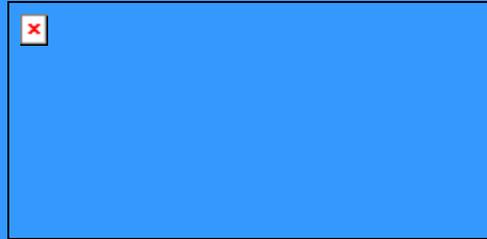


2008 Agricultural Outlook Forum
Livestock & Poultry Lunch



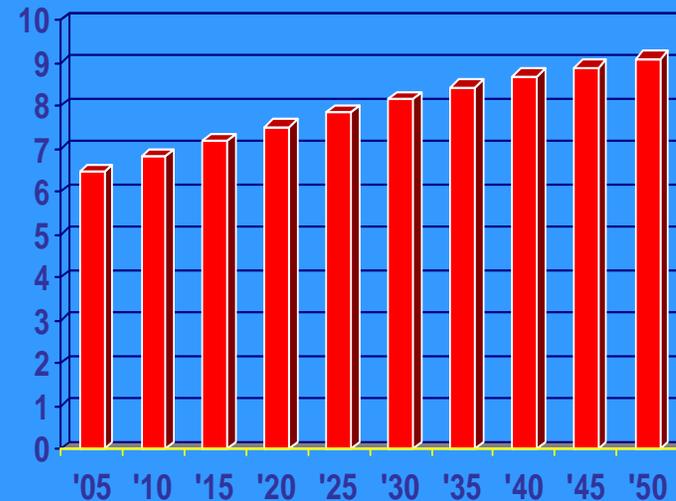
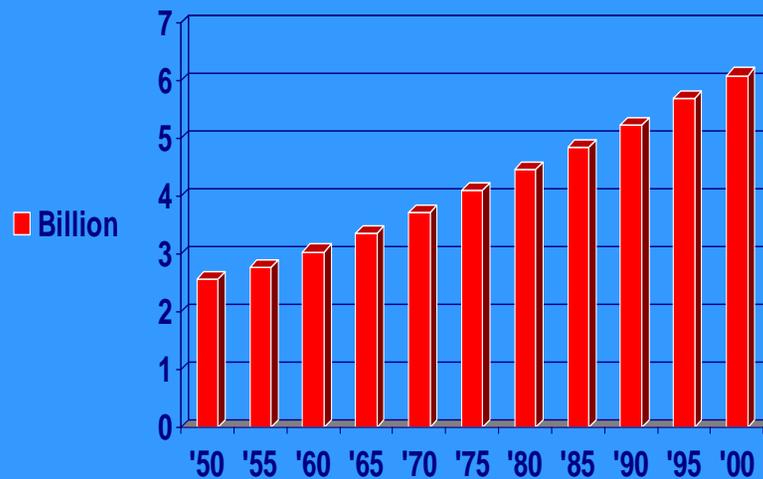
Opening Markets for US Meat

