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SECOND QUARTER EARNINGS RISE ON STRONG AUSTRALIAN CONTRIBUTIONS

Viterra Inc. ("Viterra") today announced an increase in its second quarter financial results due to strong contributions from its Australian operations. For the three months ended April 30, 2011, EBITDA increased 37% to $128 million compared to $93 million in the same quarter last year. Year-to-date EBITDA was $339 million versus $183 million during the same period in fiscal 2010.

Financial Highlights *(in thousands - except per share items)*	**Three Months ended April 30, 2011**	2010	*Better (Worse)*	**Six Months ended April 30, 2011**	2010	*Better (Worse)*
Sales and other operating revenues	**$2,701,860**	$ 2,026,944	*$ 674,916*	**$ 5,172,397**	$ 3,811,469	*$ 1,360,928*
Gross profit and net revenues from services	**324,321**	269,896	*54,425*	**735,943**	545,989	*189,954*
EBITDA [1]	**128,181**	93,243	*34,938*	**339,444**	183,011	*156,433*
Net earnings	**33,075**	18,410	*14,665*	**132,698**	29,063	*103,635*
Earnings per share	**$ 0.09**	$ 0.05	*$ 0.04*	**$ 0.36**	$ 0.08	*$ 0.28*
Cash flow provided by operations [1]	**93,830**	50,861	*42,969*	**279,090**	111,008	*168,082*
Per share	**$ 0.25**	$ 0.14	*$ 0.11*	**$ 0.75**	$ 0.30	*$ 0.45*
Free Cash Flow [1]	**52,956**	26,399	*26,557*	**196,838**	58,681	*138,157*

[1] *See Non-GAAP Measures in Section 11.0 of the attached Management's Discussion and Analysis.*

Viterra's Australian operation achieved record shipments during the second quarter significantly enhancing overall results for Viterra. The business contributed $65 million to consolidated EBITDA for the quarter and $181 million on a year-to-date basis, representing increases of 131% and 91% respectively over the corresponding periods a year ago. Viterra's integration of the Australian business was virtually complete as of April 30, 2011, with the Company achieving its targeted $30 million in gross synergies, six months ahead of schedule. In addition, Viterra has implemented a number of initiatives throughout the region that have not only lowered its costs per tonne for the three and six month periods, but have resulted in sustainable cost reductions throughout the organization.

In North America, solid contributions from grain handling and marketing and the new pasta and oat processing businesses acquired in the second half of fiscal 2010 also increased EBITDA for the quarter and year to date. While results were strong, cool and wet weather in Western Canada delayed seeding and has moved a portion of the Company's agri-product sales and earnings into the third quarter.

Segment EBITDA[1] Contributions by Geography *(in thousands)*	**Three Months ended April 30, 2011**					**Six Months ended April 30, 2011**				
	Grain Handling and Marketing	**Agri-Products**	**Processing**	**Total**	***% Contribution [2]***	**Grain Handling and Marketing**	**Agri-Products**	**Processing**	**Total**	***% Contribution [2]***
North America	$ 58,136	$ 16,619	$ 17,471	$ 92,226	*55%*	$ 108,596	$ 22,429	$ 47,504	$ 178,529	*43%*
Australia	65,799	4,353	6,086	76,238	*46%*	179,824	7,839	16,608	204,271	*49%*
International	(1,853)	-	(81)	(1,934)	*-1%*	31,424	-	(280)	31,144	*8%*
Segment EBITDA [1]	$ 122,082	$ 20,972	$ 23,476	$ 166,530	*100%*	$ 319,844	$ 30,268	$ 63,832	$ 413,944	*100%*

[1] *See Non-GAAP Measures in Section 11.0 of the attached Management's Discussion and Analysis.*
[2] *Percentage Contribution based on Segment EBITDA, prior to Corporate Expenses.*

Mayo Schmidt, Viterra's President and Chief Executive Officer, said, "Our continued success in generating year-over-year earnings improvements reflect strong market fundamentals, the benefits of Viterra's integrated business model and our continuous focus on operational efficiencies. From a strategic perspective, our geographic diversification has delivered to expectations, with our Australian operations accounting for almost half of Viterra's EBITDA to date. With significant origination and infrastructure in North America and Australia and an expanded international grain presence, Viterra is meeting the growing demand for key agricultural ingredients around the globe."

Consolidated sales and other operating revenues for the quarter increased 33% to $2.7 billion compared to $2.0 billion in the second quarter of fiscal 2010. For the first six months ended April 30, 2011, revenues increased 36% to $5.2 billion, compared to $3.8 billion in the same period of fiscal 2010. These increases reflect strong commodity prices, record shipments through the southern Australia operation and solid results from the pasta and oat processing businesses purchased in the latter half of fiscal 2010. These factors also increased gross profit over the prior year to $324 million (2010 - $270 million) for the quarter and to $736 million (2010 - $546 million) for the first six months of the year.

The Grain Handling and Marketing segment generated $122 million in EBITDA for the quarter compared to $74 million in the second quarter of last year. On a year-to-date basis, EBITDA was $320 million compared to $183 million a year earlier. The majority of these increases relate to Viterra's Australian operations that contributed $66 million in the quarter (2010 - $22 million) and $180 million (2010 - $86 million) for the first six months of the fiscal year on stronger shipments, additional storage and handling revenues and increased domestic merchandising margins. North American quarterly EBITDA of $58 million versus $44 million last year benefited from increased merchandising and blending opportunities, an increase in higher margin pulse sales, as well as additional shipments through the Prince Rupert Grain terminal. The International Grain group had an EBITDA loss in the second quarter of $2 million as a result of global events including the earthquake and tsunami in Japan and political unrest in the Middle East, which caused extreme commodity price volatility. The group mitigated the impact of these events by employing effective risk management and hedging strategies to reduce positions consistent with the Company's risk tolerance levels. EBITDA results from the International Grain group for the first six months totalled $31 million.

In Viterra's Agri-products segment, EBITDA for the second quarter was $21 million down from the $30 million reported a year ago due to timing differences caused by late seeding in North America. For the first six months of the fiscal year, EBITDA was $30 million compared to $18 million in fiscal 2010, a result of strong fertilizer pricing.

The Processing segment's EBITDA was $23 million for the second quarter and on par with the same period last year. Viterra's North American food processing contributed $15 million, while the Company's Australian malt and global feed operations contributed $7 million and $2 million, respectively. On a year-to-date basis, the segment's EBITDA was $64 million, compared to $46 million a year earlier. The new pasta and oat processing businesses added $30 million while the Company experienced weaker year-over-year results from Viterra's Australian malt operation, canola processing and feed operations due to short-term challenges in each of these industries.

Net earnings rose to $33 million or $0.09 per share for the quarter representing a significant improvement over the $18 million or $0.05 per share generated in the same period last year. For the first six months of the fiscal year, net earnings were $133 million or $0.36 per share, an increase from $29 million or $0.08 per share in the comparable period of fiscal 2010.

Viterra generated quarterly cash flow provided by operations of $94 million or $0.25 per share compared to $51 million or $0.14 per share in the second quarter of last year. This brings the year-to-date cash flow provided by operations to $279 million versus $111 million during the same period in fiscal 2010. Free cash flow doubled, rising to $53 million (2010 - $26 million) for the quarter and $197 million (2010 - $59 million) for the first six months of fiscal 2011.

Seeding Update

Seeding activity in Western Canada is well underway after cool and wet weather delayed activity until May. Throughout the Canadian Prairies, moisture conditions are extremely good but have been excessive in some regions and stalled seeding. Our most recent reports, as of June 5, 2011, indicate that seeding across the three Prairie Provinces is approximately 80% complete compared to the historical average for this time of 93%. Approximately 95% of the Alberta crop has been sown, 80% of the Saskatchewan crop and about 45% of the Manitoba crop.

In South Australia, both subsoil and topsoil conditions are providing a good base for seeding that is approximately 80% complete in that region. Farmers in this region intend to increase their crop plantings by approximately 4% over last year to about 10 million acres. Wheat plantings are expected to increase 7% and account for nearly 60% of total seeded acreage in the region. While barley acreage is expected to be down by 4% to just over 2.0 million acres, canola plantings are expected to increase 18% to 0.6 million acres as growers take advantage of good moisture conditions and strong pricing. The Company expects seeding to be completed throughout the region in about two weeks.

Outlook

Grain Handling and Marketing

In South Australia, the Company expects shipments to remain strong given the significant crop in storage, the favourable commodity pricing environment and strong demand. To complement the 8.5 million tonnes, which were received into our system during the first half of fiscal 2011, there was approximately 1.2 million tonnes of carry-in stocks from fiscal 2010. Viterra currently estimates carry-over stocks into fiscal 2012 for the Company's Australian system to range between 2.0 to 3.0 million tonnes.

In North America, according to the Canadian Grain Commission ("CGC"), Canadian bulk grain exports for the six major grains (which excludes corn and rye), for the first nine months of the crop year (August 1st to May 1st), were 20.8 million tonnes, compared to the 21.4 million tonnes exported during the same period in crop year 2010. Export strength is anticipated to continue. This is due to strong demand created by supply difficulties in other grain growing regions, robust global pricing for commodities and the continuing drawdown of western Canadian carry-over stocks.

The Company now estimates that CGC marketings will be about 31.0 to 32.0 million tonnes for the 12 months ended October 31, 2011.

The Company confirms its global pipeline margin per tonne guidance of $33 to $36 per tonne, which will include a full year of gross profit contributions from the International Grain group.

From a regulatory perspective in Canada, the majority Conservative Government recently announced it intends to provide western Canadian producers with marketing choice for wheat, durum and barley, which will eliminate the Canadian Wheat Board's ("CWB") monopoly control and allow it to coexist with the grain trade. Current indications are that the Government will introduce legislative changes which will take effect as of August 2012. However, it is early in the process and few details are available on how this outcome will be achieved.

Viterra is supportive of the Government's direction and is confident in the Company's ability to operate effectively in an open wheat and barley market, to serve the needs of farmers, other industry participants, and the new CWB. Viterra believes it has the necessary expertise today to provide these additional services to the industry. The Company is committed to working with the Government, industry, and the CWB to ensure the Canadian grain industry remains a vibrant and competitive source for agricultural products, and it intends to actively participate in the process to promote an orderly transition with positive, sustainable change for the benefit of the western Canadian agricultural industry.

Agri-products

Despite the late spring seeding season in Western Canada, which delayed second quarter crop input sales, demand for crop inputs in Western Canada is expected to remain favourable as the growing season progresses due to the following:

- With higher commodity prices and strong market fundamentals, return prospects for farmers are positive going into the third quarter of the fiscal year.
- Fertilizer movement to farm has been steady in the first half of fiscal 2011 even with selling prices above last year's and limited seeding progress in Western Canada at the end of April. The Company expects demand to remain strong due to improved commodity prices and increased nutrient requirements caused by excess moisture in 2010 and 2011. The Company continues to predict its blended fertilizer margin at $100 to $120 per tonne.
- Canola plantings are expected to increase to between 17.0 and 18.5 million acres versus 16.8 million acres last year, which is positive for the Agri-products segment as producers typically invest in more crop inputs when growing oilseeds. The Company estimates that growers will typically invest $110 to $160 per acre on crop inputs for canola compared to $90 to $110 per acre for wheat.

In April, Statistics Canada published its seeding intentions report, which suggests that up to 62.5 million acres would be planted, 2.5 million more than the 10-year average. While the Company agrees with the fundamentals underpinning optimism in the industry, it is Viterra's view, in light of the excess moisture experienced during April and May on the Canadian Prairies, that western Canadian acreage will be in the 52 to 56 million acre range, which is up to 4 million acres above 2010.

Processing

The Company expects stable contributions from the Processing segment for the remainder of fiscal 2011 and the combined annual food processing margin to range between $90 to $110 per tonne.

Strong demand for whole grain, nutritional food ingredients and healthy, economical pasta products, is expected to support continued solid results from the oat and pasta processing businesses.

Continuing challenges in malt will remain due to excess capacity and sluggish beer sales in North America and Europe. The Company believes its Australian malt margins will remain compressed, below pre-recession levels, for the remainder of fiscal 2011. However, the Company remains confident in the long-term outlook for this industry.

In addition, margin challenges in canola and feed products are expected to continue in the near term. Management is taking steps to mitigate the effects of these issues.

Second Quarter and Year-to-Date Segment Highlights

The following table provides various key financial highlights for the three and six months ended April 30, 2011 compared to April 30, 2010. The Company's unaudited Consolidated Financial Statements and accompanying Management's Discussion & Analysis ("MD&A") for the three and six months ended April 30, 2011 are incorporated fully into this news release. Readers are encouraged to review the following pages for a full description of the Company's current financial performance. Viterra will be hosting a conference call for interested parties on June 9, 2011 at 1:15 p.m. ET (11:15 a.m. MT) to discuss its second quarter and year-to-date financial results. Details are available on Viterra's website, under Newsroom at www.viterra.com.

Second Quarter Segment Highlights *(in thousands - except margins)*	**Three Months ended April 30,** **2011**	2010	*Better (Worse)*	**Six Months ended April 30,** **2011**	2010	*Better (Worse)*
Grain Handling and Marketing Segment						
Gross profit and net revenues from services	**$ 214,172**	$ 153,764	*$ 60,408*	**$ 512,613**	$ 355,463	*$ 157,150*
EBITDA [1]	**122,082**	73,589	*48,493*	**319,844**	183,268	*136,576*
Sales and other operating revenues	**2,045,241**	1,418,093	*627,148*	**3,987,875**	2,761,301	*1,226,574*
Operating Highlights *(tonnes)*:						
North American Shipments	**3,652**	4,035	*(383)*	**7,126**	7,611	*(485)*
Australian Receivals	**271**	59	*212*	**8,509**	6,200	*2,309*
Total pipeline	**3,923**	4,094	*(171)*	**15,635**	13,811	*1,824*
Consolidated pipeline margin (per tonne)	**N/A**	N/A	*N/A*	**$ 32.79**	$ 25.74	*$ 7.05*
Agri-products Segment						
Gross profit and net revenue from services	**$ 66,563**	$ 76,976	*$ (10,413)*	**$ 120,120**	$ 109,575	*$ 10,545*
EBITDA [1]	**20,972**	29,990	*(9,018)*	**30,268**	18,056	*12,212*
Sales and other operating revenues	**433,741**	438,225	*(4,484)*	**726,312**	653,588	*72,724*
Fertilizer	**154,410**	164,148	*(9,738)*	**329,389**	284,715	*44,674*
Crop Protection	**17,800**	37,717	*(19,917)*	**23,022**	41,809	*(18,787)*
Seed	**111,623**	123,050	*(11,427)*	**112,743**	123,628	*(10,885)*
Wool	**128,966**	88,728	*40,238*	**224,469**	157,467	*67,002*
Equipment sales and other revenue	**16,533**	17,397	*(864)*	**28,610**	34,021	*(5,411)*
Financial Products	**4,409**	7,185	*(2,776)*	**8,079**	11,948	*(3,869)*
Fertilizer volume *(tonnes)*	**279**	371	*(92)*	**652**	681	*(29)*
Fertilizer margin *(per tonne sold)*	**$ 108.76**	$ 78.47	*$ 30.29*	**$ 103.01**	$ 68.72	*$ 34.29*
Processing Segment						
Gross profit and net revenue from services	**$ 43,586**	$ 39,156	*$ 4,430*	**$ 103,210**	$ 80,951	*$ 22,259*
EBITDA [1]	**23,476**	22,707	*769*	**63,832**	45,893	*17,939*
Sales and other operating revenues	**374,615**	290,098	*84,517*	**748,525**	598,075	*150,450*
Processing sales volumes *(tonnes)*						
Malt [2]	**119**	136	*(17)*	**245**	263	*(18)*
Pasta	**56**	-	*N/A*	**110**	-	*N/A*
Oats	**91**	54	*37*	**194**	108	*86*
Canola	**42**	60	*(18)*	**80**	119	*(39)*
Combined food processing margin *(per tonne sold)*	**$ 98.96**	$ 87.55	*$ 11.41*	**$ 123.66**	$ 92.18	*$ 31.48*
Feed sales volumes *(tonnes)*						
North America	**439**	513	*(74)*	**886**	1,051	*(165)*
New Zealand	**32**	32	*-*	**75**	67	*8*
Combined feed processing margin *(per tonne sold)*	**$ 27.82**	$ 31.68	*$ (3.86)*	**$ 26.46**	$ 32.00	*$ (5.54)*
Corporate Expenses						
EBITDA	**$ (38,349)**	$ (33,043)	*$ (5,306)*	**$ (74,500)**	$ (64,206)	*$ (10,294)*

[1] *See Non-GAAP Measures in Section 11.0 of the attached Management's Discussion and Analysis*

[2] *Includes contributions from Viterra's 42% ownership interest in Prairie Malt and its wholly owned Australian malt business*

Forward-Looking Statements

Certain statements in this news release are forward-looking statements that reflect Viterra’s expectations regarding future results of operations, financial condition and achievements and are subject to important risks and uncertainties. The words "anticipate", "expect", "believe", "may", "should", "estimate", "project", "outlook", "forecast" 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. All statements included or incorporated by reference in this news release that address activities, events or developments that Viterra or its Management expects or anticipates will or may occur in the future, including such things as growth of its business and operations, competitive strengths, strategic initiatives, planned capital expenditures, plans and references to future operations and results, critical accounting estimates and expectations regarding future capital resources and liquidity of Viterra and other such matters, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance and achievements of Viterra to be materially different from any future results, performance and achievements expressed or implied by those forward-looking statements. The risks include, but are not limited to, those factors discussed in Viterra’s MD&A for the year ended October 31, 2010 under the heading “Risks and Risk Management”. This MD&A can be found on Viterra’s website at www.viterra.com as well as on SEDAR at www.sedar.com under Viterra Inc.

About Viterra

Viterra provides premium quality ingredients to leading global food manufacturers. Headquartered in Canada, the global agri-business has extensive operations across Canada, the United States, Australia, and New Zealand. Our growing international presence also extends to offices in Japan, Singapore, China, Switzerland, Italy, Ukraine, Germany and India. Driven by an entrepreneurial spirit, we operate in three distinct businesses: grain handling and marketing, agri-products, and processing. Viterra's 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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1.0 Responsibility for Disclosure

Management's Discussion and Analysis ("MD&A") was prepared based on information available to Viterra Inc. (referred to herein as "Viterra" or the "Company") as of June 8, 2011. Management prepared this report to help readers interpret Viterra's unaudited Consolidated Financial Statements for the three months and six months ended April 30, 2011.

