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## **Land O'Lakes Reports Second Quarter and First Half Sales and Earnings**

*Quarterly Sales Increase 8% to \$3.9 billion; Net Earnings Up 63% to \$76.9 million; Year-to-Date Net Sales Up 8%, Net Earnings Increase 12%*

ARDEN HILLS, Minn., Aug. 1, 2013 -- Land O'Lakes, Inc. today announced second quarter and first half financial results that reflected solid sales growth accompanied by higher earnings compared to the same period last year.

Net sales were \$3.9 billion for the second quarter, up 8% from \$3.6 billion for the same quarter last year. Net sales for the first half of the year were \$8.1 billion, up 8% from \$7.5 billion for the first half of 2012. Net earnings for the second quarter were \$76.9 million, up 63% from \$47.2 million last year. First half net earnings totaled \$148.5 million, up 12% from \$132.1 million during the same period last year.

"We are pleased with our mid-year results, which were driven by our strategy of more aggressive investment in a variety of growth initiatives," said Chris Policinski, president and CEO of Land O'Lakes. Sales increases during the second quarter were achieved in all three core businesses, which include Dairy Foods, Crop Inputs (WinField) and Feed (Purina Animal Nutrition). First half sales were improved in all business segments, including Layers.

Earnings improvements year-on-year have been driven mainly by Dairy Foods, which had been negatively impacted in the first half of 2012 by an unexpected and exceptional growth in milk supplies and falling product prices. Recent company transactions also contributed significant earnings including the acquisition last year of Kozy Shack refrigerated desserts and the investment in Egglund's Best LLC, a branded premium egg joint venture.

Land O'Lakes' total debt as of June 30, 2013, was \$1.66 billion, up \$0.28 billion from the same date one year ago. The increase was primarily due to the July 2012 acquisition of Kozy Shack and increased working capital.

Land O'Lakes' second quarter financial results can be found at [www.landolakesinc.com](http://www.landolakesinc.com) and click on Investors and Quarterly Financial Statements.



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*Land O'Lakes, Inc., one of America's premier agribusiness and food companies, is a member-owned cooperative with industry-leading operations that span the spectrum from farm production to consumer foods. With 2012 annual sales of more than \$14 billion, Land O'Lakes is one of the nation's largest cooperatives, ranking in size at #194 on the Fortune 500. Building on a legacy of more than 92 years of operation, Land O'Lakes today operates under some of the most respected brands in agribusiness and food production including LAND O LAKES, Purina and WinField. The company does business in all 50 states and more than 60 countries. The Land O'Lakes International Development division is one of the major agricultural outreach and food aid programs in the world. Since 1981, this division has helped generate economic growth and improve the quality of life for millions of people through more than 275 projects in 76 developing nations. Land O'Lakes, Inc. corporate headquarters are located in Arden Hills, MN.*