John J. Reddington
Vice President
American Meat Institute

World Population Growth

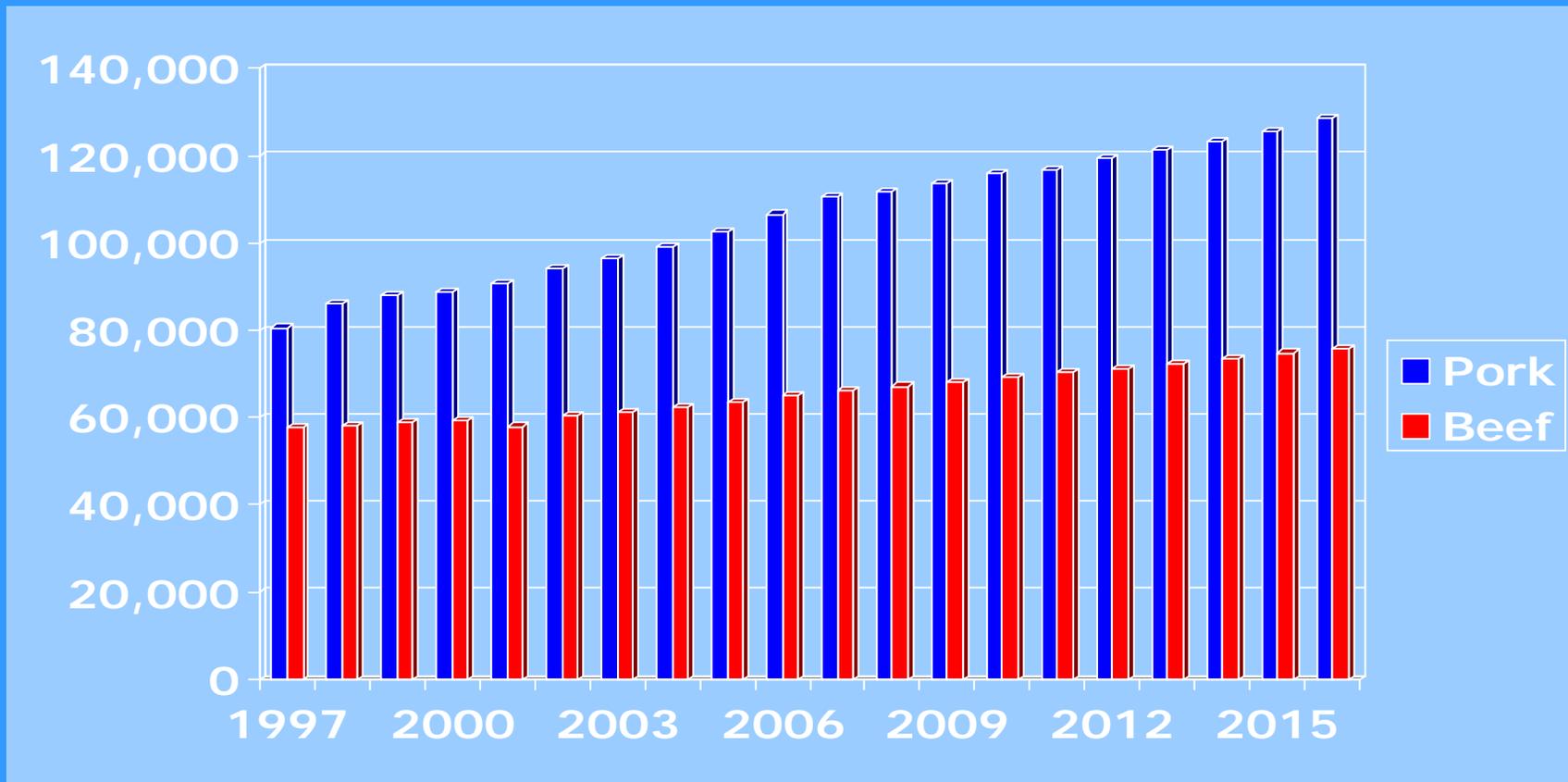
Historical

Projected



