## **CARGILL**

Cargill, Incorporated
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United States

Cargill provides food, agriculture, financial and industrial products and services to the world. Together with farmers, customers, governments and communities, we help people thrive by applying our insights and nearly 150 years of experience. We have 143,000 employees in 67 countries who are committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where we live and work.

## Cargill reports fourth-quarter and full-year fiscal 2014 earnings

MINNEAPOLIS – August 7, 2014 – Cargill today reported net earnings of \$424 million in the fiscal 2014 fourth quarter ended May 31, down 12 percent from \$483 million in the year-ago period. Fourth-quarter revenues rose 2 percent to \$36.2 billion.

For the full fiscal year Cargill earned \$1.87 billion, a 19 percent decrease from \$2.31 billion in the prior year. Revenues declined 1 percent to \$134.9 billion. Cash flow from operations totaled \$3.77 billion, down 12 percent from \$4.27 billion in fiscal 2013.

U.S. pork operations rose on improved live production and processing efficiency, and steady demand.

Full-year earnings decreased moderately from fiscal 2013, reflecting in part the impact of China's rejection of certain U.S. corn shipments, as reported in the third quarter.

#### Outlook

"Cargill has a record \$3.3 billion of major food and agricultural facilities under construction today in 13 countries,"

"Our company has a long history of doing business ethically and safely, nurturing top talent, managing risk, learning from setbacks and breaking new ground. It makes us optimistic about our ability to excel, to help customers thrive and to be the global leader in nourishing people." Cargill CEO, David MacLennan

## **Environmental commitments**

## Taking care of our environment

Cargill is committed to nourishing the world's growing population while at the same time protecting the planet. Since crops that feed people and animals alike require clean water, air, soil and light to thrive, we must continue being responsible stewards of our planet's natural resources. Cargill's ongoing success requires our commitment to protect the environment every day.

# **Environmental goals & actions**

## Good for business, good for the environment

At Cargill, we adapt to reduce our environmental footprint. Throughout our nearly 150 years in business, we have learned firsthand that using energy more efficiently, improving our GHG intensity, drawing power from renewable energy sources and using water efficiently is good for the environment, our communities and our business.

Cargill first established environmental goals in 2000. Since then, we set ambitious new goals every five years as part of our ongoing pursuit of operational excellence

## We employ innovative approaches to conserve resources, use renewable raw materials and reduce impacts to help preserve and protect the environment.

Cargill is committed to nourishing the world's growing population while at the same time protecting the planet. Since crops that feed people and animals alike require clean water, air, soil and light to thrive, we must continue being responsible stewards of our planet's natural resources. Cargill's ongoing success requires our commitment to protect the environment every day.

# **Product lines**

Our diverse food ingredients portfolio spans core and specialty ingredients, ingredient systems and finished food systems.



**Acidulants** 



Cocoa & Chocolate



**Dry Corn Ingredients** 



**Health Promoting Ingredients** 



**Flour** 



Hydrocolloids



Lecithin



Malt



Oils & Shortenings



Protein



Salt



**Stablizers Blends** 







**Sweeteners** 

## **FEED**

# Superior standards. Trusted brands.

When you choose Cargill, you choose a family of trusted brands and a dedicated team that stands behind them. We strive to be the best in the marketplace by anticipating needs, delivering effective solutions, and establishing superior standards. Our highly talented people have the imagination to challenge the status quo and the drive to help customers surpass their business goals.

Learn more about our world-renowned brands.

#### Complete feeds and services:

- Cargill®
- Purina®
- Nutrena®
- Regional brands

#### **PreMixes:**

- LNB<sup>TM</sup>
- Provimi®

### **Feed ingredients:**

- Horizon Milling
- Sweet Bran®
- Champions Choice®
- Hominy feed
- Toshoku

Learn more about our offerings in each species segment:

- Pork
- Poultry
- Dairy Cattle
- Beef Cattle
- Aquaculture
- Horses
- Wildlife
- Pets

## **Foodservice**

In order to stay competitive in today's foodservice industry, you need a partner who understands the challenges of running a profitable business – as well as the constantly changing tastes of your customer.

From new product development and quality assurance to food safety and customer service, our unwavering dedication to being the very best is what provides us daily motivation and keeps our partners coming back for more.

Products for the foodservice industry



Sunny Fresh<sup>™</sup> brand products are premium egg and breakfast products by Cargill Kitchen Solutions.



#### **Beef products**

No matter what kind of menu you are serving, you can count on delighted customers when you choose from our range of fresh and cooked meats, ground beef and specialty meat products.



#### Pork products

All-natural. Antibiotic free. Highly marbled. Marinated. These are just some of the product qualities offered under our premium pork line-up.



#### **Turkey products**

We know you strive to serve nothing but the best. That is why our turkey products give you a wide variety of premium quality options to choose from.



#### **Oils & Shortenings**

Strike the combination of performance and value with our portfolio of shortenings, oils and pan sprays.

