



September 21, 2017

Sanderson Farms, Inc. Announces Increase in Quarterly Dividend and Declares Special Dividend

LAUREL, Miss.--(BUSINESS WIRE)-- Sanderson Farms, Inc. (NASDAQ: SAFM) today announced that its Board of Directors has declared a regular quarterly cash dividend of \$0.32 (thirty-two cents) per share, an increase of \$0.08 (eight cents) per share per quarter. This represents a new annual dividend rate of \$1.28 (one dollar and twenty-eight cents) per share, or an annual increase of \$0.32 (thirty-two cents) per share. The Board has also declared a special cash dividend of \$1.00 (one dollar) per share. Both the regular quarterly cash dividend and the special cash dividend are payable on October 17, 2017, to stockholders of record on October 3, 2017. Declaration of the regular quarterly cash dividend will remain subject to Board approval each quarter.

Commenting on the announcement, Joe F. Sanderson, Jr., chairman and chief executive officer of Sanderson Farms, Inc., said, "We are proud to share our strong financial and operating performance with our shareholders through increased dividend payments. The Board's decision today demonstrates confidence in our growth prospects and confirms our unwavering commitment to enhancing shareholder value. In addition, our strong balance sheet and financial strength have provided an opportunity to declare another special dividend this fiscal year. At the same time, we are well positioned to continue to respond to new market opportunities that will benefit Sanderson Farms and our shareholders."

Sanderson Farms, Inc. is engaged in the production, processing, marketing and distribution of fresh, frozen and minimally prepared chicken. Its shares trade on the NASDAQ Global Select Market under the symbol SAFM.

This press release includes forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are based on a number of assumptions about future events and are subject to various risks, uncertainties and other factors that may cause actual results to differ materially from the views, beliefs, projections and estimates expressed in such statements. These risks, uncertainties and other factors include, but are not limited to, those discussed under "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2016, and the following:

- (1) Changes in the market price for the Company's finished products and feed grains, both of which may fluctuate substantially and exhibit cyclical characteristics typically associated with commodity markets.
- (2) Changes in economic and business conditions, monetary and fiscal policies or the amount of growth, stagnation or recession in the global or U.S. economies, any of which may affect the value of inventories, the collectability of accounts receivable or the financial integrity of customers, and the ability of the end user or consumer to afford protein.
- (3) Changes in the political or economic climate, trade policies, laws and regulations or the domestic poultry industry of countries to which the Company or other companies in the poultry industry ship product, and other changes that might limit the Company's or the industry's access to foreign markets.
- (4) Changes in laws, regulations, and other activities in government agencies and similar organizations applicable to the Company and the poultry industry and changes in laws, regulations and other activities in government agencies and similar organizations related to food safety.
- (5) Various inventory risks due to changes in market conditions, including, but not limited to, the risk that market values of live and processed poultry inventories might be lower than the cost of such inventories, requiring a downward adjustment to record the value of such inventories at the lower of cost or market as required by generally accepted accounting principles.
- (6) Changes in and effects of competition, which is significant in all markets in which the Company competes, and the effectiveness of marketing and advertising programs. The Company competes with regional and national firms, some of which have greater financial and marketing resources than the Company.
- (7) Changes in accounting policies and practices adopted voluntarily by the Company or required to be adopted by accounting principles generally accepted in the United States.

(8) Disease outbreaks affecting the production, performance and/or marketability of the Company's poultry products, or the contamination of its products.

(9) Changes in the availability and cost of labor and growers.

(10) The loss of any of the Company's major customers.

(11) Inclement weather that could hurt Company flocks or otherwise adversely affect its operations, or changes in global weather patterns that could affect the supply of feed grains.

(12) Failure to respond to changing consumer preferences and negative media campaigns.

(13) Failure to successfully and efficiently start up and run a new plant or integrate any business the Company might acquire.

(14) Unfavorable results from currently pending litigation or litigation that could arise in the future.

Readers are cautioned not to place undue reliance on forward-looking statements made by or on behalf of Sanderson Farms. Each such statement speaks only as of the day it was made. The Company undertakes no obligation to update or to revise any forward-looking statements. The factors described above cannot be controlled by the Company. When used in this press release or in the related conference call, the words "believes", "estimates", "plans", "expects", "should", "outlook", and "anticipates" and similar expressions as they relate to the Company or its management are intended to identify forward-looking statements. Examples of forward-looking statements include statements of the Company's belief about future earnings, production levels, grain prices, supply and demand factors, growth plans and other industry conditions.

View source version on [businesswire.com](http://www.businesswire.com): <http://www.businesswire.com/news/home/20170921006122/en/>

Sanderson Farms, Inc.
Mike Cockrell, 601-649-4030
Treasurer & Chief Financial Officer

Source: Sanderson Farms, Inc.

News Provided by Acquire Media