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September 6, 2012

Viterra Achieves Strong Third Quarter Results

CALGARY, ALBERTA--(Marketwire - Sept. 6, 2012) - Viterra Inc. ("Viterra") (TSX:VT) (ASX:VTA) announced today impressive results for the three months ended July 31, 2012. Driven by strong performance from the Agri-Products segment, Viterra achieved EBITDA for the quarter of $288 million, an increase of 15% compared to $251 million in the corresponding quarter of fiscal 2011. Net earnings decreased 10% to $111 million ($0.30 per share) compared to $123 million ($0.34 per share) in the same quarter last year after the Company recorded a one-time income tax item of $31 million and $21 million in the costs associated with the early redemption of Company bonds.

"Viterra once again achieved impressive quarterly results," commented Mayo Schmidt, Viterra's President and CEO. "For the year our Agri-Products business segment has delivered record results. Our Grain Handling and Processing business segments have also performed well. I am very pleased that our Viterra team remains focused on strong operational performance while we work to complete the transaction with Glencore."

Financial Highlights

(in thousands - except per share amounts)

	Three Months ended July 31,	Better	Nine Months ended July 31,	Better

	2012	2011	(Worse)	2012	2011	(Worse)
EBITDA	287,964	251,264	36,700	661,824	590,040	71,784
Net earnings	111,064	123,487	(12,423)	255,867	254,327	1,540
Earnings per share	$ 0.30	$ 0.34	$ (0.04)	$ 0.69	$ 0.68	$ 0.01
Operating cash flow prior to working capital	226,414	222,726	3,688	491,028	485,003	6,025
changes from continuing operations						0
Per share	$ 0.61	$ 0.60	$ 0.01	$ 1.32	$ 1.30	$ 0.02
Free cash flow from continuing operations	277,328	275,732	1,596	650,301	620,261	30,040

1 See Non-GAAP Measures at the end of this news release.

The Agri-Products segment improved its quarterly results over the prior year due to strong fertilizer pricing, the new fuel business in Western Canada and higher crop protection product sales. Favourable weather across the Canadian prairies and strong commodity prices led to higher canola and overall seeded acreage which supported increased demand for agri-products. The segment achieved EBITDA for the third quarter of $195 million compared to $163 million from the same period last year, and year-to-date achieved record EBITDA of $273 million. Fertilizer margins increased during the quarter to $187.44 per tonne (2011 - $143.92 per tonne), bringing the year-to-date margin to $157.74 per tonne (2011 - $126.46 per tonne).

Grain Handling and Marketing's EBITDA was $103 million in the third quarter versus $106 million in the same period last fiscal year. During the third quarter, lower global shipping volumes were offset by stronger grain handling margins and solid results from the Company's international grain marketing activities. On a year-to-date basis, the consolidated global pipeline margin increased to $39.54 per tonne compared to $36.80 per tonne a year earlier.

The Processing segment's EBITDA for the third quarter improved to $31 million compared to $28 million in 2011. Improved results from canola, malt, and oats were in part offset by the pasta operation, which is experiencing competitive pricing pressures. The food processing margin for the third quarter decreased to $108.03 per tonne compared to $120.77 per tonne last year due to lower pasta margins and a change in product mix as there are now more canola volumes given the new crush facility in China.

On a year-to-date consolidated basis, EBITDA was $662 million compared to $590 million in the prior year while net earnings were $256 million ($0.69 per share) versus $254 million ($0.68 per share) in the corresponding period of fiscal 2011.

For the third quarter of fiscal 2012, Viterra generated operating cash flow prior to working capital changes from continuing operations of $226 million ($0.61 per share) compared to $223 million ($0.60 per share) a year earlier. This increase was mainly attributable to impressive performance from the Agri-Products segment. During the third quarter Viterra generated free cash flow from continuing operations of $277 million, comparable to the $276 million generated in the corresponding period of fiscal 2011.

