VITERRA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JANUARY 31, 2012

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Management's Discussion and Analysis

The following interim Management's Discussion and Analysis ("MD&A") for Viterra Inc. ("Viterra" or the "Company") updates the Company's annual MD&A and should be read in conjunction with the Condensed Consolidated Financial Statements ("condensed financial statements") and related notes for the three months ended January 31, 2012, as well as the annual MD&A included in Viterra's 2011 Annual Report. No update has been provided where an item is not material or there has been no material change from the discussion in the annual MD&A. Unless otherwise noted, all financial information reflected herein is expressed in Canadian dollars ("CAD") and in accordance with International Financial Reporting Standards ("IFRS"). Previously, the Company prepared its condensed and annual financial statements in accordance with Canadian generally accepted accounting principles ("CGAAP").

Throughout the MD&A, references to "Viterra" and "the Company" refer collectively to Viterra Inc. and its subsidiaries and joint ventures.

Readers are directed to consider the cautionary notes regarding forward-looking statements (see Section 8).

1. Operating Results

1.1 Analysis of First Quarter Consolidated Results

Selected Condensed Consolidated Financial Results *(in thousands - except per share amounts)*	**Three Months ended January 31, 2012**	2011	*Better (Worse)*
CONTINUING OPERATIONS			
Revenue	**$ 3,562,971**	$ 2,329,869	*$ 1,233,102*
Cost of sales	**3,177,691**	1,940,470	*(1,237,221)*
Gross profit	**$ 385,280**	$ 389,399	*$ (4,119)*
Operating, general and administrative expenses	**247,543**	225,613	*(21,930)*
Gain on disposal of assets	**(3,195)**	(859)	*2,336*
Finance costs	**28,604**	30,347	*1,743*
Earnings before income taxes	**$ 112,328**	$ 134,298	*$ (21,970)*
Income tax expense	**27,200**	33,231	*6,031*
Net earnings from continuing operations	**$ 85,128**	$ 101,067	*$ (15,939)*
DISCONTINUED OPERATIONS			
Net loss from discontinued operations	**$ (7,438)**	$ (386)	*(7,052)* -
Net earnings	**$ 77,690**	$ 100,681	*$ (22,991)*
Basic and diluted earnings per share from continuing operations	**$ 0.23**	$ 0.27	*$ (0.04)*
Basic and diluted earnings per share	**$ 0.21**	$ 0.27	*$ (0.06)*

In the first quarter of fiscal 2012 consolidated revenues increased 53% to $3.6 billion, from $2.3 billion in the corresponding period of fiscal 2011, mainly due to the Grain Handling and Marketing segment. The majority of the increase related to increased origination and merchandising activity from our recently expanded International Grain group. Higher shipping volumes from the Company's grain origination assets also contributed to the increase. Revenue from the Agri-products segment increased over the prior year due to strong fertilizer pricing and volumes as favourable fall weather allowed for more ammonia fertilizer application and increased deliveries of dry fertilizer products in Western Canada.

Gross profit for the first quarter totalled $385 million, on par with the comparable period of fiscal 2011. Under current reporting, gross profit includes depreciation expenses of $11 million. Grain Handling and Marketing's contribution was similar to the previous year's first quarter results as the International Grain group's gross profit is limited to merchandising margins and does not include storage and handling margins associated with our grain handling operations in Canada and Australia. Strong global grain shipments and a higher per tonne margin were offset by lower grain receipts in Australia (see Section 2.1). Agri-products' contribution increased by $9 million due to higher fertilizer volumes and increased average selling prices (see Section 2.2). This positive contribution was more than offset by lower contributions from the Processing segment as a result of a temporary decrease in pasta margins and lower malt contributions (see Section 2.3).

Consolidated operating, general and administrative ("OG&A") expenses were $248 million compared to $226 million a year earlier. Under current reporting, OG&A expenses include $41 million in depreciation and amortization expense for the period, an increase from $35 million in the corresponding period of fiscal 2011, reflecting new assets such as the Montreal port facility. The majority of the remaining OG&A increase is related to the Grain Handling and Marketing segment due to additional labour costs required to handle the higher shipments in Canada and Australia and provide an increased level of service to growers in Australia. First quarter expenses also included costs for new operations such as the Montreal port facility and marketing offices added during the latter half of fiscal 2011.

Total finance costs were $29 million in the first quarter of 2012, on par with a year earlier. Interest expenses on long-term debt increased in the period due to the $200 million note issued in February 2011, but were offset by lower short-term borrowing expenses.

