

LAND O'LAKES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 494,472	\$ 506,792
Receivables, net	2,470,740	2,341,699
Inventories	2,452,255	2,008,538
Prepaid assets	1,374,955	1,624,830
Other current assets	111,420	148,500
Total current assets	6,903,842	6,630,359
Investments	392,230	364,631
Property, plant and equipment, net	1,402,737	1,422,971
Goodwill	569,438	573,740
Other intangibles, net	309,842	353,135
Other assets	191,474	215,186
Total assets	\$ 9,769,563	\$ 9,560,022
LIABILITIES AND EQUITIES		
Current liabilities:		
Notes and short-term obligations	\$ 245,378	\$ 227,426
Current portion of long-term debt	33,004	183,714
Accounts payable	2,449,512	1,714,379
Customer advances	1,631,910	1,998,985
Accrued liabilities	966,804	952,528
Patronage refunds and other member equities payable	141,554	132,169
Total current liabilities	5,468,162	5,209,201
Long-term debt	792,648	793,336
Employee benefits and other liabilities	404,251	439,633
Commitments and contingencies	—	—
Equities:		
Preferred Stock	747,645	747,645
Common stock	935	723
Additional paid-in capital	303,306	302,788
Member equities	1,203,096	1,272,700
Retained earnings	997,154	929,811
Accumulated other comprehensive loss	(198,880)	(188,181)
Total Land O'Lakes, Inc. equity	3,053,256	3,065,486
Noncontrolling interests	51,246	52,366
Total equities	3,104,502	3,117,852
Total liabilities and equities	\$ 9,769,563	\$ 9,560,022

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended		
	December 31,		
	2022	2021	2020
Net sales	\$ 19,225,748	\$ 15,916,427	\$ 13,948,939
Cost of sales	17,848,709	14,477,793	12,576,014
Gross profit	1,377,039	1,438,634	1,372,925
Selling, general and administrative	1,173,738	1,177,376	1,091,628
Earnings from operations	203,301	261,258	281,297
Interest expense, net	43,329	50,078	48,616
Other (income) expense, net	(30,182)	(29,687)	12,280
Equity in earnings of affiliated companies	(63,872)	(61,123)	(46,055)
Earnings before income taxes	254,026	301,990	266,456
Income tax expense	5,822	6,821	520
Net earnings	248,204	295,169	265,936
Less: net earnings attributable to noncontrolling interests	6,993	7,780	1,000
Net earnings attributable to Land O'Lakes, Inc.	<u>\$ 241,211</u>	<u>\$ 287,389</u>	<u>\$ 264,936</u>
Applied to:			
Member equities			
Allocated patronage	\$ 117,910	\$ 183,895	\$ 162,956
Deferred equities	—	2,503	1,507
	<u>117,910</u>	<u>186,398</u>	<u>164,463</u>
Retained earnings	123,301	100,991	100,473
	<u>\$ 241,211</u>	<u>\$ 287,389</u>	<u>\$ 264,936</u>

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

	For the Year Ended		
	December 31,		
	2022	2021	2020
Net earnings	\$ 248,204	\$ 295,169	\$ 265,936
Other comprehensive earnings			
Pension and other postretirement adjustments, net of income taxes	(9,530)	55,360	31,270
Cash flow hedge adjustments, net of income taxes	12,223	6,807	(6,923)
Foreign currency translation adjustments, net of income taxes	(15,789)	(8,315)	2,764
Total other comprehensive (loss) earnings	(13,096)	53,852	27,111
Comprehensive earnings	235,108	349,021	293,047
Less: comprehensive earnings attributable to noncontrolling interests	4,502	3,861	915
Comprehensive earnings attributable to Land O'Lakes, Inc.	<u>\$ 230,606</u>	<u>\$ 345,160</u>	<u>\$ 292,132</u>

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,		
	2022	2021	2020
Cash Flows from operating activities:			
Net earnings	\$ 248,204	\$ 295,169	\$ 265,936
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	243,394	253,760	246,519
Amortization of deferred financing costs	1,158	1,438	1,463
Non-cash patronage income	(12,475)	(6,023)	(6,110)
Deferred income tax expense	(7,825)	11,073	18,705
Equity in earnings of affiliated companies	(63,872)	(61,123)	(46,055)
Dividends from investments in affiliated companies	53,329	46,046	40,297
Other	(18,321)	(12,582)	18,503
Changes in assets and liabilities, net of acquisitions and divestitures:			
Receivables	(187,251)	(337,833)	(95,627)
Inventories	(530,507)	(60,213)	410,335
Prepays and other current assets	293,616	(339,996)	(249,312)
Accounts payable	738,337	17,741	7,097
Customer advances	(361,446)	253,946	83,547
Accrued liabilities	84,877	117,133	122,169
Other assets	(4,227)	(15,364)	4,989
Other liabilities	(28,518)	(25,376)	357
Net cash provided by operating activities	<u>448,473</u>	<u>137,796</u>	<u>822,813</u>
Cash Flows from investing activities:			
Additions to property, plant and equipment	(184,134)	(153,246)	(142,614)
Investments in affiliates	(1,560)	(1,428)	(7,404)
Net proceeds from divestiture of businesses	55,357	10,000	20,626
Net proceeds from sale of investments	—	7,854	10,942
Proceeds from sale of property, plant and equipment	16,053	19,109	5,907
Change in notes receivable	25,932	(51)	(19,928)
Other	538	878	586
Net cash used by investing activities	<u>(87,814)</u>	<u>(116,884)</u>	<u>(131,885)</u>
Cash Flows from financing activities:			
Increase (decrease) in short-term debt	22,354	37,441	(30,505)
Proceeds from issuance of long-term debt	150,000	521	1,578
Principal payments on long-term debt and finance lease obligations	(302,332)	(111,687)	(2,819)
Cash patronage and payments for redemption of member equities	(179,096)	(156,631)	(158,900)
Preferred stock dividends paid	(57,325)	(57,325)	(57,325)
Other	(4,475)	(1,985)	(4,183)
Net cash used by financing activities	<u>(370,874)</u>	<u>(289,666)</u>	<u>(252,154)</u>
Effect of exchange rate changes on cash and cash equivalents	(2,105)	(2,675)	3,733
Net decrease in cash and cash equivalents	(10,215)	(268,754)	438,774
Cash and cash equivalents at beginning of the period	506,792	778,221	335,714
Cash and cash equivalents at end of the period	<u>\$ 494,472</u>	<u>\$ 506,792</u>	<u>\$ 778,221</u>