# 2022

* Domestic protein production (beef, pork, chicken and turkey) was relatively flat in fiscal 2022
* All segments experienced inflation in operating costs, especially in labor, freight and transportation and certain materials, and we expect these trends to continue through fiscal 2023

**Beef segment** experienced strong demand, sufficient supply of market-ready cattle and increased live cattle costs

**Pork segment** experienced reduced domestic availability of live hogs.

**Chicken segment** experienced strong demand and increased feed ingredient and other input costs.

**Prepared Foods segment**

* experienced increased costs largely due to the impacts of an inflationary environment
* **Sell pet treats business** $1.2 billion in cash

## Sales

**Sales Volume**

* Negatively impacted by a decrease in sales volume
* Decreased volumes in our Pork and Prepared Foods
* Challenging labor environment and continued supply chain constraints, partially offset by an increase in sales volume in our Chicken segment.

**Average Sales Price**

* Positively impacted by higher average sales prices
* Primarily due to the current inflationary environment and recovery of rapidly rising costs.

## Cost of sales

* The $6,195 million impact of higher input cost per pound
* The $104 million impact of lower sales volume was primarily driven by decreased volumes in our Pork and Prepared Foods segments

## Cash Flow

Decrease because

* Increase of the costs
* Low demand => increase of inventory
* New acquistions for expanding and improving the automation of plants