Please read this report in conjunction with the audited Consolidated Financial Statements and MD&A contained in the Company's Annual Financial Review for the year ended October 31, 2010, which is available on Viterra's website at www.viterra.com, as well as on SEDAR at www.sedar.com, under Viterra Inc.

This MD&A and the unaudited Consolidated Financial Statements for the three months and six months ended April 30, 2011 have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") and are presented in Canadian dollars unless specifically stated to the contrary.

2.0 Company Overview

Viterra is a vertically integrated global agri-business headquartered in Canada. The Company was founded in 1924 and has extensive operations across Canada and Australia, with facilities in the United States ("U.S.") and New Zealand. Viterra has offices in Canada, the U.S., Australia, New Zealand, Japan, Singapore, China, Switzerland, Italy, Ukraine, Germany, and India.

As a major participant in the value-added agri-food supply chain, the Company operates in three interrelated segments: Grain Handling and Marketing, Agri-products, and Processing. Geographically, Viterra's operations are diversified across Canada, Australia, New Zealand and throughout the U.S. Viterra wholly owns pasta production, malt production, oat milling, canola processing and livestock feed manufacturing operations. Viterra's North American operations also participate in malt production through a 42% ownership interest in Prairie Malt Limited ("Prairie Malt") and in fertilizer manufacturing through its 34% ownership in Canadian Fertilizers Limited ("CFL").

Viterra is involved in other commodity-related businesses through strategic alliances and supply agreements with domestic and international grain traders and food processing companies. The Company markets commodities directly to customers in more than 50 countries around the world.

On May 5, 2010, Viterra completed the acquisition of Dakota Growers Pasta Company, Inc. ("Dakota Growers"), a U.S. based durum miller and leading producer and marketer of dry pasta products in North America. Dakota Growers' financial contributions are included in Viterra's results as of May 5, 2010.

On August 17, 2010, Viterra completed the acquisition of 21C Holdings, L.P. ("21st Century") a premier U.S.-based processor of oats, wheat and custom-coated grains. Contributions from this business are included in Viterra's results as of August 17, 2010.

Viterra's shares trade on the Toronto Stock Exchange ("TSX") under the symbol "VT" and its CHESS Depositary Interests trade on the Australian Securities Exchange ("ASX") under the symbol "VTA".

3.0 Summary and Analysis of Consolidated Results

Selected Consolidated Financial Information
(in thousands - except per share amounts)

	Three Months ended April 30, 2011	2010	*Better (Worse)*	Six Months ended April 30, 2011	2010	*Better (Worse)*
Sales and other operating revenues	**$ 2,701,860**	$ 2,026,944	*$ 674,916*	**$ 5,172,397**	$ 3,811,469	*$ 1,360,928*
Gross profit and net revenues from services	**$ 324,321**	$ 269,896	*$ 54,425*	**$ 735,943**	$ 545,989	*$ 189,954*
Operating, general and administrative expenses	**(196,140)**	(176,653)	*(19,487)*	**(396,499)**	(362,978)	*(33,521)*
EBITDA [1]	**128,181**	93,243	*34,938*	**339,444**	183,011	*156,433*
Amortization	**(49,735)**	(35,378)	*(14,357)*	**(98,999)**	(74,203)	*(24,796)*
EBIT [1]	**78,446**	57,865	*20,581*	**240,445**	108,808	*131,637*
Integration expenses	**(790)**	(2,195)	*1,405*	**(1,301)**	(3,174)	*1,873*
Gain (loss) on disposal of assets	**(269)**	741	*(1,010)*	**574**	375	*199*
Acquisition derivative	**-**	(3,074)	*3,074*	**-**	(3,074)	*3,074*
Financing expenses	**(28,904)**	(30,355)	*1,451*	**(57,835)**	(67,586)	*9,751*
	48,483	22,982	*25,501*	**181,883**	35,349	*146,534*
Recovery of (provision for) corporate taxes						
Current	**(3,159)**	(15,404)	*12,245*	**(4,188)**	(11,397)	*7,209*
Future	**(12,249)**	10,832	*(23,081)*	**(44,997)**	5,111	*(50,108)*
Net earnings	**$ 33,075**	$ 18,410	*$ 14,665*	**$ 132,698**	$ 29,063	*$ 103,635*
Earnings per share	**$ 0.09**	$ 0.05	*$ 0.04*	**$ 0.36**	$ 0.08	*$ 0.28*

[1] *See Non-GAAP Measures in Section 11.0*

Consolidated sales and other operating revenues ("sales" or "revenues") for the second quarter of fiscal 2011 increased 33% to $2.7 billion compared to $2.0 billion in the second quarter of fiscal 2010. For the first six months ended April 30, 2011 revenues increased 36% to $5.2 billion, compared to $3.8 billion in the same period of fiscal 2010. The sales improvement for both the second quarter and first six months of fiscal 2011 reflect strong commodity prices, increased revenues from its south Australian business due to record shipments, and solid results from the pasta and oat processing businesses, which were purchased in the latter half of fiscal 2010. While revenues were strong in comparison to the prior year, cool and wet weather in Western Canada delayed seeding and moved a portion of the Company's Agri-product sales into the third quarter.

Quarterly gross profit and net revenues from services ("gross profit") increased 20% to $324.3 million compared to $269.9 million in the same quarter last year due to the large crop in South Australia and the new pasta and oat processing businesses. These factors, along with strong fertilizer prices, increased year-to-date gross profit 35% to $735.9 million versus $546.0 million in the comparable period of fiscal 2011. Improved commodity prices and increased nutrient requirements continue to support strong demand for fertilizer and keep prices up over last year.

Operating, general and administrative ("OG&A") expenses were $196.1 million in the second quarter compared to $176.7 million in the comparable period of fiscal 2010. For the first six months of fiscal 2011, OG&A expenses were $396.5 million, compared to $363.0 million in fiscal 2010. The increases primarily reflect the additional seasonal labour required by Viterra's Australian operations to handle the record crop, a full complement of costs for the International Grain group, which was not fully established by this time last year, costs related to the new pasta and oat milling businesses and higher accruals for incentive and transformational programs.

EBITDA (see Non-GAAP Measures in Section 11.0) was up significantly to $128.2 million for the second quarter, representing a 37% increase over the comparable period of fiscal 2010. For the first half of the fiscal year, all three business segments posted EBITDA improvements, with the majority of the increase coming from the Grain Handling and Marketing business segment due to Australia's grain handling operations. The new food processing operations were also strong contributors. Year-to-date EBITDA has almost doubled coming in at $339.4 million for the first six months of fiscal 2011 compared to $183.0 million last year.

Viterra's Australian operations contributed $65.1 million to consolidated EBITDA for the quarter and $181.1 million on a year-to-date basis, representing increases of 131% and 91% respectively over the corresponding periods a year ago. In addition to the benefits of the record harvest and subsequent volume increases, the business implemented a number of initiatives that resulted in sustainable cost reductions and lowered the cost per tonne for the three and six month periods.

For further information on segment performance, see Section 4.0 Segment Results.

Amortization for the three months ended April 30, 2011 was $49.7 million compared to $35.4 million in the same three-month period in fiscal 2010. For the first six months of the fiscal year, amortization was $99.0 million compared to $74.2 million in fiscal 2010. The increase relates to the finalization of the purchase price allocations for ABB Grain Ltd. ("ABB"), Dakota Growers and 21st Century.

EBIT (see Non-GAAP Measures in Section 11.0) was $78.4 million for the quarter, compared to $57.9 million in the second quarter of fiscal 2010. For the first six months EBIT was $240.4 million compared to $108.8 million in fiscal 2010.

Financing Expenses *(in thousands)*	**Three Months ended April 30,**			**Six Months ended April 30,**		
	2011	2010	*Change*	**2011**	2010	*Change*
Interest on debt facilities	**$ 33,311**	$ 27,372	$ 5,939	**$ 61,798**	$ 65,937	$ (4,139)
Interest accretion	**740**	929	(189)	**1,261**	1,844	(583)
Net investment hedge	**(4,989)**	-	(4,989)	**(4,989)**	-	(4,989)
Amortization of deferred financing costs	**1,318**	2,847	(1,529)	**2,658**	4,506	(1,848)
Financing costs	**$ 30,380**	$ 31,148	$ (768)	**$ 60,728**	$ 72,287	$ (11,559)
Interest income	**(854)**	(310)	(544)	**(1,973)**	(3,800)	1,827
CWB carrying charge recovery	**(622)**	(483)	(139)	**(920)**	(901)	(19)
Total financing and associated expenses	**$ 28,904**	$ 30,355	$ (1,451)	**$ 57,835**	$ 67,586	$ (9,751)

Lower levels and interest rates on long-term debt generated savings that more than offset higher short-term borrowings required to finance higher levels of non-cash working capital. These savings, combined with the recognition of a non-cash gain on a net investment hedge relating to working capital funds advanced to the Australian operations, resulted in lower financing expenses during the first half of fiscal 2011. For the second quarter of fiscal 2011, total financing and associated expenses, net of interest income and a Canadian Wheat Board ("CWB") carrying charge recovery, were down $1.5 million to $28.9 million compared to the same period last year. For the first six months, financing and associated expenses, net of interest income and the CWB carrying charge recovery, were down $9.8 million to $57.8 million. Long-term debt was $1,066.8 million at April 30, 2011 compared to $1,249.5 million at April 30, 2010.

For the second quarter, Viterra recorded a net corporate income tax provision of $15.4 million, representing an effective tax rate of 31.8% as more revenue was earned in higher tax jurisdictions. The Company's year-to-date effective tax rate was 27.0%.

Net earnings for the second quarter were $33.1 million or $0.09 per share, almost double the $18.4 million or $0.05 per share recorded in the same three-month period last year. For the first half of fiscal 2011 net earnings were $132.7 million or $0.36 per share, a significant increase from $29.1 million or $0.08 per share in the comparable period of fiscal 2010.

3.1 Select Quarterly Information

Select Quarterly Financial Information *For the quarters ended* *(in millions - except per share amounts)*	April 30, 2011 Q2[1]	January 31, 2011 Q1[1]	October 31, 2010 Q4[1]	July 31, 2010 Q3[1]	April 30, 2010 Q2[1]	January 31, 2010 Q1[1]	October 31, 2009 Q4[2]	July 31, 2009 Q3
Sales and other operating revenues	$ 2,701.9	$ 2,470.5	$ 1,951.7	$ 2,493.2	$ 2,026.9	$ 1,784.5	$ 1,417.1	$ 2,223.5
Net earnings (loss)	$ 33.1	$ 99.6	$ 52.7	$ 63.5	$ 18.4	$ 10.7	$ (0.9)	$ 120.7
Basic earnings per share	$ 0.09	$ 0.27	$ 0.14	$ 0.17	$ 0.05	$ 0.03	$ -	$ 0.51
Diluted earnings per share	$ 0.09	$ 0.27	$ 0.14	$ 0.17	$ 0.05	$ 0.03	$ -	$ 0.51

[1] *Includes results for Viterra's Australian operations.*
[2] *Includes results for Viterra's Australian operations from September 24, 2009 to October 31, 2009.*

A discussion of the factors that have caused variations over the quarters is found in Sections 6.1 and 6.2 of the MD&A for the fiscal year ended October 31, 2010 and in Section 4.0 Segment Results below. These sections discuss, among other things, the trends and seasonality of the Company's three operating segments: Grain Handling and Marketing, Agri-products and Processing.

4.0 Segment Results

4.1 Grain Handling and Marketing

The Grain Handling and Marketing operations accumulate, store, transport and market grains, oilseeds, pulses and special crops. This business includes grain storage facilities and processing plants strategically located in the prime agricultural growing regions of North America and Australia. In its North American operations, the Company has 83 storage and handling facilities located throughout Western Canada, as well as six port export terminals (including one joint venture facility) located in major export locations throughout Canada. In southern Australia, the Company has 108 storage and handling facilities, which work in conjunction with its eight wholly owned port export terminals. The International Grain group, through its sales offices, handles the merchandising of grains and oilseeds between origination and offshore destination customers. In addition, the International Grain group sources commodities from locations where Viterra has no accumulation and storage assets.

Viterra recently signed a long-term lease arrangement with the Port of Montreal and, effective July 1, 2011, will operate the year-round port with storage capacity of 262,000 tonnes.

Seasonality

Receipts and subsequent shipments in any given fiscal year are dependent upon production levels and carry-over stocks from the prior year. Grain flows can fluctuate depending on global demand, crop size, prices of competing commodities, as well as other factors noted in the following discussion on volumes and shipments. In North America, grain shipments are fairly consistent from quarter to quarter, as are port terminal activities off the West Coast of Canada. At Thunder Bay, shipments through the Company's port terminals end in late December, when the St. Lawrence Seaway closes for the winter months, and typically resume near the beginning of April.

In South Australia, the majority of grain flows into the system during the first quarter as this is the harvest period, which begins in October and continues through until the end of January. During the second quarter, the operations typically receive the last of the grower grain deliveries, with the exception of a small amount that remains on-farm. Viterra owns and operates approximately 95% of South Australia's storage and all of its port terminal capacity. The grain that is delivered into the Company's grain storage and handling facilities is classified and blended in preparation for export. Viterra and other marketers then buy these grains and oilseeds and market them directly to destination customers. Shipping from the Company's port terminals typically commences in harvest and continues throughout the year. Income is derived from storage and handling fees including receivals and monthly carrying and out-turn (shipping) fees. Additional income is derived through handling and shipping of non-grain commodities year-round from select port terminals.

In addition, the Company's International Grain group earns merchandising margins for commodities that it acquires from third parties and sells to destination customers around the world.

Industry Shipments

The western Canadian harvest produced an estimated 45.0 million tonnes of the six major grains (wheat, barley, oats, canola, flax, and dry peas) in the fall of 2010. This is below the 10-year normalized average of 49.0 million tonnes and about 15% lower than the 2009 crop that produced 52.8 million tonnes.

In the second quarter, western Canadian industry shipments of the six major grains were 8.0 million tonnes compared to 8.8 million tonnes during the corresponding period of 2010. For the six months ended April 30, 2011, industry shipments of the six major grains were 15.7 million tonnes, about 7% lower than the 16.9 million tonnes shipped by this time last year.

South Australian production for 2011 was an estimated 9.8 million tonnes, according to the Australian Bureau of Agricultural and Resource Economics and Sciences' ("ABARES") February 15, 2011 crop report. This is the largest crop on record, exceeding the previous record of 8.9 million tonnes and representing a 38% increase over the previous year's production of 7.1 million tonnes. The 10-year average for South Australia is approximately 6.0 million tonnes.

Viterra's North American Volumes

Viterra's shipments for the three months ended April 30, 2011, were 3.7 million tonnes compared to 4.0 million tonnes in the second quarter of fiscal 2010. For the six months ended April 30, 2011, the Company shipped 7.1 million tonnes, compared to 7.6 million tonnes a year earlier. Viterra's split between CWB grains and open market grain shipments for the second quarter and first six months of fiscal 2011, was 45/55 and 44/56 respectively. This compares to a 48/52 split in the second quarter and a 49/51 split in the first six months of last year.

Viterra's port terminal receipts for the second quarter were 2.2 million tonnes compared to 2.3 million tonnes in the second quarter of 2010. For the first six months, port terminal receipts were 4.6 million tonnes versus 4.7 million tonnes in fiscal 2010. For the quarter and year-to-date periods, over 85% of these volumes moved to West Coast port terminals to support continued strong demand from Asian-Pacific countries.

Viterra's South Australia Volumes

Viterra's Australian Volume *(in thousands of tonnes)*	**Three Months ended April 30,**		*Better (Worse)*	**Six Months ended April 30,**		*Better (Worse)*
	2011	2010		**2011**	2010	
Total shipments	**2,360**	1,225	*1,135*	**3,987**	1,860	*2,127*
Merchandised volumes						
South Australia	**725**	370	*355*	**1,346**	660	*686*
Rest of Australia	**1,053**	1,130	*(77)*	**1,721**	2,240	*(519)*
Total merchandised volumes	**1,778**	1,500	278	**3,067**	2,900	167

Viterra's South Australian operations received 0.3 million tonnes of grains, oilseeds and special crops into its system in the second quarter of fiscal 2011, compared to 0.1 million tonnes in the second quarter of fiscal 2010. These volumes brought aggregate receipts during fiscal 2011 to 8.5 million tonnes, compared to 6.2 million tonnes a year ago. As of the end of the second quarter, the vast majority of the available crop in the region was received into Viterra's system.

The Company had a strong shipping program in place for the second quarter and moved a record 2.4 million tonnes through its South Australia port terminals, a two-fold increase from the 1.2 million tonnes shipped in the second quarter of last year. Fiscal year to date, the Company moved a total of 4.0 million tonnes, compared to 1.9 million tonnes in 2010. High commodity prices and strong demand have motivated the industry to utilize Viterra's system to ship a significant amount of grain in the first half of the year.

During the first six months of fiscal 2011, Viterra purchased for its own account 34% of the grain shipped through its south Australian system. There are a large number of marketers competing for south Australian growers' grain and, of this number, more than 10 of them account for the remaining 66% of grain shipped from the Company's south Australian ports.

Viterra also originated and merchandised 1.1 million tonnes of grains and oilseeds from third-party facilities throughout the rest of Australia during the quarter. On a year-to-date basis, Viterra has merchandised 1.7 million tonnes from the rest of Australia, which is down from the prior year due to drought in Western Australia and logistical issues caused by wet weather and availability of freight in the eastern states.

