

CHS[®]

The logo features the letters 'CHS' in a white, serif font. A thick, white, curved swoosh underline starts under the 'C', goes under the 'H' and 'S', and then curves back up under the 'C'.



The Agribusiness Response: A Cooperative Perspective

Carl Casale

President & CEO

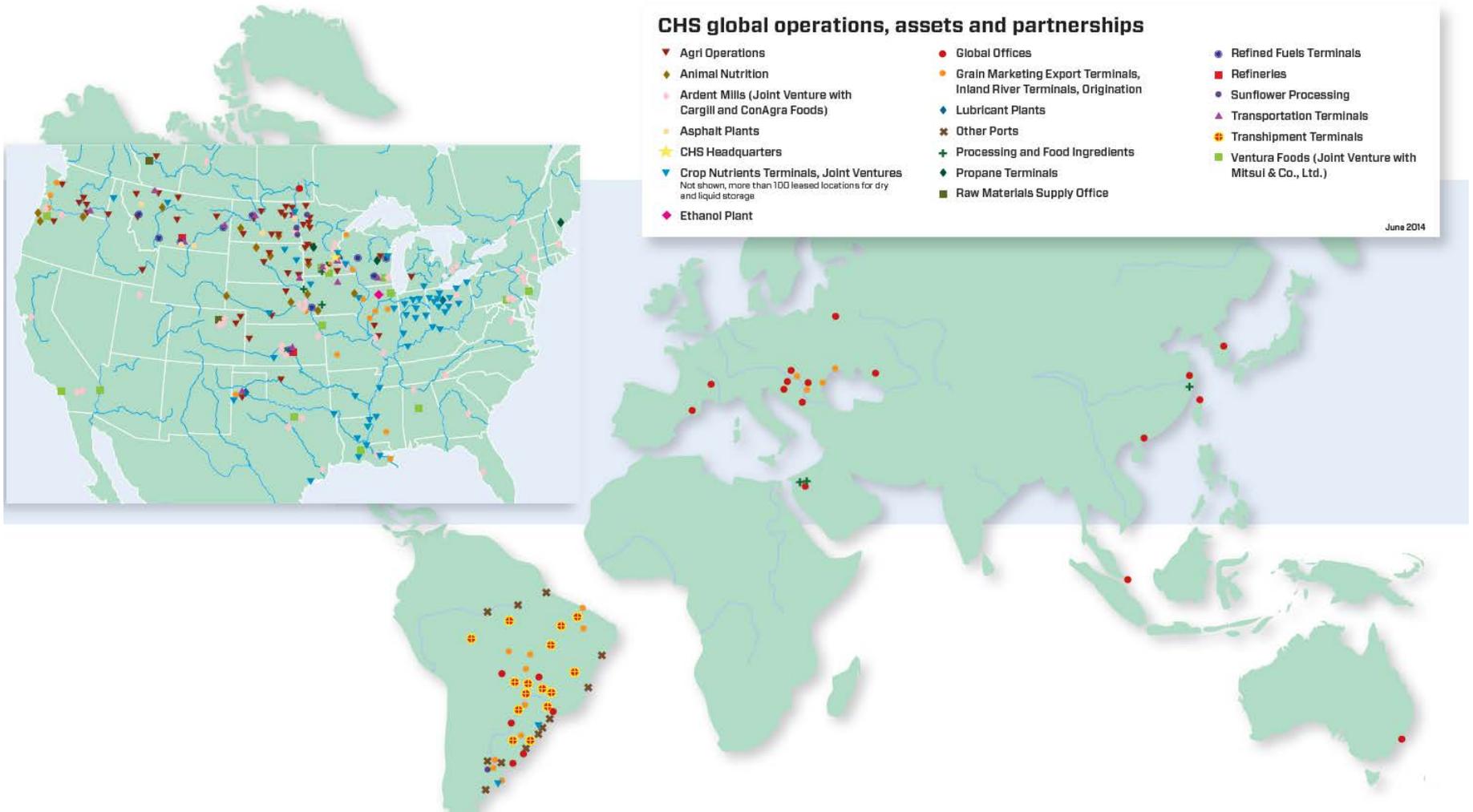
July 15, 2014

WHO WE ARE

- Nation's leading cooperative, owned by U.S. farmers, ranchers and co-ops
- Global energy, grains and foods business
- Helping producers, co-ops and customers grow their businesses
- More than 10,000 employees in the U.S. and 24 other countries
- Number 62 on 2014 Fortune listing



CHS GLOBAL BUSINESS OPERATIONS



WHY GO GLOBAL? ASKING THE HARD QUESTIONS

Does this extend value chain for farmers?

Does this help farmers grow?

Does this make CHS more relevant to our owners and customers?