Viterra recorded a net corporate tax provision from continuing and discontinued operations of $24 million, with an effective tax rate of 23.9% for the quarter ended January 31, 2012 compared to a provision of $34 million with an effective tax rate of 25.3% for the same period last year. The effective tax rate of 23.9%, including discrete items, is higher than the estimated annual effective tax rate of 20.9% as the quarterly rate reflects increased earnings in higher tax jurisdictions.

Earnings from discontinued operations are comprised of the Company's North American feed assets as Viterra decided on a plan to dispose of these assets during the first quarter. The transaction is expected to close during the second quarter.

Viterra's first quarter net earnings were $78 million or $0.21 per share compared to $101 million or $0.27 per share in the same three-month period last year.

Selected Condensed Segment Financial Information

(in thousands)

	Three Months ended January 31, 2012											
		Consolidated		**Inter-segment Elimination**		**Grain Handling and Marketing**		**Agri-products**		**Processing**		**Corporate**
CONTINUING OPERATIONS												
Revenue	**$**	**3,562,971**	**$**	**(218,340)**	**$**	**3,053,782**	**$**	**417,011**	**$**	**310,518**	**$**	**-**
Cost of sales		**3,177,691**		**(218,340)**		**2,756,716**		**357,051**		**282,264**		**-**
Gross profit	**$**	**385,280**	**$**	**-**	**$**	**297,066**	**$**	**59,960**	**$**	**28,254**	**$**	**-**
Operating, general and administrative expenses		**247,543**		**-**		**141,790**		**55,557**		**13,948**		**36,248**
(Gain) loss on disposal of assets		**(3,195)**		**-**		**(3,183)**		**(18)**		**4**		**2**
Finance costs (recovery)		**28,604**		**-**		**1,901**		**405**		**(456)**		**26,754**
Pre-tax earnings from continuing operations	**$**	**112,328**	**$**	**-**	**$**	**156,558**	**$**	**4,016**	**$**	**14,758**	**$**	**(63,004)**
DISCONTINUED OPERATIONS												
Pre-tax loss from discontinued operations	**$**	**(10,179)**	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**(10,179)**	**$**	**-**

	Three Months ended January 31, 2011											
		Consolidated		Inter-segment Elimination		Grain Handling and Marketing		Agri-products		Processing		Corporate
CONTINUING OPERATIONS												
Revenue	$	2,329,869	$	(138,578)	$	1,942,634	$	292,571	$	233,242	$	-
Cost of sales		1,940,470		(138,578)		1,644,193		241,696		193,159		-
Gross profit	$	389,399	$	-	$	298,441	$	50,875	$	40,083	$	-
Operating, general and administrative expenses		225,613		-		124,506		49,298		12,404		39,405
(Gain) loss on disposal of assets		(859)		-		(506)		(156)		133		(330)
Finance costs (recovery)		30,347		-		1,175		305		(748)		29,615
Pre-tax earnings from continuing operations	$	134,298	$	-	$	173,266	$	1,428	$	28,294	$	(68,690)
DISCONTINUED OPERATIONS												
Pre-tax loss from discontinued operations	$	(400)	$	-	$	-	$	-	$	(400)	$	-

	Differences Better (Worse)											
		Consolidated		Inter-segment Elimination		Grain Handling and Marketing		Agri-products		Processing		Corporate
CONTINUING OPERATIONS												
Revenue	$	1,233,102	$	(79,762)	$	1,111,148	$	124,440	$	77,276	$	-
Cost of sales		(1,237,221)		79,762		(1,112,523)		(115,355)		(89,105)		-
Gross profit	$	(4,119)	$	-	$	(1,375)	$	9,085	$	(11,829)	$	-
Operating, general and administrative expenses		(21,930)		-		(17,284)		(6,259)		(1,544)		3,157
(Gain) loss on disposal of assets		2,336		-		2,677		(138)		129		(332)
Finance costs (recovery)		1,743		-		(726)		(100)		(292)		2,861
Pre-tax earnings from continuing operations	$	(21,970)	$	-	$	(16,708)	$	2,588	$	(13,536)	$	5,686
DISCONTINUED OPERATIONS												
Pre-tax loss from discontinued operations	$	(9,779)	$	-	$	-	$	-	$	(9,779)	$	-

1.2 Non-GAAP and Segment Measures Related to Operations

Selected Condensed Consolidated Financial Information
(in thousands)