Operating Results

Grain Handling and Marketing *(in thousands - except margins)*	Three Months ended April 30, 2011	2010	*Better (Worse)*	Six Months ended April 30, 2011	2010	*Better (Worse)*
Gross profit and net revenues from services	**$ 214,172**	$ 153,764	*$ 60,408*	**$ 512,613**	$ 355,463	*$ 157,150*
Operating, general and administrative expenses	**(92,090)**	(80,175)	*(11,915)*	**(192,769)**	(172,195)	*(20,574)*
EBITDA [1]	**122,082**	73,589	*48,493*	**319,844**	183,268	*136,576*
Amortization	**(25,678)**	(17,517)	*(8,161)*	**(51,286)**	(35,625)	*(15,661)*
EBIT [1]	**$ 96,404**	$ 56,072	*$ 40,332*	**$ 268,558**	$ 147,643	*$ 120,915*
Total sales and other operating revenues	**$ 2,045,241**	$ 1,418,093	*$ 627,148*	**$ 3,987,875**	$ 2,761,301	*$ 1,226,574*
North American Industry Statistics *(tonnes)*						
Canadian Industry Receipts - six major grains	**7,640**	8,734	*(1,094)*	**15,917**	16,988	*(1,071)*
Canadian Industry Shipments - six major grains	**7,972**	8,813	*(841)*	**15,702**	16,877	*(1,175)*
Canadian Industry Terminal Receipts	**5,520**	5,898	*(378)*	**11,165**	11,591	*(426)*
Viterra - North American Operations *(tonnes)*						
Elevator receipts	**3,344**	3,817	*(473)*	**6,976**	7,402	*(426)*
Elevator shipments	**3,652**	4,035	*(383)*	**7,126**	7,611	*(485)*
Port terminal receipts	**2,199**	2,279	*(80)*	**4,577**	4,689	*(112)*
Viterra - Australian Operations *(tonnes)*						
Shipments	**2,360**	1,225	*1,135*	**3,987**	1,860	*2,127*
Receivals	**271**	59	*212*	**8,509**	6,200	*2,309*
Consolidated Global Pipeline *(tonnes)*						
North American shipments	**3,652**	4,035	*(383)*	**7,126**	7,611	*(485)*
Australian receivals	**271**	59	*212*	**8,509**	6,200	*2,309*
Total pipeline	**3,923**	4,094	*(171)*	**15,635**	13,811	*1,824*
Consolidated pipeline margin *(per tonne)*	**N/A**	N/A	*N/A*	**$ 32.79**	$ 25.74	*$ 7.05*

[1] *See Non-GAAP Measures in Section 11.0*

Gross profit for the Grain Handling and Marketing segment totalled $214.2 million and was up 39%, or $60.4 million, over the second quarter of last year. The strong second quarter results brought gross profit to $512.6 million for the first six months of fiscal 2011 compared to $355.5 million in the previous year. A significant portion of both the second quarter and year-to-date increases were due to the performance of Viterra's Australian operations. South Australia harvested a large crop this year, which has resulted in significant volumes moving into Viterra's system in the first quarter and record shipments in the first six months of the year.

On a consolidated basis, the year-to-date pipeline margin per tonne was $32.79 compared to $25.74 last year. During the quarter, North American margins benefited from increased merchandising and blending opportunities attributable to market volatility and higher commodity prices, additional pulse sales, which earn higher margins, and increased shipments through the Company's interest in the Prince Rupert port grain terminal. Overall, the Company expects annual volumes through the Prince Rupert port grain terminal to be similar to last year.

In South Australia, quarterly margins benefited from high volumes, increased storage and handling fees, as well as solid blending contributions and domestic merchandising margins. Viterra's consolidated gross margin per tonne is expected to grow throughout the remaining quarters as its Australian operations earn more storage, shipping and merchandising revenue. The Company confirms its global pipeline margin guidance to be in the $33 to $36 per tonne range for the fiscal year.

OG&A expenses for the Grain Handling and Marketing segment were $92.1 million in the second quarter of fiscal 2011 compared to $80.2 million in the second quarter of last year. This brought OG&A expenses for the first six months to $192.8 million compared to $172.2 million a year earlier. The increase primarily relates to additional seasonal labour hired in Australia during the first quarter to handle the record crop, a full complement of costs for the International Grain group, which was not fully established by this time last year, and higher costs related to the Company's short-term incentive programs.

The Grain Handling and Marketing segment generated $122.1 million in EBITDA for the quarter compared to $73.6 million in the second quarter of last year. On a year-to-date basis, this segment's EBITDA was $319.8 million compared to $183.3 million a year earlier. The majority of these increases relate to Viterra's Australian operations that contributed $65.8 million in the quarter (2010 - $22.2 million) and $179.8 million (2010 - $86.2 million) for the first six months of the fiscal year.

The International Grain group had an EBITDA loss in the second quarter of $1.9 million. On a year-to-date basis, the International Grain group generated $31.4 million in EBITDA. In the corresponding periods of fiscal 2010, the International Grain group was not fully established and its contributions were included within North American and Australian results. This group's activities are driven by opportunities that arise in the market and therefore results can fluctuate quarter to quarter depending upon varying market dynamics. In the second quarter, while commodity market fundamentals were strong, global events including the earthquake and tsunami in Japan and political unrest in the Middle East, caused uncertainty and extreme commodity price volatility in the markets. This resulted in a small loss from the group. Viterra mitigated the impact of these events by employing effective risk management and hedging strategies to reduce positions, consistent with the Company's risk tolerance levels.

EBIT for the segment was $96.4 million in the second quarter of fiscal 2011, compared to $56.1 million in the second quarter of fiscal 2010. On a year-to-date basis, EBIT was $268.6 million compared to $147.6 million a year earlier.

<u>Outlook</u>

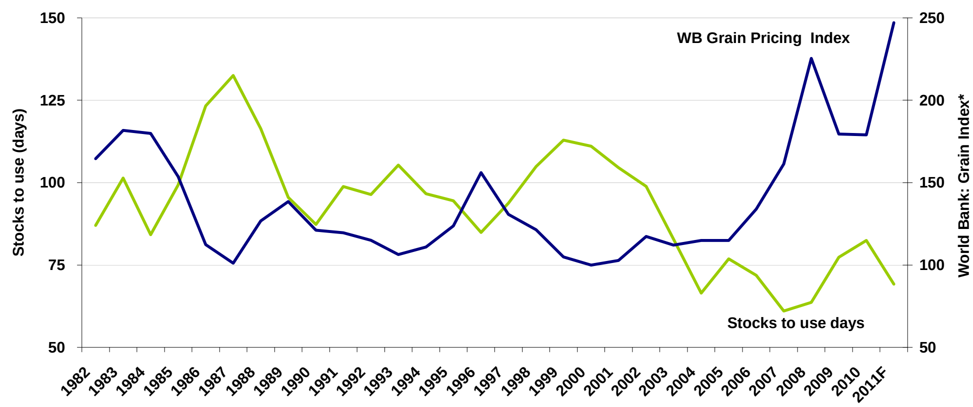
In South Australia, the Company expects shipments to remain strong given the significant crop in storage, the favourable commodity pricing environment and strong demand. To complement the 8.5 million tonnes, which were received into the Company's system during the first half of fiscal 2011, there were approximately 1.2 million tonnes of carry-in stocks from fiscal 2010. Management currently estimates carry-over stocks into fiscal year 2012 for the Company's Australian system to range between 2.0 to 3.0 million tonnes.

In North America, according to the Canadian Grain Commission ("CGC"), Canadian bulk grain exports for the six major grains, for the first nine months of the crop year (August 1st to May 1st), were 20.8 million tonnes, compared to the 21.4 million tonnes exported during the same period in crop year 2010. Export strength is anticipated to continue. This is due to strong demand created by supply difficulties in other grain growing regions, robust global pricing for commodities and the continuing draw down of western Canadian carry-over stocks.

The Company now estimates that CGC marketings will be about 31.0 to 32.0 million tonnes for the 12 months ended October 31, 2011. As expected, producers have continued to draw down on-farm carryout stocks and, as of March 31, 2011, total western Canadian on-farm stocks of the six major grains were down approximately 23% from the previous year.

Strong demand for Canadian and Australian exports is indicative of a wider global trend to draw down wheat and coarse grains in the 2011 crop year. By the end of July 2011, global stocks-to-use days are expected to be below 70 days, a sharp reduction from 82 days one year earlier. Reduced global stockpiles of essential grains have driven global pricing, on a constant dollar basis, for agri-commodities to a three-decade high. Viterra will continue to watch these short and longer-term trends and look for opportunities to capitalize on its position in the global marketplace.

Global Wheat and Course Grains Stockpiles and Pricing



Source: USDA and the World Bank

An early assessment of planting intentions for Western Canada and South Australia show some positive support for the upcoming growing seasons.

Strong commodity prices suggest solid return prospects for farmers in Western Canada who have indicated that they intend to maximize seeded acreage. However, seeding activity in Western Canada to date has been hampered by excessive spring moisture. The ultimate production levels will be determined by the success and timing of spring seeding, the crop mix, and yields. For more information on western Canadian plantings please refer to Section 4.2 – Outlook.

From a regulatory perspective in Canada, the majority Conservative Government recently announced it intends to provide western Canadian producers with marketing choice for wheat, durum and barley, which will eliminate the CWB's monopoly control and allow it to coexist with the grain trade. Current indications are that the Government will introduce legislative changes which will take effect as of August 2012. However, it is early in the process and few details are available on how this outcome will be achieved.

Viterra is supportive of the Government's direction and is confident in the Company's ability to operate effectively in an open wheat and barley market, to serve the needs of farmers, other industry participants, and the new CWB. Viterra believes it has the necessary expertise today to provide these additional services to the industry. The Company is committed to working with the Government, industry, and the CWB to ensure the Canadian grain industry remains a vibrant and competitive source for agricultural products, and it intends to actively participate in the process to promote an orderly transition with positive, sustainable change for the benefit of the western Canadian agricultural industry.

In South Australia, plantings for the year are well underway. Farmers in this region intend to slightly increase their crop plantings by approximately 4% over last year to 9.6 million acres. Wheat plantings are expected to increase 7% to 5.8 million acres and account for nearly 60% of total seeded acreage in the region. While barley acreage is expected to be down by 4% to 2.2 million acres, canola plantings are expected to increase 18% to 0.6 million acres as growers take advantage of good moisture conditions and strong pricing. As the sowing program advances, lentil acreage may decline due to strong canola pricing but lentil acreage is still expected to increase year over year by approximately 20%. This increase will be monitored over the coming weeks as sowing nears completion. The Company expects planting in the Eyre Peninsula region to be completed in the next few days, and the Eastern and Central regions in about two weeks.

In order for port terminal operators such as Viterra to export bulk wheat from Australia, they must retain accreditation from Wheat Exports Australia ("WEA") under Australian law. Operators are required by WEA to also have in place an access undertaking approved by the Australian Competition and Consumer Commission ("ACCC"), relating to the provision of access to its port terminal services to other accredited wheat exporters. The current undertakings expire on September 30, 2011 for all operators.

Viterra has lodged its proposed new undertaking for the period October 1, 2011 to September 30, 2014 for approval. The ACCC has been conducting industry consultation as part of its regulatory approval process, and Viterra anticipates the ACCC's draft decision will be published in June. Viterra will then address any outstanding matters raised by the ACCC, to ensure a timely decision is made to accept the proposed undertaking. The Company will continue to work with the ACCC and remains confident that it will gain approval for its proposed undertaking by September 30, 2011, in order to be granted a three-year renewal of its accreditation.

4.2 Agri-products

<u>North America</u>

Viterra operates a network of 261 agri-products retail locations throughout Western Canada, which are geographically dispersed throughout the growing regions of the Canadian Prairies. Retail locations offer fertilizer, crop protection products, seed and equipment to growers. The Company's operations in Western Canada represent approximately 34% share of the market.

For fertilizer, Viterra has a 34% investment in CFL, a nitrogen fertilizer manufacturing plant in Medicine Hat, Alberta. The Company is entitled to receive 34% of approximately 1.4 million tonnes of merchantable product, split between granular urea and anhydrous ammonia. The Company also buys and sells fertilizer from third-party manufacturers.

Viterra offers a comprehensive line of crop protection and seed products through its western Canadian retail network. The Company, in conjunction with leading manufacturers, offers a line of 22 private label crop protection products as well as third-party products. For seed, the Company has a network of research facilities and agreements, which result in an extensive offering of proprietary and exclusive varieties, as well as third-party varieties.

The Agri-products segment includes contributions from the Company's financial products business. As an agent for a Canadian chartered bank, Viterra Financial™, extends unsecured and secured trade credit at competitive rates to the Company's agri-products and feed products customers.

Australia

In Australia, Viterra operates 16 agri-products depots and six fertilizer warehouses in South Australia and Victoria, through which it sells and distributes seed, fertilizer and crop protection products.

Viterra also operates a domestic wool network extending across the agricultural areas of Western Australia, South Australia and Victoria and is the largest buyer of Australian wool, exporting to key international markets such as China, India and Italy.

Seasonality

North America

Retail sales of agri-products are seasonal and correlate directly to the life cycle of the crop. About 60% of Viterra's annual agri-products sales are typically generated during the third quarter as producers purchase crop inputs such as seed, fertilizer and crop protection products. Prior to seeding, Viterra receives prepayments from farm customers who want to order a portion of their agri-product requirements for the spring. Actual sales are recorded when product is delivered. Prepayments, seed bookings, and discussions with customers provide Viterra with an early indication of seeding intentions. Usually about 12% to 17% of agri-products sales occur during the second quarter of each fiscal year.

Australia

In Australia, most crop inputs are purchased during the seeding period, which begins in April and extends into June. Additional sales occur throughout the growing season to support crop development.

Operating Results

Agri-products *(in thousands - except margins)*	Three Months ended April 30, 2011	Three Months ended April 30, 2010	Better (Worse)	Six Months ended April 30, 2011	Six Months ended April 30, 2010	Better (Worse)
Gross profit and net revenues from services	**$ 66,563**	$ 76,976	*$ (10,413)*	**$ 120,120**	$ 109,575	*$ 10,545*
Operating, general and administrative expenses	**(45,591)**	(46,986)	*1,395*	**(89,852)**	(91,519)	*1,667*
EBITDA [1]	**20,972**	29,990	*(9,018)*	**30,268**	18,056	*12,212*
Amortization	**(9,806)**	(11,374)	*1,568*	**(18,808)**	(22,556)	*3,748*
EBIT [1]	**$ 11,166**	$ 18,616	*$ (7,450)*	**$ 11,460**	$ (4,500)	*$ 15,960*
Operating Highlights						
Sales and other operating revenues	**$ 433,741**	$ 438,225	*$ (4,484)*	**$ 726,312**	$ 653,588	*$ 72,724*
Fertilizer	**154,410**	164,148	*(9,738)*	**329,389**	284,715	*44,674*
Crop Protection	**17,800**	37,717	*(19,917)*	**23,022**	41,809	*(18,787)*
Seed	**111,623**	123,050	*(11,427)*	**112,743**	123,628	*(10,885)*
Wool	**128,966**	88,728	*40,238*	**224,469**	157,467	*67,002*
Equipment sales and other revenue	**16,533**	17,397	*(864)*	**28,610**	34,021	*(5,411)*
Financial Products	**4,409**	7,185	*(2,776)*	**8,079**	11,948	*(3,869)*
Fertilizer volume *(tonnes)*	**279**	371	*(92)*	**652**	681	*(29)*
Fertilizer margin *(per tonne)*	**$ 108.76**	$ 78.47	*$ 30.29*	**$ 103.01**	$ 68.72	*$ 34.29*

[1] See Non-GAAP Measures in Section 11.0

Sales and other operating revenues for the Agri-products segment were down slightly during the second quarter of fiscal 2011 to $433.7 million versus $438.2 million for the same three-month period last year. The variance is due to the timing of fertilizer, crop protection and seed sales as a result of delayed spring seeding in Western Canada. Cool and wet weather across the Canadian Prairies delayed seeding until May, pushing sales into the third quarter. The effects of the delayed spring season were in part offset by higher fertilizer prices in Western Canada and higher wool sales in Australia. Strong demand from growing international markets such as China and India, increased wool sales by 45% compared to the same quarter last year. On a year-to-date basis, strong fertilizer pricing and higher Australian wool sales (both in terms of volume and price) pushed Agri-products segment sales up $72.7 million over the prior year.

Consolidated Fertilizer Volumes by Quarter *(in thousands of tonnes)* *For the quarter ended* Fiscal year	31-Jan	30-Apr	31-Jul	31-Oct	Total
2011	373	279	-	-	652
2010	310	371	699	370	1,750

While the Company believes demand for fertilizer will remain strong in Western Canada due to improved commodity prices and increased nutrient requirements caused by excess moisture in 2010 and 2011, Canadian fertilizer sales volumes were down 29% for the quarter and 6% year to date due to the late spring seeding. Australia had strong fertilizer sales with volumes of 41,000 tonnes for the second quarter compared to 35,000 tonnes a year earlier, bringing its year-to-date volumes to 51,000 tonnes versus 43,000 tonnes in fiscal 2010.

Gross profit for the second quarter was $66.6 million compared to $77.0 million a year earlier, which reflects the impact of late spring seeding in North America and, in turn, reduced sales volumes. As of the end of April, seeding progress in Western Canada was about 2% complete compared to about 10% in a typical year.

On a year-to-date basis, gross profit was $120.1 million, an increase from the $109.6 million generated in the corresponding period of fiscal 2010. This increase relates mainly to fertilizer margins that have risen to $103.01 per tonne in fiscal 2011 compared to $68.72 per tonne a year earlier. Higher average selling prices and lower natural gas costs on manufactured product have generated this increase. For fiscal 2011, the Company continues to expect its fertilizer margin will be in the range of $100 to $120 per tonne. Quarterly margins per tonne can vary outside this range due to product mix and timing of purchases for manufactured versus resale tonnes.

OG&A expenses were $45.6 million and $89.9 million, respectively, for the second quarter and first six months of fiscal 2011 and on par with the corresponding periods in fiscal 2010.

EBITDA for the second quarter was $21.0 million, down from the $30.0 million reported a year ago due to timing differences caused by the late seeding in North America. For the first six months of the fiscal year, EBITDA was $30.3 million compared to $18.1 million in fiscal 2010 as a result of strong fertilizer pricing.

EBIT for the second quarter was $11.2 million compared to $18.6 million in the second quarter of fiscal 2010. For the first half of the fiscal year, EBIT was $11.5 million, compared to a loss of $4.5 million in the corresponding period of fiscal 2010.

Outlook

Despite the late spring seeding season in Western Canada, which delayed second quarter crop input sales, there are several trends which are expected to continue to support strong fundamentals in the Agri-products segment for the full year.

Seeding activity in Western Canada is well underway after cool and wet weather delayed activity until May. Throughout the Canadian Prairies, moisture conditions are extremely good but have been excessive in some regions and have stalled seeding. Our most recent reports, as of June 5, 2011, indicate that seeding across the three Prairie Provinces is approximately 80% complete compared to the historical average for this time of 93%. Approximately 95% of the Alberta crop has been sown, 80% of the Saskatchewan crop and about 45% of the Manitoba crop.

In April, Statistics Canada published its seeding intentions report that suggests that up to 62.5 million acres would be planted, 2.5 million more than the 10-year average due to strong commodity prices and compelling return prospects for western Canadian farmers. While Management agrees with the fundamentals underpinning optimism in the industry, it is our view, in light of the excess moisture experienced during April and May on the Prairies, that western Canadian acreage will be in the 52.0 to 56.0 million acre range, which is up to 4.0 million acres above 2010. Management expects canola plantings to increase to between 17.0 and 18.5 million acres compared to 16.8 million acres in 2010.