GAME CHANGERS: FROM COMMODITY TO OPPORTUNITY



- **Technology creates 24/7/365 marketplace**
- **Global demand growth for food, energy**

GLOBAL MIDDLE CLASS GROWTH

A Crossover from West to East

Size of the Middle Class, 2009 - 2030
(millions of people and global share)

	2009		2020		2030	
North America	338	18%	333	10%	322	7%
Europe	664	36%	703	22%	680	14%
Central and South America	181	10%	251	8%	313	6%
Asia Pacific	525	28%	1,740	54%	3,228	66%
Sub-Saharan Africa	32	2%	57	2%	107	2%
Middle East and North Africa	105	6%	165	5%	234	5%
World	1,845	100%	3,249	100%	4,884	100%

IMAGINE TAKING THIS CALL...

Global grain customer:

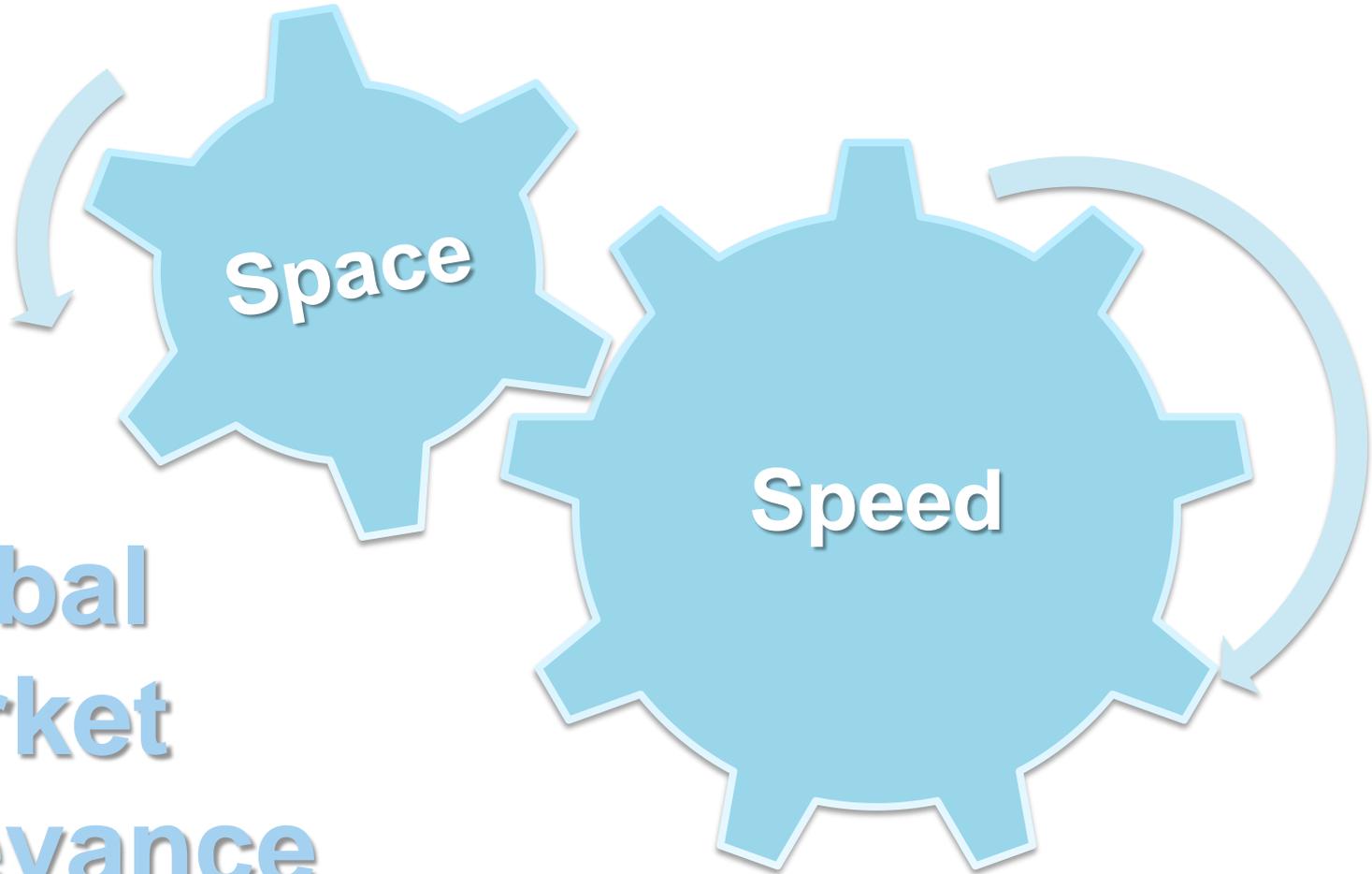
“I’d like to order a cargo of soybeans to arrive in June.”

U.S. grain cooperative:

“Sorry, we’re out. Call me in September.”