#### **Dressings & Sauces**

We offer a range of sauces, dressings and mayonnaise for U.S. foodservice operations.



We offer a large selection of front-of-house, back-of-house and specialty food salts, as well as water conditioning salts and ice melters.



# Agricultural commodity trading & processing

We connect producers and users of grain, oilseeds and other agricultural commodities through origination, processing, marketing and distribution capabilities and services.

#### Grains & Oilseeds

We operate on an integrated global basis to source, process, transport and distribute grain and oilseeds around the world. The main bulk products we handle are wheat, corn, oilseeds, barley and sorghum, as well as vegetable oils and meals. We have developed significant expertise in handling identity preserved and differentiated products that sustain their distinctiveness in overseas markets.

Because we charter more than 150 million metric tons of dry bulk tonnage, we have the logistical flexibility and opportunity to leverage efficiencies in the supply chain. We also work closely with Cargill's finance and risk management businesses to offer a range of financial and hedging products to the products and services offered.

#### **Biofuels**

We <u>produce and market biodiesel and ethanol</u> from a range of feedstocks for customers in Europe, Latin America and North America.

## Sugar

Cargill Sugar trades raw sugar in bulk, white sugar in bags or containers, and ethanol from offices located in Geneva, Hong Kong, Minneapolis, Minnesota and Amsterdam. We originate sugar from the world's leading sugar producing

countries, including Brazil, where we co-own and operate two major sugar export terminals, handling bulk and bags.

We ship and distribute sugar to customers, industrials, distributors and end-users through offices in Egypt, India, China, Russia, Ukraine and other consuming countries worldwide.

#### Cotton

Our Cargill Cotton business is present in every cotton producing and consuming region of the world through our merchandising, ginning and warehousing operations. In Africa, our gins give us access to some of the finest handpicked cottons in the world. In the United States our warehousing capacity exceeds 500,000 bales, assuring our customers throughout the world of efficient and reliable shipments. And, we merchandise more than 5 million bales of cotton annually. Cargill Cotton's reputation for quality, reliability, size and leadership is unsurpassed in the world cotton industry.

# **Energy, Transportation and Metals**

Cargill ETM is the specialist energy, transportation and metals division of Cargill. By connecting our expertise in these three areas, Cargill ETM brings a unique combination of commercial know-how to the management of supply chains.

Headquartered in Geneva, Cargill ETM brings together over 1,000 energy, transportation and metals specialists. We operate regional hubs in the Americas (Calgary, Houston, Minneapolis, New Jersey, Lima, Sao Paulo), Asia (Beijing, Gurgaon, Mumbai, Shanghai, Singapore, Tokyo), Europe (Amsterdam, Geneva, London, Mechelen, Varna), and the Middle East (Dubai).

We also operate eight steel service centers across the United States (East Chicago, Granite City, Houston, Loudon, Nashville, Panama, Tulsa, and Windsor).

We manage commodity supply chain prices for more than 30 of Cargill's businesses. This experience has allowed us to develop effective, transparent solutions for our external customers too. Our ability to see the bigger picture and anticipate market trends and

opportunities will help support your long-term planning. Our network and commodity expertise will help you succeed in complex and volatile markets.

And because we apply the highest standards of business conduct even in the world's fastest moving and least structured markets, you can be confident about doing business anywhere in the world. Cargill ETM serves thousands of customers across the world.

#### **EXPERTISE**

# **ENERGY TRANSPORTATION METALS**

We purchase and deliver energy sources and related commodities including natural gas, refined and nonrefined oil products, and petrochemicals, in the right quantity and time our customers require.

We operate the world's largest dry bulk charter fleet of over 600 with steel raw making vessels including capesize, panamax, handy, supramax, handymax and coasters, which gives us access to over mills and steel consumers, 6,000 ports. In addition, we manage a fleet of 50 time-chartered tankers at any given time. We have more than 50 years' experience serving both our own business and those of our customers.

We are positioned in ferrous. We supply our customers materials: iron ore, steel and finished products. Through our relationships with mines, our customers benefit from market access and liquidity.

## **Farmer services**

No matter what grain you grow, no matter where you grow it, we offer solutions to meet the needs of grain producers around the world. A sampling of our offerings include:

- Grain marketing
- Crop protection and inputs
- Agronomy advisory services
- Specialty growing programs
- Silo management

#### North America

In the <u>United States</u> and <u>Canada</u> Cargill AgHorizons offers farmers a range of grain marketing and contract options, crop protection and inputs, and agronomic advisory services. We also offer a <u>high oleic specialty canola growing program</u> for farmers interested in top performing, high yield crops with superior per acre returns.

## Western Europe

**In the United Kingdom** <u>Frontier Agriculture</u> - our joint venture with ABF Holdings - links arable farmers directly with end users through a fully integrated service.

