly sliced  
Sauté vegetables in olive oil. Add pasta. Combine marinara sauce, Half and Half and cheese. Toss with pasta. Add cooked chicken tenders. Serve and garnish with fresh basil.

We have a plan for achieving remarkable growth that does not change our essential nature.

In fact, it emphasizes and enhances who we are.

market share of over 16%, processing approximately 30 million birds a week. Twice the people, twice the markets, twice the revenue and twice the distribution – and that’s only the beginning. Our recipe is a winner.

The best part is that we have a plan for achieving this remarkable growth that does not change our essential nature. In fact, it emphasizes and enhances who we are. Our culture, our faith in each other, our commitment to our stakeholders and our strong, unshakable belief in providing the finest standards of customer service

will be the rock on which we build. We will grow, and we will do it responsibly.

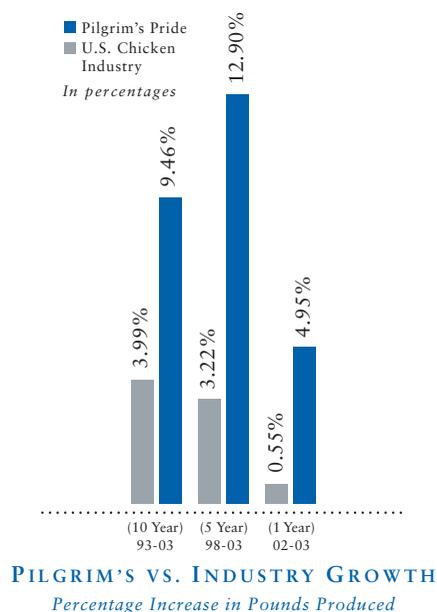
#### GROWTH OPPORTUNITIES

##### Customers

Our reputation for customer service at Pilgrim’s Pride is rock solid. It receives our highest levels of commitment. When we make a pledge to a customer, that pledge is met or exceeded with quality products, at a price that is fair to both.

The acquisition of ConAgra’s chicken division allows us to build on our customer base without sacrificing our customer service commitment. It also allows us to seek new customer relationships that will be healthy and beneficial for both parties. We will be looking not just for new customers, but for “customer-partners.”

We enjoy building relationships with customers who view us not as a vendor but as a trusted resource. We will use our presence, reach, capacity and distribution capability – combined with our industry-leading research and development capability – to develop



#### CHICKEN BAGUETTE A LA PARISIENNE

Pilgrim’s Pride Boneless Skinless Chicken Breasts, grilled, roasted red peppers, fresh spinach, sautéed mushrooms, baguette butter and honey mustard

Cut baguette into halves, brush with butter and toast. Add honey mustard and vegetables to one half of baguette. Top with grilled chicken and other half of baguette.





powerful, win-win relationships. These will be relationships built upon collaboration. Our method is to listen carefully so that we truly understand what our customer-partners need, then work with them to meet those needs.

Our goal is to enhance customer-vendor relationships and achieve synergy, in its classic sense: “Working together so that the total result is greater than the sum of the individual efforts.”

*Products and Brands*

A key element of our ongoing strategy has been growth in our Prepared Foods Division. We have enjoyed, on average, over 13% annual growth of these high-value products over the last five years.

Prepared Foods has grown to represent half of our total chicken sales volume, with the added benefit that it is much less dependent on the commodity-style pricing that exists in the fresh foods marketplace.

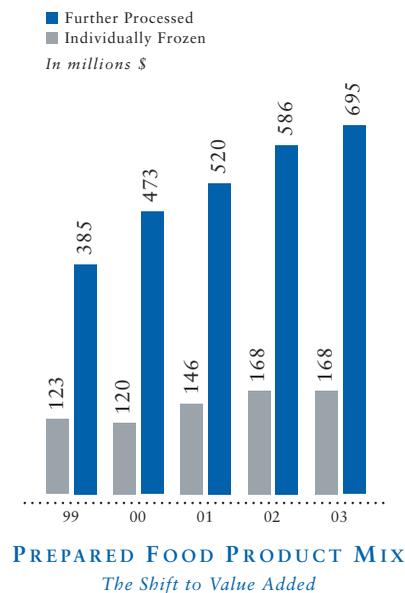
ConAgra’s chicken division had a smaller percentage of its sales in prepared foods. This, in itself, presents us with an immediate opportunity to increase prepared food sales in the existing ConAgra markets.

But the bigger opportunity lies beyond. The acquisition gives Pilgrim’s Pride a much larger distribution capability. We can market our brands nationally, not just regionally.