	Three Months ended January 31, 2012	2011	Better (Worse)
Revenue	$ **3,562,971**	$ 2,329,869	$ *1,233,102*
Cost of sales	**3,177,691**	1,940,470	*(1,237,221)*
Gross profit	$ **385,280**	$ 389,399	$ *(4,119)*
Add back: Depreciation in cost of sales	**10,617**	11,030	*(413)*
Adjusted gross profit	$ **395,897**	$ 400,429	$ *(4,532)*
Operating, general, and administrative expenses	**247,543**	225,613	*(21,930)*
Add back: Depreciation and amortization	**40,592**	35,374	*5,218*
EBITDA	$ **188,946**	$ 210,190	$ *(21,244)*
Depreciation and amortization	**51,209**	46,404	*(4,805)*
EBIT	$ **137,737**	$ 163,786	$ *(26,049)*

Non-GAAP measures include:

- Adjusted gross profit – Gross profit before depreciation on manufacturing assets.
- Adjusted EBITDA ("EBITDA") – Earnings from continuing operations before finance costs, income taxes, depreciation and amortization and gain (loss) on disposal of assets.
- Adjusted EBIT ("EBIT") – Earnings before finance costs, income taxes and gain (loss) on disposal of assets.

Those items excluded in the determination of EBITDA and EBIT represent items that are non-cash in nature, income taxes, finance costs or are otherwise not considered to be in the ordinary course of business. These measures are intended to provide further insight with respect to Viterra's financial performance and to supplement information on earnings (losses) as determined in accordance with IFRS.

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

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

EBITDA was $189 million for the quarter compared to $210 million in the first quarter of fiscal 2011. Positive results from strong global grain shipments, an improvement in grain handling margins, and higher fertilizer prices and volumes in Western Canada were offset by lower grain receipts in Australia and lower contributions from pasta and malt processing.

For further information on reportable segment performance, see Section 2 Reportable Segment Results.

1.3 Summary of Quarterly Financial Information

Select Quarterly Financial Information
For the quarters ended
(in millions - except per share amounts)

	IFRS[1]					CGAAP[1]		
	January 31, 2012 Q1	October 31, 2011 Q4	July 31, 2011 Q3	April 30, 2011 Q2	January 31, 2011 Q1	October 31, 2010 Q4	July 31, 2010 Q3	April 30, 2010 Q2
Revenue	$ 3,563	$ 2,896	$ 3,409	$ 2,558	$ 2,330	$ 1,952	$ 2,493	$ 2,027
Gross profit	385	306	466	302	389	320	393	270
Operating, general and administrative expenses	248	262	262	225	226	182	196	177
Net earnings from continuing operations	85	12	125	31	101	138	197	93
Net loss from discontinued operations	(7)	(45)	(1.7)	(0.6)	(0.4)	-	-	-
Net earnings (loss)	78	(33)	123	30	101	53	64	18
Basic and diluted earnings per share, from continuing operations	$ 0.23	$ 0.03	$ 0.34	$ 0.08	$ 0.27	$ 0.14	$ 0.17	$ 0.05
Basic and diluted earnings per share	$ 0.21	$ (0.09)	$ 0.33	$ 0.08	$ 0.27	$ 0.14	$ 0.17	$ 0.05

1 Prior to the 2012 fiscal year end, the Company's finanical statements were prepared in accordance with CGAAP. In the first quarter of 2012, the Company adopted IFRS with an effective transition date of November 1, 2010 and restated the 2011 fiscal year financial results to be in accordance with IFRS. Detaisl regarding the Company's transition to IFRS are included in the Condensed Consolidated Financial Statements for the three months ended January 31, 2012.

A discussion of the factors that have caused variations over the quarters is found in Sections 5 of the MD&A for the fiscal year ended October 31, 2011 and Section 2 Reportable Segment Results presented below. These sections discuss, among other things, the trends and seasonality of the Company's three operating reportable segments: Grain Handling and Marketing, Agri-products and Processing.

2. Reportable Segment Results

2.1 Grain Handling and Marketing

Industry and Viterra Volumes *(in thousands)*	**Three Months ended January 31,** **2012**	2011	*Better (Worse)*
North American industry statistics *(tonnes)*			
Western Canadian receipts - six major grains	**9,822**	8,277	*1,545*
Western Canadian shipments - six major grains	**9,423**	7,730	*1,693*
Canadian industry terminal receipts	**6,805**	5,645	*1,160*
Viterra - North American operations *(tonnes)*			
Elevator receipts	**4,531**	3,632	*899*
Elevator shipments	**4,412**	3,474	*938*
Port terminal receipts	**3,329**	2,378	*951*
Viterra - Australian operations *(tonnes)*			
Shipments	**2,179**	1,627	*552*
Receipts	**6,559**	8,238	*(1,679)*
Merchandised Volumes:			
South Australia	**914**	621	*293*
Rest of Australia	**887**	668	*219*

The western Canadian harvest was essentially complete by mid October 2011. Statistics Canada estimates production for the six major grains to be 49.3 million tonnes, on par with the five-year average of 50.0 million tonnes and almost 10% higher than the previous year's crop of 45.0 million tonnes.