Will you remain relevant?

THE OBJECTIVE:

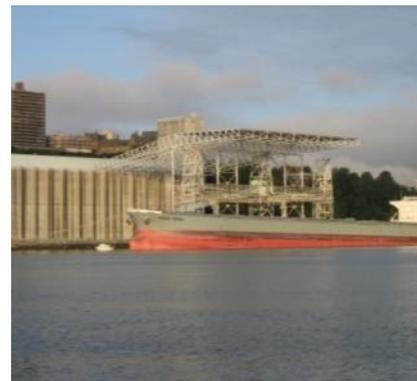


**Global
market
relevance**

BEING RELEVANT FOR OUR GLOBAL CUSTOMERS

Being a Tier One supplier -- 24/7/365:

- Market knowledge/price discovery
- Export competitiveness
- Manage risk/global arbitrage
- Year-round customer service
- Long-term growth prospects
- A grower connection



GLOBAL GROWTH STARTS AT HOME

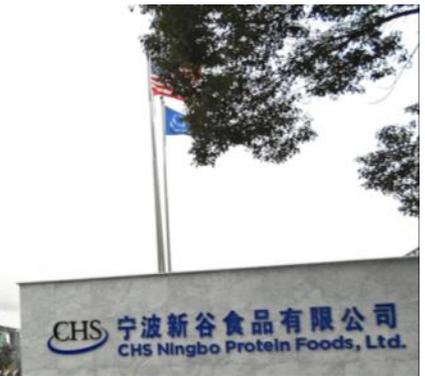


North America and CHS producers remain core of our platform:

- Continuing investments in domestic origination supply chain through shuttle loader facilities, supply chain
- Investing in export infrastructure
- Establishing Canada presence in Winnipeg; retail agronomy presence in Alberta and Saskatchewan
- Leveraging enterprise connections of CHS facilities, co-ops, inputs, services

CHS GLOBAL PRESENCE: MORE THAN GRAIN

- Crop nutrients sourcing from 19 countries; global trading on three continents
- Renewable fuels marketing in North America, South America and Europe
- Sunflower processing in Argentina



INVESTING IN GLOBAL COMMODITIES AT HOME AND AROUND THE WORLD



- **North American grain/fertilizer origination and distribution** **\$656 million**
- **South America origination/import/export** **\$48 million**
- **Black Sea origination/import/export** **\$102 million**
- **Asia-Pacific origination/import/marketing** **\$16 million**

INVESTING IN FOOD AND INGREDIENTS

Major projects

	(in millions)
Soy protein business acquisition	\$129
Creston soy flour expansion	26
South Sioux City, Neb., upgrade	16
Illinois ethanol plant	160



LESSONS LEARNED: ADJUST EXPECTATIONS

- Rate of return expectations must be adjusted
- Risk assessment differs from U.S.
- Risk varies by country
 - Economic
 - Geopolitical
 - Operating environment
 - Weather
- Choose the right partner



LATIN AMERICA NEWS

Devaluation Hurts Argentina's Regional Standing

Colombia Has Likely Overtaken Argentina as Latin America's Third-Largest Economy

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By DARCY CROWE and TAOIS TURNER CONNECT

Feb. 27, 2014 7:51 p.m. ET



People marching against high rates of inflation in Buenos Aires. Reuters

Popular

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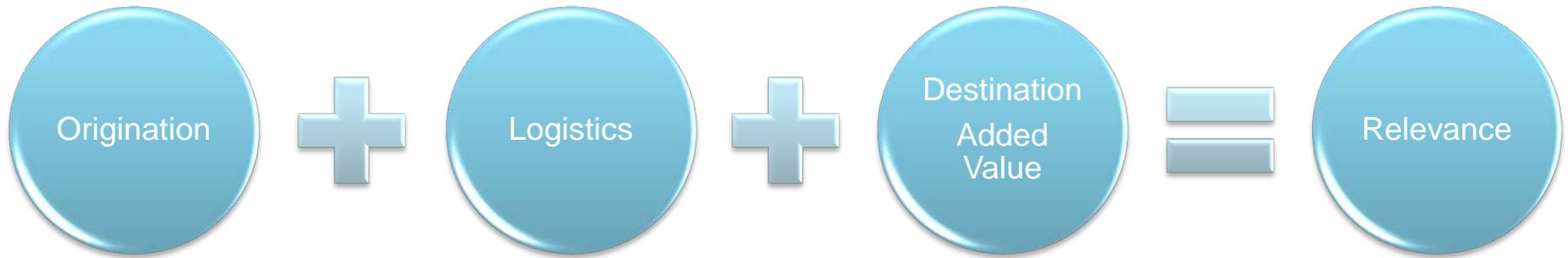
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THE END GAME





**Thank you.
Questions?**



Farmer-owned with
global connections