And we can present our products, innovation and unique customer service to a completely new base of prospects – quick-service restaurants, full-service restaurants, grocery outlets and major food retailers we do not currently serve.

The successful ConAgra brands – such as Pierce, Easy Entrees and Country Pride – will be melded into the Pilgrim’s Pride family of brands quickly but intelligently, so that we take advantage of their strengths while simultaneously establishing our own name in new markets.

The major benefit from more widespread recognition of the Pilgrim’s Pride name will be decreased dependence upon commodity chicken markets and pricing. The new strength of our brand will give us the opportunity to move to the head of the line against competition.



**CHICKEN SALAD SHANGHAI**

8 grilled Pilgrim’s Pride Chicken Tenders, cut bite-size, 2 T. diced red pepper, 1 T. cut chives, 1/2 c. sliced celery, 1/2 c. mandarin oranges, 1/4 c. chopped cashew nuts, 1 t. toasted sesame seeds, 1/4 c. fresh coconut, shredded and toasted and Asian dressing

Combine all ingredients and toss with dressing.





# The acquisition will allow our prepared foods category to grow through better capacity utilization of the acquired plants.

We want to find areas where we can differentiate ourselves – like our prepared foods – and do so. Growth in value-added products will continue to raise our visibility, enhance our reputation, boost our margins and shrink our dependence on commodity-driven markets.

## *Capacity*

The ConAgra acquisition will allow our prepared foods category to grow through the better capacity utilization of the acquired plants. This is needed because of the increasing demand for our prepared products.

While consumption of pork in the United States has been essentially flat for the past decade and beef con-

sumption has actually declined, the demand for chicken and turkey has shot upward. In fact, since 1975, the per-capita consumption of chicken and turkey in this country has more than doubled. Egg consumption is rising, too, though not as rapidly.

Now, when demand for a product matches or even exceeds its supply, producers can be in position to take advantage of their customers. But that's not the way we do business. We see our capacity situation as a perfect opportunity to move toward achieving an important long-term relationship with customers.

We feel we must continue to build the kind of trusting, cooperative customer-partner relationships we mentioned earlier. When we have plenty of capacity, our customers need not fear that we will promise a delivery they will not receive. Capacity flexibility also helps us dedicate some of our resources to producing the kind of specialty or custom-designed products that an individual customer needs.

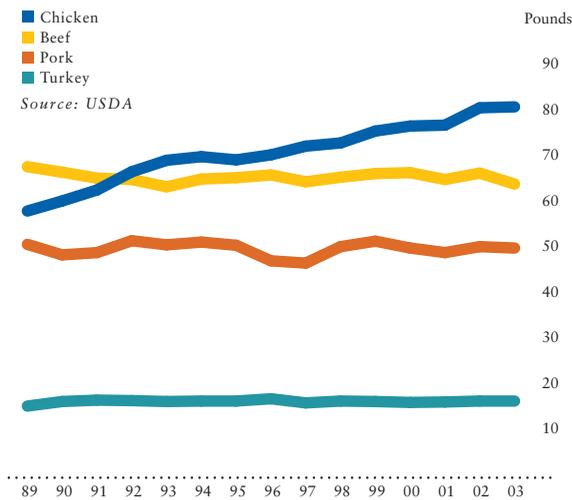
## *Distribution*

When a company has to make time-sensitive deliveries, as we do, a robust distribution capability is a must. If anything, the ConAgra acquisition makes our distribution system even better.



*Adding ConAgra's solid brands to those of Pilgrim's Pride gives our company better product reach, retail presence and brand recognition in every market.*

**U.S. PER CAPITA CONSUMPTION OF MEAT**  
2003 Numbers Projected



ConAgra has solid relationships with national distributors. Pilgrim’s Pride has developed a highly refined direct distribution channel. Bringing them together expands our customer base, and our ability to serve both customer bases.

Adding ConAgra’s distribution facilities gives our company next-day delivery to a large majority of the U.S. population. We now have nationwide capabilities for virtually all our product lines. We can give our customers access to a broader range of products from a single source. And we will be better able to meet the growing needs of a consolidating industry.

*Market Intelligence*

Wider geographic coverage, more capacity, more presence and more customers are all good things in and of themselves. But when combined, they bring the added benefit of faster, better market intelligence. In other words, information we will be receiving from all

these different channels can give us early access to information about what consumers want from us. This creates three growth opportunities.

First and most obviously, we will be able to make quicker, better decisions about when to expand our existing array of products and services, whether in branded or commodity markets.

