

GROWMARK, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
AND COMPREHENSIVE INCOME (LOSS)
Years Ended August 31, 2011 and 2010
(\$ In Thousands)

| | GROWMARK | | | Non-GROWMARK Ownership in Subsidiaries | Total Comprehensive Income (Loss) |
|---|-------------------|----------------------|---|--|---|
| | Capital Stock | Retained Earnings | Accumulated Other Comprehensive Income | | |
| Balance at August 31, 2009 | \$ 265,920 | 415,395 | 30,225 | 50,429 | |
| Cumulative effect of changes in accounting for uncertain tax positions | | 1,333 | | | |
| Net earnings before patronage refunds | | 98,764 | | 98,764 | 108,523 |
| Cash dividends on preferred stock | | (165) | | | |
| Preferred stock redemption | (2,918) | | | | |
| Patronage dividends to be distributed in cash | | (33,499) | | | |
| Patronage dividends to be distributed in capital stock | 35,432 | (35,432) | | | |
| Patronage dividends to be distributed in non-qualified capital stock | 1,040 | (1,040) | | | |
| Contributions by owners | | | | 3,130 | |
| Distributions to owners | | | | (3,329) | |
| Unrealized net holding gain on available-for-sale securities \$16,182, net of tax \$6,230 | | | 9,952 | 9,952 | 10,589 |
| Foreign currency translation adjustments \$1,758, net of tax \$717 | | | 1,041 | 1,041 | 1,041 |
| Unrealized loss on derivative financial instruments \$(6,401), net of tax \$(2,263) | | | (4,138) | (4,138) | (4,138) |
| Defined benefit and other postretirement plan adjustments \$(37,098), net of tax \$(14,021) | | (4) | (23,077) | (23,077) | (23,670) |
| Balance at August 31, 2010 | 299,474 | 445,352 | 14,003 | 60,033 | |
| Comprehensive income (loss) | | | | <u>\$ 82,542</u> | <u>92,345</u> |
| Net earnings before patronage refunds | | 196,029 | | 196,029 | 207,275 |
| Cash dividends on preferred stock | | (408) | | | |
| Preferred stock redemption | (14,984) | | | | |
| Patronage dividends to be distributed in cash | | (35,452) | | | |
| Patronage dividends to be distributed in capital stock | 48,099 | (48,099) | | | |
| Patronage dividends to be distributed in non-qualified capital stock | 1,021 | (1,021) | | | |
| Contributions by owners | | | | 600 | |
| Distributions to owners | | | | (1,107) | |
| Unrealized net holding loss on available-for-sale securities \$(1,840), net of tax \$(708) | | | (1,132) | (1,132) | (1,172) |
| Foreign currency translation adjustments \$7,797, net of tax \$3,041 | | | 4,756 | 4,756 | 4,902 |
| Unrealized gain on derivative financial instruments \$1,770, net of tax \$493 | | | 1,277 | 1,277 | 1,277 |
| Defined benefit and other postretirement plan adjustments \$20,618, net of tax \$7,920 | | | 12,698 | 12,698 | 12,943 |
| Balance at August 31, 2011 | <u>\$ 333,610</u> | <u>556,401</u> | <u>31,602</u> | <u>71,123</u> | |
| Comprehensive income (loss) | | | | <u>\$ 213,628</u> | <u>225,225</u> |
| | | <u>2010</u> | <u>2011</u> | | |
| Cumulative unrealized holding gains on available-for-sale securities, net of tax \$48,495 in 2011, \$49,203 in 2010 | \$ | 78,597 | \$ 77,465 | | |
| Cumulative foreign currency translation adjustments, net of tax \$6,623 in 2011, \$3,582 in 2010 | | 5,449 | 10,205 | | |
| Cumulative unrealized gains (losses) on derivative financial instruments, net of tax \$(4,181) in 2011, \$(4,674) in 2010 | | (8,024) | (6,747) | | |
| Cumulative defined benefit/ postretirement accounting, net of tax \$(30,436) in 2011, \$(38,356) in 2010 | | (62,019) | (49,321) | | |
| | | <u>\$ 14,003</u> | <u>\$ 31,602</u> | | |

See accompanying notes.