Third Quarter Segment Highlights

(in thousands - except per share amounts)

	Three Months ended July 31, 2012	Three Months ended July 31, 2011	Better (Worse)
Grain Handling and Marketing Segment			
Revenue	$ 2,213,403	$ 2,186,811	$ 26,592
Gross Profit	207,232	207,214	18
EBITDA 1	102,811	106,161	(3,350)
Operating Highlights (Tonnes)			0
North American Shipments	3,730	3,652	78
Australian Receivals	5	271	(266)
Total Pipeline	3,735	3,923	(188)
Consolidated Pipeline Margin (per tonne)	N/A	N/A	N/A
Agri-Products Segment			
Revenue	$ 1,308,928	$ 1,134,746	174,182
Fertilizer	610,488	535,503	74,985
Crop Protection	360,893	317,664	43,229
Seed	119,019	120,321	(1,302)
Wool	90,883	115,352	(24,469)
Fuel	59,361	0	59,361
Equipment sales and other revenue	62,981	39,753	23,228
Financial products	5,303	6,153	(850)
Adjusted Gross Profit	273,628	229,184	44,444
EBITDA 1	194,521	162,706	31,815
Fertilizer volume (tonnes)	848	876	(28)
Fertilizer margin (per tonne sold)	$ 187.44	$ 143.92	43.52
Processing Segment			
Revenue	$ 326,668	$ 242,764	83,904
Adjusted Gross Profit 1	44,778	40,081	4,697
EBITDA 1	31,477	27,506	3,971
Sales volumes (tonnes)			
Malt	148	131	17
Pasta	57	54	3
Oats	95	90	5
Canola	129	38	91
Feed	21	29	(8)
Operating Margin (per tonne sold)			
Average margin - food processing	$ 108.03	$ 120.77	(12.74)
Average margin - feed processing	53.90	25.66	28.24
Corporate Expenses			
Operating, general and administrative expenses	$ 44,710	$ 47,360	2,650

	Nine Months ended July 31, 2012	Nine Months ended July 31, 2011	Better (Worse)

Grain Handling and Marketing Segment			
Revenue	$ 7,987,305	$ 6,174,685	$ 1,812,620
Gross Profit	752,979	719,826	33,153
EBITDA 1	427,243	429,642	(2,399)
Operating Highlights (Tonnes)			0
North American Shipments	12,430	10,778	1,652
Australian Receivals	6,614	8,780	(2,166)
Total Pipeline	19,044	19,558	(514)
Consolidated Pipeline Margin (per tonne)	$ 39.54	$ 36.80	2.74
Agri-Products Segment			
Revenue	$ 2,416,947	$ 1,861,058	555,889
Fertilizer	1,135,154	864,892	270,262
Crop Protection	405,476	340,686	64,790
Seed	291,843	233,064	58,779
Wool	357,180	339,821	17,359
Fuel	112,813	0	112,813
Equipment sales and other revenue	101,382	68,363	33,019
Financial products	13,099	14,232	(1,133)
Adjusted Gross Profit	454,500	349,304	105,196
EBITDA 1	273,440	194,978	78,462
Fertilizer volume (tonnes)	1,681	1,528	153
Fertilizer margin (per tonne sold)	$ 157.74	$ 126.46	31.28
Processing Segment			
Revenue	$ 964,050	$ 707,127	256,923
Adjusted Gross Profit 1	122,763	120,405	2,358
EBITDA 1	82,310	85,405	(3,095)
Sales volumes (tonnes)			
Malt	387	376	11
Pasta	167	164	3
Oats	267	284	(17)
Canola	387	118	269
Feed	85	104	(19)
Operating Margin (per tonne sold)			
Average margin - food processing	$ 100.56	$ 122.70	(22.14)
Average margin - feed processing	35.26	26.20	9.06
Corporate Expenses			
Operating, general and administrative expenses	$ 131,483	$ 126,878	(4,605)

1 See Non-GAAP Measures at the end of this news release.

New Crop Update

Across the Canadian Prairies, harvest is in the early stages, with above average yields and quality. This should continue provided favourable weather continues through the duration of harvest. According to Statistics Canada's August 22, 2012 field crop reporting series release, western Canadian production of the six major grains is predicted to be 55.5 million tonnes. This represents an increase of 13% from the 49.3 million tonnes produced in the 2011 harvest and an increase from the 5-year historical average production of about 53.0 million tonnes. Statistics Canada is also estimating an additional 3.3 million tonnes of lentils and other crops. The quality of the crop in Western Canada looks promising but is dependent on favourable harvest weather for the next couple of months.

In South Australia, seeding finished in late June and good growing conditions exist throughout the majority of the state. The Australian Bureau of Agriculture and Resources Economics and Sciences ("ABARES") is predicting that the current crop will produce 6.9 million tonnes. This represents a 12% increase from the 10-year average for the state. Crop quality in the state is good at this time. Approximately 85% of the crop is currently expected to be wheat and barley.