Second, we should be able to develop new products, faster, to meet demand in high-growth areas.

Third, and perhaps most exciting, this market intelligence may give us a head start on consumer or industry trends that have not yet become common knowledge. Such an early-warning system could give us openings to create brand-new, first-to-market products and services. Such “first-and-only” introductions can stimulate demand without cannibalizing our existing lines, while further enhancing our reputation for innovation.



*This well-run plant in Mayfield, Kentucky represents some of the additional capacity Pilgrim’s Pride enjoys today, thanks to the ConAgra acquisition.*

### *Cost Savings*

Pilgrim's Pride has long been known as one of the most efficient producers in our industry. Bringing in the ConAgra chicken division will only increase our efficiency. Combining our two operations will generate millions of dollars in cost savings, from two specific areas.

One will be optimizing our blend of products and services, distribution facilities and capacity. The challenge is a positive one – finding the most effective combination of facilities, equipment and people.

The other will come as we implement best practices throughout our expanded company. There is much we can learn from each other, especially in the areas of customer service, purchasing, production and transportation.



*Combining the two distribution systems gives Pilgrim's Pride stronger capabilities as well as the ability to compete for business we could not reach before the acquisition.*

We are confident that this sharing of best practices will occur rapidly and effectively, because the people of the ConAgra chicken division are as eager to build this new company as we are. They know management will be focused on their business – poultry products – because that is our only business. There are no distractions. We speak the same business language, support the same research, belong to the same trade associations and have been impacted by the same industry events.

### **GROWING RESPONSIBLY**

The acquisition of ConAgra's chicken division has resulted in a much larger company that will, because of greater size, have a larger impact on all its constituencies. So not only will the company increase, our responsibilities will increase, as well. We consider this an opportunity, not a chore.

Responsibility is a term that is very familiar to us. Our entire history is one of being guided by family-based values, fundamental principles that require us to be good stewards of all our relationships. At Pilgrim's Pride, responsible growth is our way of doing business.

### *Customers*

We've had a lot to say about our customers in this report. That's because they are the center of an intense, positive focus in everything we do. We have a rich tradition of providing value-added products and service to our customers at every opportunity.

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### **CARIBBEAN GRILLED CHICKEN**

6 Pilgrim's Pride Boneless Skinless Chicken Breasts, seasoned to taste, 1 orange, sliced, 1 pineapple, cut in 1/4's, 2 colored bell peppers, sliced into rings, 6 green onions, 1/2 c. teriyaki sauce and 1 T. crushed garlic

Place chicken, fruits and vegetables on grill and brush with teriyaki sauce/garlic mixture. Grill 2 minutes, turn, grill additional 2 minutes.





# Pilgrim's Pride has a rich tradition of providing value-added products and service to our customers at every opportunity.

When we make a promise to a customer, we come through, even in times of capacity constraint. Meanwhile, we pace the industry as an investor in technology to enhance our capability, our efficiency and our ability to communicate effectively with our customers.

Whether it's customer-specific line configurations, improved processing equipment, fixed-weight packaging or any of our other customer-centered developments, it's all part of meeting our customers' needs.

Our heavy investment in research and development is unsurpassed in our industry. Each customer has full access to a team of experts who ensure quality, consistency, safety and product innovation. Our full-time staff includes microbiologists, process engineers, food scientists, time-and-motion professionals and financial analysts.

## *Communities*

Our development as a company has been marked by growth into, and investment in, smaller towns and rural areas of America. This grew out of our history as a family-founded business. We didn't begin as the

second-largest poultry products company in America. We began as a small store in East Texas where the Pilgrim family provided feed to local farmers.

So our roots in small-town America go very deep. Today, of course, we are a multi-billion dollar corporation with operations in cities as large as Dallas and Phoenix. But you are much more likely to find us in



*The people of Pilgrim's Pride welcome their new co-workers from ConAgra. Three members of the R&D Business Development Team – Ted Davis, Shannon Skyrme and Fred Mergner (l. to r.) – test a new product.*

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## MOROCCAN CHICKEN WITH COUSCOUS

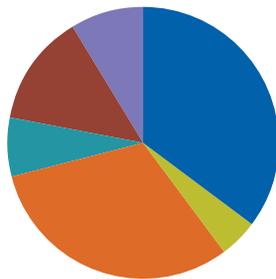
Breaded Pilgrim's Pride Chicken Strips, 2 T. butter, 1/2 c. diced Granny Smith Apples, 1/2 c. red onion slivers, 1/4 c. chopped kalamata olives, 1 c. couscous, 1 1/4 c. chicken broth, 1/4 t. salt and chopped parsley

Sauté apple and onion in butter. Add olives, couscous, broth, and salt. Stir quickly, remove from heat, and cover for 4-5 minutes. Fluff with a fork and serve with chicken strips. Garnish with parsley.

places like Moorefield, West Virginia, Mayfield, Kentucky, Hope, Arkansas or Pittsburg, Texas.

