

For further information,
Contact: Rebecca Lentz
(651) 355-4579
rebecca.lentz@chsinc.com

CHS Reports \$596.3 million of net income for first six months of fiscal 2019

ST. PAUL, MINN. (April 3, 2019) – CHS Inc., the nation’s leading farmer-owned cooperative and a global energy, agronomy, grains and foods company, today reported net income of \$248.8 million for the second quarter of fiscal 2019 and \$596.3 million for the first six months of fiscal 2019.

“Our strong performance in the second quarter reflects our hard work at serving our owners and other customers better. We’ve refocused on serving our customers and improving our operations, and that has shown positive results in our financials for the first half of fiscal 2019,” said Jay Debertin, CHS president and chief executive officer. “Our performance also reflects the benefit of a diverse platform across business units that serves our cooperative and farmer-owners.”

Key financial highlights for the quarter ending Feb. 28, 2019, include:

- Consolidated revenues of \$6.5 billion compared to \$7.0 billion in the restated second quarter of fiscal year 2018.
- Net income of \$248.8 million compared to \$166.0 million from the restated second quarter of fiscal year 2018.
- Pretax income of \$261.9 million compared to a loss of \$21.7 million from the restated second quarter of fiscal 2018.
- Favorable pricing for crude oil supplied to the CHS refinery business.
- Higher earnings from the investments in CF Nitrogen and Ventura Foods.

“The first six months of our fiscal year have returned overall good financial results,” Debertin said. “But we face challenges, particularly in our Ag segment. These challenges of low commodity prices, trade difficulties and harsh winter weather impact all of agriculture, especially farmers. As we look to the rest of our fiscal year, we know there are factors such as the recent flooding we cannot control that will continue to affect agribusiness and those growing the food to feed the world.”

Second Quarter Fiscal 2019 Segment Results

The following segment results were reported for the second quarter of fiscal 2019 as compared to second quarter fiscal 2018.

ENERGY

The \$282.1 million increase in Energy pretax earnings reflects:

- Improved market conditions in the CHS refined fuels business, primarily driven by favorable pricing on heavy Canadian crude oil.

AG

The \$8.9 million decrease in Ag pretax earnings was driven by:

- Significant pressure on grain volume and margin due to slower movement of grain caused by price, weather, logistics and unresolved trade issues.

NITROGEN PRODUCTION

The \$6.2 million increase in Nitrogen Production pretax earnings reflects:

- Improved margins at CF Nitrogen, driven by increased sale prices of urea and UAN, which are produced and sold by CF Nitrogen.

CORPORATE AND OTHER

The \$4.2 million increase in Corporate and Other pretax earnings reflects:

- Higher earnings from the company's investment in Ventura Foods and increased revenue from other corporate activities.

CHS Inc. (www.chsinc.com) is a leading global agribusiness owned by farmers, ranchers and cooperatives across the United States. Diversified in energy, agronomy, grains and foods, CHS is committed to helping its customers, farmer-owners and other stakeholders grow their businesses through its domestic and global operations. CHS supplies energy, crop nutrients, grain marketing services, animal feed, food and food ingredients along with financial and risk management services. The company operates petroleum refineries/pipelines and manufactures, markets and distributes Cenex® brand refined fuels, lubricants, propane and renewable energy products.

This document and other CHS Inc. publicly available documents contain, and CHS officers and representatives may from time to time make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Report Act of 1995. Forward-looking statements can be identified by words such as "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on CHS current beliefs, expectations and assumptions regarding the future of its businesses, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of CHS control. CHS actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause CHS actual results and financial condition to differ materially from those indicated in the forward-looking statements are discussed or identified in CHS public filings made with the U.S. Securities and Exchange Commission, including in the "Risk Factors" discussion in Item 1A of CHS Annual Report on Form 10-K for the fiscal year ended August 31, 2018. Any forward-looking statements made by CHS in this document are based only on information currently available to CHS and speak only as of the date on which the statement is made. CHS undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

CHS Inc. Earnings* by Segment

(in millions \$)

	For the Six Months Ended Feb. 28	
	2019	(As restated) 2018
Energy	\$539.1	\$144.9
Ag	17.9	21.6
Nitrogen Production	34.4	10.2
Corporate and Other	37.7	9.4
Income before income taxes	629.1	186.1
Income tax expense (benefit)	33.7	(167.1)
Net income (loss)	595.4	353.2
Net income (loss) attributable to non-controlling interests	(0.9)	(0.5)
Net income (loss) attributable to CHS Inc.	596.3	353.7

*Earnings is defined as income (loss) before income taxes.