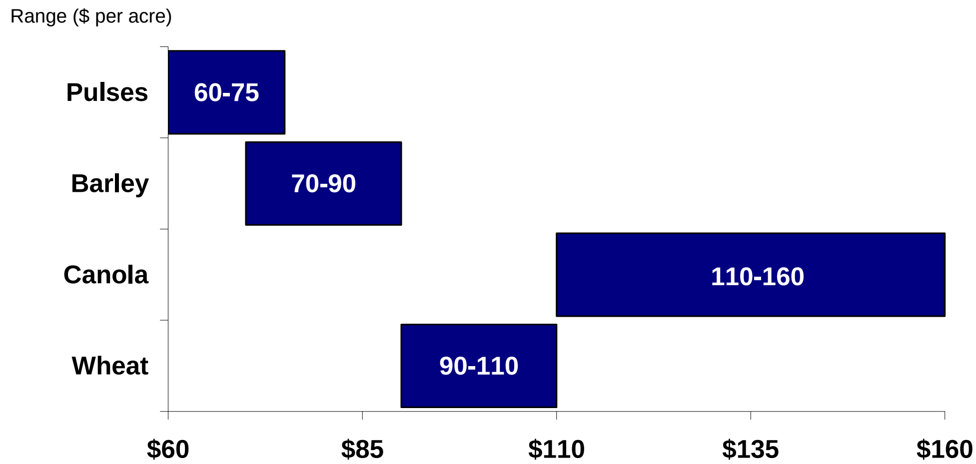
Total Seeded Acreage
Western Canada

(In Millions of Acres)	All Wheat	Coarse Grains	Canola	Special Crops and other	Total*
5-yr average for 2005-2009	23.2	13.8	14.7	8.6	60.3
2011 Forecast*					54.0 - 56.0
2010 Estimate*					52.0
2009	23.2	12.0	16.1	9.5	60.8
2008	23.4	13.3	16.1	8.6	61.4
2007	20.6	15.6	14.7	7.7	58.6
2006	24.9	13.5	13.0	8.5	59.9
2005	23.7	14.7	13.5	8.8	60.7

*Source: *Viterra estimate*
Historical numbers from Statistics Canada, Principal Field Crops report

The predicted increase in canola acreage is positive for the Agri-products segment given that producers typically invest in more crop inputs when growing oilseeds. In addition, a large portion of Viterra's higher margin proprietary and exclusive seed varieties are canola.

Average Crop Input Costs In Canada



Source: Viterra Estimates

For fertilizer, movement to farm has been steady in the first half of fiscal 2011 even with selling prices above last year's and limited seeding progress in Western Canada at the end of April. The Company expects western Canadian demand to remain strong due to improved commodity prices and increased nutrient requirements caused by excess moisture in 2010 and early 2011.

For crop protection products, Viterra will continue to offer its extensive line of private label products in Western Canada that allow for higher margins as well as more effective inventory management during the busy spring season. The Company will also continue to expand its offering of proprietary and exclusive seed varieties and has furthered its research partnership with the University of Saskatchewan to ensure the Company has a pipeline of new product offerings in the future.

In South Australia, moisture conditions are providing a good base for seeding that is approximately 80% complete in that region. Initial estimates suggest that, due to strong prices and good moisture conditions, the state is likely to have increased plantings.

4.3 Processing

Viterra's Processing segment is an important aspect of the Company's value chain. Overall, this segment extends the Company's pipeline by producing food ingredients for consumer products companies and food processors around the world. This segment also consists of feed manufacturing operations that provide feed and nutritional supplements to the feed industries, primarily in Canada, the U.S. and New Zealand.

North America

Viterra's North American food processing operations consist of oat and specialty grain milling, pasta manufacturing, canola crushing and a 42% interest in Prairie Malt, a single-site malt operation located in Saskatchewan. There are four oat milling facilities with the capacity to process 540,000 tonnes of raw oats into 335,000 tonnes of food ingredients annually. The wheat flour mill operation has the capacity to grind about 100,000 tonnes of grains into 75,000 tonnes of flour and bran, while the two pasta manufacturing facilities have the capacity to grind 340,000 tonnes of durum wheat and process 254,000 tonnes of pasta annually. The Company's canola crush facility has the capacity to process 340,000 tonnes of canola into 323,000 tonnes of oil and meal on an annual basis. In southern China, Viterra is constructing a 680,000 tonne joint venture canola crushing facility that is expected to be operational in fiscal year 2012.

Viterra is a major player in the North American feed markets. In Canada, feed manufacturing is conducted at six feed mills and one pre-mix manufacturing facility. In the U.S., the operations include six feed mills and commodity blending sites in Texas, Oklahoma, and New Mexico. The Company distributes about 2.0 million tonnes of feed from its North American operations annually.

Australia

In Australia, Viterra is the largest malt processor, operating eight processing plants strategically positioned across Australia, with production capacity of up to 500,000 tonnes annually. Approximately 400,000 tonnes are destined for export markets and 100,000 tonnes are consumed domestically. Viterra supplies malt to major domestic brewers and international brewers that predominantly supply the Asian-Pacific region. The Company is currently building a 110,000 tonne malt facility in Sydney, Australia, which is expected to be completed in fiscal 2012.

In New Zealand, the Company has a presence across the feed supply chain, from marketing and accumulation to storage, freight, milling and the sale of end-use products. It is a key importer and distributor of grains and meals to the New Zealand market. The Company operates three storage facilities in close proximity to the prime dairy regions. It is involved in maize processing and also operates a feed manufacturing and distribution business with three feed mills representing production capacity of approximately 240,000 tonnes annually.

Operating Results

Processing *(in thousands - except margins)*	Three Months ended April 30, 2011	2010	*Better (Worse)*	Six Months ended April 30, 2011	2010	*Better (Worse)*
Gross profit and net revenues from services	**$ 43,586**	$ 39,156	*$ 4,430*	**$ 103,210**	$ 80,951	*$ 22,259*
Operating, general and administrative expenses	**(20,110)**	(16,449)	*(3,661)*	**(39,378)**	(35,058)	*(4,320)*
EBITDA [1]	**23,476**	22,707	*769*	**63,832**	45,893	*17,939*
Amortization	**(12,017)**	(7,362)	*(4,655)*	**(24,263)**	(15,204)	*(9,059)*
EBIT [1]	**$ 11,459**	$ 15,345	*$ (3,886)*	**$ 39,569**	$ 30,689	*$ 8,880*
Sales and other operating revenues	**$ 374,615**	$ 290,098	*$ 84,517*	**$ 748,525**	$ 598,075	*$ 150,450*
Operating Highlights - Food						
Sales volumes *(tonnes)*						
Malt [2]	**119**	136	*(17)*	**245**	263	*(18)*
Pasta	**56**	-	*N/A*	**110**	-	*N/A*
Oats	**91**	54	*37*	**194**	108	*86*
Canola	**42**	60	*(18)*	**80**	119	*(39)*
Combined food processing margin *(per tonne sold)*	**$ 98.96**	$ 87.55	*$ 11.41*	**$ 123.66**	$ 92.18	*$ 31.48*
Operating Highlights - Feed						
Feed sales volumes *(tonnes)*						
North America	**439**	513	*(74)*	**886**	1,051	*(165)*
New Zealand	**32**	32	*-*	**75**	67	*8*
Combined feed processing margin *(per tonne sold)*	**$ 27.82**	$ 31.68	*$ (3.86)*	**$ 26.46**	$ 32.00	*$ (5.54)*

[1] See Non-GAAP Measures in Section 11.0
[2] Includes contributions from Viterra's 42% ownership interest in Prairie Malt and its wholly owned Australian malt business

Sales and other operating revenues for the Processing segment for the second quarter were $374.6 million, up $84.5 million or 29% from the comparable period of 2010. On a year-to-date basis, sales were $748.5 million representing a 25% increase over the comparable period of fiscal 2010. Sales from the food processing operations were $430.9 million, compared to $287.0 million for the same year-to-date period last year, reflecting the addition of new pasta and coated oats processing in the latter half of fiscal 2010. Sales from the feed manufacturing operations were $158.7 million in the second quarter versus $151.2 million a year earlier, bringing the year-to-date total to $317.6 million versus $311.1 million a year earlier.

Second quarter sales volumes from the new pasta business were consistent with the first quarter at 56,000 tonnes and reflect continued strong demand in the U.S. In the oat business, volumes reached 91,000 tonnes in the second quarter and 194,000 tonnes for the first six months of the year. The quarterly and year-to-date increases of 69% and 80% are due to the addition of 21st Century oat business, which complemented consistent sales from the existing oat operations.

Canola crush volumes in the second quarter were 42,000 tonnes and 30% lower than the prior year's quarter. For the first six months, crush volumes decreased to 80,000 tonnes, compared to 119,000 tonnes a year earlier. The Company has reduced production at its Manitoba crush facility to 60% of capacity as a result of difficult margins and is currently developing a specialty oil strategy that is expected to build upon its expeller-press processing methodology and deliver sustainable margins over time.

Viterra's malt operations generated sales of $60.9 million for the second quarter of fiscal 2011 compared to $79.2 million for the same period last year. On a year-to-date basis, sales were $125.8 million, compared to $165.4 million a year earlier. The Company's malt operations include eight processing plants across Australia that account for over three quarters of Viterra's malt operations and a single malt operation in Western Canada. While sales in Canada were comparable year-over-year, in Australia malt sales volumes were down 17% in the quarter and 11% year to date reflecting sluggish customer demand and softening world malt prices.

On a combined basis, gross margins for the food processing operations were $98.96 per tonne for the second quarter compared to $87.55 per tonne a year ago. This increase reflects contributions from the new pasta and oat businesses, which produce higher margins, offset in part by lower canola margins. While year-over-year the second quarter combined margin was strong, it was lower than the year-to-date gross margin of $123.66 per tonne. Higher commodity prices temporarily eroded the pasta margin in the second quarter as there is a time lag in passing the raw commodity price increases onto consumers. Fluctuations in quarterly margins are expected given product mix, timing of pricing and the impact of supply and demand fundamentals. The Company maintains its annual guidance range of $90 to $110 per tonne for fiscal 2011.

Viterra's feed products generated a gross margin of $27.82 per tonne in the second quarter, compared to $31.68 per tonne a year ago. On a year-to-date basis, the margin was $26.46 per tonne versus $32.00 per tonne in the previous year. The year-over-year decreases reflect challenging market conditions in both Western Canada and New Zealand. Excess capacity has caused intense competition in the western Canadian market and some competitors are reducing price to buy market share. This has resulted in lower volumes and margins in Western Canada feed products. In New Zealand, the Company continues to integrate its new feedmill by improving operating efficiencies and securing sales. In the U.S., margins were higher over the prior year as strong dairy and beef prices have increased purchases of higher margin complex feeds.

OG&A expenses for the Processing segment were $20.1 million for the second quarter compared to $16.4 million in fiscal 2010 and for the six months were $39.4 million compared to $35.1 million a year earlier. The increase in OG&A expenses reflects the addition of the new pasta and oat businesses purchased in the second half of fiscal 2010. These increases were partially offset by lower costs and improved efficiencies in the North American feed operation due to integration efforts.

The Processing segment's EBITDA was $23.5 million for the second quarter versus $22.7 million for the same period in fiscal 2010. Viterra's North American food processing businesses contributed $14.8 million to quarterly EBITDA, up from the $2.8 million contribution in the second quarter of last year. Viterra's Australian malt operation contributed $6.5 million in the second quarter, compared with $14.0 million in 2010 while the Company's global feed operations contributed $2.2 million versus $5.9 million last year. On a year-to-date basis, the segment's EBITDA was $63.8 million, compared to $45.9 million a year earlier. The North American food processing businesses contributed $41.6 million (2010 - $10.0 million) of which $29.7 million was from the new pasta and oat processing businesses. Australian malt and the Company's global feed contributions were $17.7 million (2010 - $22.2 million) and $4.9 million (2010 - $13.6 million), respectively.

Segment EBIT was $11.5 million for the quarter compared to $15.3 million in the second quarter of fiscal 2010. For the first half of fiscal 2011, segment EBIT was $39.6 million compared to $30.7 million in the comparable period a year earlier.

<u>Outlook</u>

The Company expects stable contributions from the Processing segment to continue through the latter half of fiscal 2011 and the combined annual food processing margin to range between $90 and $110 per tonne. The segment's performance reflects the benefits of the Company's diversification strategy to grow its portfolio of food and feed ingredients businesses.

Demand for whole grain, nutritional food ingredients is strong. With the economic challenges facing North America, the Company anticipates steady demand for private label/store brand ready-to-eat cereals and stable consumption of oatmeal. In addition, as fiscal 2011 progresses, Viterra believes the tepid recovery in the U.S. will continue to support strong demand for pasta products, which are healthy and economical.

In the Canadian canola processing operation, the Company is pursuing operational efficiencies and ongoing cost control measures to offset the impact of poor margins. In addition, Viterra continues to look for opportunities to secure more high-margin sales by leveraging its double expeller-press process that produces specialty oils, non-genetically modified organism ("GMO"), and Hi Oleic oil for the natural food market. Management expects a modest improvement in contributions from this operation as fiscal 2011 progresses.

Global malt markets are expected to remain challenged in the near term due to sluggish beer sales in North America and Europe. This has created excess capacity and has increased competition across the globe, which impacts industry margins. For Viterra's malt operations in Australia, the Company believes that margins will remain compressed, below pre-recession levels, for the remainder of fiscal 2011. However, Viterra remains confident in the long-term outlook for this industry.

For the North American feed business, western Canadian operations will be challenged by overcapacity, intense competition and margin compression in the near term. However, results are expected to improve with the addition of new sales personnel and market strategies. In the U.S., the Company expects the demand for complex feed products will improve in response to strong pricing and export demand for dairy and beef products.

In the New Zealand feed market, the ongoing recovery in the global economy and demand from Southeast Asia for dried milk products is driving higher milk prices and a gradual recovery in this market. These trends are expected to move producers from commodity feeds to higher margin complex feed products over time.

4.4 Corporate Expenses

Corporate Expenses *(in thousands)*	Three Months ended April 30, **2011**	2010	*Better (Worse)*	Six Months ended April 30, **2011**	2010	*Better (Worse)*
Operating, general and administrative expenses	**$ (38,349)**	$ (33,043)	*$ (5,306)*	**$ (74,500)**	$ (64,206)	*$ (10,294)*
Amortization	**(2,234)**	875	*(3,109)*	**(4,642)**	(818)	*(3,824)*
EBIT [1]	**$ (40,583)**	$ (32,168)	*$ (8,415)*	**$ (79,142)**	$ (65,024)	*$ (14,118)*

[1] *See Non-GAAP Measures in Section 11.0*

Corporate expenses were $38.3 million in the second quarter of fiscal 2011, compared to $33.0 million in the same period last year due to higher expenses related to short-term incentive and stock-based compensation programs and costs associated with transformational programs. On a year-to-date basis, corporate OG&A expenses were $74.5 million versus $64.2 million for the first six months of the fiscal year due to the factors noted earlier plus the impact of inflation on corporate expenses.

5.0 Liquidity and Capital Resources

5.1 Cash Flow Information

Cash Flow Provided by Operations [1] *(in thousands - except per share amounts)*	**Three Months ended April 30, 2011**	2010	*Better (Worse)*	**Six Months ended April 30, 2011**	2010	*Better (Worse)*
EBITDA [1]	**$ 128,181**	$ 93,243	*$ 34,938*	**$ 339,444**	$ 183,011	*$ 156,433*
Add (Deduct)						
Employee future benefits	**1,297**	1,319	*(22)*	**3,073**	2,981	*92*
Other items	**136**	477	*(341)*	**967**	823	*144*
Adjusted EBITDA	**129,614**	95,039	34,575	**343,484**	186,815	156,669
Integration expenses	**(790)**	(2,195)	*1,405*	**(1,301)**	(3,174)	*1,873*
Cash interest expense	**(31,835)**	(26,579)	*(5,256)*	**(58,905)**	(61,236)	*2,331*
Pre-tax cash flow	**96,989**	66,265	*30,724*	**283,278**	122,405	*160,873*
Current income tax expense	**(3,159)**	(15,404)	*12,245*	**(4,188)**	(11,397)	*7,209*
Cash flow provided by operations [1]	**$ 93,830**	$ 50,861	*$ 42,969*	**$ 279,090**	$ 111,008	*$ 168,082*
Per share	**$ 0.25**	$ 0.14	*$ 0.11*	**$ 0.75**	$ 0.30	*$ 0.45*

[1] See Non-GAAP Measures in Section 11.0

For the three months ended April 30, 2011, cash flow provided by operations (see Non-GAAP Measures in Section 11.0) increased by $43.0 million or $0.11 per share. For the first six months cash flow provided from operations increased $168.1 million or $0.45 per share. Improved cash flow in fiscal 2011 reflects higher EBITDA and lower cash financing costs.

Free Cash Flow [1] *(in thousands)*	**Three Months ended April 30, 2011**	2010	*Better (Worse)*	**Six Months ended April 30, 2011**	2010	*Better (Worse)*
Cash flow provided by operations [1]	**$ 93,830**	$ 50,861	*$ 42,969*	**$ 279,090**	$ 111,008	*$ 168,082*
Property, plant and equipment expenditures	**(34,861)**	(18,549)	*(16,312)*	**(73,618)**	(44,098)	*(29,520)*
Intangible assets expenditures	**(6,013)**	(5,913)	*(100)*	**(8,634)**	(8,229)	*(405)*
Free cash flow [1]	**$ 52,956**	$ 26,399	*$ 26,557*	**$ 196,838**	$ 58,681	*$ 138,157*

[1] See Non-GAAP Measures in Section 11.0

Free cash flow is measured by cash flow provided by operations less capital expenditures and does not reflect changes in non-cash working capital (see Non-GAAP Measures in Section 11.0). For the three months ended April 30, 2011, free cash flow increased by $26.6 million to $53.0 million from the comparable period of the prior year. For the first six months of the fiscal year free cash flow was $196.8 million, an increase of $138.2 million from the corresponding period in the previous year. These increases reflect improved EBITDA along with lower cash interest expense, offset by additional capital expenditures on property, plant and equipment.

5.2 Investing Activities

Viterra's property, plant and equipment expenditures for the three months ended April 30, 2011 were $34.9 million compared to $18.5 million for the comparable period of the prior year. On a year-to-date basis, property, plant and equipment expenditures were $73.6 million, compared to $44.1 million a year earlier. Capital expenditures reflect a number of improvements and upgrades undertaken in the ordinary course of business and additional expansionary projects associated with the Company's growth.