Those roots give us a strong sense of place, of appreciation for the feel and rhythm of life in small-town America. We also have a deep, bred-in-the-bone knowledge of what those small towns need. They need jobs. Good jobs. And we are proud to provide them.

The new Pilgrim's Pride employs nearly 42,000 employee-partners. The vast majority of them will live in those small towns and they will have better-than-average working conditions. They work regular hours and have good opportunities for advancement. They receive full benefits and salaries that exceed minimum wage, even for new hires.



SALES BY PRODUCT LINE 2003

- 35.2% U.S. Prepared Foods - Chicken
- 4.6% U.S. Prepared Foods - Turkey
- 31.2% U.S. Fresh Chicken
- 7.0% U.S. Fresh Turkey
- 13.3% Mexico Chicken
- 8.7% Non-poultry Sales

#### ROSEMARY ROASTED CHICKEN

1 4-6 lb. Pilgrim's Pride Roasting Chicken, olive oil, seasoned salt, fresh rosemary, boiler onions, red potatoes and baby carrots

Brush chicken with olive oil and season with salt and rosemary. Place in roasting pan with vegetables. Cook 30 minutes/lb. at 325°F.

They take pride in their work, their company and themselves. They take ownership of the products they produce. They set us apart from our competitors.

Even beyond those people we employ directly, we invest further in rural America through our contract growers. Many of our contract growers have been raising our birds for years, but many others are new to the poultry industry. East Texas provides a good example of the forces behind their move.

For example – for years, a primary source of agricultural income in East Texas was dairy farming. Today, though, much of the area's milk is produced on large dairy farms. Operating a small dairy farm became a difficult economic situation. Some dairy farmers simply retired but others wanted to maintain their rural lifestyle and sought a new opportunity. They found that opportunity by growing chickens for Pilgrim's Pride.

We provide the chicks, feed, veterinary services and technical support. Our contract growers provide facilities, utilities and labor. Today, in our combined breeding and grow-out operations, we support approximately 4,000 contract farms from Texas to Pennsylvania. On these farms are over 11,000 poultry houses and over 185 million square feet of growing facilities.

The farms, and the farmers, are a critical part of our business. We are proud to be associated with these important entrepreneurs of rural America.



# The acquisition makes us a bigger, stronger company with outstanding growth opportunities.

## *Shareholders*

Our ongoing responsibility to our shareholders – the owners of the company – was a principal driving force behind our decision to acquire the ConAgra chicken division. Simply put, we saw a real opportunity to increase the value of their ownership.

In the first place, we believe the ConAgra assets were a good value – in fact we think time will show that we got a bargain. Next, as we have stated throughout this report, the acquisition makes us a bigger, stronger company with outstanding growth opportunities. And we believe the most effective way to enhance shareholder value is to concentrate on running a profitable business.

However, in concert with the acquisition we will be provided opportunities for technical adjustments to our business that will provide tangible benefits to all shareholders. For example, a major opportunity that we had been working on for some time, was combining our Class A and Class B stock into a single class of stock. This combination gained its approval from the New York Stock Exchange this summer and was made effective immediately prior to the ConAgra acquisition. Accordingly, all of our stock now trades on the New York Stock Exchange under the symbol “PPC.”



*November 24, 2003: Chairman Lonnie “Bo” Pilgrim rings the opening bell at the New York Stock Exchange to celebrate the creation of a single class of stock and a new trading symbol, PPC.*

This move simplified our capital structure, provides increased liquidity and trading volume, and gives us greater visibility among investors and analysts. It also affords greater flexibility when it comes to accessing capital markets or issuing additional stock in the future.

#### OUR LEGACY IS OUR FUTURE

Our entire history has prepared us for this moment. From the very first bag of feed sold in our founder's feed store, we have been preparing for this opportunity. The acquisition of ConAgra's chicken division is a watershed event for Pilgrim's Pride.

It is with a great deal of enthusiasm and pride that we continue this journey. For we do not see it as a new

journey – it's the same journey with new directions, new openings, new opportunities for Pilgrim's Pride to make significant, positive contributions.

