

LAND O'LAKES, INC.
CONSOLIDATED BALANCE SHEETS

	September 30, 2022	December 31, 2021
	(Unaudited)	
	(\$ in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 58,385	\$ 506,792
Receivables, net	2,604,735	2,341,699
Inventories	2,328,236	2,008,538
Prepaid assets	332,808	1,624,830
Other current assets	161,472	148,500
Total current assets	5,485,636	6,630,359
Investments	410,743	364,631
Property, plant and equipment, net	1,376,312	1,422,971
Goodwill	567,818	573,740
Other intangibles, net	318,651	353,135
Other assets	201,541	215,186
Total assets	\$ 8,360,701	\$ 9,560,022
LIABILITIES AND EQUITIES		
Current liabilities:		
Notes and short-term obligations	\$ 906,770	\$ 227,426
Current portion of long-term debt	33,864	183,714
Accounts payable	1,556,187	1,714,379
Customer advances	320,136	1,998,985
Accrued liabilities	1,123,694	952,528
Patronage refunds and other member equities payable	114,755	132,169
Total current liabilities	4,055,406	5,209,201
Long-term debt	790,722	793,336
Employee benefits and other liabilities	411,314	439,633
Commitments and contingencies	—	—
Equities:		
Preferred Stock	747,645	747,645
Common stock	940	723
Additional paid-in capital	303,306	302,788
Member equities	1,192,588	1,272,700
Retained earnings	999,264	929,811
Accumulated other comprehensive loss	(186,779)	(188,181)
Total Land O'Lakes, Inc. equity	3,056,964	3,065,486
Noncontrolling interests	46,295	52,366
Total equities	3,103,259	3,117,852
Total liabilities and equities	\$ 8,360,701	\$ 9,560,022

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	\$ 4,361,136	\$ 3,547,737	\$ 14,244,981	\$ 11,522,433
Cost of sales	4,117,203	3,265,609	13,196,754	10,448,751
Gross profit	<u>243,933</u>	<u>282,128</u>	<u>1,048,227</u>	<u>1,073,682</u>
Selling, general and administrative	304,911	296,718	887,947	854,274
Earnings from operations	<u>(60,978)</u>	<u>(14,590)</u>	<u>160,280</u>	<u>219,408</u>
Interest expense, net	14,953	13,907	33,366	40,389
Other income, net	(581)	(20,483)	(6,856)	(26,970)
Equity in earnings of affiliated companies	<u>(5,602)</u>	<u>(9,720)</u>	<u>(62,538)</u>	<u>(51,086)</u>
Earnings before income taxes	<u>(69,748)</u>	<u>1,706</u>	<u>196,308</u>	<u>257,075</u>
Income tax (benefit) expense	<u>(16,865)</u>	<u>(15,754)</u>	<u>1,800</u>	<u>3,961</u>
Net earnings	<u>(52,883)</u>	<u>17,460</u>	<u>194,508</u>	<u>253,114</u>
Less: net earnings attributable to noncontrolling interests	2,220	2,938	3,828	4,001
Net earnings attributable to Land O'Lakes, Inc.	<u>\$ (55,103)</u>	<u>\$ 14,522</u>	<u>\$ 190,680</u>	<u>\$ 249,113</u>
Applied to:				
Member equities				
Allocated patronage	\$ (87,118)	\$ (3,147)	\$ 79,601	\$ 120,898
Deferred equities	24,205	152	—	878
	<u>(62,913)</u>	<u>(2,995)</u>	<u>79,601</u>	<u>121,776</u>
Retained earnings	7,810	17,517	111,079	127,337
	<u>\$ (55,103)</u>	<u>\$ 14,522</u>	<u>\$ 190,680</u>	<u>\$ 249,113</u>

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Net earnings	\$ (52,883)	\$ 17,460	\$ 194,508	\$ 253,114
Other comprehensive earnings				
Pension and other postretirement adjustments, net of income taxes	2,851	3,846	8,551	11,538
Cash flow hedge adjustments, net of income taxes	4,564	771	13,151	5,214
Foreign currency translation adjustments, net of income taxes	(18,867)	(9,433)	(24,668)	(2,424)
Total other comprehensive earnings	(11,452)	(4,816)	(2,966)	14,328
Comprehensive earnings	(64,335)	12,644	191,542	267,442
Less: comprehensive earnings (losses) attributable to noncontrolling interests	142	633	(634)	1,615
Comprehensive earnings attributable to Land O'Lakes, Inc.	<u>\$ (64,477)</u>	<u>\$ 12,011</u>	<u>\$ 192,176</u>	<u>\$ 265,827</u>

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

	For the nine months ended	
	September 30,	September 30,
	2022	2021
Cash Flows from operating activities:		
Net earnings	\$ 194,508	\$ 253,114
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	182,756	187,904
Amortization of deferred financing costs	873	1,097
Non-cash patronage income	(3,984)	(4,268)
Deferred income tax expense	3,749	17,600
Equity in earnings of affiliated companies	(62,538)	(51,086)
Dividends from investments in affiliated companies	29,739	25,429
Other	(6,214)	(31,555)
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables	(331,898)	(371,862)
Inventories	(369,626)	4,884
Prepays and other current assets	1,259,511	893,908
Accounts payable	(120,771)	(410,259)
Customer advances	(1,674,334)	(1,537,726)
Accrued liabilities	257,209	205,580
Other assets	(15,971)	(10,923)
Other liabilities	(22,950)	(17,868)
Net cash used by operating activities	<u>(679,941)</u>	<u>(846,031)</u>
Cash Flows from investing activities:		
Additions to property, plant and equipment	(117,852)	(98,487)
Investments in affiliates	(1,560)	(1,428)
Net proceeds from divestiture of businesses	—	10,000
Proceeds from sale of property, plant and equipment	13,873	11,521
Change in notes receivable	21,414	(2,635)
Other	32	21
Net cash used by investing activities	<u>(84,093)</u>	<u>(81,008)</u>
Cash Flows from financing activities:		
Increase (decrease) in short-term debt	691,694	396,839
Proceeds from issuance of long-term debt	150,000	521
Principal payments on long-term debt and capital lease obligations	(301,903)	(8,465)
Cash patronage and payments for redemption of member equities	(178,082)	(152,989)
Preferred stock dividends paid	(42,993)	(42,993)
Other	(4,475)	(1,266)
Net cash provided by (used by) financing activities	<u>314,241</u>	<u>191,647</u>
Effect of exchange rate changes on cash and cash equivalents	1,386	1,228
Net decrease ¹ in cash and cash equivalents	(449,793)	(735,392)
Cash and cash equivalents at beginning of the period	506,792	778,221
Cash and cash equivalents at end of the period	<u>\$ 58,385</u>	<u>\$ 44,057</u>
Supplementary Disclosure of Cash Flow Information		
Cash paid during periods for:		
Interest	\$ 52,241	\$ 46,597
Income taxes	11,845	4,669