On an annualized basis, Viterra expects consolidated sustaining capital expenditures will be approximately $130.0 to $140.0 million, which are expected to be funded by cash flow provided by operations.

In fiscal 2011, Viterra expects that currently approved growth capital expenditures will total approximately $85.0 to $100.0 million. These expenditures are expected to be funded by cash flow provided by operations. These funds are being utilized primarily for the construction of the Minto malt facility in Australia and the canola crush joint venture in southern China, as well as other expansionary projects.

5.3 Non-Cash Working Capital

Non-cash Working Capital *(in thousands)*	**As at April 30,** **2011**	2010	*Change*
Inventories	**$ 2,002,096**	$ 1,263,191	$ 738,905
Accounts receivable	**1,132,313**	945,502	186,811
Prepaid expenses and deposits	**193,890**	134,495	59,395
Accounts payable and accrued liabilities	**(1,402,247)**	(1,030,064)	(372,183)
	$ 1,926,052	$ 1,313,124	*$ 612,928*

Inventory levels at April 30, 2011 were up significantly to $2,002.1 million compared with $1,263.2 million at April 30, 2010. The majority of the increase related to grain inventory values due to higher commodity prices accompanied by higher volumes of grains on hand in both North America and Australia. Viterra's Australian inventory values were $656.0 million at April 30, 2011 compared to $309.0 million at April 30, 2010. Agri-product inventory also increased as the late spring seeding season in Western Canada resulted in less products being moved to the farm. Higher fertilizer prices also increased inventory values year over year.

The Company's inventory value is significantly influenced by commodity prices in the Grain Handling and Marketing segment and fertilizer prices in the Agri-products segment. Generally, inventories reach their peak in the January to April months as harvest in Australia is completed and the North American agri-products business is building inventory for the high-volume spring sales season.

Accounts receivable at April 30, 2011 were $1,132.3 million, $186.8 million higher than at April 30, 2010. The increase primarily reflects higher commodity prices and the addition of our pasta and oat processing businesses.

Prepaid expenses and deposits at April 30, 2011 were $193.9 million, up from $134.5 million on April 30, 2010. This was mainly due to higher levels of prepaids in the Agri-products segment.

Given the increase in inventory and accounts receivable, there was a corresponding increase in short-term borrowings and accounts payable and accrued liabilities on a year-over-year basis.

5.4 Financing Activities

Key Financial Information [1] *(in thousands - except ratios and percentages)*	**As at April 30,** **2011**	2010	*Change*
Cash and cash equivalents	**$ 178,254**	$ 481,445	*$ (303,191)*
Total debt	**1,521,233**	1,318,516	*202,717*
Total debt, net of cash and cash equivalents	**1,342,979**	837,071	*505,908*
Ratios			
Current ratio	**1.85 x**	2.57 x	*(0.72 x)*
Debt-to-total capital	**28.1%**	27.4%	*0.7 pt*
Long-term debt-to-capital	**19.7%**	26.0%	*(6.3 pt)*

[1] *See Non-GAAP Measures in Section 11.0*

Viterra's balance sheet at April 30, 2011 remained strong with total debt-to-capital of 28.1% (27.4% at April 30, 2010). Viterra had $178.3 million in cash and cash equivalents and cash drawings of $444.1 million on its $1.6 billion unsecured revolving credit facility ("Global Credit Facility").

The increase in total debt, net of cash and cash equivalents, is primarily due to increased drawings on the revolving operating lines used mainly to support increased non-cash working capital offset by lower long-term debt. As explained below, a significant amount of cash was used to reduce debt during 2010.

Following are the long-term debt facilities that have been repaid since April 30, 2010 using proceeds from short-term borrowings and cash on hand:

CAD (in thousands)	
Term loan Credit Facility	$ 377,114
Viterra Australia	283,196
8% Senior Secured Notes Series 2006 -1	100,000
Total long-term debt repaid subsequent to April 30, 2010	$ 760,310

As a result of closing the Global Credit Facility and repaying of the term loan Credit Facility in fiscal 2010, all security has been released on the Company's debt including the Senior Unsecured Notes that remain outstanding.

On August 4, 2010, the Company issued a private placement of USD $400 million, 5.95% Senior Unsecured Notes, maturing August 1, 2020. Proceeds were used to reduce borrowings under the Global Credit Facility and for general corporate purposes.

On February 15, 2011, the Company issued $200 million, 6.406% Senior Unsecured Notes, maturing February 16, 2021. This offering was made pursuant to the Company's short-form base shelf prospectus dated August 6, 2010 and a prospectus supplement filed on February 10, 2011. The proceeds were used to partially repay drawings on its Global Credit Facility.

On June 8, 2011, the Company declared a five-cent ($0.05) Canadian per share dividend, which will be paid on July 28, 2011 to holders of record on July 7, 2011. This is the Company's second dividend payment during the year, following a five-cent ($0.05) Canadian per share dividend payment on February 10, 2011. The annual dividend rate is currently ten cents ($0.10) Canadian per share and will be reviewed semi-annually by the Board of Directors.

5.5 Debt Ratings

The following table summarizes the Company’s current credit ratings:

	Corporate Rating	Senior Unsecured Notes	Trend
Standard & Poor's	BBB-	BBB-	Stable
DBRS Limited	BBB (Low)	BBB (Low)	Stable
Moody's Investors Service	Ba1	Ba1	Stable

5.6 Contractual Obligations

The following table summarizes the Company’s outstanding contractual obligations as at April 30, 2011:

Contractual Obligations *(in thousands)*	Principal Payments Due by Period				
	Total	Less than 1 Year	1 to 3 Years	4 to 5 Years	After 5 Years
Balance Sheet Obligations					
Bank Indebtedness	$ 71,003	$ 71,003	$ -	$ -	$ -
Short-term borrowings	454,463	454,463	-	-	-
Long-term debt	1,084,576	1,937	1,483	300,998	780,158
Other long-term obligations	95,961	24,046	27,269	9,807	34,839
	1,706,003	551,449	28,752	310,805	814,997
Other Contractual Obligations					
Operating leases	$ 103,779	$ 32,426	$ 45,676	$ 12,272	$ 13,405
Purchase obligations [1]	1,710,852	1,650,014	58,421	1,517	900
	1,814,631	1,682,440	104,097	13,789	14,305
Total Contractual Obligations	$ 3,520,634	$ 2,233,889	$ 132,849	$ 324,594	$ 829,302

[1] *Substantially all of the purchase obligations represent contractual commitments to purchase commodities and products for resale.*

5.7 Off-Balance Sheet Arrangements

5.7.1 Viterra Financial

Viterra Financial™ provides grain and oilseed producers with secured and unsecured financing, through a Canadian chartered bank, to purchase the Company’s fertilizer, crop protection products, seed and equipment. Outstanding credit was $313.6 million at April 30, 2011, compared to $292.8 million at April 30, 2010. Approximately 97% of the current outstanding credit relates to Viterra Financial™’s highest credit rating categories. The Company indemnifies the bank for 50% of future losses under Viterra Financial™ to a maximum limit of 5% of the aggregate qualified portfolio balance. The Company’s aggregate indemnity will vary at any given time with the size of the underlying portfolio. As at April 30, 2011, Viterra has provided $7.6 million for actual and future expected losses.

Viterra Financial™ also provides livestock producers with secured and unsecured financing through a Canadian chartered bank to purchase feeder cattle, and related feed inputs under terms that do not require payment until the livestock are sold. Viterra Financial™ approved $91.1 million, compared to $107.1 million in the second quarter of fiscal 2010, in credit applications for Viterra’s Feed Products customers, of which these customers had drawn $52.4 million at April 30, 2011 (April 30, 2010 - $51.3 million). The Company has indemnified the bank for aggregate credit losses of up to $12.0 million based on the first 20% to 33% of new credit issued on an individual account as well as for credit losses, shared on an equal basis, of up to 5% of the aggregate qualified portfolio balance. The Company's aggregate indemnity will vary at any given time with the credit rating of underlying accounts and the aggregate credit outstanding. As at April 30, 2011, the Company had provided about $0.6 million for actual and expected future losses.

6.0 Outstanding Share Data

The market capitalization of the Company's 371.7 million issued and outstanding shares at June 6, 2011 was $4.1 billion or $10.98 per share. The issued and outstanding shares at June 6, 2011, together with securities convertible into common shares are summarized in the following table:

As at June 6, 2011	
Issued and outstanding common shares	371,685,294
Securities convertible into common shares - stock options	2,527,823
Securities redeemable for common shares - share units	488,895
	374,702,012

As of April 30, 2011 there were 22.8 million CDIs, which trade on the ASX.

7.0 Related Party Transactions

The Company has transactions with related parties in the normal course of business measured at exchange amounts, which are comparable to commercial rates and terms. Related parties include investee Prince Rupert Grain, as well as grain pools operated by the Company.

There were related party sales for the six months ended April 30, 2011 of $13.7 million (2010 - $6.6 million) and total purchases from related parties were $26.3 million for the same period in 2011 (2010 - $22.7 million). As at April 30, 2011, accounts receivable from related parties totalled $7.7 million (2010 - $7.2 million) and accounts payable to related parties totalled $1.8 million (2010 - $3.9 million). Related party sales, purchases and balances are due mainly to grain shipping and handling activities conducted through Prince Rupert Grain as well as marketing activities conducted in operation of the grain pools.

8.0 Other Matters

8.1 Accounting Policy Changes

8.1.1 International Financial Reporting Standards

In February 2008, the Accounting Standards Board ("AcSB") announced that 2011 is the changeover date for publicly accountable enterprises to replace current GAAP with International Financial Reporting Standards ("IFRS"). The date relates to interim and annual financial statements for fiscal years beginning on or after January 1, 2011, which will be applicable for Viterra's first quarter of fiscal 2012. Viterra will also be required to provide IFRS comparative information for the previous fiscal period and therefore recording under IFRS will commence on Viterra's transition date, which was November 1, 2010.

Viterra has undertaken a project to assess and record the potential impacts of its transition to IFRS.

Viterra has completed the Initial, Detailed Assessment and Design phases of its project plan. Viterra has started the Execution phase, which will culminate when the Company issues its first IFRS interim financial statements for the quarter ended January 31, 2012. For details on the key activities and the status of the transition see Section 16.1.1 of the MD&A for the fiscal year ended October 31, 2010.

Progress made in the second quarter ending April 30, 2011 continues to track the Company's communicated project plan and the focus in the third quarter will be on the following key activities:

- Ongoing recording of IFRS adjustments for the comparative year
- The development of IFRS financial reports for both internal and external use
- Continuous monitoring and assessment of upcoming IFRS standards
- Communication and training

As communicated in Section 16.1.3 of the MD&A for the fiscal year ended October 31, 2010, we anticipated material opening balance sheet adjustments related to IFRS 1 - First-time Adoption of International Financial Reporting Standards elections for employee benefits and currency translation differences. In relation to employee benefits the cumulative actuarial loss that will be recorded in retained earnings is estimated to be $111.2 million before tax. In relation to currency translation differences, a cumulative unrealized gain of approximately $112.3 million from foreign currency translation of foreign operations and net investment hedges will be recorded in retained earnings.

A significant difference between current Canadian GAAP and IFRS was identified related to accounting for income taxes. Under IFRS, the tax basis used in computing deferred taxes of certain intangible and building assets that are not amortized or depreciated for Australian/New Zealand tax purposes is nil. Under Canadian GAAP, the tax basis used in computing deferred taxes for these assets is equal to the deductible amount upon disposal or retirement. This difference is expected to result in an approximate increase of $27.0 million in the Company's measurement of its deferred tax liability upon transition to IFRS with an equal reduction in opening retained earnings. No additional significant differences between GAAP and IFRS have been identified. For details on the previously identified differences between GAAP and IFRS see Section 16.1.2 of the MD&A for the fiscal year ended October 31, 2010.

As described in Section 16.1.3 of the MD&A for the fiscal year ended October 31, 2010 and referred to above, the Company has performed an assessment regarding IFRS 1 - First-time Adoption of International Financial Reporting Standards. There have been no significant changes to the expected elections or their impact.

As Viterra continues to monitor IFRS standards changed or issued there may be changes to the Company's expectations regarding IFRS, IFRS 1 optional exemptions and the expected IFRS accounting policies. In addition, Viterra may identify circumstances or experience changes in its business that may have an impact on these expectations.

8.2 Critical Accounting Estimates

In preparing the Company's Consolidated Financial Statements, Management is required to make estimates, assumptions and judgments as to the outcome of future events that might affect reported assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Such assessments are made using the best information available to Management at the time. Although Management reviews its estimates on an ongoing basis, actual results may differ from these estimates as confirming events occur. The following is an analysis of the critical accounting estimates that depend most heavily on such Management estimates, assumptions and judgments, any changes, which may have a material impact on the Company's financial condition or results of operations. For more information about certain assumptions and risks that might affect these estimates, assumptions and judgments, refer to Section 13.0, Forward-Looking Information.

8.2.1 Future Income Taxes

As at April 30, 2011, the Company had loss carry-forwards of approximately $44.6 million, compared to $106.8 million at April 30, 2010. These loss carry-forwards are available to reduce income taxes otherwise payable in future periods. Of these losses, $35.8 million will expire between 2013 and 2031, and $8.8 million are not subject to expiry.

A short-term future income tax asset of $7.7 million has been recorded as at April 30, 2011 in respect of the Company's unutilized losses. The Company recognizes the future tax benefit in respect of its losses to the extent it is more likely than not to be realized. No future tax benefit has been recognized for $16.2 million of the Company's losses.

9.0 Restructuring and Integration Matters

Dakota Growers

A year after assuming control of Dakota Growers on May 5, 2010, integration execution continues with many milestones achieved. Most systems, procedures and employee programs are aligned with Viterra. Synergies are being realized with the most significant synergies to date being the implementation of the raw material procurement as well as the elimination of public company costs. Both system and human resources integration continues on track.

21st Century

Following the acquisition on August 17, 2010, formal integration execution has been underway since January 2011. The Viterra operating model is in effect and employee programs continue to be aligned. Synergy commitments have been identified with the most significant synergies being generated primarily through revenue and cost efficiency.

Processing Segment Synergies

For the acquisition of Dakota Growers and 21st Century, shareholders should benefit from annual estimated gross synergies within Processing of approximately $6.0 million, with the full annualized benefit to be reached in fiscal 2011. To date, the Company has realized about half of these synergies. The branding strategy for these businesses has been determined and will roll out in the coming months.

ABB

On September 23, 2009, the Company acquired all of the issued and outstanding common shares of ABB, an Australian agri-business. Integration of the business was virtually complete as of April 30, 2011 with the Company achieving its targeted $30.0 million in gross synergies, six months ahead of schedule. These synergies were achieved primarily through revenue and cost efficiency in the Grain Handling and Marketing segment and through reduced corporate expenses.

Integration costs related to severance and closures incurred by or related to ABB have been accrued on the balance sheet as part of the acquisition price of the ABB shares in accordance with the purchase method of accounting, with a corresponding increase in goodwill. On a pre-tax basis, estimated total net integration costs for both entities, which include share issuance costs and refinancing costs, are about $113.2 million. The following table summarizes the actual costs to April 30, 2011:

Estimated Integration Costs for ABB ***(in millions)***		**To April 30, 2011**
Pre-tax estimated total integration costs	$	113.2
Integration costs already paid		(97.5)
Remaining integration costs to be paid		15.7
Costs accrued and outstanding		(4.7)
Estimated costs to be expensed or capitalized	$	11.0

These costs are being financed by free cash flow.

10.0 Risks and Risk Management

Viterra faces certain risks, which can impact its financial performance. For information on risks and risk management, readers should review the MD&A for the fiscal year ended October 31, 2010, which is available on Viterra's website at www.viterra.com, as well as on SEDAR at www.sedar.com, under Viterra Inc.

11.0 Non-GAAP Measures

EBITDA – Earnings before financing expenses, taxes, amortization, gain (loss) on disposal of assets, integration expenses and acquisition derivative, and EBIT – Earnings before financing expenses, taxes, gain (loss) on disposal of assets, integration expenses and acquisition derivative are non-GAAP measures. Those items excluded in the determination of EBITDA and EBIT represent items that are non-cash in nature, income taxes, financing expenses 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 results and to supplement information on earnings (losses) as determined in accordance with GAAP.

EBITDA is used by Management to assess the cash generated by operations, and EBIT is a measure of earnings from operations prior to financing costs and taxes. Both measures also provide important Management information concerning business segment performance since the Company does not allocate financing expenses, income taxes or other excluded items to these individual segments.

Total debt, net of cash and cash equivalents, is provided to assist investors and is used by Management to assess the Company's liquidity position and to monitor how much debt the Company has after taking into account its liquid assets, such as cash and cash equivalents. Such measures should not be used in isolation of, or as a substitute for, current liabilities, short-term borrowings, or long-term debt as a measure of the Company's indebtedness.

Cash flow provided by 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 financial measures for the evaluation of liquidity. Management believes that excluding the seasonal swings of non-cash working capital assists its evaluation of long-term liquidity.

Free cash flow is cash flow provided by operations (prior to any changes in non-cash working capital) 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 (i) net earnings (loss), as an indicator of the Company's profitability and operating performance or (ii) cash flow from or used in operations, 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.