Outlook

Grain Handling and Marketing

For fiscal 2013, assuming production estimates hold, Viterra anticipates CGC receipts for the six major grains in Western Canada to be in the 33.0 to 35.0 million tonne range, which is higher than the 32.0 million tonnes that is typically available.

For Viterra's South Australia grain handling operations, the Company expects shipments to be strong for the remainder of the year given the volume of grain in its system and ongoing solid demand from key export markets. To complement the 6.6 million tonnes received into the Company's system during the first nine months of fiscal 2012, there was approximately 1.8 million tonnes of carry-in stocks from fiscal 2011. Viterra currently estimates carry-over stocks into fiscal 2013 to range between 0.7 million and 1.0 million tonnes.

The Company reiterates its global pipeline margin guidance for fiscal 2012 at $38 to $41 per tonne.

Agri-Products

Fundamentals for the Agri-Products segment are expected to remain strong in the last quarter of fiscal 2012 due to relatively strong commodity prices that should continue to drive solid returns for producers and their demand for crop inputs. Viterra is increasing its fertilizer margin guidance to $140 to $160 per tonne for fiscal 2012 from its previous guidance range of $120 to $140 per tonne. Strong agri-commodity pricing, increased seeded acreage in Western Canada and higher nutrient requirements from excess moisture in the last two years have supported strong fertilizer demand in fiscal 2012.

Processing

The Company believes the long-term fundamentals for this business are solid despite some short-term challenges in its pasta and New Zealand feed operations. The pasta operation is experiencing competitive pricing pressures while good pasture conditions in New Zealand are reducing demand for feed. Viterra maintains its annual guidance range of $90 to $110 per tonne for its food processing operations in fiscal 2012.

Acquisition Update

On August 27, 2012 Viterra provided an update regarding the status of regulatory approvals of the proposed acquisition of Viterra by Glencore International plc. ("Glencore").

While the closing of the transaction remains subject to the satisfaction or waiver of all applicable conditions, the sole remaining regulatory approval is the approval of the Ministry of Commerce of the People's Republic of China ("MOFCOM") under the Chinese Anti-Monopoly Law.

Glencore continues to engage with MOFCOM to ensure approval as soon as possible. Viterra and Glencore will update the market in due course when they expect closing of the acquisition to occur.

About Viterra

Viterra provides premium quality ingredients to leading global food manufacturers. Headquartered in Canada, the global agri-business has operations across Canada, the United States, Australia, New Zealand and China, as well as a growing international presence that extends to offices in Japan, Singapore, Vietnam, Switzerland, Italy, Ukraine, Germany, Spain and India. Driven by an entrepreneurial spirit, Viterra operates three distinct business segments: Grain Handling and Marketing, Agri-Products and Processing. Viterra's expertise, close relationships with producers and superior logistical assets allows Viterra to consistently meet the needs of the most discerning end-use customers, helping to fulfill nutritional needs of people around the world.

Non-GAAP measures include:

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--  Adjusted gross profit - Gross profit before depreciation on
    manufacturing assets.
--  Adjusted EBITDA ("EBITDA") - Earnings from continuing operations before
    finance costs, income taxes, depreciation and amortization, transaction
    costs and gain (loss) on disposal of assets.
--  Adjusted EBIT ("EBIT") - Earnings before finance costs, income taxes,
    transaction costs and gain (loss) on disposal of assets.
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Those items excluded in the determination of EBITDA and EBIT represent items that are non-cash in nature, income taxes, finance costs or are otherwise not considered to be in the ordinary course of business. These measures are intended to provide further insight with respect to Viterra's financial performance and to supplement information on earnings (losses) as determined in accordance with IFRS.

Adjusted gross profit, which excludes depreciation on manufacturing assets, is used by Management to assess the results of operations. EBITDA is used by Management to assess the cash generated by operations, and EBIT is used by Management to assess earnings from operations prior to finance costs transaction costs and (gain) loss on disposal of assets and income taxes. All three of these measures also provide important management information concerning reportable segment performance since the Company does not allocate finance costs, income taxes or other excluded items to these individual reportable segments.

Operating cash flow prior to working capital changes ("operating cash flow") from continuing operations is the cash from (or used in) operating activities, excluding non- cash working capital changes. Viterra uses cash flow provided by operations and cash flow provided by operations per share as a financial measure for the evaluation of liquidity. Management believes that excluding the seasonal swings of non-cash working capital assists their evaluation of long-term liquidity.