In the first quarter of fiscal 2012, western Canadian industry shipments of the six major grains totalled 9.4 million tonnes compared to 7.7 million tonnes during the first quarter of fiscal 2011. Industry shipments benefited from strong export demand and milder weather than normal in Western Canada, which accommodated higher producer deliveries.

According to the Australian Bureau of Agricultural and Resource Economics and Sciences ("ABARES"), South Australian crop production for the recent 2012 harvest is estimated at 7.7 million tonnes. This is above the historical average of about 6.2 million tonnes but below last year's strong production of 9.5 million tonnes.

Viterra's North American shipments for the three months ended January 31, 2012 were 4.4 million tonnes compared to 3.5 million tonnes in the first quarter of fiscal 2011. The increase reflects strong demand from export destinations and strong producer selling. With higher shipments, Viterra's port terminal receipts into its West Coast and Thunder Bay facilities increased to 2.9 million tonnes in the quarter, from 2.4 million tonnes in the first quarter of 2011. Approximately 83% of export volumes moved to West Coast port terminals in the quarter to support continued strong demand from Asian-Pacific countries.

With the current harvest in South Australia complete, Viterra has received 6.6 million tonnes of grains, oilseeds and special crops into its system in the first quarter of fiscal 2012. In the corresponding period of fiscal 2011, the Company received 8.2 million tonnes into its South Australian system due to the strong crop in the state.

In South Australia, strong demand from destination customers supported a robust shipping program for the first quarter of fiscal 2012 and the Company moved a total of 2.2 million tonnes through its port terminals, compared to 1.6 million tonnes in the first quarter of fiscal 2011.

Viterra purchased approximately 40% of the total shipments out of its South Australian system for its own account, on par with the comparable period in fiscal 2011. The Company merchandised an additional 0.9 million tonnes (2011 – 0.7 million tonnes) of grain from third-party facilities throughout Australia as the larger crop in Western Australia presented additional origination opportunities.

Grain Handling and Marketing *(in thousands - except margins)*	**Three Months ended January 31,**					
		2012		2011		*Better (Worse)*
Revenue	**$**	**3,053,782**	$	1,942,634	*$*	*1,111,148*
Cost of sales		**2,756,716**		1,644,193		*(1,112,523)*
Gross profit	**$**	**297,066**	$	298,441	*$*	*(1,375)*
Operating, general and administrative expenses		**141,790**		124,506		*(17,284)*
Add back: Depreciation and amortization		**27,931**		25,608		*2,323*
EBITDA	**$**	**183,207**	$	199,543	*$*	*(16,336)*
Consolidated global pipeline *(tonnes)*						
North American shipments		**4,412**		3,474		*938*
Australian receipts		**6,559**		8,238		*(1,679)*
Total pipeline		**10,971**		11,712		*(741)*
Consolidated pipeline margin *(per tonne)*	**$**	**27.08**	$	25.48	*$*	*1.60*

Revenues increased $1.1 billion during the quarter mainly due to increased origination and merchandising activity from our recently expanded International Grain group. Higher shipping volumes from the Company's grain origination assets also increased revenue quarter over quarter.

Gross profit contributions totalled $297 million for the Grain Handling and Marketing reportable segment in the first quarter. These results were on par with the first quarter of fiscal 2011 as the International Grain group's gross profit is limited to merchandising margins and does not include storage and handling margins associated with our grain handling operations in Canada and Australia. The International Grain group generated solid results for the quarter, delivering typical merchandising margins versus the record results achieved in the first quarter of 2011. Strong global grain shipments and a higher per tonne margin were offset by lower grain receipts in Australia as the prior year benefited from a strong crop here. The Company's grain handling and marketing margin increased to $27.08 per tonne compared to $25.48 per tonne as a result of higher global shipments and increased handling fees.

OG&A expenses excluding depreciation and amortization for the segment were $114 million in the first quarter of fiscal 2012 compared to $99 million in the first quarter of last year. The increase was due to costs associated with the strong Australian shipments, providing an increased level of service to Australian producers, the timing of repairs and maintenance and incremental costs associated with the new international marketing offices, the Port of Montreal and the Minot special crop processing facility.

The Grain Handling and Marketing reportable segment generated $183 million in EBITDA for the quarter compared to $200 million in first quarter of fiscal 2011. Viterra's Australian operations contributed $115 million (2011 - $114 million), while North American operations contributed $60 million (2011 - $51 million) and the International Grain group contributed $8 million (2011 - $33 million).