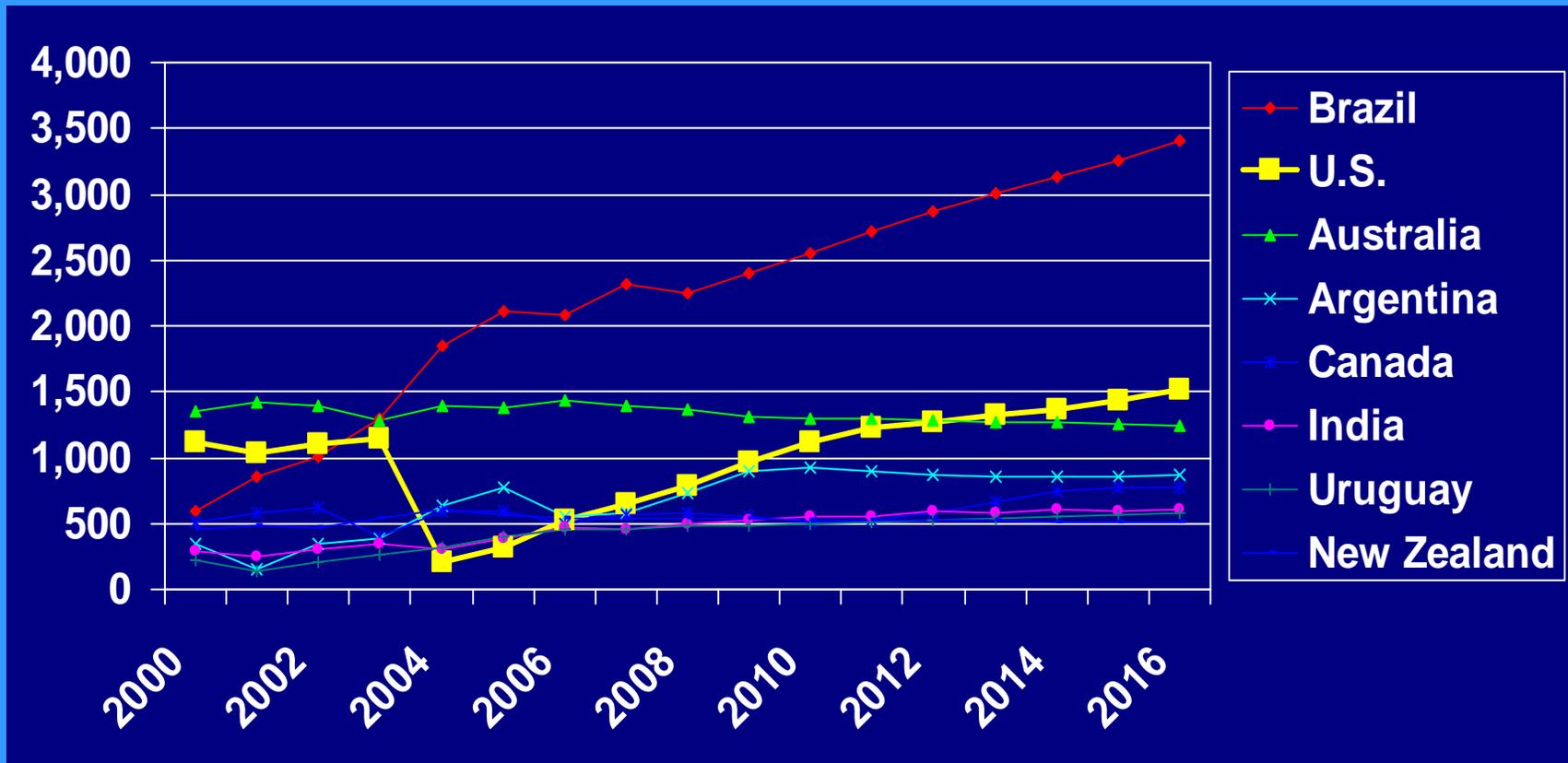
- Population doubles from 1980 by 2050
- Most of this takes place in China, India and Indonesia.

