

**LAND O'LAKES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	<b>For the Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(\$ in thousands)</b>	
<b>Cash Flows from operating activities:</b>		
Net earnings	\$ 36,718	\$ 63,654
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	60,913	61,005
Amortization of deferred financing costs	367	414
Non-cash patronage income	(2,068)	(2,737)
Gain on divestiture of a business	—	(6,073)
Equity in earnings of affiliated companies	858	(595)
Dividends from investments in affiliated companies	7,750	8,646
Other	(1,330)	2,136
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables	(779,841)	(660,508)
Inventories	68,756	(98,796)
Prepays and other current assets	774,048	940,413
Accounts payable	62,395	(118,313)
Customer advances	(970,034)	(893,616)
Accrued liabilities	101,759	141,232
Other assets	2,589	(4,149)
Other liabilities	(3,985)	(8,207)
Net cash provided by operating activities	<u>(641,105)</u>	<u>(575,494)</u>
<b>Cash Flows from investing activities:</b>		
Additions to property, plant and equipment	(41,392)	(36,257)
Acquisitions, net of cash acquired	(213)	(339)
Investments in affiliates	(4,550)	(50)
Net proceeds from sale of investments	96	—
Proceeds from sale of property, plant and equipment	2,732	1,490
Change in notes receivable	(10,640)	(7,307)
Other	138	2,500
Net cash used by investing activities	<u>(53,829)</u>	<u>(39,963)</u>
<b>Cash Flows from financing activities:</b>		
(Decrease) increase in short-term debt	451,643	527,237
Proceeds from issuance of long-term debt	1,162	14
Principal payments on long-term debt and capital lease obligations	(601)	(446)
Cash patronage and payments for redemption of member equities	(13,304)	(21,561)
Preferred stock dividends paid	(14,331)	(14,331)
Other	(4,140)	(14,098)
Net cash (used by) provided by financing activities	<u>420,429</u>	<u>476,815</u>
Effect of exchange rate changes on cash and cash equivalents	(5,818)	776
Net increase (decrease) in cash and cash equivalents	(274,505)	(138,642)
Cash and cash equivalents at beginning of the period	335,714	201,005
Cash and cash equivalents at end of the period	<u>\$ 55,391</u>	<u>\$ 63,139</u>
<b>Supplementary Disclosure of Cash Flow Information</b>		
Cash paid during periods for:		
Interest	\$ 16,868	\$ 12,791
Income taxes	466	12

**LAND O'LAKES, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
	<b>(Unaudited)</b>	
	<b>(\$ in thousands)</b>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 55,391	\$ 335,714
Receivables, net	2,682,269	1,912,695
Inventories	2,279,196	2,358,462
Prepaid assets	313,569	1,054,830
Other current assets	254,688	93,554
Total current assets	5,585,113	5,755,255
Investments	329,441	331,863
Property, plant and equipment, net	1,588,995	1,611,327
Goodwill	561,615	566,564
Other intangibles, net	428,013	442,451
Other assets	194,998	191,844
Total assets	\$ 8,688,175	\$ 8,899,304
<b>LIABILITIES AND EQUITIES</b>		
Current liabilities:		
Notes and short-term obligations	\$ 647,330	\$ 209,304
Current portion of long-term debt	37,562	37,175
Accounts payable	1,762,936	1,717,487
Customer advances	686,836	1,660,058
Accrued liabilities	957,780	664,291
Patronage refunds and other member equities payable	160,719	129,604
Total current liabilities	4,253,163	4,417,919
Long-term debt	1,056,455	1,066,116
Employee benefits and other liabilities	557,632	542,653
Commitments and contingencies	—	—
Equities:		
Preferred Stock	747,645	747,645
Common stock	691	696
Additional paid-in capital	301,672	301,889
Member equities	1,221,730	1,247,083
Retained earnings	838,977	835,787
Accumulated other comprehensive loss	(299,982)	(272,908)
Total Land O'Lakes, Inc. equity	2,810,733	2,860,192
Noncontrolling interests	10,192	12,424
Total equities	2,820,925	2,872,616
Total liabilities and equities	\$ 8,688,175	\$ 8,899,304

**LAND O'LAKES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	<b>For the Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2020</b>	<b>2019</b>
Net sales	\$ 3,762,938	\$ 3,493,502
Cost of sales	3,418,169	3,124,121
Gross profit	<u>344,769</u>	<u>369,381</u>
Selling, general and administrative	289,681	293,440
Earnings from operations	<u>55,088</u>	<u>75,941</u>
Interest expense, net	12,836	13,485
Other expense (income), net	1,834	(6,287)
Equity in earnings of affiliated companies	858	(595)
Earnings before income taxes	<u>39,560</u>	<u>69,338</u>
Income tax (benefit) expense	<u>2,842</u>	<u>5,684</u>
Net earnings	<u>36,718</u>	<u>63,654</u>
Less: net earnings attributable to noncontrolling interests	134	158
Net earnings attributable to Land O'Lakes, Inc.	<u><u>\$ 36,584</u></u>	<u><u>\$ 63,496</u></u>
Applied to:		
Member equities		
Allocated patronage	\$ 41,445	\$ 60,139
Deferred equities	<u>(22,153)</u>	<u>(26,776)</u>
	19,292	33,363
Retained earnings	<u>17,292</u>	<u>30,133</u>
	<u><u>\$ 36,584</u></u>	<u><u>\$ 63,496</u></u>

**LAND O'LAKES, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS**  
**(Unaudited)**

	<b>For the Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2020</b>	<b>2019</b>
	<u>          </u>	<u>          </u>
Net earnings	\$ 36,718	\$ 63,654
Other comprehensive earnings, net of tax		
Pension and other postretirement adjustments, net of income taxes	3,598	4,008
Cash flow hedge adjustments, net of income taxes	(8,599)	(496)
Foreign currency translation adjustments, net of income taxes	(23,201)	1,201
Total other comprehensive earnings (loss)	<u>(28,202)</u>	<u>4,713</u>
Comprehensive earnings	8,516	68,367
Less: comprehensive earnings (loss) attributable to noncontrolling interests	(1,119)	389
Comprehensive earnings attributable to Land O'Lakes, Inc.	<u>\$ 9,635</u>	<u>\$ 67,978</u>