AdvancePierre Foods

Earnings Call
Third Quarter 2016

Forward Looking Statements

This presentation contains forward-looking statements, which are subject to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements are subject to risks and uncertainties, which should be carefully considered by investors as actual results could differ materially from these forward-looking statements, and the Company undertakes no obligation to update these statements based upon subsequent events.

For more information, please visit the SEC Filings page in the Investor Relations section of our website, including our Registration Statement on Form S-1.

Leadership Succession

- Implementing CEO succession plan
- Chris Sliva will join APFH as President on November 14
- Succeeds John Simons as CEO upon planned retirement in March 2017
- Brings depth of industry knowledge and experience
- Reinforces and builds upon our customer-centric approach
- Seamless transition as part of ongoing succession planning

Q3 Performance

- Strong quarterly operating results
  - Adjusted EBITDA of $79 million (20.1%) on net sales of $394 million
  - Adjusted net income of $35 million, or $0.46 per diluted share (impacted by $9 million, or $0.12, of one-time IPO-related non-cash equity compensation costs)
- Proactive pricing response to deflation, while generating core volume growth
- Further margin enhancements driven by
  - Sustainable cost savings from ongoing execution of the APF Way
  - Improving business mix
  - Favorable net pricing realization vs. raw material deflation
- Exceptional cash flow conversion driving leverage reduction, dividend yield and liquidity for accretive acquisitions

Key Focus Areas

Core Volume (Organic Growth)	➢ Grew 0.7% in Q3 with >4% during the past ~60 days ➢ Achieved double-digit growth in Convenience ➢ Optimized Retail portfolio mix ➢ Foodservice Street trend improved, national restaurant chains continued to lag prior year
Margins	➢ Adjusted EBITDA grew 15% with +330bps of margin ➢ Traded-back favorability in raw material inputs ➢ Drove continuous improvement and cost productivity
Cash Flow & Capital	➢ Reduced leverage below 3.5x ➢ Initiated $0.14 regular dividend (next payment early December)
M&A	➢ Consolidated Philly segment with Allied acquisition

Acquisition of Allied Specialty Foods

- Competing manufacturer of raw and cooked beef and chicken Philly steak products
- Strategic transaction benefits:
  - Expands leading position in Philly steaks (our #1 Foodservice category) with entry into fully-cooked product offerings
  - Enhances sandwich business by in-sourcing fully-cooked components
  - Extends geographic reach
  - Additional production capacity in new 70,000 sq. ft. food processing facility
- Significant raw material procurement synergies
- $60 million purchase price funded entirely from cash on hand



Consolidated Operating Results

(in millions, except per share amounts)	Q3 2016	Q3 2015	Q3 Δ	YTD 2016	YTD 2015	YTD Δ
Volume (MM lbs.) – Total	**150.5**	154.9	-2.8%	**441.3**	451.2	-2.2%
Volume (MM lbs.) – Core	**142.7**	141.7	0.7%	**418.3**	410.9	1.8%
Net Sales	**$393.7**	407.2	-3.3%	**$1,158.8**	1,225.6	-5.4%
Gross Profit	**$105.4**	87.7	20.2%	**$306.6**	258.7	18.5%
Margin	***26.8%***	*21.5%*	*+530bps*	***26.5%***	*21.1%*	*+540bps*
Adjusted EBITDA	**$79.0**	68.4	15.4%	**$219.0**	191.3	14.5%
Margin	***20.1%***	*16.8%*	*+330bps*	***18.9%***	*15.6%*	*+330bps*
Operating Income (1)	**$39.3**	41.6	-5.5%	**$127.4**	110.1	15.7%
Margin	***10.0%***	*10.2%*	*-20bps*	***11.0%***	*9.0%*	*+200bps*
Adjusted Net Income (1) (2)	**$34.8**	22.2	56.8%	**$82.3**	51.6	59.5%
Per Diluted Common Share	***$0.46***	*$0.33*	*$0.20*	***$1.19***	*$0.44*	*$0.27*

(1) Operating income includes IPO, M&A and recall related costs of $10.1MM in Q3 2016, ($0.1MM) in Q3 2015, $13.5MM in YTD 2016 and $4.7MM in YTD 2015

(2) Both Operating Income and Adjusted Net Income for 2016 were adversely impacted by $9.3MM ($0.12 per share) of incremental non-cash equity compensation charges resulting from the IPO

Segment Results

	$ in Millions			Δ due to		
	Q3 2016	Q3 2015	Δ	Volume	Mix	Pricing
Net sales						
Foodservice	222.6	233.5	-4.7%	-2.2%	-0.9%	-1.6%
Retail	94.6	87.6	8.0%	1.6%	8.0%	-1.6%
Convenience	56.5	50.6	11.7%	12.6%	3.3%	-4.2%
Industrial	20.0	35.4	-43.5%	-40.3%	0.7%	-3.9%
	393.7	407.2	-3.3%	-2.8%	1.7%	-2.2%

	$ in Millions			Margins		
	Q3 2016	Q3 2015	Δ	Q3 2016	Q3 2015	Δ
Operating income						
Foodservice	45.0	38.1	18.0%	20.2%	16.3%	*+390bps*
Retail	10.3	3.1	336.7%	10.9%	3.5%	*+740bps*
Convenience	9.5	6.7	41.6%	16.8%	13.3%	*+350bps*
Industrial	1.0	(0.2)	NM	4.8%	-0.5%	*+530bps*
Unallocated Corporate (1)	(26.5)	(6.1)	NM	NM	NM	*NM*
	39.3	41.6	-5.5%	10.0%	10.2%	*-20bps*

(1) Includes IPO and M&A related costs of $10.1mm in Q3 2016 and ($0.1MM) in Q3 2015
(2) NM = Not meaningful

Cash Flow and Liquidity

(in millions)	Q3 YTD 2016	2015
Cash Flow From Operations	**$118.1**[(1)]	88.7
Cash Flow From Investing	**(26.5)**	(102.0)
Cash Flow From Financing	**19.8**	15.2
Net Cash Flow	**$111.4**	1.8
Cash	**$115.9**	1.9
Revolver	**-**	54.5
Term Loans	**$1,095.0**	1,274.6
Net Leverage	**3.4x**	5.2x

(1) Excluding $16.7 million of refinancing costs, would have been $134.8MM

Outlook

(In millions, except per share amounts)	2016 Expectations		
Net Sales	$1,545	-	$1,575
Adjusted EBITDA	290	-	295
Capital Expenditures (1)	(43)	-	(45)
Cash Interest Expense	(77)	-	(79)
Adjusted Net Income per Diluted Share	$1.65	-	$1.75
Average Diluted Shares (2)	71.1		

(1) Includes $10MM for new plant construction related to the acquisition of Allied
(2) Based on: Q1 - 66.2MM; Q2 - 66.8MM; Q3 – 74.9MM; Q4 – 77.7MM

Closing Remarks and Q & A