Global Beef & Pork Consumption Growth



Source: OECD/FAO Agricultural Outlook 2007, Thousand metric tons

Global Beef Export Forecast



Source: OECD/FAO Outlook July, 2007; thousand MT

Exports help diversify our markets

Rounds, chucks, clods and variety meats to Mexico

Liver, hearts, kidneys to Central Europe and Russia

Livers to Egypt

Short rib, chuck roll, intestines to Korea

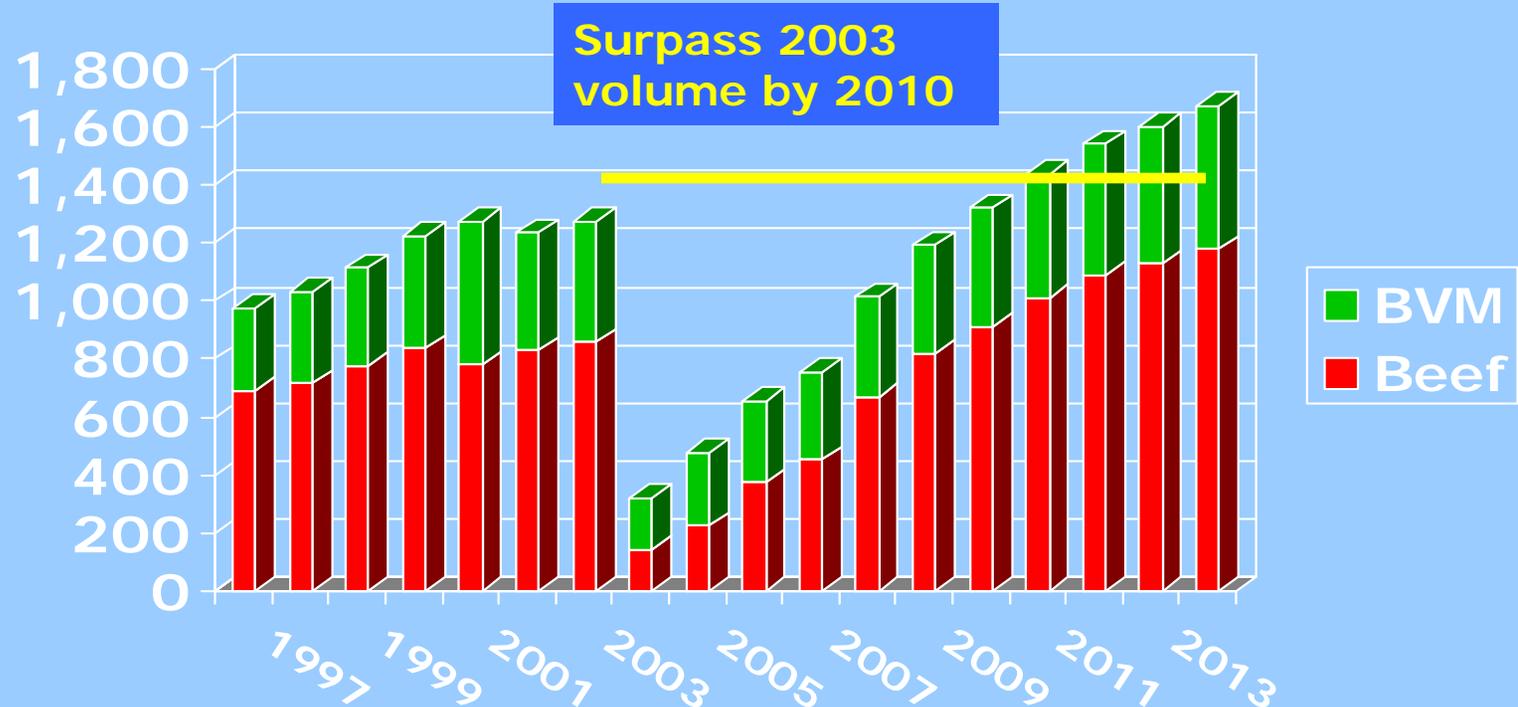
Short plate, short rib, tripe to China

Short plate, short rib, intestines, tongues to Japan



U.S. Beef Exports- Historic & Forecast Volume

Thousand MT



Assumptions: tight global supplies; weak US\$; successful re-opening of Asian mkts in 2008; continued Mexican import growth