Reconciliations of each of these terms are provided in the table below:

Non-GAAP Terms, Reconciliations and Calculations *(in thousands - except percentages and ratios)*						
	For the Six Months ended April 30,		**2011**		2010	*Better (Worse)*
	Gross profit and net revenues from services	**$**	**735,943**	$	545,989	*$ 189,954*
	Operating, general and administrative expenses		**(396,499)**		(362,978)	*(33,521)*
	EBITDA	**$**	**339,444**	$	183,011	*$ 156,433*
	Amortization		**(98,999)**		(74,203)	*(24,796)*
	EBIT	**$**	**240,445**	$	108,808	*$ 131,637*
	Net earnings	**$**	**132,698**	$	29,063	*$ 103,635*
	Amortization		**98,999**		74,203	*24,796*
	Non-cash financing expenses		**3,919**		6,350	*(2,431)*
	Employee future benefits		**3,073**		2,981	*92*
	Net investment hedge		**(4,989)**		-	*(4,989)*
	Acquisition derivative		-		3,074	*(3,074)*
	Future income taxes (recovery)		**44,997**		(5,111)	*50,108*
	Gain on disposal of assets		**(574)**		(375)	*(199)*
	Other items		**967**		823	*144*
	Cash flow prior to working capital changes	**$**	**279,090**	$	111,008	*$ 168,082*
	Property, plant and equipment expenditures		**(73,618)**		(44,098)	*(29,520)*
	Intangible assets expenditures		**(8,634)**		(8,229)	*(405)*
	Free cash flow	**$**	**196,838**	$	58,681	*$ 138,157*
	As at April 30,					
	Current assets	**$**	**3,582,830**	$	2,887,905	*$ 694,925*
	Current liabilities		**1,934,229**		1,123,983	*(810,246)*
	Current Ratio (Current Assets / Current Liabilities)		**1.85 x**		2.57 x	*(0.72 x)*
	Short-term borrowings		**454,463**		69,055	*(385,408)*
[A]	Long-term debt due within one year		**1,937**		17,452	*15,515*
[A]	Long-term debt		**1,064,833**		1,232,009	*167,176*
[B]	Total debt	**$**	**1,521,233**	$	1,318,516	*$ (202,717)*
[C]	Cash and cash equivalents	**$**	**178,254**	$	481,445	*$ (303,191)*
	Total debt, net of cash and cash equivalents	**$**	**1,342,979**	$	837,071	*$ (505,908)*
[D]	Total equity	**$**	**3,895,366**	$	3,485,508	*$ 409,858*
[E]	Total capital [B + D]	**$**	**5,416,599**	$	4,804,024	*$ 612,575*
	Debt-to-total capital [B] / [E]		**28.1%**		27.4%	*(0.7 pt)*
	Long-Term debt-to-capital [A] / [E]		**19.7%**		26.0%	*6.3 pt*

12.0 Evaluation of Disclosure and Procedures

Management, including the President and Chief Executive Officer and Chief Financial Officer, has evaluated the design of Viterra's disclosure controls and procedures and internal controls over financial reporting (as defined in National Instrument 52-109 of the Canadian Securities Administrators) as of April 30, 2011. Management has concluded that, as of April 30, 2011, Viterra's disclosure controls and procedures and internal controls over financial reporting are designed effectively to provide reasonable assurance that material information relating to Viterra and its consolidated subsidiaries and joint ventures would be made known to them by others within those entities, particularly during the period in which this report was being prepared.

13.0 Forward-Looking Information

Certain statements in Management's Discussion and Analysis are forward-looking statements and reflect Viterra's expectations regarding future results of operations, financial condition and achievements. All statements that address activities, events or developments that Viterra or its Management expects or anticipates will or may occur in the future, including such things as growth of its business and operations, competitive strengths, strategic initiatives, planned capital expenditures, plans and references to future operations and results, critical accounting estimates, and expectations regarding future capital resources and liquidity of the Company and other such matters, are forward-looking statements. In addition, when used in this Management's Discussion and Analysis the words "believes", "intends", "anticipates", "expects", "estimates", "plans", "likely", "will", "may", "could", "should", "would", "outlook", "forecast", "objective", "continue" (or the negative thereof) and words of similar import may indicate forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance and achievements of Viterra to be materially different from any future results, performance and achievements expressed or implied by those forward-looking statements. The risks include, but are not limited to, those factors discussed in the Company's Management's Discussion and Analysis for the fiscal year ended October 31, 2010 under the heading "Risk and Risk Management". The uncertainties and other factors include, but are not limited to, weather risk; food and feed product safety risk; commodity price and trading risk; sovereign and political risk; capital market risk; liquidity risk; financial reporting risk; credit risk; foreign exchange risk; interest rate risk; merger and acquisition risk; regulatory risk; corporate and social responsibility risk; third-party relationship risk; information technology risk; talent management and succession planning risk; and employees relations risk. Many of these risks, uncertainties and other factors are beyond the control of the Company. All of the forward-looking statements made in Management's Discussion and Analysis are qualified by these cautionary statements and the other cautionary statements and factors contained herein and there can be no assurance that the actual developments or results anticipated by the Company and its Management will be realized or, even if substantially realized, that they will have the expected consequences for, or effects on, the Company.

Although Viterra believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this Management's Discussion and Analysis. In addition to other assumptions identified in this Management's Discussion and Analysis, assumptions have been made regarding, among other things:

- western Canadian and southern Australian crop production and quality in 2011 and subsequent crop years;
- the volume and quality of grain held on-farm by producers in North America;
- movement and sales of Board grains by the CWB;
- changes with respect to CWB monopoly control of the marketing of western Canadian wheat and barley
- 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, 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 feed product and agri-products 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;
- 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.

The preceding list is not exhaustive of all possible factors. All factors should be considered carefully when making decisions with respect to Viterra.

To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions.

Viterra disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by Canadian securities laws.

14.0 Annual Management's Discussion and Analysis

This Management's Discussion and Analysis relating to the second quarter ended April 30, 2011 should be read in conjunction with Viterra's Management's Discussion and Analysis for the fiscal year ended October 31, 2010. Additional information relating to Viterra, including the most recent Annual Information Form filed by the Company, is available under the Company's profile on SEDAR at www.sedar.com and on Viterra's website, www.viterra.com.

CONSOLIDATED BALANCE SHEETS

(in thousands)

AS AT	April 30, 2011	April 30, 2010	October 31, 2010
	(unaudited)	(unaudited)	(audited)
ASSETS			
Current Assets			
Cash	$ 133,074	$ 349,414	$ 107,428
Short-term investments	116,183	138,810	88,204
Accounts receivable	1,132,313	945,502	995,656
Inventories (Note 3)	2,002,096	1,263,191	1,211,887
Prepaid expenses and deposits	193,890	134,495	107,638
Future income taxes	5,274	56,493	30,067
	3,582,830	2,887,905	2,540,880
Investments	8,149	9,446	9,661
Property, Plant and Equipment	2,508,261	2,333,400	2,491,047
Other Long-Term Assets	118,954	98,658	123,136
Intangible Assets	153,562	48,113	154,915
Goodwill	772,109	692,621	772,233
Future Income Taxes	4,264	7,882	25,010
	$ 7,148,129	$ 6,078,025	$ 6,116,882
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Bank indebtedness	$ 71,003	$ 6,779	$ 40,839
Short-term borrowings	454,463	69,055	61,677
Accounts payable and accrued liabilities	1,402,247	1,030,064	1,151,652
Long-term debt due within one year (Note 4)	1,937	17,452	2,295
Future income taxes	4,579	633	391
	1,934,229	1,123,983	1,256,854
Long-Term Debt (Note 4)	1,064,833	1,232,009	896,834
Other Long-Term Liabilities	52,671	60,879	51,351
Future Income Taxes	201,030	175,646	201,580
	3,252,763	2,592,517	2,406,619
Shareholders' Equity			
Retained earnings	685,131	454,804	571,013
Accumulated other comprehensive income (Note 5)	175,919	8	107,192
	861,050	454,812	678,205
Share capital (Note 6)	3,026,578	3,025,491	3,025,491
Contributed surplus	7,738	5,205	6,567
	3,895,366	3,485,508	3,710,263
	$ 7,148,129	$ 6,078,025	$ 6,116,882

Commitments, contingencies and guarantees (Note 11)

CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands)

FOR THE PERIOD ENDED	Three Months Ended April 30, 2011 (unaudited)	Three Months Ended April 30, 2010 (unaudited)	Six Months Ended April 30, 2011 (unaudited)	Six Months Ended April 30, 2010 (unaudited)
Sales and other operating revenues	$ 2,701,860	$ 2,026,944	$ 5,172,397	$ 3,811,469
Cost of sales (excluding amortization see Note 3)	(2,377,539)	(1,757,048)	(4,436,454)	(3,265,480)
Gross profit and net revenues from services	324,321	269,896	735,943	545,989
Operating, general and administrative expenses	(196,140)	(176,653)	(396,499)	(362,978)
	128,181	93,243	339,444	183,011
Amortization	(49,735)	(35,378)	(98,999)	(74,203)
	78,446	57,865	240,445	108,808
Gain (loss) on disposal of assets	(269)	741	574	375
Integration expenses	(790)	(2,195)	(1,301)	(3,174)
Acquisition derivative	-	(3,074)	-	(3,074)
Financing expenses (Note 10)	(28,904)	(30,355)	(57,835)	(67,586)
	48,483	22,982	181,883	35,349
Recovery of (provision for) corporate taxes				
Current	(3,159)	(15,404)	(4,188)	(11,397)
Future	(12,249)	10,832	(44,997)	5,111
Net earnings	$ 33,075	$ 18,410	$ 132,698	$ 29,063
Basic and diluted earnings per share (Note 7)	$ 0.09	$ 0.05	$ 0.36	$ 0.08

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)

FOR THE PERIOD ENDED	Three Months Ended April 30, 2011	Three Months Ended April 30, 2010	Six Months Ended April 30, 2011	Six Months Ended April 30, 2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net earnings	$ 33,075	$ 18,410	$ 132,698	$ 29,063
Other comprehensive income (loss), net of tax				
Reclassification of gain on dedesignated hedged contracts	-	(168)	-	(740)
Unrealized gain (loss) on cash flow hedges	7,745	1,585	10,283	(2,939)
Reclassification of loss (gain) on cash flow hedges	(2,181)	(1,502)	(607)	3,563
Net investment hedges	18,151	109	23,892	2,187
Reclassification of gain on net investment hedges	(743)	-	(743)	-
Unrealized gain (loss) on available for sale assets	-	1	(1)	(5)
Unrealized effect of foreign currency translation of foreign operations	52,656	(10,947)	40,032	(56,274)
Reclassification of gain on foreign currency translation	(4,129)	-	(4,129)	-
Other comprehensive income (loss)	71,499	(10,922)	68,727	(54,208)
Comprehensive income (loss)	$ 104,574	$ 7,488	$ 201,425	$ (25,145)

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in thousands)

(unaudited)	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Retained Earnings	Total Shareholders' Equity
	(Note 6)		(Note 5)		
As at October 31, 2009	$ 3,025,486	$ 3,476	$ 54,216	$ 425,741	$ 3,508,919
Share capital issued	5	-	-	-	5
Options exercised	-	(2)	-	-	(2)
Stock-based compensation	-	1,731	-	-	1,731
Other comprehensive income (loss), net of tax					
Reclassification of gain on dedesignated hedged contracts	-	-	(740)	-	(740)
Unrealized loss on cash flow hedges	-	-	(2,939)	-	(2,939)
Reclassification of loss on cash flow hedges	-	-	3,563	-	3,563
Net investment hedges	-	-	2,187	-	2,187
Unrealized loss on available for sale assets	-	-	(5)	-	(5)
Unrealized effect of foreign currency translation of foreign operations	-	-	(56,274)	-	(56,274)
Net earnings for the period	-	-	-	29,063	29,063
As at April 30, 2010	$ 3,025,491	$ 5,205	$ 8	$ 454,804	$ 3,485,508
Stock-based compensation	-	1,362	-	-	1,362
Other comprehensive income (loss), net of tax					
Unrealized loss on cash flow hedges	-	-	(17,204)	-	(17,204)
Reclassification of loss on cash flow hedges	-	-	11,808	-	11,808
Net investment hedges	-	-	(2,022)	-	(2,022)
Unrealized gain on available for sale assets	-	-	8	-	8
Unrealized effect of foreign currency translation of foreign operations	-	-	114,594	-	114,594
Net earnings for the period	-	-	-	116,209	116,209
As at October 31, 2010	$ 3,025,491	$ 6,567	$ 107,192	$ 571,013	$ 3,710,263
Share capital issued	1,087	-	-	-	1,087
Options exercised	-	(280)	-	-	(280)
Stock-based compensation	-	1,451	-	-	1,451
Other comprehensive income (loss), net of tax					
Unrealized gain on cash flow hedges	-	-	10,283	-	10,283
Reclassification of gain on cash flow hedges	-	-	(607)	-	(607)
Net investment hedges	-	-	23,892	-	23,892
Reclassification of gain on net investment hedges			(743)		(743)
Unrealized loss on available for sale assets	-	-	(1)	-	(1)
Unrealized effect of foreign currency translation of foreign operations	-	-	40,032	-	40,032
Reclassification of gain on foreign currency translation			(4,129)		(4,129)
Dividends	-	-	-	(18,580)	(18,580)
Net earnings for the period	-	-	-	132,698	132,698
As at April 30, 2011	$ 3,026,578	$ 7,738	$ 175,919	$ 685,131	$ 3,895,366

CONSOLIDATED STATEMENTS OF CASH FLOW
(in thousands)

FOR THE PERIOD ENDED	Three Months Ended April 30, 2011 (unaudited)	Three Months Ended April 30, 2010 (unaudited)	Six Months Ended April 30, 2011 (unaudited)	Six Months Ended April 30, 2010 (unaudited)
Cash From (Used In) Operating Activities				
Net earnings	$ 33,075	$ 18,410	$ 132,698	$ 29,063
Adjustments for items not involving cash and/or operations				
Amortization	49,735	35,378	98,999	74,203
Future income tax provision (recovery)	12,249	(10,832)	44,997	(5,111)
Employee future benefits (Note 9)	1,297	1,319	3,073	2,981
Non-cash financing expenses (Note 10)	2,058	3,776	3,919	6,350
Loss (gain) on disposal of assets	269	(741)	(574)	(375)
Net investment hedge (Note 10)	(4,989)	-	(4,989)	-
Non-cash acquisition derivative	-	3,074	-	3,074
Other items	136	477	967	823
Adjustments for items not involving cash and/or operations	60,755	32,451	146,392	81,945
	93,830	50,861	279,090	111,008
Changes in non-cash working capital items				
Accounts receivable	142,633	(17,374)	(115,820)	9,010
Inventories	(78,834)	(146,355)	(773,645)	(314,222)
Accounts payable and accrued liabilities	(66,379)	(24,618)	258,186	(48,420)
Prepaid expenses and deposits	12,070	107,807	(85,416)	(48,366)
Changes in non-cash working capital	9,490	(80,540)	(716,695)	(401,998)
Cash from (used in) operating activities	103,320	(29,679)	(437,605)	(290,990)
Cash From (Used in) Financing Activities				
Proceeds from long-term debt	200,525	149	200,525	1,654
Repayment of long-term debt	(521)	(7,138)	(935)	(14,382)
Proceeds (repayment) of short-term borrowings	(338,380)	(94,389)	376,475	(212,864)
Repayment of other long-term liabilities, net	(32)	(153)	(104)	(424)
Increase in share capital (Note 6)	218	3	807	3
Debt financing cost	(13,789)	-	(13,789)	-
Dividends paid	(18,580)	-	(18,580)	-
Cash from (used in) financing activities	(170,559)	(101,528)	544,399	(226,013)
Cash From (Used in) Investing Activities				
Property, plant and equipment expenditures	(34,861)	(18,549)	(73,618)	(44,098)
Proceeds on sale of property, plant and equipment	907	1,702	1,385	2,290
Business acquisitions	-	(3,220)	-	(3,220)
Business divestitures	-	19,557	-	19,557
Decrease in investments	57	-	1,429	101
Intangible assets expenditures	(6,013)	(5,913)	(8,634)	(8,229)
Cash used in investing activities	(39,910)	(6,423)	(79,438)	(33,599)
Increase (Decrease) in Cash and Cash Equivalents	(107,149)	(137,630)	27,356	(550,602)
Cash and Cash Equivalents, Beginning of Period	288,767	618,753	154,793	1,033,075
Impact on cash of unrealized effect of foreign currency translation of foreign operations	(3,364)	322	(3,895)	(1,028)
Cash and Cash Equivalents, End of Period	$ 178,254	$ 481,445	$ 178,254	$ 481,445
Cash and cash equivalents consist of:				
Cash	$ 133,074	$ 349,414	$ 133,074	$ 349,414
Short-term investments	116,183	138,810	116,183	138,810
Bank indebtedness	(71,003)	(6,779)	(71,003)	(6,779)
	$ 178,254	$ 481,445	$ 178,254	$ 481,445
Supplemental disclosure of cash paid during the period from operations:				
Interest paid	$ 38,934	$ 20,770	$ 62,964	$ 68,569
Income taxes paid	$ 17,855	$ 4,743	$ 23,238	$ 9,861

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2011 (unaudited) - in thousands of Canadian dollars, except as noted

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1. NATURE OF BUSINESS

Viterra Inc. (the "Company") is a publicly traded, vertically integrated international agri-business. Business operations include four reporting segments: Grain Handling and Marketing, Agri-products, Processing and Corporate. The Company has operations across Canada, the United States ("U.S."), Australia and New Zealand, as well as marketing and trading offices in Japan, Singapore, China, Switzerland, Italy, Ukraine, Germany and India.

The Grain Handling and Marketing segment includes grain storage facilities, joint venture grain facilities, and processing plants strategically located in the prime agricultural growing regions of North America, Australia and New Zealand. This segment also includes port terminal facilities located in Canada and Australia and merchandising offices in Europe and Asia. Activity in this segment consists of the collection of grain through the Company's primary storage system, shipping to inland or port terminals, cleaning of grain to meet regulatory specifications, and sales to domestic or export markets. Earnings are volume driven. Revenue is also derived through grain handling, blending, storage and other ancillary services, as well as the sale of byproducts.

The Agri-products segment includes an ownership interest in a fertilizer manufacturer, fertilizer distribution and a network of retail locations, and offers financial services such as lending and cash management. Agri-products sales lines include fertilizer, crop protection products, seed and seed treatments, equipment, general merchandise and wool.

The Processing segment in North America includes the manufacturing and marketing of value-added food products associated with oats, canola, wheat and malt barley for domestic and export markets. This segment also includes activities relating to formulating and manufacturing of feed products at feed mills and pre-mix facilities across the western regions of Canada and the U.S. The Processing segment includes malting plants positioned across Australia and a feed business in New Zealand.

Weather conditions are the primary risk in the agri-business industry. Grain volumes, grain quality, the volume and mix of crop inputs sold and ultimately, the financial performance of the Company, are highly dependent upon weather conditions throughout the crop production cycle.

The Company's earnings follow the seasonal pattern of grain production in each geographic location. The volume of grain shipments is relatively stable through the quarters, but can be influenced by destination customer demand, customer export programs and producers' marketing decisions. Sales of the Company's agri-products peak during the growing season, supplemented by additional crop nutrient sales in the late fall.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

2. ACCOUNTING POLICIES

These interim unaudited consolidated statements are based on accounting principles consistent with those used and described in the October 31, 2010 annual consolidated financial statements. The Company's accounting policies are in accordance with Canadian generally accepted accounting principles. However, these financial statements do not include all of the information and disclosures required for annual financial statement presentation. The interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended October 31, 2010. All amounts are reported in Canadian dollars unless specifically stated to the contrary.

