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Land O'Lakes, Inc. Announces 2016 Second Quarter Results

Farmer-owned cooperative reports 67 percent increase in net earnings over second quarter in 2015

Arden Hills, Minn. (August 2, 2016) – Land O'Lakes, Inc. today announced second quarter financial results, reporting quarterly net earnings of \$134 million on sales of \$3.5 billion for the period ending June 30, 2016. Second quarter results were up 67 percent compared to the same period in 2015. Year-to-date net sales totaled \$7.1 billion with net earnings of \$238 million. These results were significantly higher over the same period in 2015, with year-to-date earnings up 33 percent year-over-year.

“Despite sustained market volatility and headwinds across the segments where we operate, Land O'Lakes, Inc. is reporting significantly higher results year-over-year with strong performance across all of our business units,” stated Chris Policinski, Land O'Lakes, Inc. president and CEO. “We will continue to invest in growth, innovation and our core businesses, and with the addition of our new business unit SUSTAIN continue to collaborate on and improve environmental sustainability for the benefit of our members, customers and partners.”

Results remained strong across the Animal Feed portfolio – particularly within Milk Replacer and Nutra Blend, and within the Lifestyle segment – during the second quarter of 2016. The division saw strong growth over the same period in 2015, driven by strong margins and growth in certain branded and proprietary products.

The Dairy Foods segment, including the LAND O LAKES brand, saw higher results over the same period in 2015, due in part to less volatile markets and strong volumes and overall performance in the Foodservice division.

Overall second quarter results in Crop Inputs were driven by the addition of United Suppliers, Inc. combined with improved performance in proprietary products. This increase was partially offset by lower seed volumes driven by a strong fourth quarter in 2015 combined with a tighter gross margin environment.

Land O'Lakes, Inc. [recently announced](#) the formation of a new business unit SUSTAIN, which will focus on helping to ensure sustainable crop production by delivering insights, products and services, enhancing sustainability within the Dairy Foods and Feed businesses and partnering with other entities, including government, to improve efficiency and collaboration on conservation and sustainability programs.

More detail on Land O'Lakes, Inc. 2016 second quarter financial results can be found at <https://www.landolakesinc.com/Investors>.

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[About Land O'Lakes, Inc.](#)

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 2015 annual sales of \$13 billion, Land O'Lakes is one of the nation's largest cooperatives, ranking 215 on the Fortune 500. Building on a legacy of more than 95 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 US. 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.