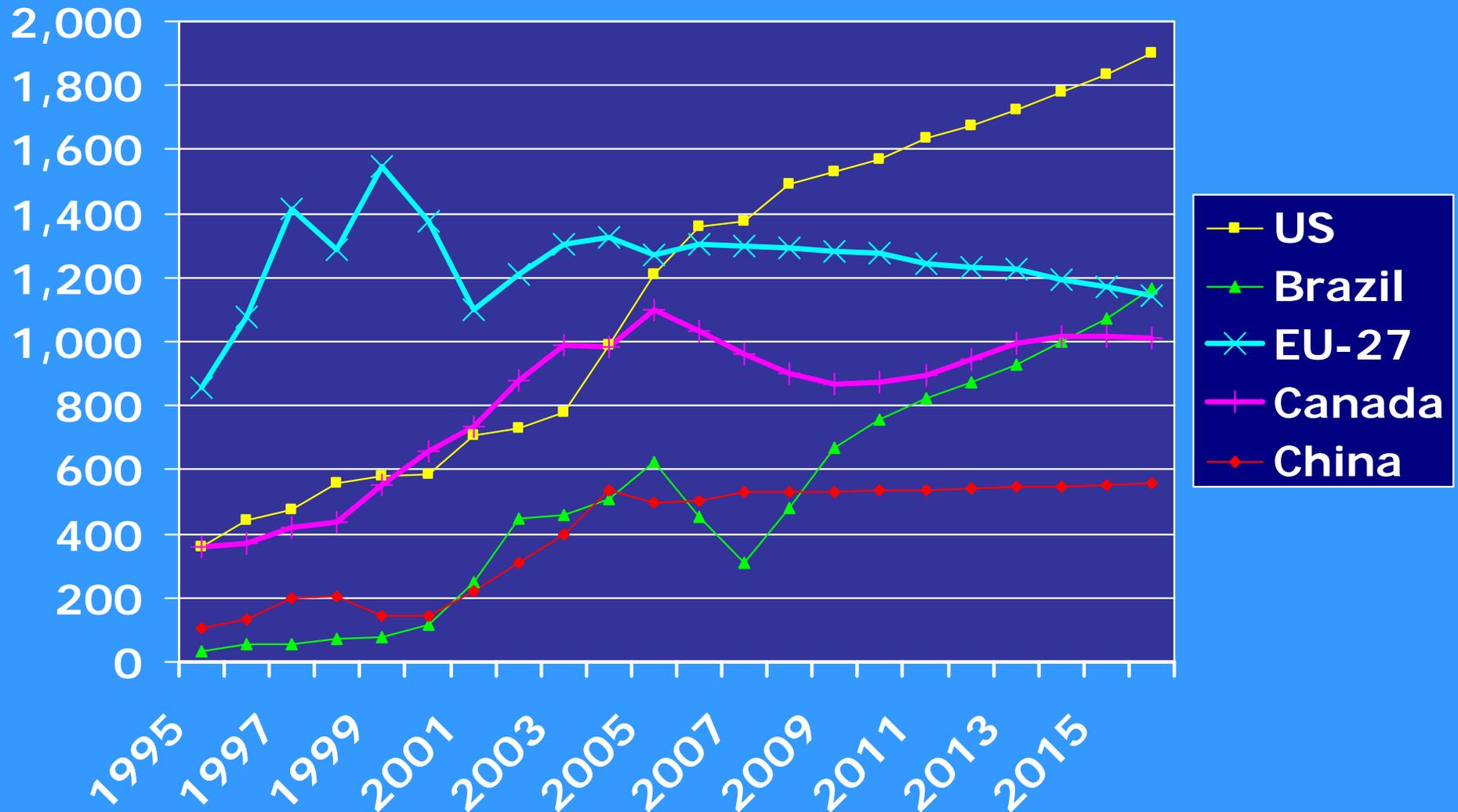
U.S. Markets Since 2003

- 2003 – 150 countries, \$3.5 billion exports.
 - 27 % NAFTA
- 2004 – 63 countries, \$601 million exports.
 - 79 % NAFTA
- 2005 – 86 countries, \$1.05 billion exports.
 - 75 % NAFTA
- 2006 – 109 countries, \$2.0 billion exports.
- 2007 – 117 countries, \$2.6 billion exports.
 - 69 % NAFTA
- 21 countries with export verification programs.
- Japan, S. Korea, Russia, Hong Kong UTM

Status of Partially Closed Markets

- Russia – close to agreement
 - \$50 million +, mostly in livers and offal products.
- Japan – still under 21 months of age.
 - \$244 million in 2007 but was \$1.3 billion in 03.
- S. Korea – boneless under UTM.
 - \$118 million in 2007, but was \$787 million in 03.
- China/Hong Kong – banned in China, UTM in Hong Kong
 - \$0 China, \$36 million Hong Kong in 2007, combined was \$107 million in 2003.
- Total gains to these four markets if open = \$1.9 billion.

