



For Immediate Release

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Viterra Provides Update on Seeded Acreage Estimates for Western Canada

Calgary, Alberta --- Viterra Inc. ("Viterra") today announced that total seeded acreage in Western Canada is estimated to be 50 to 52 million compared to the 5-year average of 60 million acres. The estimated decline in acreage is a result of weather-related planting constraints due to unprecedented rainfall in May and June, the primary seeding period for Prairie growers. Statistics Canada is scheduled to release its seeded acreage estimates on August 20, 2010.

Viterra estimates that farmers in Western Canada typically spend between \$70 and \$110 per acre depending on the types of crops grown and the areas in which they are seeded. Approximately 8 million acres went unseeded, and additionally, about 2 million seeded acres were lost to excess rains. Western Canadian agri-product sales average approximately \$4.6 billion annually. With the loss of acreage this year, the company expects industry sales to decline by 15% to 17% in fiscal 2010, with the largest declines in fertilizer and chemical sales. The impact to Viterra in its third quarter will be reflective of the company's market share, which is currently approximately 32%. Viterra estimates that every 1% change in retail sales impacts EBITDA by approximately \$2-3 million.

Doug Wonnacott, Senior Vice-President of Agri-Products said, "Weather conditions this year have been extremely difficult for our farm customers and we have done what we can to support them. While some of the affected acreage was seeded and we ultimately experienced some sales from those acres, sales from the unseeded portion will not be realized this year. The impact to our operations will be felt in the third quarter of fiscal 2010. Full year results will be dependent upon fall field activity. Should we have good harvest conditions and farmers are able to participate in post-harvest work, we expect them to maximize their application of nutrients given the significant erosion of nitrogen resulting from excess moisture. Additionally, we expect significant weed growth which will require the application of herbicides in the fall to prepare the land for the following growing season."

With respect to fiscal 2011, the impact on grain production is more difficult to predict. Western Canadian production of the six major grains averages 49 - 50 million metric tonnes (mmt). Viterra currently estimates total western Canadian production at 42 - 44 mmt with industry receipts around 28 mmt (reported as industry receipts of the six major grains by the Canadian Grain Commission), based on the information available to date. Viterra estimates that for every 5% change in western Canadian production volumes, EBITDA is impacted by \$8 to \$10 million.

While the reduced acreage will affect the amount of grain produced by approximately 800,000 tonnes per 1 million acres, it is the company's view that the estimated 6 million tonnes of on-farm carry-over stocks, coupled with yield potential on acreage unaffected by the weather, could somewhat offset the impact of unseeded acreage.

Bob Miller, Senior Vice-President of North American Grain commented on the amount of grain available for fiscal 2011. "The growing season has certainly been challenging and it is difficult to predict with certainty how much grain production will ultimately be available. Our estimate is based on what we know today and assumes positive harvest conditions. Our South Australia business, on the other hand, is experiencing good seeding conditions and sufficient moisture, a



positive signal for crop development from that region. Our strategy to diversify into the southern hemisphere mitigates our risk, and could pay off this year, as it will lessen the impact, to some extent, of the effects of weather conditions in North America.”

Viterra will provide an update during its next reporting period. The company will issue its third quarter results for the three months and nine months ending July 31, 2010 on September 8, 2010.

About Viterra

Viterra Inc. provides premium quality ingredients to leading global food manufacturers. Headquartered in Canada, the global agribusiness has extensive operations across Western Canada, Australia, and New Zealand, with Adelaide, Australia as the base for Viterra's Southeast Asian operations. Our growing international presence also extends to operations in the United States, offices in Japan, Singapore, China and Switzerland. Driven by an entrepreneurial spirit, we operate in three distinct businesses: grain handling and marketing, agri-products, and value-added processing. Our expertise, close relationships with producers, and superior logistical assets allow the company to consistently meet the needs of the most discerning end-use customers, helping to fulfill the nutritional needs of people around the world.

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