Outlook

Global demand for agri-commodities remains strong and is expected to continue through the remainder of the fiscal year. In conjunction with the strong global market fundamentals, both of the Company's core origination geographies have successfully completed their harvests, providing ample volumes for Viterra to move through its facilities in the remainder of fiscal 2012. The Company confirms its global pipeline margin guidance for fiscal 2012 at $38 to $41 per tonne.

In South Australia, the Company expects shipments to be strong throughout the year given the volume of grain in its system and ongoing solid demand from key export markets. To complement the 6.6 million tonnes received into the Company's system during the first quarter of fiscal 2012, there was approximately 1.8 million tonnes of carry-in stocks from fiscal 2011. Management currently estimates carry-over stocks into fiscal 2013 to range between 0.8 million and 1.3 million tonnes.

In North America, Viterra continues to believe that Canadian Grain Commission ("CGC") marketings will be approximately 31.0 million to 33.0 million tonnes for the 12 months ended October 31, 2012. This is a function of relatively solid prices and demand for all marketed commodities. This is expected to result in a slight decrease of on farm carry-out stocks at the end of fiscal 2012.

With the passage of the *Marketing Freedom for Grain Farmers Act,* as of August 1, 2012 producers in Western Canada will benefit from the ability to market their wheat, barley and durum to buyers of their choice. In this new environment, Viterra expects to increase its earnings by leveraging its global grain marketing network, attracting additional volumes and optimizing its operational efficiencies.

2.2 Agri-products

Agri-products *(in thousands - except margins)*	Three Months ended January 31, 2012	2011	*Better (Worse)*
Revenue	**$ 417,011**	$ 292,571	*$ 124,440*
Cost of sales	**357,051**	241,696	*(115,355)*
Gross profit	**$ 59,960**	$ 50,875	*$ 9,085*
Add back: Depreciation	**2,587**	2,682	*95*
Adjusted gross profit	**$ 62,547**	$ 53,557	*$ 8,990*
Operating, general and administrative expenses	**55,557**	49,298	*(6,259)*
Add back: Depreciation and amortization	**8,345**	6,320	*(2,025)*
EBITDA	**$ 15,335**	$ 10,579	*$ 4,756*
Operating highlights			
Revenue	**$ 417,011**	$ 292,571	*$ 124,440*
Fertilizer	**244,315**	174,979	*69,336*
Crop protection	**5,408**	5,222	*186*
Seed	**2,391**	1,120	*1,271*
Wool	**134,411**	95,503	*38,908*
Fuel	**7,987**	-	*7,987*
Equipment sales and other revenue	**17,393**	12,077	*5,316*
Financial products	**5,106**	3,670	*1,436*
Fertilizer volume *(tonnes)*	**390**	373	*17*
Fertilizer margin *(per tonne)*	**$ 129.79**	$ 98.71	*$ 31.08*

Revenues for the Agri-products reportable segment were $417 million, up 43% from the same three-month period of fiscal 2011. This increase was primarily driven by fertilizer revenues that rose due to higher average selling prices and volumes relative to the same period in fiscal 2011. Volumes increased as relatively strong commodity prices combined with favourable fall weather encouraged fall ammonia fertilizer applications and deliveries of dry fertilizer products to customers. Wool revenues increased during the period as the Company expanded into the New Zealand market.

Adjusted gross profit from the reportable segment increased to $63 million compared to $54 million in the first quarter of fiscal 2011. In addition to higher fertilizer sales volumes, fertilizer margins increased to $129.79 per tonne compared to $98.71 per tonne in the first quarter of fiscal 2011. This increase was due to higher average selling prices for nitrogen fertilizer products, lower natural gas costs, higher sales volumes and an increased proportion of manufactured product sales.

OG&A expenses excluding depreciation and amortization were $47 million for the first quarter, compared to $43 million a year earlier. The increase in OG&A expenses in the period was primarily attributable to costs associated with greater sales activity and the new fuel business.

EBITDA increased 45% to $15 million in the first quarter compared to $11 million in the same period last year. Strong fertilizer results more than offset the negative contribution of $3 million from the Company's Australian agri-products operations.

Outlook

As fiscal 2012 progresses, historically strong grain prices should continue to drive solid returns for producers as well as demand for crop inputs. In addition, in Western Canada seeded acreage is expected to increase which should be beneficial to crop input demand.