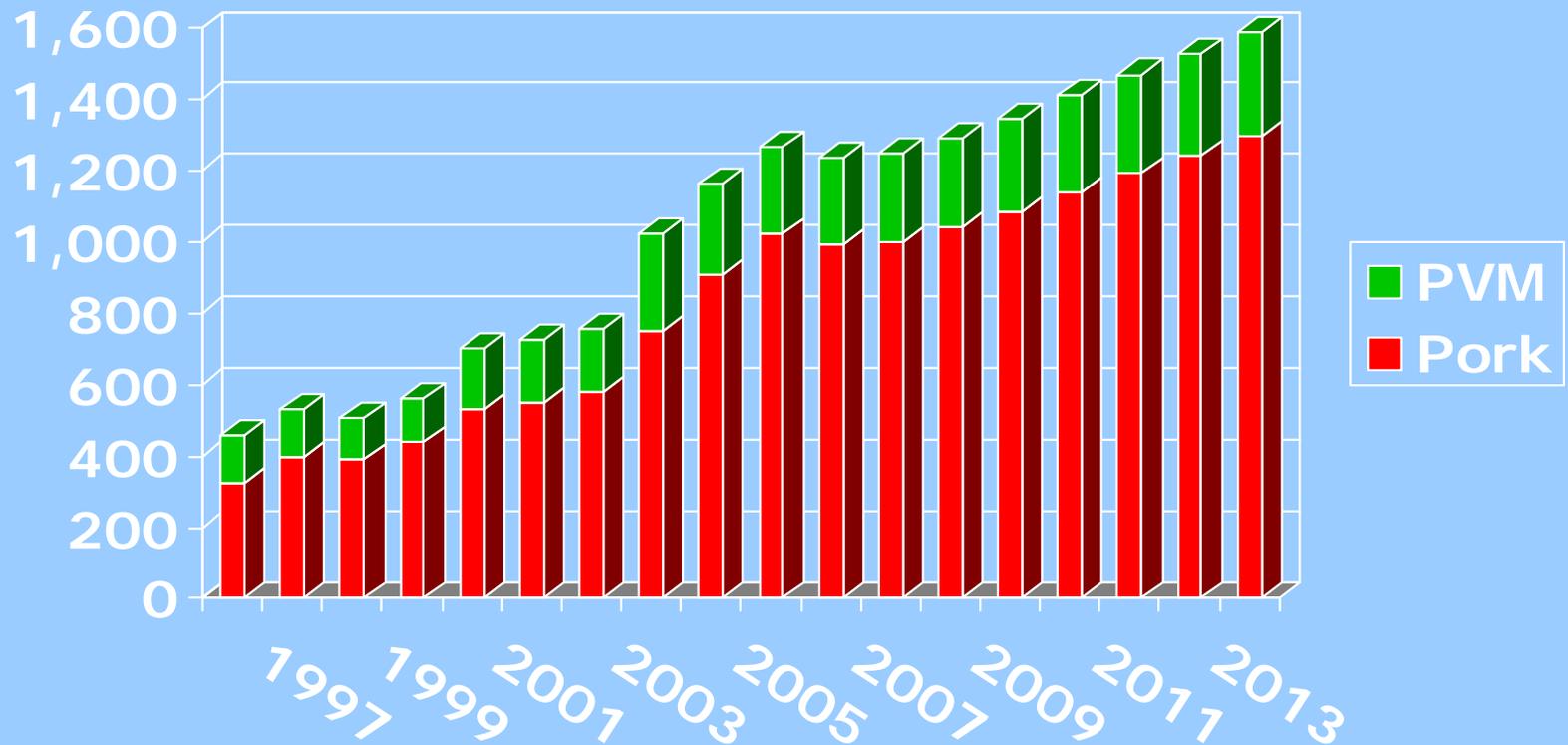
Key Pork Exporters- Historic & Outlook (Thousand MT)



