SMITHFIELD FOODS
NEWS RELEASE

**SMITHFIELD FOODS, INC. REORGANIZES BOARD OF DIRECTORS AND INCREASES STOCK REPURCHASE AUTHORIZATION**

Smithfield, Virginia, January 20, 2000 - Smithfield Foods, Inc. (NYSE:SFD), today announced that it has elected two new outside directors to its Board, reduced the Board size from 13 to 9 and established a separate Management Board and Environmental Compliance Committee. These changes implement the plan, announced announced at the 1999 Annual Meeting of Shareholders, to establish a new Board structure reflecting current trends in corporate governance. A majority of the new Board consists of outside, and independent, Directors. In addition, the Board approved an increase from 3 million to 4 million shares, in the number of shares of common stock that the Company may purchase from time to time in the open market or in private transactions. The Company has purchased approximately 2.8 million shares in open market and private transactions since September 1999 pursuant to a share repurchase program previously authorized by the Board.

Newly elected to the Board were Carol T. Crawford and Melvin O. Wright. Ms. Crawford is a Distinguished Visiting Professor of Law at George Mason University School of Law in Arlington, Virginia. Prior to joining the GMU Law faculty, she served for eight years as a Commissioner of the U. S. International Trade Commission, a position President Bush appointed her to in 1991. Previously Ms. Crawford served in several other important governmental positions including Assistant Attorney General of the United States, Associate Director of the Office of Management and Budget (OMB) and as the Director of the Federal Trade Commission's Bureau of Consumer Protection.

Mr. Wright currently serves as an advisor to Primco, a Paris merchant bank, and as a director of several charitable organizations. His background includes extensive experience in the securities industry including a long involvement with the Securities Industry Institute at the Wharton School of Business where he is currently a Trustee Emeritus having previously served as Chairman. Until his retirement in1992, Mr. Wright was a Senior Vice President and Director of Dean Witter Reynolds (now Morgan Stanley Dean Witter).

In addition to Ms. Crawford and Mr. Wright, the new Board includes Joseph W. Luter, III, Chairman and Chief Executive Officer of Smithfield Foods, Lewis R. Little, President and Chief Operating Officer of Smithfield Foods, Robert L. Burrus, Jr., Chairman of McGuire, Woods, Battle & Boothe LLP, Ray A. Goldberg, Moffett Professor of Agriculture and Business, Emeritus, Harvard Business School, George E. Hamilton, Jr., retired former President and Chief Operating Officer of The Smithfield Packing Company, Inc., Richard J. Holland, Chairman of the

Board of The Farmers Bank and William H. Prestage, Chairman of the Board, President and Chief Executive Officer of Prestage Farms, Inc.

Mr. Wright joins Messrs. Burrus, Goldberg and Holland on the Audit Committee and Ms. Crawford joins Messrs. Burrus, Goldberg and Holland on the Compensation Committee.

Six present Directors, each of whom is the senior manager at one of the Company's operations, resigned from the Board of Directors and were appointed to the Management Board. They are Douglas W. Dodds, Chairman and Chief Executive Officer of Schneider Corporation, F. J. Faison, Jr., President and Chief Operating Officer of Carroll's Foods, Inc., Robert G. Hoffman, II, President and Chief Executive Officer of North Side Foods Corp., Roger R. Kapella, President and Chief Operating Officer of Patrick Cudahy Incorporated, Joseph B. Sebring, President and Chief Operating Officer of John Morrell & Co. and Timothy A. Seely, President and Chief Operating Officer of Gwaltney of Smithfield, Ltd.

The Management Board will also include C. Larry Pope, Vice President and Chief Financial Officer, Richard J. M. Poulson, Vice President and Senior Advisor to the Chairman, Robert Zulewski, President of the Management Board of Animex, S.A. (Poland) and Jean Quentin, Managing Director of Smithfield France, S.A. Messrs. Luter and Little will also be on the Management Board.

In addition to his other duties, Mr. Little also serves as the President and Chief Operating Officer of The Smithfield Packing Company, Incorporated and the Lykes Meat Group, Inc. In addition to his other duties, Mr. Poulson also serves as Chairman of the Supervisory Board of Animex S.A. Smithfield Packing, Lykes and Animex are all operating subsidiaries of Smithfield Foods, Inc. while Smithfield France, S.A. is a wholly owned subsidiary responsible for the Company's operations in France. Mr. Quentin also serves as President and Chief Executive Officer of the Company's operating subsidiaries in France.

The Board of Directors also established a senior management level Environmental Compliance Committee which will be chaired by Mr. Little and vice-chaired by Robert F. Urell, Vice President, Engineering of Smithfield Foods, Inc. This Committee will be responsible for developing and monitoring the environmental policies of the company and for continued development and implementation of the company's Environmental Management System. The Committee will focus initially on the company's hog production operations in the State of North Carolina, especially those located in areas adversely impacted by recent recent hurricanes and will provide assistance to the company's operating subsidiaries and its family of contract growers in the development of alternative animal waste management systems.

**DESCRIPTION OF COMPANY**

Smithfield Foods is the largest vertically integrated producer and marketer of fresh pork and processed meats in the United States. The Company's brands include Smithfield Lean Generation, Smithfield Premium, Gwaltney, John Morrell, Patrick Cudahy, Schneiders, Krakus,

Lykes, Esskay, Kretschmar, Valleydale, Jamestown, Dinner Bell, Sunnyland, ReaLean, Patrick's Pride, Great, Tobin's First Prize, Peyton's, Rodeo, IQM, Curly's, Ember Farms and others.

In addition, the Company has operating subsidiaries in Canada, France and Poland and participates in joint ventures in both Brazil and Mexico. The French subsidiaries produce and sell processed meats while the Canadian and Polish subsidiaries have slaughter operations and sell fresh pork, processed meat and other related food products. The joint ventures are involved in all aspects of the pork business including hog production and slaughter as well as the sale of fresh and processed meats.

**FORWARD LOOKING INFORMATION**

This news release may contain "forward-looking" information within the meaning of the federal securities laws. The forward-looking information may include statements concerning the Company's outlook for the future, as well as other statements of beliefs, future plans and strategies or anticipated events, and similar expressions concerning matters that are not historical facts. The forward-looking information and statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, the statements. The risks and uncertainties include availability and prices of live hogs and raw materials, product pricing, the competitive environment and related market conditions, operating efficiencies, access to capital and actions of domestic and foreign governments.

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