Certain comparative figures have been reclassified to conform to the current year's presentation.

Future Accounting Changes – International Financial Reporting Standards
In January 2006, the Canadian Institute of Chartered Accountants Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards for public companies would be required to converge with International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011 with comparative figures presented on the same basis. In February 2008, the Accounting Standards Board confirmed the effective due date of the initial adoption of IFRS. The Company's transition date was November 1, 2010 with a conversion date of November 1, 2011. The annual and quarterly financial reporting for the year ending October 31, 2012 will be the first reported under IFRS.

3. INVENTORIES

As at	April 30, 2011	April 30, 2010	October 31, 2010
Grain	$ 1,007,302	$ 460,543	$ 724,157
Agri-products	865,877	715,766	385,953
Processing			
Raw materials and supplies	48,428	28,648	40,393
Work in progress	18,623	2,094	14,366
Finished goods	61,866	56,140	47,018
	$ 2,002,096	$ 1,263,191	$ 1,211,887

Grain cost of sales includes the cost of inventories, net realized and unrealized gains and losses on commodity contracts and exchange-traded derivatives, and freight.

Amortization of $13.6 million and $27.2 million for the respective three and six month periods ended April 30, 2011 (2010 - $10.1 million and $20.7 million) related to the manufacture of inventory that has now been sold is included in amortization expense.

Write-downs related to Agri-products inventory of $1.7 million and $2.8 million for the respective three and six month periods ended April 30, 2011 (2010 - $0.5 million and $1.5 million) have been included in cost of sales.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

4. LONG-TERM DEBT

As at		April 30, 2011		April 30, 2010		October 31, 2010
Viterra						
Credit facility	$	-	$	305,500	$	-
Series 2011-1 Notes (a)		200,000		-		-
Series 2010-1 Notes (USD) (a)		378,560		-		408,080
Series 2009-1 Notes (a)		300,000		300,000		300,000
Series 2007-1 Notes (a)		200,000		200,000		200,000
Series 2006-1 Notes		-		100,000		-
Members' term loans		774		1,482		1,114
	$	1,079,334	$	906,982	$	909,194
Subsidiaries' and proportionate share of joint ventures' debt	$	5,242	$	358,702	$	5,669
Sub-total		1,084,576		1,265,684		914,863
Less: unamortized debt costs		17,806		16,223		15,734
Total long-term debt	$	1,066,770	$	1,249,461	$	899,129
Less: portion due within one year						
Credit facility	$	-	$	13,000	$	-
Members' term loans		567		663		497
Subsidiaries' and proportionate share of joint ventures' debt		1,370		3,789		1,798
Long-term debt due within one year		1,937		17,452		2,295
Long-term debt due in excess of one year	$	1,064,833	$	1,232,009	$	896,834

a) Senior Unsecured Notes

Terms(1)		**Series 2011-1**	**Series 2010-1**	**Series 2009-1**	**Series 2007-1**
Issue date		February 15, 2011	August 4, 2010	July 7, 2009	August 1, 2007
Principal amount		$200,000	$400,000 USD	$300,000	$200,000
Interest rate		6.41%	5.95%	8.5%	8.5%
Maturity date		February 16, 2021	August 1, 2020	July 7, 2014	August 1, 2017
Fair Value – April 30, 2011		$209,820	$412,000 USD	$325,500	$221,000
Fair Value – April 30, 2010		-	-	$328,500	$219,000
Fair Value – October 31, 2010		-	$395,304 USD	$330,750	$222,000
Effective interest rate		7.43%	6.19%	9.05%	8.85%
Redemption price(2)					
Optional redemption, prior to		**February 16, 2021**	**August 1, 2020**	**July 7, 2012**	**August 1, 2012**
With net proceeds of public equity offering(3)		n/a	n/a	108.5%	108.5%
With all other proceeds		See footnote(4)	See footnote (4)	See footnote (5)	See footnote (5)
Optional redemption, on or after		**n/a**	**n/a**	**July 7, 2012**	**August 1, 2012**
	2012	n/a	n/a	102.125%	104.25%
	2013	n/a	n/a	100.0%	103.1875%
	2014	n/a	n/a	-	102.125%
	2015	n/a	n/a	-	101.0625%
	2016	n/a	n/a	-	100.0%

(1) The Senior Unsecured Notes, Global Credit Facility and Member Term Loans are unsecured and rank *pari passu* with each other.
(2) Expressed as percentage of principal amount at maturity.
(3) For Series 2007-1 and Series 2009-1 redemption limited to no more than 35% of aggregate principal amount of each series. For Series 2010-1 and Series 2011-1 there is no restriction on aggregate principal amount that can be redeemed by the Company.
(4) The Series 2011-1 and 2010-1 Notes may be redeemed prior to maturity at the Company's option in whole or in part at any time at a redemption price equal to the greater of 100% of the principal amount to be redeemed or a "make-whole" redemption price, in either case, plus accrued and unpaid interest.

(5) For Series 2007-1 and 2009-1, when redeeming notes without proceeds received from one or more public equity offerings, the redemption price is 100% of principal amount thereof plus Applicable Redemption Premium as defined in the corresponding Supplemental Trust Indenture Agreement between the Company and BNY Trust Company.

5. ACCUMULATED OTHER COMPREHENSIVE INCOME

As at	April 30, 2011	April 30, 2010	October 31, 2010
Cash flow hedges(1)	$ 4,569	$ 288	$ (5,108)
Net investment hedges(2)	24,058	2,187	165
Reclassification of gain on net investment hedges(3)	(743)	-	-
Unrealized losses on available for sale assets(4)	(5)	(11)	(3)
Unrealized effect of foreign currency translation of foreign operations	152,169	(2,456)	112,138
Reclassification of gain on foreign currency translation	(4,129)	-	-
	$ 175,919	$ 8	$ 107,192

(1) Net of tax of $(2,222) (April 2010 - $798, October 2010 - $1,612).
(2) Net of tax of $(3,722) (April 2010 - $(769), October 2010 - $(68)).
(3) Net of tax of $116 (April 2010 - nil, October 2010 - nil).
(4) Net of tax of $(8) (April 2010 - $(7), October 2010 – $(8)).

6. SHARE CAPITAL AND STOCK-BASED COMPENSATION PLANS

a) Common Voting Shares

Authorized

Unlimited Common Voting Shares

	Common Voting Shares	
	Number(1)	Amount
Balance, October 31, 2009	371,596,508	$ 3,025,486
Share issuance for cash	425	3
Adjustment to share capital from contributed surplus for options exercised	-	2
Balance, April 30, 2010 and October 31, 2010	371,596,933	$ 3,025,491
Share issuance for cash	88,361	807
Adjustment to share capital from contributed surplus for options exercised	-	280
Balance, April 30, 2011	371,685,294	$ 3,026,578

(1) Number of shares not shown in thousands.

b) Management Stock Option Plan

The maximum number of common shares that may be issued under options issued pursuant to the Stock Option Plan is approximately 4.2 million common shares. Once the 2.6 million common shares that can potentially be issued under currently granted and contingently granted options are deducted, approximately 1.6 million common shares have been reserved for subsequent option grants.

The expense related to stock options is recognized over the vesting period based on the fair value of options determined by the Black-Scholes option pricing model with the following weighted average assumptions: risk-free rate 2.5%, dividend yield 0%, a volatility factor of the expected market price of the Company's shares of 38%, and a weighted average expected option life of 4.7 years. The Company's stock-based compensation expense for the respective three and six month periods ended April 30, 2011 was $0.2 million and $1.1 million (2010 - $0.9 million and $1.7 million).

	Number of	Weighted	Weighted	Number of	Weighted

	Options[(1)]	Average Grant-Date Fair Value	Average Exercise Price	Options Exercisable[(1)]	Average Exercise Price
Outstanding					
October 31, 2009	1,657,190		$ 12.67	384,391	$ 19.59
Options granted	1,066,914	$ 3.50	$ 9.97		
Forfeited	(1,088)		$ 59.07		
Expired	(18,000)		$ 135.14		
Exercised	(425)		$ 5.90		
Outstanding					
April 30, 2010	2,704,591		$ 10.76	364,877	$ 13.79
Options granted	-	$ -	$ -		
Forfeited	(57,127)		$ 9.59		
Expired	(11,930)		$ 68.19		
Exercised	-		$ -		
Outstanding					
October 31, 2010	2,635,534		$ 10.53	1,639,314	$ 11.05
Options granted	-	$ -	$ -		
Forfeited	(25)		$ 31.00		
Expired	(19,275)		$ 50.07		
Exercised	(88,361)		$ 9.13		
Outstanding					
April 30, 2011	2,527,873		$ 10.27	1,561,384	$ 10.65

(1) Number of options not shown in thousands.

The following table summarizes the options outstanding and exercisable as at April 30, 2011:

Range of Exercise Price	Number of Options Outstanding[(1)]	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number of Options Exercisable[(1)]	Weighted Average Exercise Price
$5.90 - $ 9.50	865,468	4.57	$ 9.00	567,855	$ 8.99
$9.51 - $11.05	1,019,390	5.82	9.97	350,514	9.97
$11.06 - $21.56	634,412	4.80	12.12	634,412	12.12
$21.57 - $51.00	8,603	0.95	39.31	8,603	39.31
	2,527,873	5.12	$ 10.28	1,561,384	$ 10.65

(1) Number of options not shown in thousands.

c) Key Employee Share Units

In the three months ended April 30, 2011 a new stock-based compensation plan, which is accounted for as equity-settled, was introduced. Each share unit represents one notional common share that entitles the participant to receive one common share of the Company, or an equivalent cash amount at the Company's discretion. The maximum number of common shares that may be issued pursuant to the Key Employee Share Unit Plan is 6.0 million common shares. Once the 0.5 million common shares that can potentially be issued under currently granted units are deducted, approximately 5.5 million common shares have been reserved for subsequent grants. The units vest at the end of various periods determined at issuance.

The weighted average grant-date fair value and vesting period of each unit granted during the year is $11.02 and 8 years respectively. The compensation costs recorded were $0.3 million.

7. Earnings Per Share

	Three Months Ended April 30		Six Months Ended April 30	
	2011	2010	2011	2010
Net earnings	$ 33,075	$ 18,410	$ 132,698	$ 29,063
Denominator for basic earnings per share amounts:				
Weighted average number of shares outstanding[(1)]	371,685	371,597	371,641	371,597
Basic earnings per share	$ 0.09	$ 0.05	$ 0.36	$ 0.08
Denominator for diluted earnings per share amounts:				
Weighted average number of shares outstanding[(1)]	371,685	371,597	371,641	371,597
Dilutive effect of stock options[(1)]	333	43	218	80
Weighted average number of shares outstanding, assuming dilution[(1)]	372,018	371,640	371,859	371,677
Diluted earnings per share	$ 0.09	$ 0.05	$ 0.36	$ 0.08

(1) Number of shares and options in thousands.

8. Segmented Information

A description of the types of products and services from which the segments derive their revenue is included in the Nature of Business (Note 1). The segments' accounting policies are consistent with those described in Accounting Policies (Note 2). The Company accounts for inter-segment sales at current market prices under normal trade terms.

	Three Months Ended April 30		Six Months Ended April 30	
	2011	2010	2011	2010
Sales and other operating revenues				
Grain Handling and Marketing	$ 2,045,241	$ 1,418,093	$ 3,987,875	$ 2,761,301
Agri-products	433,741	438,225	726,312	653,588
Processing	374,615	290,098	748,525	598,075
	2,853,597	2,146,416	5,462,712	4,012,964
Less: Inter-segment sales	151,737	119,472	290,315	201,495
	$ 2,701,860	$ 2,026,944	$ 5,172,397	$ 3,811,469
Inter-segment sales				
Grain Handling and Marketing	$ 144,477	$ 119,628	$ 274,961	$ 201,531
Processing	7,260	(156)	15,354	(36)
	$ 151,737	$ 119,472	$ 290,315	$ 201,495
Gross profit and net revenues from services				
Grain Handling and Marketing	$ 214,172	$ 153,764	$ 512,613	$ 355,463
Agri-products	66,563	76,976	120,120	109,575
Processing	43,586	39,156	103,210	80,951
	$ 324,321	$ 269,896	$ 735,943	$ 545,989

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

	Three Months Ended April 30 2011	Three Months Ended April 30 2010	Six Months Ended April 30 2011	Six Months Ended April 30 2010
Operating, general and administrative expenses				
Grain Handling and Marketing	$ (92,090)	$ (80,175)	$ (192,769)	$ (172,195)
Agri-products	(45,591)	(46,986)	(89,852)	(91,519)
Processing	(20,110)	(16,449)	(39,378)	(35,058)
Corporate	(38,349)	(33,043)	(74,500)	(64,206)
	$ (196,140)	$ (176,653)	$ (396,499)	$ (362,978)
EBITDA[(1)]				
Grain Handling and Marketing	$ 122,082	$ 73,589	$ 319,844	$ 183,268
Agri-products	20,972	29,990	30,268	18,056
Processing	23,476	22,707	63,832	45,893
Corporate	(38,349)	(33,043)	(74,500)	(64,206)
	$ 128,181	$ 93,243	$ 339,444	$ 183,011

(1) EBITDA – Earnings before financing expenses, taxes, amortization, gain (loss) on disposal of assets, integration expenses and acquisition derivative.

	Three Months Ended April 30 2011	Three Months Ended April 30 2010	Six Months Ended April 30 2011	Six Months Ended April 30 2010
Amortization				
Grain Handling and Marketing	$ (25,678)	$ (17,517)	$ (51,286)	$ (35,625)
Agri-products	(9,806)	(11,374)	(18,808)	(22,556)
Processing	(12,017)	(7,362)	(24,263)	(15,204)
Corporate	(2,234)	875	(4,642)	(818)
	$ (49,735)	$ (35,378)	$ (98,999)	$ (74,203)
EBIT[(2)]				
Grain Handling and Marketing	$ 96,404	$ 56,072	$ 268,558	$ 147,643
Agri-products	11,166	18,616	11,460	(4,500)
Processing	11,459	15,345	39,569	30,689
Corporate	(40,583)	(32,168)	(79,142)	(65,024)
	$ 78,446	$ 57,865	$ 240,445	$ 108,808

(2) EBIT – earnings before financing expenses, taxes, gain (loss) on disposal of assets, integration expenses and acquisition derivative.

9. EMPLOYEE FUTURE BENEFITS

a) Defined Benefit Plans and Future Benefits

The Company's net benefit costs related to defined benefit pension plans and other future benefits for the respective three and six month periods ended April 30, 2011 were $1.3 million and $3.1 million (2010 - $1.3 million and $3.0 million).

b) Defined Contribution Plans

The Company, including subsidiaries and affiliates, contributes to several defined contribution plans including multi-employer plans. The Company's total consolidated defined contribution plan expense for the respective three and six month periods ended April 30, 2011 was $5.8 million and $11.4 million (2010 - $3.8 million and $7.8 million).

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

10. FINANCING EXPENSES

	Three Months Ended April 30		Six Months Ended April 30	
	2011	**2010**	**2011**	**2010**
Interest on:				
Long-term debt	$ 18,768	$ 22,042	$ 35,115	$ 49,759
Short-term debt	14,543	5,330	26,683	16,178
Interest income	(854)	(310)	(1,973)	(3,800)
CWB carrying charge recovery	(622)	(483)	(920)	(901)
	31,835	26,579	58,905	61,236
Net investment hedge (Note 12(b)ii)	(4,989)	-	(4,989)	-
Interest accretion	740	929	1,261	1,844
Amortization of deferred financing costs	1,318	2,847	2,658	4,506
	$ 28,904	$ 30,355	$ 57,835	$ 67,586

11. COMMITMENTS, CONTINGENCIES AND GUARANTEES

a) Letter of Credit and Bid Bonds

At April 30, 2011, the Company had outstanding letters of credit and similar instruments of $12.8 million related to operating an agri-business (October 31, 2010 - $15.9 million, April 30, 2010 - $31.4 million). The terms range in duration and expire at various dates through to August 31, 2015. The amounts vary depending on underlying business activity or the specific agreements in place with the third parties. At April 30, 2011, the Company had outstanding bid bonds and similar instruments of $7.3 million (October 31, 2010 - $5.7 million, April 30, 2010 – nil).

b) Indemnification of Accounts Receivable – Viterra Financial ™

The Company has a rolling five-year agreement with a Canadian Schedule I chartered bank to provide credit for qualifying agricultural producers to purchase crop inputs. The agreement may be terminated at an earlier date by mutual consent or by either party upon one year's written notice. The Company indemnifies the bank for 50% of future losses to a maximum of 5% of the aggregate qualified portfolio balance. The Company's aggregate indemnity will vary at any given time with the size of the underlying portfolio. As at April 30, 2011, outstanding credit was $313.6 million (October 31, 2010 - $520.0 million, April 30, 2010 - $292.8 million), and the Company's obligation of $7.6 million (October 31, 2010 - $9.1 million, April 30, 2010 – $6.9 million) for past and future losses is current with the bank in accordance with the Agency Agreement.

The Company also has a rolling five-year agreement with a Canadian Schedule I chartered bank to provide loans to Processing customers to purchase feeder cattle, as well as related feed inputs, with terms that do not require payment until the livestock is sold. The agreement may be terminated at an earlier date by mutual consent or by either party upon one year's written notice. The Company indemnifies the bank for credit losses based on the first 20% to 33% of new credit issued on an individual account, dependent on the account's underlying credit rating, with losses in excess of these amounts shared on an equal basis with the bank up to 5% on the aggregate qualified portfolio balance. The

Company's aggregate indemnity will vary at any given time with the credit rating of the underlying accounts and the aggregate credit outstanding. As at April 30, 2011, outstanding credit was $52.4 million (October 31, 2010 - $36.1 million, April 30, 2010 - $51.3 million), and the Company's obligation of $0.6 million (October 31, 2010 - $0.6 million, April 30, 2010 - $0.5 million) for past and future losses is current with the bank in accordance with the Agency Agreement.

c) Guarantees

The Company's subsidiary in Australia has entered into a Deed of Cross Guarantee with certain controlled entities. The effect of this Deed is that the subsidiary and each of these controlled entities has guaranteed to pay any debts of any of the companies' party to the Deed in the event their debts cannot be paid as and when they fall due. The consolidated net assets of the entities party to the Deed of Cross Guarantee is $1.5 billion.