In Western Canada, the majority of the 6.0 to 8.0 million acres that were affected by excess moisture in the spring of 2011 are expected to return to production in the upcoming season. Barring further widespread adverse weather events, Viterra is forecasting that western Canadian seeded acreage will total approximately 57.0 to 59.0 million acres in 2012, an increase of about 8% to 10% from last season. This favorable forecast is still below the 10 year average of approximately 60.0 million acres.

Given strong oilseed pricing, canola acreage is also expected to increase from the record 18.5 million acres that were planted in 2011. The Company expects 18.5 to 19.5 million canola acres to be planted in the upcoming season, barring adverse weather events. This increase should be reflected in the Company's seed and crop input sales.

High grain commodity prices and increased nutrient requirements from excess moisture in the last two years are expected to support strong fertilizer demand as the spring season progresses. Fertilizer movement to farm has been strong in the first quarter of fiscal 2012, supporting these expectations. In addition to the strong demand fundamentals, fertilizer margins are expected to be solid due to low natural gas costs throughout fiscal 2012. The Company is therefore increasing its fertilizer margin guidance to $115 to $135 per tonne for fiscal 2012. However, quarterly gross margins per tonne can vary outside this range due to product and customer mix and timing of purchases for manufactured versus resale tonnes.

2.3 Processing

Processing[1]

(in thousands - except margins)	Three Months ended January 31, 2012	2011	Better (Worse)
Revenue	**$ 310,518**	$ 233,242	$ 77,276
Cost of sales	**282,264**	193,159	(89,105)
Gross profit	**$ 28,254**	$ 40,083	$ (11,829)
Add back: Depreciation	**8,030**	8,348	(318)
Adjusted gross profit	**$ 36,284**	$ 48,431	$ (12,147)
Operating, general and administrative expenses	**13,948**	12,404	(1,544)
Add back: Depreciation and amortization	**884**	1,038	(154)
EBITDA	**$ 23,220**	$ 37,065	$ (13,845)
Sales volumes *(tonnes)*			
Malt	**109**	126	(17)
Pasta	**54**	54	-
Oats	**99**	103	(4)
Canola	**120**	38	82
Feed - New Zealand	**35**	43	(8)
Operating margin ($ per tonne sold)			
Average margin - food processing	**$ 91.84**	$ 147.36	$ (55.52)
Average margin - feed processing	**$ 34.29**	$ 26.26	$ 8.03

1 Processing results are from continuing operations.

Revenues from continuing operations for the Processing segment for the first quarter were $311 million, an increase of $77 million or 33% from the comparable period of 2011. The increase was driven by higher oat and pasta selling prices as a result of higher raw material costs, increased canola sales volumes in Canada, and the new facility in southern China.

Adjusted gross profit from continuing operations for the Processing segment in the first quarter totalled $36 million compared to $48 million in fiscal 2011. The decrease was primarily attributable to lower contributions from the Company's pasta and malt operations. The food processing margin was $91.84 per tonne versus $147.36 per tonne in the corresponding period a year earlier. Improved margins in the canola operation due to increased specialty oil sales were more than offset by temporarily lower pasta margins as a result of higher raw material costs. In addition, the lower margin reflects an increased proportion of canola processing volumes in the overall product mix. Contributions from the New Zealand feed operations were comparable to the prior year's first quarter.

Viterra's malt operations generated an adjusted gross profit of $10 million compared to $16 million in the first quarter of fiscal 2011 as both volumes and margins decreased from the corresponding period in the prior year reflecting overcapacity and tight competition in the international malt market. Sales volumes were 109,000 tonnes for the period versus 126,000 tonnes in the first quarter of fiscal 2011.

The pasta processing operations contributed $10 million (2011 - $19 million) to adjusted gross profit in the quarter as margins were affected by temporary timing differences between end-product pricing increases and raw materials costs. As a result of continued strong demand in the U.S. market, pasta sales volumes were 54,000 tonnes, on par with the corresponding period of fiscal 2011.

Oat processing generated adjusted gross profit of $11 million (2011 – $14 million) during the first quarter. Sales volumes were 99,000 tonnes versus 103,000 tonnes in the corresponding period of fiscal 2011, primarily due to the elimination of certain product lines in the Company's U.S. flour milling operation.

Adjusted gross profit contributions from the canola processing operations totalled $4 million in the first quarter compared to a negative contribution of $2 million in the first quarter of fiscal 2011. Volumes increased to 120,000 tonnes for the first quarter from 38,000 tonnes a year earlier, reflecting new volumes from the Chinese crush facility and a return to full production for the western Canadian facility. The overall canola processing margin in the period increased due to more specialty oil sales in Western Canada and solid contributions from the Chinese canola processing facility, which was commissioned in the fourth quarter of fiscal 2011.

