OSI Group, LLC Establishes a New Poultry Venture in China

The OSI Group, LLC ("OSI"), through its wholly owned Leges Corporation, and Fujian Sunner Development Corporation ("Sunner") recently announced the formation of a vertically integrated chicken joint venture based in Fujian, China. Fujian SunOSI Poultry Co. Ltd. ("SunOSI") is being created primarily to supply McDonald's skyrocketing demands for primary and valued added chicken products in China over the next several years.

With a registered capital of over US$ 30 MM, SunOSI plans to invest over US$ 50 MM during the next several years to develop a vertically integrated supply chain including breeding farms, grow out facilities, feed mills, hatcheries and other related facilities. The primary scope of the new venture will be the breeding, primary processing and sales of chicken to international and domestic retail and foodservice customers in China. By 2014, SunOSI plans to have an annual production capacity of over 60 MM birds per year.

The new SunOSI venture comes as McDonald's and other customers are requiring adherence to higher food safety, animal welfare standards and competitive, uninterrupted supply.

The Fujian Sunner Development Corporation is publicly listed on the Shenzhen Stock Exchange and is one of the largest, most modern and successful vertically integrated poultry companies in China today supplying domestic retail and foodservice customers in China.

The OSI Group, LLC is a global leader in supplying value added protein products to leading foodservice and retail brands for over 55 years. The OSI Group, LLC is a privately held corporation with more than 50 facilities in 17 countries. OSI employs over 12,000 people and has annual operating revenues in excess of US$ 4.5 Billion.