

LAND O'LAKES, INC.
CONSOLIDATED BALANCE SHEETS

	March 31, 2022	December 31, 2021
	(Unaudited)	
	(\$ in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 92,153	\$ 506,792
Receivables, net	3,445,707	2,341,699
Inventories	2,256,694	2,008,538
Prepaid assets	404,829	1,624,830
Other current assets	339,518	148,500
Total current assets	6,538,901	6,630,359
Investments	380,363	364,631
Property, plant and equipment, net	1,399,912	1,422,971
Goodwill	576,715	573,740
Other intangibles, net	344,945	353,135
Other assets	213,251	215,186
Total assets	\$ 9,454,087	\$ 9,560,022
LIABILITIES AND EQUITIES		
Current liabilities:		
Notes and short-term obligations	\$ 451,406	\$ 227,426
Current portion of long-term debt	185,649	183,714
Accounts payable	2,120,634	1,714,379
Customer advances	760,741	1,998,985
Accrued liabilities	1,282,124	952,528
Patronage refunds and other member equities payable	204,991	132,169
Total current liabilities	5,005,545	5,209,201
Long-term debt	792,562	793,336
Employee benefits and other liabilities	441,003	439,633
Commitments and contingencies	—	—
Equities:		
Preferred Stock	747,645	747,645
Common stock	713	723
Additional paid-in capital	303,306	302,788
Member equities	1,278,714	1,272,700
Retained earnings	987,600	929,811
Accumulated other comprehensive loss	(161,397)	(188,181)
Total Land O'Lakes, Inc. equity	3,156,581	3,065,486
Noncontrolling interests	58,396	52,366
Total equities	3,214,977	3,117,852
Total liabilities and equities	\$ 9,454,087	\$ 9,560,022

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

	For the Three Months Ended March 31,	
	2022	2021
Net sales	\$ 5,020,039	\$ 3,926,981
Cost of sales	4,546,122	3,498,943
Gross profit	<u>473,917</u>	<u>428,038</u>
Selling, general and administrative	291,112	275,315
Earnings from operations	<u>182,805</u>	<u>152,723</u>
Interest expense, net	9,538	11,962
Other income, net	(5,695)	(52)
Equity in earnings of affiliated companies	<u>(14,289)</u>	<u>(7,446)</u>
Earnings before income taxes	193,251	148,259
Income tax expense	<u>14,599</u>	<u>12,260</u>
Net earnings	178,652	135,999
Less: net earnings attributable to noncontrolling interests	1,453	668
Net earnings attributable to Land O'Lakes, Inc.	<u><u>\$ 177,199</u></u>	<u><u>\$ 135,331</u></u>
Applied to:		
Member equities		
Allocated patronage	\$ 103,192	\$ 61,764
Deferred equities	<u>(4,017)</u>	<u>1,481</u>
	99,175	63,245
Retained earnings	<u>78,024</u>	<u>72,086</u>
	<u><u>\$ 177,199</u></u>	<u><u>\$ 135,331</u></u>

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

	For the Three Months Ended	
	March 31,	
	2022	2021
Net earnings	\$ 178,652	\$ 135,999
Other comprehensive earnings		
Pension and other postretirement adjustments, net of income taxes	2,850	3,846
Cash flow hedge adjustments, net of income taxes	6,314	5,042
Foreign currency translation adjustments, net of income taxes	23,370	(4,773)
Total other comprehensive earnings	<u>32,534</u>	<u>4,115</u>
Comprehensive earnings	<u>211,186</u>	<u>140,114</u>
Less: comprehensive earnings (losses) attributable to noncontrolling interests	7,109	(2,444)
Comprehensive earnings attributable to Land O'Lakes, Inc.	<u>\$ 204,077</u>	<u>\$ 142,558</u>

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

	For the three months ended March	
	31,	
	2022	2021
Cash Flows from operating activities:		
Net earnings	\$ 178,652	\$ 135,999
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	61,251	62,213
Amortization of deferred financing costs	292	236
Non-cash patronage income	(1,665)	(1,470)
Deferred income tax expense	—	3,386
Equity in earnings of affiliated companies	(14,289)	(7,446)
Dividends from investments in affiliated companies	9,986	9,400
Other	(11,014)	(1,161)
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables	(1,086,596)	(747,561)
Inventories	(239,675)	(41,380)
Prepays and other current assets	1,188,091	841,377
Accounts payable	401,081	218,034
Customer advances	(1,239,393)	(923,068)
Accrued liabilities	189,569	161,641
Other assets	(1,941)	(5,949)
Other liabilities	(11,481)	(26,499)
Net cash used by operating activities	(577,132)	(322,248)
Cash Flows from investing activities:		
Additions to property, plant and equipment	(33,510)	(37,827)
Investments in affiliates	(260)	(1,428)
Proceeds from sale of property, plant and equipment	8,622	8,442
Change in notes receivable	(1,406)	(17,004)
Other	—	1
Net cash used by investing activities	(26,554)	(47,816)
Cash Flows from financing activities:		
Increase (decrease) in short-term debt	216,518	9,172
Principal payments on long-term debt and capital lease obligations	(209)	(313)
Cash patronage and payments for redemption of member equities	(19,856)	(16,140)
Preferred stock dividends paid	(14,331)	(14,331)
Other	—	88
Net cash provided by (used by) financing activities	182,122	(21,524)
Effect of exchange rate changes on cash and cash equivalents	6,925	1,388
Net decrease ¹ in cash and cash equivalents	(421,564)	(391,588)
Cash and cash equivalents at beginning of the period	506,792	778,221
Cash and cash equivalents at end of the period	\$ 92,153	\$ 388,021
Supplementary Disclosure of Cash Flow Information		
Cash paid during periods for:		
Interest	\$ 13,927	\$ 13,629
Income taxes	3,037	443