



Investor Relations | Smithfield Foods USA, Global Food Company

Smithfield Foods Announces Nearly \$45 Million Investment in Sioux Falls Operations

SMITHFIELD, Va., Dec. 06, 2018 (GLOBE NEWSWIRE) -- Smithfield Foods, Inc. is investing nearly \$45 million and adding 70 new jobs to its Sioux Falls, South Dakota, operations. The investment includes renovating a high-speed bacon line, a ground seasoned pork operation, and the distribution center, as well as the rebuilding of a facility that houses more than 8,000 hogs. This investment and expansion will help Smithfield meet the increasing domestic demand for bacon and international demand for ground seasoned pork, a growing category in export markets.

"At Smithfield, we're committed to our continual investment in our facilities and farms in Sioux Falls," said Kenneth M. Sullivan, president and chief executive officer for Smithfield Foods. "In the past five years, we have invested more than \$73 million into our operations in South Dakota, which positively impacts the local economy. With these new projects, we're proud to further strengthen our presence in this state."

"In South Dakota, one in 10 jobs are in manufacturing and agriculture is the number one industry in our state," said Governor-Elect Kristi Noem, State of South Dakota. "Smithfield's latest investment bolsters these two key industries, which has a far-reaching, positive economic impact across the entire state."

With U.S. demand for bacon on the rise, Smithfield is increasing its bacon capacity by upgrading equipment to include high-speed lines. The renovations, on track to be completed by May 2019, will improve the volume, yield, and quality of the bacon produced by the facility.

Changes to Smithfield's ground seasoned pork operation will bolster its ability to support increased demand by export markets and include a renovation to the existing distribution center, which is currently underway and on schedule to be completed by March 2019. Once complete, it will be the most modern operation in the industry, incorporating the latest technology for automated packaging, boxing, labeling, and stacking.

"Export markets are key for the continued growth of all U.S. hog producers and pork processors," said Jason Richter, president of the international group for Smithfield Foods. "This new project further positions the company to meet the demands of consumers in these key markets, benefitting our national and local economies, including creating new jobs in Sioux Falls."

Smithfield is also renovating its hog barn, which will be complete in early Fall 2019. The new barn's features and design will reflect leading animal handling practices, including automatic climate control systems.

"For decades, we've called Smithfield and its employees our neighbors," said Mayor Paul TenHaken, City of Sioux Falls. "I'm thankful for Smithfield's long-term commitment to Sioux Falls and their continued investment in our community, and proud to partner with them on this project."

The 70 new employees will join nearly 3,600 others at Smithfield's Sioux Falls facility, which was built in 1909 and produces fresh pork, ready-to-cook bacon, deli meats, hot dogs, and smoked hams. Earlier this year, the North American Meat Institute recognized the facility, as well as 23 other Smithfield locations, for workplace safety achievements, including an effective safety and health program specifically focused on injury and illness reduction.

Local employees are active members of the community and have donated nearly \$7.5 million to the Sioux Empire United Way in the past 15 years. With these efforts and those of other locations, Smithfield continues to deliver on its promise to produce "Good food. Responsibly.®"

About Smithfield Foods

Smithfield Foods is a \$15 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®, Farmer John®, Kretschmar®, John Morrell®, Cook's®, Gwaltney®, Carando®, Margherita®, Curly's®, Healthy Ones®, Morliny®, Krakus®, 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 www.smithfieldfoods.com, and connect with us on [Facebook](#), [Twitter](#), and [LinkedIn](#).

Media Contact:

Lisa Martin

Smithfield Foods, Inc.

(757) 365-1980

lvmartin@smithfield.com

<https://Investors.smithfieldfoods.com/2018-12-06-Smithfield-Foods-Announces-Nearly-45-Million-Investment-in-Sioux-Falls-Operations>