Free cash flow from continuing operations is operating cash flow from continuing operations, net of capital expenditures, excluding business acquisitions. Free cash flow is used by Management to assess liquidity and financial strength. This measurement is also useful as an indicator of the Company's ability to service its debt, meet other payment obligations and make strategic investments. Readers should be aware that free cash flow does not represent residual cash flow available for discretionary expenditures.

These non-GAAP measures should not be considered in isolation of, or as a substitute for, GAAP measures such as net earnings (loss) as an indicator of the Company's profitability and operating performance or as a measure of the Company's ability to generate cash. Such measures do not have any standardized meanings prescribed by GAAP and are, therefore, unlikely to be comparable to similar measures presented by other corporations.

Forward-Looking Information

This news release contains certain information that is "forward-looking information", "forward- looking statements" and "future oriented financial information" (collectively herein referred to as "forward-looking statements") within the meaning of applicable securities laws. The words "anticipate", "expect", "believe", "may", "could", "should", "estimate", "plan", "project", "intend", "outlook", "forecast", "likely", "probably" or other similar words are used to identify such forward-looking information. Forward-looking statements in this document are intended to provide Viterra security holders and potential investors with information regarding Viterra and its subsidiaries, including Management's assessment of Viterra's and its subsidiaries' future financial and operational plans and outlook. Forward-looking statements in this document may include, among others, statements regarding future operations and results, anticipated business prospects and financial performance of Viterra and its subsidiaries, expectations or projections about the future, strategies and goals for growth, expected and future cash flows, costs, planned capital expenditures, anticipated capital projects, construction and completion dates, operating and financial results, critical accounting estimates and expected impact of future commitments, contingent liabilities and information regarding the completion of the Arrangement with Glencore. All forward-looking statements reflect Viterra's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-looking statements. All of the Company's forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions listed below. Although Viterra believes that these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements. Several, but not all, key assumptions that have been made in connection with the forward-looking statements relate to the following:

- western Canadian and southern Australian crop production and quality in 2012 and subsequent crop years;
- the volume and quality of grain held on-farm by producer customers in North America;
- movement and sales of board grains by the CWB;
- the amount of grains and oilseeds purchased by other marketers in Australia;
- demand for and supply of open market grains;
- movement and sale of grain and grain meal in Australia and New Zealand, particularly in the Australian states of South Australia, Victoria and New South Wales;
- agricultural commodity prices;
- general financial conditions for western Canadian and southern Australian agricultural producers;
- demand for seed grain, fertilizer, chemicals and other agri-products;
- market share of grain deliveries and agri-products sales that will be achieved by Viterra;
- extent of customer defaults in connection with credit provided by Viterra, its subsidiaries or a Canadian chartered bank in connection with agri-products and feed product purchases;
- ability of the railways to ship grain to port facilities for export without labour or other service disruptions;
- demand for oat, pasta, canola and malt barley products, and the market share of sales of these products that will be achieved by Viterra;
- ability to maintain existing customer contracts and relationships;

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--   the availability of feed ingredients for livestock;
--   cyclicality of livestock prices;
--   demand for wool and the market share of sales of wool production that
     will be achieved by Viterra's subsidiaries in Australia;
--   the impact of competition;
--   environmental and reclamation costs;
--   the ability to obtain and maintain existing financing on acceptable
     terms; and
--   currency, exchange and interest rates.
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The preceding list is not exhaustive of all possible factors. All factors should be considered carefully when making decisions with respect to Viterra. Factors that could cause actual results or events to differ materially from current expectations include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in agricultural, food processing and feed sectors, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Viterra to successfully implement its strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Company's assets, the availability and price of commodities and regulatory environment, processes and decisions, the ability of Viterra and Glencore to satisfy or waive the conditions to the completion of the Arrangement and consummate the Arrangement prior to the agreed upon outside date, and that the receipt of necessary regulatory approvals may not be obtained on the terms expected. By its nature, forward-looking information is subject to various risks and uncertainties, including those risks discussed in Viterra's management information circular dated April 26, 2012 under the heading "Risk Factors Related to the Arrangement", in the Risks and Risk Management sections in Viterra's Management's Discussion and Analysis for the fiscal year ended October 31, 2011 and in the "Canadian Regulation" and "Environmental and Sustainability Matters" sections in the Company's Annual Information Form, any of which could cause Viterra's actual results and experience to differ materially from the anticipated results or expectations expressed. Additional information on these and other factors is available in the reports filed by Viterra with Canadian and Australian securities regulators. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this news release or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. Viterra undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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