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Pilgrim's Pride Announces Proposed Rights Offering

GREELEY, Colo., Dec 8, 2011 (GlobeNewswire via COMTEX) -- Pilgrim's Pride Corporation (NYSE:PPC) today announced that, in line with its strategic intent of strengthening its capital structure, it plans to commence a rights offering for up to approximately 44.44 million shares of common stock to its stockholders.

Under the expected rights offering, each stockholder of record would receive, at no charge, non-transferable rights to purchase shares of Pilgrim's Pride common stock at a subscription price of \$4.50 per share, representing a 5% discount on the last 60 trading days' weighted average, for aggregate gross proceeds to the Company of \$200 million. Stockholders will be able to purchase their respective pro rata portions of the shares offered based on their ownership as of the record date for the rights offering. Stockholders who fully exercise their rights will be entitled to subscribe for and purchase, subject to certain limitations and subject to allotment, additional shares that remain unsubscribed for as a result of any unexercised rights.

JBS USA Holdings, Inc., the Company's majority stockholder, has indicated its current intention to purchase from the Company, at the subscription price, its pro rata share of the common stock to be offered and any unsubscribed for shares of common stock such that gross proceeds to Pilgrim's Pride of the offering will be \$200 million.

The Company intends to file with the Securities and Exchange Commission a registration statement covering the rights offering, and the distribution of the rights and commencement of the offering will occur promptly following the effectiveness of the registration statement. The expiration of the rights offering is expected to occur during the first quarter of 2012. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. The rights and common stock issuable upon exercise thereof have not been registered under the Securities Act of 1933 or applicable state securities laws, and may not be offered or sold in the United States absent registration or pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933 and applicable state securities laws.

About Pilgrim's Pride

Pilgrim's employs approximately 40,500 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 <http://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 forward-looking statements. It is important to note that the 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; the ability of the Company to achieve the anticipated synergistic gains from the sale of its common stock to JBS USA Holdings, Inc; the ability of the Company to re-open its idled facilities in the manner and on the time schedule planned due to, among other things, the Company's dependence on commodity prices and economic conditions; future pricing for feed ingredients and the Company's products; additional 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, particularly in light of Pilgrim's Pride's substantial leverage; restrictions imposed by, and as a result of, Pilgrim's Pride's substantial 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 exports into Russia, the anti-dumping proceeding in Ukraine and the anti-dumping and countervailing duty proceeding in China; 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. In addition, Pilgrim's Pride cannot assure that it will be successful in completing the rights offering on the terms outlined in this press release or otherwise.

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