The Company is contingently liable under several guarantees given to third-party lenders who have provided certain financing facilities to its wholly owned foreign subsidiaries. As at April 30, 2011, the maximum amounts of the guarantees are $98.5 million CAD, $110.5 million USD, $81.8 million AUD and Japanese Yen ("JPY") 2.0 billion or approximately $311.2 million CAD in aggregate. As at April 30, 2011, liabilities recorded that have been guaranteed would include subsidiary short-term borrowings of $10.4 million (October 31, 2010 – $10.6 million, April 30, 2010 – nil).

The Company is contingently liable under several guarantees given to third-party lenders who have provided long-term financing to certain independent hog producers. As at April 30, 2011, the current outstanding balance of these guarantees is $2.0 million (October 31, 2010 - $2.2 million, April 30, 2010 - $2.4 million). These guarantees diminish as the underlying loans are repaid and expire in 2014.

The Company's Australian operations self-insure in South Australia for workers' compensation liability and are subject to a bank guarantee for $1.8 million AUD (October 31, 2010 – $1.2 million AUD, April 30, 2010 - $1.2 million AUD).

The Company is contingently liable to a finance company for a portion of losses incurred related to potential producer delinquencies associated with equipment leases and credit provided for the purchase of fertilizer bins. Given historically low delinquent rates in conjunction with collateral values of assets, the Company has accrued no obligation.

d) Asset Retirement Obligations

The asset retirement obligations represent the best estimate by management of the legal obligations it would incur during the reclamation process relating to closed facilities and current leases. Reclamation involves the demolition of facilities and the reclamation of land. Uncertainty exists regarding the estimation of future decommissioning and reclamation costs.

At April 30, 2011, the Company estimated that the undiscounted cash flow required to settle the asset retirement obligations was approximately $39.4 million (October 31, 2010 - $38.6 million, April 30, 2010 - $41.0 million), which is expected to be settled over the

2011 through 2022 period. The credit adjusted risk-free rates at which the estimated cash flows have been discounted range from 4.0% to 8.0%.

The Company has a joint venture interest in a fertilizer manufacturer that has certain obligations with respect to plant decommissioning and land reclamation upon cessation of operations. The Company has not recorded an asset retirement obligation for these obligations at April 30, 2011 because it does not currently believe there is a reasonable basis for estimating a date or range of dates of cessation of operations.

e) Director and Officer Indemnification

The Company indemnifies its directors and officers against any and all claims or losses reasonably incurred in the performance of their service to the Company to the extent permitted by law. The Company has acquired and maintains liability insurance for its directors and officers as well as those of certain affiliated companies.

f) Other Indemnification Provisions

From time to time, the Company enters into agreements in the normal course of operations and in connection with business or asset acquisitions or dispositions. By their nature, these agreements may provide for indemnification of counterparties. The varying nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum potential amount it could incur. Historically, the Company has not made any significant payments in connection with these indemnification provisions.

g) Other Contingencies

As at April 30, 2011, there are claims against the Company in varying amounts for which a provision in the financial statements is not considered necessary. The occurrence of the confirming future event is not determinable or it is not possible to determine the amounts that may ultimately be assessed against the Company with respect to these claims. Management believes that any such amounts would not have a material impact on the business or financial position of the Company.

12. FINANCIAL AND OTHER INSTRUMENTS AND HEDGING

a) Fair Value

The following table presents the fair value of the Company's financial instruments and non-financial derivatives where fair value is recognized in the balance sheet. The table also identifies the financial instrument category and the level per the fair value hierarchy.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

	April 30, 2011			April 30, 2010	
	Fair Value	Level	Financial Instruments Category	Fair Value	Level
Financial assets:					
Cash	$ 133,074	1	HFT	$ 349,414	1
Short-term investments	116,183	1	HFT-D	138,810	1
Exchange-traded derivatives	11,079	1	HFT	7,327	1
Commodity forward contracts	86,109	2	HFT	94,817	2
Foreign exchange forward contracts (over the counter ("OTC"))	113,737	2	HFT	35,861	2
Interest rate swaps	-	2	HFT	360	2
Available for sale at fair value	26	1	AFS	412	1
Natural gas swaps	1,210	2	HFT	-	2
Financial liabilities:					
Bank Indebtedness	71,003	1	HFT	6,779	1
Exchange-traded derivatives	20,792	1	HFT	2,580	1
Commodity forward contracts	63,976	2	HFT	49,762	2
Foreign exchange forward contracts (OTC)	27,475	2	HFT	22,285	2
Cross-currency swaps	7,641	2	HFT	2,752	2
Interest rate swaps	-	2	HFT	16,701	2
Natural gas swaps	-	2	HFT	1,035	2

Financial instruments category/guide:		
	HFT	Held for trading
	HFT-D	Held for trading – designated
	AFS	Available for sale

The aggregate carrying value of financial instruments classified as loans and receivables is $929.4 million (April 30, 2010 - $818.6 million). The aggregate carrying value of financial instruments classified as other financial liabilities is $2.9 billion (April 30, 2010 - $2.3 billion).

b) Financial Risks and Risk Management

The Company faces certain financial risks such as commodity price, foreign exchange, interest rate, credit and liquidity risk that can impact its financial performance. The Company is exposed to changes in commodity prices, foreign exchange rates and interest rates. The Company utilizes a number of financial instruments to manage these exposures. The Company mitigates risk associated with these financial instruments through Board-approved policies, limits on use and amount of exposure, internal monitoring and compliance reporting to senior management and the Board.

i. Commodity Price Risk

The Company's diverse range of services is spread across the agri-business supply chain. As a result, the Company is exposed to agricultural and other related commodity price movements within the market as part of its normal operations. The Company uses exchange-traded futures and options contracts as well as OTC contracts to minimize the effects of changes in the prices of hedgeable agricultural commodities on its agri-business inventories and agricultural commodities forward cash purchase and sales contracts. Derivative contracts are valued at the quoted market prices. The Company manages the risk associated with inventory and open contracts on a combined basis.

All market risk associated with commodity price movement is measured using a Value at Risk ("VaR") method. The VaR calculation quantifies potential changes in the value of commodity positions as a result of potential market price movements from all sources of market risk, whether as a consequence of asset ownership, customer sales, hedging or position taking.

There is currently no uniform industry methodology for estimating VaR. The VaR calculation estimates the potential loss in pre-taxation profit over a given holding period for a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognizing offsetting positions and correlations between products and markets. The use of VaR has limitations because it is based on historical correlations and volatilities in commodity prices and assumes that future price movements will follow a statistical distribution. The five-day VaR number used by the group reflects the 95% probability that the gain or loss in a five-day period will not exceed the reported VaR based on the previous pricing period. Although losses are not expected to exceed the statistically estimated VaR on 95% of occasions, losses on the other 5% of occasions could be substantially greater than the estimated VaR. The VaR at the balance sheet date is not representative of the risk throughout the period as the period-end exposure does not reflect the exposure during the period. In practice, as markets move, the Company actively manages its risk and adjusts hedging strategies as appropriate.

The Company's Risk Management Policy provides limits within which management may maintain inventory and certain long or short commodity positions. The Company has established policies that limit the amount of agricultural commodity positions permissible, which are a combination of quantity and VaR limits. VaR levels are reported daily and compared with approved limits. Limits are regularly reviewed to ensure consistency with risk management objectives, market developments and business activities.

As at	**April 30, 2011**	**October 31, 2010**
Historical VaR (95%, five-day):		
Agricultural commodity price VaR	$ 11,125	$ 16,333

ii. Foreign Exchange Risk

The Company undertakes certain transactions denominated in foreign currencies and, as a result is exposed to foreign exchange risk. The Company is exposed to foreign exchange risk on commodity contracts which are denominated in foreign currencies and on its investment in foreign subsidiaries. The Company uses derivative financial instruments, such as foreign currency forward contracts, cross-currency swaps, futures contracts and options to limit exposures to changes in foreign currency exchange rates with respect to its recorded foreign currency denominated assets and liabilities as well as anticipated transactions.

The Company uses hedge accounting to match the cash flow of some of its processed products to be sold in foreign funds with its foreign dollar currency hedging instruments. Maturity dates for the foreign exchange forward contracts on anticipated transactions extend for approximately 24 months. As at April 30, 2011, the portion of the forward contracts considered to be ineffective is insignificant. The estimated amount reported in other comprehensive income that is expected to be reclassified to net earnings during the next 12 months is an after tax gain of $10.3 million.

The Company has an outstanding $100 million cross-currency swap arrangement in place in order to limit exposure to a change in the AUD on a portion of its net investment in its Australian operations. The derivative is used to mitigate the risk of economic loss arising from changes in the value of the AUD compared to the CAD. As at April 30, 2011, the portion of the cross-currency swap considered to be ineffective is nil. During the three months ended April 30, 2011, $100 million of the net investment hedge was discontinued. The gain reclassified from other comprehensive income that was reported in net earnings relating to the net investment hedges was $0.7 million after tax and relating to the foreign currency translation of the net investment was approximately $4.1 million after tax.

The Company has $400 million USD Senior Notes outstanding the principal of which had been designated a hedge in order to limit exposure to a change in the USD on a portion of the Company's net investment in its U.S. operations. As at April 30, 2011, the portion of the hedge considered to be ineffective is nil.

Except as noted above, the foreign currency forward contracts, futures contracts and options used by the Company are marked-to-market and unrealized gains and losses are recognized in net earnings in the period in which they occur.

The following table details the Company's sensitivity on the net carrying value of financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured as at the balance sheet date, had currencies moved as illustrated, with all other variables held constant.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

	Carrying Value	Impact On Earnings, After Tax	Impact On Other Comprehensive Income, After Tax
10% increase			
CAD/USD	$ 17,868	$ 427	$ 147
CAD/Euro	103	8	-
CAD/AUD	44,228	(3,191)	-
CAD/GBP	27	2	-
CAD/CHF	(65)	(5)	-
AUD/USD	6,841	(588)	(2,546)
AUD/Euro	(1,582)	83	(82)
AUD/JPY	71	(57)	(106)
AUD/NZD	(189)	12	-
AUD/Singapore dollars	7	1	-
10% decrease			
CAD/USD	17,868	(427)	(147)
CAD/Euro	103	(8)	-
CAD/AUD	44,228	3,276	-
CAD/GBP	27	(2)	-
CAD/CHF	(65)	5	-
AUD/USD	6,841	752	3,129
AUD/Euro	(1,582)	(98)	100
AUD/JPY	71	70	129
AUD/NZD	(189)	(14)	-
AUD/Singapore dollars	7	-	-

The above sensitivity analysis for foreign currency risk does not take translation risk into account. Translation exposures arise from financial and non-financial items held by foreign entities determined to be self-sustaining operations. Sensitivity on net investments in self-sustaining foreign operations is therefore not included in the analysis. The sensitivity at the balance sheet date is not representative of the sensitivity throughout the year as the balance sheet date exposure does not necessarily reflect the exposure during the year.

iii. Interest Rate Risk

The Company's exposure to interest rate risk relates primarily to the Company's debt obligations. The Company manages interest rate risk and currency risk on borrowings by using a combination of cash instruments, forwards and a mixture of fixed and floating rates.

Based on the April 30, 2011 borrowings, the Company is exposed to interest rate risk on short-term variable rate borrowings. A 25 basis point change in short-term variable rates based on the Company's current credit ratings and the current borrowings would impact after tax earnings by $0.8 million per annum.

During the prior year, the Company entered into derivative contracts in connection with its plans to issue additional debt. Bond forward contracts were entered into in order to protect against the risk of economic loss arising from changes in the interest rates. The debt was issued on February 15, 2011 (Note 4) and the bond forwards were settled. As a result, each year approximately $1.0 million after tax will be reclassified from other comprehensive income to net income as financing expense over the term of the debt.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

iv. Credit Risk

The Company is exposed to credit risk in respect of its trade receivables. Credit approval policies and procedures are in place to guide internal credit specialists in granting credit to new customers as well as in continuing to extend credit to existing customers. The Company manages this credit risk through monitoring of credit balances, ongoing credit reviews of all significant contracts and analysis of payment and loss history. Customers that fail to meet specified credit requirements may transact with the Company on a prepayment basis or provide another form of credit support, such as letters of credit, approved by the Company.

The absence of significant financial concentration of trade receivables, except as noted below for receivables from the CWB, limits the Company's exposure to credit risk. Credit risk exposure for the Agri-products and Processing segments are also partially limited through an arrangement with a Canadian Schedule I chartered bank which provides for limited recourse to the Company for credit losses on producer accounts receivable under Viterra Financial TM.

The Company is also exposed to credit risk in the event of non-performance of its counterparties on its derivative contracts. However, in the case of OTC derivative contracts, the Company only contracts with pre-authorized counterparties where agreements are in place and the Company monitors the credit ratings of its counterparties on an ongoing basis. Exchange-traded contracts used to hedge future revenues in the Company's grain business are not subject to any significant credit risk as the changes in contract positions are settled daily through a recognized exchange.

All bad debt write-offs are charged to operating, general and administrative expenses. The year-to-date changes in the allowances for losses against accounts receivable are as follows:

For the three months ended April 30		2011		2010
Beginning balance	$	9,907	$	8,081
Provision for losses		3,387		1,560
Write-offs, net of recoveries		(1,467)		(1,087)
Ending balance	$	11,827	$	8,554

The Company has historically experienced minimal credit losses and, as a result, it considers the credit quality of the trade receivables at April 30, 2011 that are not past due to be high. The distribution of trade accounts receivable by credit quality as at the balance sheet is shown in the following table:

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

As at	April 30, 2011	April 30, 2010	October 31, 2010
Not past due	$ 586,912	$ 555,475	$ 422,440
Past due:			
Past due < 60 days	8,750	14,907	9,995
Past due > 61 days and < 90 days	3,485	3,144	2,626
Past due > 91 days	28,849	42,018	36,888
Allowances for losses	(11,827)	(8,554)	(9,907)
	$ 616,169	$ 606,990	$ 462,042

Included in trade accounts receivable is $110.5 million due from the CWB, which represents a significant concentration of credit risk.

The Company's maximum credit exposure at the balance sheet date consists primarily of the carrying amounts of non-derivative financial assets such as cash, short-term investments, accounts receivable and long-term receivables as well as the fair value of commodity contracts, exchange-traded derivatives and other non-trade assets included in accounts receivable. Short-term investments are held with Schedule I (Canada) and A-rated (Australia) banks, and have maturities of less than three months.

v. Liquidity Risk

The Company's liquidity risk refers to its ability to settle or meet its obligations as they fall due and is managed as part of the risk strategy. Liquidity adequacy is continually monitored, taking into consideration estimated future cash flows including the amount and timing of cash generated from operations, working capital requirements, planned capital expenditure programs, debt servicing requirement, dividend policy and business acquisitions. The Company actively maintains credit facilities to ensure it has sufficient available funds to meet current and foreseeable financial requirements. Management believes that future cash flows from operations and availability under existing banking arrangements will be adequate to support these financial liabilities.

The following table approximates the Company's remaining contractual maturity for its financial liabilities and matching financial assets as well as matching cash flows in designated hedge relationships as at the balance sheet date. The table below details the undiscounted cash flows of financial instruments based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

	Contractual Cash Flows	Within 1 Year	1 to 2 Years	2 to 3 Years	Thereafter
Financial Assets:					
Exchange-traded derivatives	$ 11,079	$ 10,422	$ 657	$ -	$ -
Commodity forward contracts	86,109	85,848	261	-	-
Foreign exchange forward contracts (OTC)	117,023	110,530	6,445	48	-
Natural gas swaps	1,210	1,210	-	-	-
Financial Liabilities:					
Bank indebtedness	$ (71,003)	$ (71,003)	$ -	$ -	$ -
Short-term borrowings	(454,463)	(454,463)	-	-	-
Exchange-traded derivatives	(20,792)	(20,706)	(86)	-	-
Commodity forward contracts	(69,527)	(67,969)	(1,447)	(111)	-
Foreign exchange forward contract (OTC)	(30,534)	(28,944)	(1,509)	(81)	-
Cross-currency swaps	(8,118)	(8,118)	-	-	-
Bond forward contracts	-	-	-	-	-
Natural gas swaps	-	-	-	-	-
Other current liabilities	(1,282,363)	(1,282,363)	-	-	-
Long-term debt, including current position	(1,624,482)	(78,513)	(78,513)	(78,508)	(1,388,948)
Classified as other long-term liabilities	(10,812)	-	(2,946)	(2,430)	(5,436)

13. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to strive for a long-term manageable level of debt to total capital together with maintaining an acceptable ratio of EBITDA to cash interest. Due to the seasonal nature of the Company's short-term borrowing requirements, the Company's objective is to manage the level of debt to total capital between 30% to 40% and to maintain a rolling 12-month EBITDA that is at least five times the level of cash interest paid.

Debt to total capital is defined as total interest bearing debt divided by total interest bearing debt plus the book value of total shareholders' equity. Interest bearing debt is the aggregate of short-term borrowings, long-term debt due within one year and long-term debt.

As at	April 30, 2011	April 30, 2010	October 31, 2010
Short-term borrowings	$ 454,463	$ 69,055	$ 61,677
Long-term debt due within one year	$ 1,937	$ 17,452	$ 2,295
Long-term debt	1,064,833	1,232,009	896,834
Total long-term debt	$ 1,066,770	$ 1,249,461	$ 899,129
Total interest bearing debt	$ 1,521,233	$ 1,318,516	$ 960,806
Shareholders' equity	$ 3,895,366	$ 3,485,508	$ 3,710,263
Total capital	$ 5,416,599	$ 4,804,024	$ 4,671,069
Debt to total capital:			
As at the balance sheet date	28:72	27:73	21:79
Four quarter average	25:75	30:70	25:75

EBITDA to cash interest is defined as earnings before financing expenses, taxes, amortization, gain (loss) on disposal of assets, integration expenses and acquisition derivative divided by cash interest. Cash interest is net financing expenses excluding refinancing costs and net investment hedge less non-cash financing expenses. The ratio is calculated on a rolling 12-month basis.

April 30, 2011 (unaudited) – in thousands of Canadian dollars, except as noted

For the rolling twelve months ended April 30		**2011**		**2010**
EBITDA	$	674,016	$	427,714
Cash interest, net		101,270		97,388
EBITDA to cash interest:		6.7		4.4

Management uses EBITDA to cash interest to assess interest coverage and the Company's ability to service its interest bearing debt.

The Company monitors its capital structure and makes adjustments according to market conditions and seasonal requirements in an effort to meet its objectives. The Company may manage its capital structure by issuing new shares, obtaining additional financing, issuing unsecured notes, refinancing existing debt, repaying current debt, or by paying dividends.

During the period, the Company was in compliance with external covenants relating to the management of capital.