**In France and Germany <u>Landea®</u>** provides a dedicated service for farmers via their cooperatives to market their grains.

## Eastern Europe

**In Romania** our network of more than 20 silos handle grain for local farmers. Prefinancing plans, transportation from field to silo, fast intake, and prompt payment bring added value to local farmers. **Visit Cargill Romania** to learn more.

**In Hungary** we buy and sell grains and oilseeds both for immediate or longer term delivery, providing farmers and businesses with a market for their goods. We also offer a high oleic sunflower-seed programme that provides farmers with extra income, stable market and pricing, and delivery flexibility. **Visit <u>Cargill Hungary</u> to learn more**.

**In Ukraine** we originate grain and rapeseed for exports and sunflower seeds for local processing. We have 6 silos and 2 crushing plants but we also use a third party silo network. We offer our suppliers a reliable source and have long term commitments. We also supply farmers with high oleic seeds and guarantee to receive the crop for processing in our crushing plants.

In Russia we manage several silos in the center of the Kuban wheat belt as well as originate and store grain, sunflower and rapeseed. We also offer a high oleic sunflower seed program to produce high-acid oils and sunflower oil for the Russian market. Visit Cargill Russia to learn more.

#### Latin America

In Argentina, Paraguay, Bolivia and Uruguay we manage a number of country stations. In Argentina, the network covers more than 15 locations and has evolved since the 1960s to include the supply of grains and oilseeds required by our processing and export facilities as well as to complement the commercial network for distributing farm inputs. Visit <u>Cargill Argentina</u> to learn more.

In Brazil, our relationship with producers from all regions is strengthened by dialogue, the exchange of best practices, and the offer of products such as Cargill *Garantia Plus*, which protects farmers from significant fluctuations of the soybean price. We also have an integrated network of over 130 grain origination offices located in the country's main agricultural areas, soybean crushing plants and several port terminals. Visit www.cargill.com.br to learn more.

#### Asia Pacific

In India, we connect Indian farmers with markets through a network of Saathi centers that provide farmers with competitive prices and access to reliable grain buyers. That could be mentioned in the context of Farmer Services. Visit Cargill India to learn more.

# Financial and risk management

We offer risk management, investment, and financial solutions for food, financial and energy customers in world markets.

## Cargill Risk Management

We structure and market over-the-counter risk management products on agricultural and energy commodities. Since 1994, <u>Cargill Risk Management</u> has worked with businesses to identify their commodity price risk exposures. We then create tailored risk management products that mitigate these risks and protect operating margins.

- Hedging solutions
- Producer solutions
- Investor products



In France and Germany, <u>Landea®</u> provides a dedicated service for farmers via their cooperatives to market their grains.

## Cargill Trade & Structured Finance

<u>Cargill Trade & Structured Finance</u> (TSF) was established in 1993 with the objective to create additional value for Cargill and its customers in the emerging markets. Today, with over 170 professionals in 14 locations, TSF works with customers and Cargill's commercial business units to provide financial solutions. TSF's structuring expertise aids in mitigating documentary, cross-border and credit risks associated with trade finance.

In addition to meeting Cargill's own trade finance and trade related funding needs, TSF also optimizes Cargill's physical trade flows to generate trade finance derived liquidity in emerging markets for customers. TSF is also engaged in risk management involving proprietary trading of financial products, foreign exchange, credit and money markets.

TSF brings high standards of risk management and operational excellence to the customer. Our understanding of the commercial aspects of global trade and financial institutions has allowed us to build innovative funding solutions to tackle specific customer objectives including:

- Trade Receivable Discounting
- Letters of Credit
- Supplier finance
- Collateralized lending
- Warehouse financing
- Trade and supply chain financing

#### Investment

## **Black River Asset Management LLC**

<u>Black River Asset Management LLC</u>, an independently managed subsidiary of Cargill, Incorporated, is a global asset management company that provides sophisticated institutional investors with alternative investment opportunities.

#### **CarVal Investors**

<u>CarVal Investors</u> is a global leader in managing opportunistic value investments in creditintensive assets, including

- Consumer, residential and commercial and industrial loan portfolios
- Real estate
- Corporate securities
- Special opportunities

# **Credit rating information**

## Cargill, Incorporated

Organization	Long-Term debt	Commercial paper
Standard & Poor's	A	P-1
Moody's Investors Service	A2	P-1
Fitch Ratings	A	F1
	Rating	Duns#
Dun & Bradstreet	5A1	00-624-9189

Competitors
ARCHER-DANIELS-MIDLAND COMPANY
TATE & LYLE PLC
MORTON SALT, INC.

If it were a <u>public company</u>, it would rank, as of 2013, number 9 on the <u>Fortune 500</u>, behind <u>Valero Energy</u> and ahead of <u>Ford Motor Company</u>.

Cargill remains a <u>family-owned business</u>, as the descendants of the founder (from the Cargill and MacMillan families) own over 85% of the company