Source: OECD/FAO Outlook, 2007, carcass weight equivalent

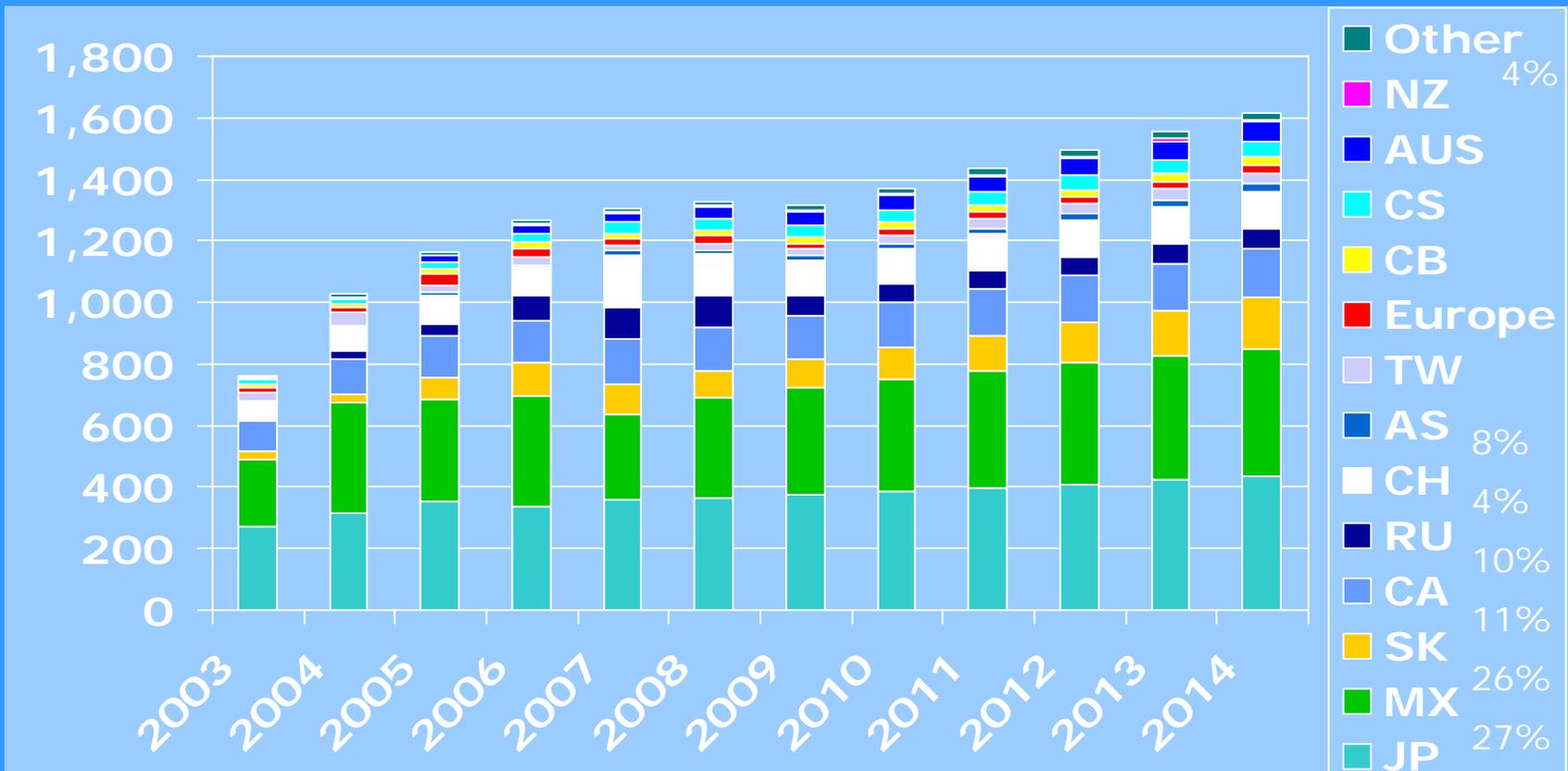
U.S. Pork Exports Historic & Forecast Volume

Thousand MT



U.S. Pork Exports Historic & Forecast

2014 Share of Exports



Assumptions: 2009-2014: 4.5-5% growth

Source: USDA/USMEF forecast in 1,000 MT

Exports help diversify our markets

**Hams &
Variety
Meats to
Mexico**

**Shoulder Cuts
to Russia**



**Butts, Picnics &
Bellies to Korea**

Variety Meats to China

**Loins &
Tenderloins
to Japan**

Trade Issues

- China – ractopamine, salmonella
- Taiwan – ractopamine
- Mexico – anti-trade producers
- Australia – safeguard action

Thank You



for more information
Jreddington@meatami.com