Never in our history has Pilgrim's Pride been so solidly positioned to create bright futures for all who journey with us – shareholders, customers, growers, suppliers, communities and, most of all, the employee-partners who make it all possible.

The richness of our legacy. The momentum of our past successes. Our knowledge and experience. The strength of our family-based value system. Our faith. These are the main ingredients for our *winning recipe*.



*Board of Directors (left to right): S. Key Coker, Vance C. Miller, Richard A. Cogdill, Donald L. Wass, Lonnie "Bo" Pilgrim, O. B. Goolsby, Jr., James G. Vetter, Jr., Lonnie Ken Pilgrim, Blake D. Lovette, Charles L. Black, Clifford E. Butler*

M A N A G E M E N T



BOARD OF DIRECTORS

Lonnie “Bo” Pilgrim<sup>1</sup>  
Chairman

Clifford E. Butler  
Vice Chairman

O.B. Goolsby, Jr.  
President and  
Chief Operating Officer

Richard A. Cogdill  
Executive Vice President  
Chief Financial Officer  
Secretary and Treasurer

Lonnie Ken Pilgrim<sup>1</sup>  
Senior Vice President  
Transportation Operations

Charles L. Black<sup>2,3</sup>  
Retired Banker  
Mt. Pleasant, Texas

S. Key Coker<sup>2</sup>  
Senior Vice President  
Compass Bank  
Dallas, Texas

Blake D. Lovette<sup>1,3</sup>  
Retired Poultry Executive  
North Wilkesboro  
North Carolina

Vance C. Miller<sup>1,2,3</sup>  
Chairman of  
Vance C. Miller Interests,  
Chairman and  
Chief Executive Officer of  
Henry S. Miller Cos.  
Dallas, Texas

James G. Vetter, Jr.<sup>1</sup>  
Attorney & Shareholder  
Godwin, White and Gruber, PC  
Professional Corporation  
Dallas, Texas

Donald L. Wass, Ph.D.<sup>2</sup>  
President, The William Oncken  
Company of Texas  
Dallas, Texas

<sup>1</sup>Member of Compensation Committee

<sup>2</sup>Member of Audit Committee

<sup>3</sup>Member of Compensation Subcommittee

OFFICERS

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Chairman

Clifford E. Butler  
Vice Chairman

O.B. Goolsby, Jr.  
President and  
Chief Operating Officer

Richard A. Cogdill  
Executive Vice President  
Chief Financial Officer  
Secretary and Treasurer

EXECUTIVE VICE  
PRESIDENTS

Robert L. Hendrix  
Executive Vice President  
Case Ready and Supply Operations

Michael J. Murray  
Executive Vice President  
Sales and Marketing

David S. Purtle  
Executive Vice President  
Fast Food and International Operations

J. Clinton Rivers  
Executive Vice President  
Prepared Foods Operations

Robert A. Wright  
Executive Vice President  
Turkey Division

INTERNATIONAL  
OPERATIONS

Alejandro M. Mann  
President  
Mexico Operations

Hector L. Mattei-Calvo  
President  
Puerto Rico Operations

SENIOR VICE PRESIDENTS

Jane T. Brookshire  
Senior Vice President  
Human Resources

William D. Bussell  
Senior Vice President  
Supply Plants Regional Operations

Charles J. Carrigan  
Senior Vice President  
Food Service Sales

Mark S. Chranowski  
Senior Vice President  
Fast Food Regional Operations

Joseph R. Gardner, Jr.  
Senior Vice President  
Case Ready Business Management

David W. Hand  
Senior Vice President  
International and Fresh Sales

Michael D. Martin  
Senior Vice President  
Case Ready Regional Operations

Joseph R. Menefee  
Senior Vice President  
Prepared Foods Regional Operations

Joseph Moran  
Senior Vice President  
Fast Food Regional Operations

Ronald E. Morris  
Senior Vice President  
Turkey Sales and Operations

Robert N. Palm  
Senior Vice President  
Case Ready Regional Operations

Lonnie Ken Pilgrim  
Senior Vice President  
Transportation Operations

Michael A. Pruitt  
Senior Vice President  
Live Production Technical Services

Walter F. Shafer, III  
Senior Vice President  
Prepared Foods Regional Operations

Timothy G. Thomas  
Senior Vice President  
Procurement

Gary L. Treat  
Senior Vice President  
Food Safety and Quality Assurance

Gary D. Tucker  
Senior Vice President  
Corporate Controller

James W. Tunnell, Jr.  
Senior Vice President  
Chief Information Officer



