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WH Group Limited
萬洲國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 288)

**FORM 10-Q QUARTERLY REPORT FOR
THE THIRD QUARTER ENDED SEPTEMBER 28, 2014
OF SMITHFIELD FOODS, INC.**

On November 7, 2014 after trading hours (Hong Kong time), Smithfield released its Form 10-Q Quarterly Report for the third quarter ended September 28, 2014.

RESULTS OF SMITHFIELD AND FORM 10-Q QUARTERLY REPORT

As at the date of this announcement, Smithfield Foods, Inc. (“**Smithfield**”) is a corporation incorporated in the Commonwealth of Virginia, the United States and an indirect wholly owned subsidiary of WH Group Limited (the “**Company**”).

As disclosed in the Company’s prospectus dated July 24, 2014, Smithfield voluntarily files with the United States Securities and Exchange Commission (the “**SEC**”) the periodic reports prescribed by the SEC under Section 13(a) of the United States Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”). As an indirect wholly owned subsidiary of the Company, Smithfield is no longer subject to the periodic reporting obligations under the U.S. Exchange Act. However, the indentures governing certain of Smithfield’s senior debts contain covenants that require Smithfield to file such reports as if it were subject to those reporting requirements. Accordingly, Smithfield currently files with the SEC annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. These reports contain financial and other information regarding Smithfield and its subsidiaries. The periodic reports filed by Smithfield with the SEC are available to the public at the respective internet websites maintained by the SEC and Smithfield.

Smithfield has, on November 7, 2014 after trading hours (Hong Kong time), filed its quarterly report with the SEC under Form 10-Q for the third quarter ended September 28, 2014 (the “**Smithfield Quarterly Report**”). Such unaudited consolidated condensed financial results have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”). However, it is important to note that the Company prepares its consolidated financial results in accordance with International Financial Reporting Standards (“IFRS”). Accordingly, Smithfield’s results reported herein differ from Smithfield’s results contained in the Company’s consolidated financial statements, which include certain adjustments in order to conform to IFRS. These adjustments include the re-measurement of biological assets from cost to fair value through earnings, the reclassification of numerous balance sheet items primarily reflected in biological assets and deferred taxes, and classification changes within the financial results, primarily for distribution expenses, which have a significant impact on gross margin. Readers are cautioned to consider these differences when reviewing Smithfield’s US GAAP consolidated condensed financial results reported herein.

SUMMARY OF RESULTS OF SMITHFIELD FOR THE THREE MONTHS ENDED SEPTEMBER 28, 2014

For the three months ended September 28, 2014, Smithfield sold 4.0 million hogs, a decrease of 11% from the comparable period in 2013. Hogs processed amounted to 7.2 million heads, a decrease of 6% from the comparable period of 2013. Packaged meat sales volume increased 5% to 0.35 million metric tons compared to the comparable period for 2013. Sales increased 11% from the comparable period of 2013 to US\$3,702.3 million. Net income increased 340% from the comparable period of 2013 to US\$155.3 million.

SUMMARY OF RESULTS OF SMITHFIELD FOR THE NINE MONTHS ENDED SEPTEMBER 28, 2014

For the nine months ended September 28, 2014, Smithfield sold 12.8 million hogs, a decrease of 6% from the comparable period in 2013. Hogs processed amounted to 22.7 million heads, a decrease of 4% from the comparable period of 2013. Packaged meat sales volume increased 2% to 1.05 million metric tons compared to the comparable period for 2013. Sales for the nine months ended increased 9% from the comparable period of 2013 to US\$10,938.4 million. Net income increased 369% from the comparable period of 2013 to US\$403.5 million.

The unaudited consolidated condensed statements of income for the three months and nine months ended September 28, 2014 and the unaudited consolidated condensed balance sheet as of September 28, 2014 of Smithfield contained in the Smithfield Quarterly Report are reproduced below:

SMITHFIELD FOODS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(in US\$ millions and unaudited)

	Three Months Ended		Nine Months Ended	
	September 28, 2014	September 26, 2013	September 28, 2014	September 26, 2013
Sales	\$ 3,702.3	\$ 3,337.2	\$10,938.4	\$10,001.9
Cost of Sales	3,248.3	3,048.6	9,619.2	9,148.1
Gross profit	454.0	288.6	1,319.2	853.8
Selling, general and administrative expenses	218.4	194.7	653.0	616.6
Merger related costs	—	18.0	—	18.0
Income from equity method investments	(14.5)	(2.7)	(40.5)	(8.0)
Operating profit	250.1	78.6	706.7	227.2
Interest expense	39.3	33.6	120.5	121.3
Non-operating gain	—	—	(1.1)	—
Income before income taxes	210.8	45.0	587.3	105.9
Income tax expense	55.5	9.6	183.8	19.9
Net income	\$ 155.3	\$ 35.4	\$ 403.5	\$ 86.0

SMITHFIELD FOODS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in US\$ millions, except share data)
(unaudited)

	September 28, 2014	December 29, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 58.8	\$ 193.4
Accounts receivable, net	868.4	810.9
Inventories	2,393.9	2,274.7
Prepaid expenses and other current assets	<u>181.4</u>	<u>225.1</u>
Total current assets	3,502.5	3,504.1
Property, plant and equipment, net	2,723.3	2,745.9
Goodwill	1,667.0	1,622.5
Investments	506.9	496.5
Intangible assets, net	1,391.0	1,405.8
Other assets	<u>150.5</u>	<u>180.0</u>
Total assets	<u>\$ 9,941.2</u>	<u>\$ 9,954.8</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	\$ 37.2	\$ 48.5
Accounts payable	473.9	614.4
Accrued expenses and other current liabilities	<u>678.7</u>	<u>632.7</u>
Total current liabilities	1,189.8	1,295.6
Long-term debt and capital lease obligations	3,033.6	2,997.4
Other liabilities	1,202.5	1,381.4
Redeemable noncontrolling interests	49.4	48.6
Commitments and contingencies		

	September 28, 2014	December 29, 2013
Equity:		
Shareholder's equity:		
Common stock, no par value, 1,000 shares authorized; 1,000 issued and outstanding	—	—
Additional paid-in capital	4,160.8	4,157.4
Retained earnings	438.2	34.7
Accumulated other comprehensive income (loss)	<u>(134.0)</u>	<u>39.0</u>
Total shareholder's equity	4,465.0	4,231.1
Noncontrolling interests	<u>0.9</u>	<u>0.7</u>
Total equity	<u>4,465.9</u>	<u>4,231.8</u>
Total liabilities and equity	<u>\$ 9,941.2</u>	<u>\$ 9,954.8</u>

If you wish to review the Smithfield Quarterly Report, please visit <http://investors.smithfieldfoods.com/sec.cfm> or <http://www.sec.gov>. To view a copy of the related earnings release made by Smithfield, please visit <http://investors.smithfieldfoods.com/releases.cfm>.

By order of the board of directors of
WH Group Limited
Chau Ho
Company Secretary

Hong Kong, November 7, 2014

As at the date of this announcement, the executive directors of the Company are Mr. WAN Long, Mr. GUO Lijun, Mr. YANG Zhijun, Mr. POPE C. Larry and Mr. ZHANG Taixi; the non-executive director of the Company is Mr. JIAO Shuge; and the independent non-executive directors of the Company are Mr. HUANG Ming, Mr. LEE Conway Kong Wai and Mr. LAU, Jin Tin Don.