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Investor Relations | Smithfield Foods USA, Global Food Company

## Smithfield Foods Nears 2017 Goal for Conversion to Group Housing Systems for Pregnant Sows

SMITHFIELD, Va., Jan. 04, 2017 (GLOBE NEWSWIRE) -- Smithfield Foods, Inc. is pleased to report 87 percent of pregnant sows on company-owned farms have been transitioned to group housing systems, a 6 percent increase over 2015. As planned when Smithfield first announced its commitment in 2007, all company-owned farms in the U.S. are expected to be fully converted by 2017.

Today nearly nine out of every ten of our pregnant sows are living in group housing. The change has cost several hundred million dollars, and on many of the farms, the transition process led to additional construction work, equipment and system upgrades and the development of new feeding and watering systems.

"We are proud to have nearly completed our group housing transition — a process that we've remained dedicated to for nearly a decade," said Stewart Leeth, vice president of regulatory affairs and chief sustainability officer for Smithfield Foods. "At each farm along the way, we've made changes that have benefited our animals while positively impacting the efficiency and environmental sustainability of our farms."

Beyond efforts at company-owned farms, Smithfield previously announced it expects all U.S. contract growers to transition to group housing by 2022. Smithfield has committed to providing guidance and expertise to its contract growers to support their conversion process.

Smithfield's hog production operations in Poland (AgriPlus) and Romania (Smithfield Ferme) fully converted to group housing facilities on company-owned farms several years ago. Smithfield's other international hog operations, including company-owned farms in Mexico, are expected to convert to group housing by 2022.

"I am proud of the progress we have made toward this bold goal," said Kenneth M. Sullivan, president and CEO of Smithfield Foods. "It demonstrates our continued commitment to the care and well-being of our animals, our willingness and ability to lead the industry in this arena, and the far-reaching impact these pledges have on creating value for our business, particularly our hog production operations."

For more information on sow housing at Smithfield, click here.

## About Smithfield Foods

Smithfield Foods is a \$14 billion global food company and the world's largest pork processor and hog producer. In the United States, the company is also the leader in numerous packaged meats categories with popular brands including Smithfield®, Eckrich®, Nathan's Famous®, Farmland®, Armour®, Cook's®, John Morrell®, Gwaltney®, Kretschmar®, Margherita®, Curly's®, Carando®, Healthy Ones®, Krakus®, Morliny® and Berlinki®. Smithfield Foods is committed to providing good food in a responsible way and maintains robust animal care, community involvement, employee safety, environmental and food safety and quality programs. For more information, visit <u>www.smithfieldfoods.com</u>.

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