



For further information
Contact: Brittany Voss
(651) 355-4596

brittany.voss2@chsinc.com

CHS Reports Fiscal 2021 Second-Quarter Results

Ag earnings improve significantly; COVID-19 continues to impact Energy business

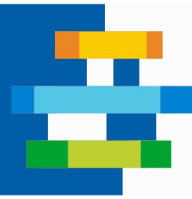
ST. PAUL, MINN. (April 7, 2021) - CHS Inc., the nation's leading agribusiness cooperative, today released results for its fiscal second quarter ended Feb. 28, 2021. The company reported a net loss of \$38.2 million versus net income of \$125.4 million in the same quarter in fiscal 2020. Significant year-over-year earnings increases in Ag and Nitrogen Production segments and Corporate and Other businesses were offset primarily by ongoing COVID-19 pandemic-related impacts in Energy.

"Improved trade relations between the United States and foreign trade partners combined with our operating efficiency initiatives led to record grain and oilseed volume increases and continued price gains, significantly improving our Ag segment earnings over the prior year," said Jay Debertin, president and CEO of CHS Inc. "Additionally, favorable growing conditions and overall strength in agriculture, helped drive demand for crop inputs, including crop nutrients and crop protection products and services.

"Our Energy segment, while showing improvement over the previous quarter, continues to experience unfavorable refined fuels market conditions related to the COVID-19 pandemic and exceptionally higher costs for renewable energy credits. These factors resulted in volume and margin declines that significantly reduced earnings compared to the prior year."

Fiscal 2021 second-quarter results reflect:

- Revenues of \$8.3 billion versus \$6.6 billion in fiscal 2020 second quarter, a 26.1% increase.
- Energy segment impacts that include:
 - Continued low refining margins stemming from COVID-19-impacts on global energy demand.



- Exceptionally high costs of renewable energy credits, which decreased margins.
- Decreased propane margins and volumes due to warm winter weather conditions across the CHS trade territory during most of the fiscal 2021 second quarter.
- Modest improvements over fiscal 2021 first quarter as volumes and margins began to rebound.
- Ag segment impacts that include:
 - Favorable weather conditions and improved relations between the U.S. and foreign trade partners, including China, that increased volumes of grain and oilseed commodities as well as feed and farm supplies.
 - Higher margins for certain agricultural products, including processing and food ingredients, which improved because of soybean crush strength.
- Enterprisewide initiatives that include:
 - Focused cost-reduction initiatives launched in fiscal 2021 that helped reduce marketing, general and administrative costs.
 - COVID-19-related working arrangements and increased hygiene and infection-control processes to mitigate risk and support business continuity – all CHS operations were deemed to be essential infrastructure industries by federal and state governments.

For the six-month period ending Feb. 28, 2021, CHS reported net income of \$31.4 million versus \$303.3 million for the same period in fiscal 2020. Revenues for the first six months of fiscal 2021 rose to \$17.0 billion, a \$2.8 billion, or 19.8%, increase from \$14.2 billion in the same period the previous year.

“I am encouraged by the resilience of our employees and their commitment to owners in what continues to be a challenging operating environment,” said Debertin. “We are cautiously optimistic about the rollout of COVID-19 vaccines and other progress being made in response to the pandemic in the U.S. and around the world and the potential impact on our domestic and global businesses.

“As we look ahead to the second half of fiscal 2021, we remain committed to protecting the financial health of CHS, adding efficiency throughout our enterprise to benefit owners and customers, and caring for those who depend on us as we continue creating connections to empower agriculture.”



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 creating connections to empower agriculture, helping its farmer-owners, customers and other stakeholders grow their businesses through its domestic and global operations. CHS supplies energy, crop nutrients, seed, crop protection products, grain marketing services, production and agricultural services, animal nutrition products, foods and food ingredients, and risk management services. The company operates petroleum refineries and 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 place undue reliance 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 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, 2020. 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 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 except as required by applicable law.



CHS Inc. Earnings*
by Segment
(in thousands \$)

	Three Months Ended		Six Months Ended	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
Energy	\$ (54,690)	\$ 138,921	\$ (121,867)	\$ 301,074
Ag	14,044	(20,845)	97,053	(34,707)
Nitrogen Production	11,165	5,741	15,635	22,191
Corporate and Other	22,791	4,007	47,529	24,667
(Loss) income before income taxes	(6,690)	127,824	38,350	313,225
Income tax expense	31,668	2,130	7,339	8,794
Net (loss) income	(38,358)	125,694	31,011	304,431
Net (loss) income attributable to noncontrolling interests	(129)	247	(431)	1,102
Net (loss) income attributable to CHS Inc. ...	\$ (38,229)	\$ 125,447	\$ 31,442	\$ 303,329

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