OG&A expenses from continuing operations excluding depreciation and amortization for the Processing segment were $13 million for the quarter, on par with the corresponding period of fiscal 2011.

The Processing segment's EBITDA (excluding the North American feed operations) for the quarter was $23 million, compared to $37 million in the first quarter of fiscal 2011. With lower malt and pasta contributions, the food processing operations generated EBITDA of $24 million in the period compared to $38 million a year earlier. The New Zealand feed operations' results were comparable quarter over quarter.

<u>Outlook</u>

The Processing segment is expected to deliver solid results in fiscal 2012 and the Company maintains its annual guidance range of $90 to $110 per tonne for its food processing operations in fiscal 2012.

Contributions from the oat processing operations are expected to remain consistent with historical levels in fiscal 2012 while margins in the pasta operations are expected to move towards historical levels in the second quarter. With a weak U.S. economy, Viterra believes demand will remain strong for these two healthy and economic food ingredients.

Contributions from the canola processing operations are expected to continue to improve through fiscal 2012 as the Company continues to expand its higher margin sales into the specialty oil market and adds incremental production from the new 680,000 tonne joint venture canola processing facility in southern China.

In the Company's malt operations, contributions are expected to remain challenged in fiscal 2012. With weak economies in both North America and Europe, beer sales are expected to remain sluggish in the near-term. For Viterra's malt operations in Australia, competitively priced raw materials have provided some margin stability, however the high Australian dollar continues to present a challenge for export sales. The Company remains confident in the long-term outlook for its malt operations due to the addition of the highly-efficient Minto malt facility before the end of the second quarter as well as solid long-term industry fundamentals due to improving emerging market demand.

Following a strategic review process, Viterra has entered into an agreement to divest all of its North American feed assets. Pending completion of customary closing conditions, including regulatory approvals, the transaction is expected to close during the Company's second fiscal quarter. Contributions from the North American feed operations have been recorded as discontinued operations. The transaction does not affect the New Zealand feed assets.

2.4 Corporate Expenses

Corporate Expenses *(in thousands)*	**Three Months ended January 31, 2012**	2011	*Better (Worse)*
Operating, general and administrative expenses, excluding information technology costs	**$ 20,170**	$ 27,179	*$ 7,009*
Information technology expenes	**16,078**	12,226	*(3,852)*
Total operating, general and administrative expenses	**$ 36,248**	$ 39,405	*$ 3,157*

Corporate expenses including amortization were $36 million for the first quarter of 2012 compared to $39 million in the same period of fiscal 2011. Excluding information technology, OG&A expenses decreased primarily due to a foreign exchange gain of $8 million related to transactions associated with inter-company financing. The increase in information technology expense related to achieving continuous improvements in operating efficiency and building competitive advantage.

3. Liquidity and Capital Resources

3.1 Cash Flow Information

The following summarizes the Company's cash flow provided by (used in) operating, financing and investing activities, as presented in the condensed financial statements.

Cash Flows *(in thousands)*	**Three Months ended January 31, 2012**	2011	*Change*
Cash flow used in operating activities	**$ (387,764)**	$ (540,925)	*$ 153,161*
Cash flow provided by financing activities	**316,938**	714,958	*(398,020)*
Cash flow used in investing activities	**(85,393)**	(39,528)	*(45,865)*
			-
Change in cash and cash equivalents	**$ (156,219)**	$ 134,505	*$ (290,724)*

Financing Activities

Key Financial Information *(in thousands - except ratios and percentages)*	As at January 31, **2012**	2011	*Better (Worse)*
Cash and cash equivalents	**$ 140,640**	$ 288,767	*$ (148,127)*
Total debt	**1,519,840**	1,668,289	*148,449*
Total debt, net of cash and cash equivalents	**1,379,200**	1,379,522	*322*
Ratios			
Current ratio	**1.91 x**	1.62 x	*0.29 x*
Debt-to-total capital	**27.8%**	31.2%	*3.4 pt*
Long-term debt-to-total capital	**19.9%**	16.6%	*(3.3 pt)*

Viterra's balance sheet at January 31, 2012 remained strong with total debt-to-capital of 27.8% (31.2% at January 31, 2011). Viterra had $141 million in cash and cash equivalents and cash drawings of $334 million on its $2.1 billion revolving credit facility ("Global Credit Facility").

