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Land O'Lakes, Inc. Reports Year-to-Date and Third Quarter Financial Results

Year-to-Date Net Earnings Total \$227.9 Million, Up 15 Percent From Last Year

Third Quarter Net Earnings Are \$5.8 Million

ARDEN HILLS, Minn., Nov. 5, 2014 -- Land O'Lakes, Inc. today announced year-to-date financial results through September, reporting net earnings of \$227.9 million, up 15 percent from the same period last year. Third quarter net earnings were \$5.8 million compared to \$49.4 million last year, with the lower results primarily attributable to cyclical market devaluations that were anticipated following an exceptionally strong first half. Year-to-date net sales were \$11.4 billion, up 6 percent compared to last year, and third quarter net sales were \$3.1 billion compared with \$2.9 billion in 2013.

"Our solid year-to-date performance reflects the successful implementation of on-going, long-term strategies that embrace the great growth industries of agribusiness and food production," said Chris Policinski, president and CEO of Land O'Lakes, Inc. "While third quarter results were influenced by market volatility, we continue to achieve significant enterprise growth by helping farmers produce more food in an increasingly sustainable manner to meet the nutritional needs of the world's expanding population," he said.

Year-to-date through September, each of the company's three business segments achieved earnings that were ahead of last year:

- **Dairy Foods**, including the company's iconic LAND O LAKES brand, benefitted from strong markets for its butter and cheese products, improved branded butter volumes, manufacturing and supply chain efficiencies, and lower advertising expense.
- **Crop Inputs**, including the WinField brand, slightly exceeded the record results of 2013 due to strong volumes and performance in soybean seed and STAMPs (seed treatments, adjuvants, micronutrients and plant nutrition), partly offset by lower volumes in other crop protection products and corn seed.
- **Animal Nutrition**, including the Purina brand, benefitted from lower input costs for livestock and lifestyle products plus strong volumes in both livestock and lifestyle feeds.

The Layers, or egg business operated through Moark, LLC, is no longer being reported as a separate business segment. The company has divested substantially all of the Western and Midwestern assets of this business and is evaluating options with respect to the remaining Eastern assets.



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Total Land O'Lakes debt as of September 30, 2014 was \$1.83 billion, down \$45 million from the same date one year ago. The decrease was primarily due to Moark asset sales, partly offset by increased working capital.

Land O'Lakes, Inc. third quarter financial results can be found at www.landolakesinc.com. Click on "Investors" then "Quarterly Financial Statements."

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 agricultural production to consumer foods. With 2013 annual sales of more than \$14.2 billion, Land O'Lakes is one of the nation's largest cooperatives, ranking 199 on the Fortune 500. Building on a legacy of more than 93 years of operation, Land O'Lakes today operates some of the most respected brands in agribusiness and food production including LAND O LAKES® Dairy Foods, Purina Animal Nutrition and WinField. The company does business in all 50 states and more than 60 countries. Land O'Lakes, Inc. corporate headquarters are located in Arden Hills, Minn.