On January 18, 2012, the Board of Directors ("Board") approved a 50% increase in Viterra's dividend rate to $0.15 per share annually compared to the previous rate of $0.10 per share. In conjunction with this new dividend rate, the Board declared the first semi-annual cash dividend for the year of $0.075, payable February 22, 2012 to shareholders of record on January 30, 2012. The Board will continue to review the dividend semi-annually, taking into account the Company's cash flow, earnings, financial position and other relevant factors.

The Company maintains an active role in all decisions affecting cash distributions from principal subsidiaries. The Company does not rely on distributions from joint ventures to fund its capital spending programs or to meet its financial obligations.

Short-term debt is used during the year to finance operating requirements, which primarily consist of inventory purchases, financing of accounts receivable and capital expenditures. Levels of short-term debt fluctuate based on changes in underlying commodity prices and the timing of grain purchases in the Grain Handling and Marketing segment. In the Agri-products segment, changes in fertilizer prices can impact inventory values and customer and inventory prepayments.

The Company believes that cash flow from operations and its access to undrawn credit facilities will provide Viterra with sufficient financial resources to fund its working capital requirements, planned capital expenditure programs and debt servicing requirements. This belief is predicated upon the Company's expectations of future commodity and crop input prices, and the expected turnover of inventory and accounts receivable components of working capital (see Section 8).

Investing Activities

Viterra's total capital expenditures (excluding business acquisitions) were $62 million versus $41 million in the first quarter of fiscal 2011. The Company invested in growth initiatives including its bulk fuel distribution business, the malt facility in Australia expected to start up soon, grain infrastructure upgrades and transformational IT initiatives supporting Viterra's global operating model.

Capital spending for fiscal 2012 is expected to total between $260 million and $280 million, including currently approved growth projects and costs related to transformational IT initiatives. Capital expenditures are expected to be funded by cash flow from operations.

Operating Activities

For the three months ended January 31, 2012, Viterra generated operating cash flow prior to working capital changes ("operating cash flow") (see Non-GAAP Measures in Section 3.2) from continuing operations of $143 million compared to $188 million in the comparable period in fiscal 2011. This decrease is primarily attributable to decreased EBITDA and higher current income tax expense relative to the first quarter of fiscal 2011. On a per share basis, the Company generated cash flow provided by operations of $0.38 per share compared to $0.51 per share in the corresponding period last year.

Free Cash Flow From Continuing Operations *(in thousands, except per share amounts)*	**Three Months ended January 31,** **2012**	2011	*Better (Worse)*
Operating cash flow prior to working capital changes from continuing operations [1]	**$ 142,983**	$ 187,879	*$ (44,896)*
Property, plant and equipment expenditures	**57,111**	38,757	*(18,354)*
Intangible assets expenditures	**5,092**	2,621	*(2,471)*
Free cash flow from continuing operations [1]	**$ 80,780**	$ 146,501	*$ (65,721)*
Operating cash flow prior to working capital changes from continuing operations per share	**$ 0.38**	$ 0.51	*$ (0.13)*

[1] See Non-GAAP Measures in Section 3.2

For the three months ended January 31, 2012, free cash flow from continuing operations was $81 million, compared to $147 million in the first quarter of fiscal 2011. The decrease reflects reduced EBITDA, higher capital expenditures and a higher current income tax expense.

Non-Cash Working Capital

Non-cash Working Capital *(in thousands)*	As at January 31, **2012**	2011	*Change*
Inventories	**$ 1,882,105**	$ 1,905,267	*$ (23,162)*
Accounts receivable	**1,125,279**	965,523	*159,756*
Derivatives assets	**154,884**	286,681	*(131,797)*
Prepaid expenses and deposits	**194,447**	205,156	*(10,709)*
Accounts payable and accrued liabilities	**(1,280,528)**	(1,199,426)	*(81,102)*
Derivatives liabilities	**(132,161)**	(258,348)	*126,187*
	$ 1,944,026	$ 1,904,853	*$ 39,173*

Inventories at January 31, 2012 were $23 million lower than January 31, 2011. Grain inventories were lower as a result of a decrease in average price, which was partially offset by an increase in grain volumes on hand and an increase in fertilizer inventories due to both higher volumes and average prices.

Accounts receivable at January 31, 2012 were $1,125 million, an increase of $160 million from January 31, 2011, primarily due to the expansion of international grain marketing operations.

3.2 Non-GAAP Measures Related to Liquidity and Capital Resources

Total debt, net of cash and cash equivalents 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 and current portion of long-term debt, or long-term debt as a measure of the Company's indebtedness.

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

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

These non-GAAP measures should not be considered in isolation of, or as a substitute for, GAAP measures such as (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.

	Reconciliations and Calculations *(in thousands - except percentages and ratios)*						
	For the Three Months ended January 31,		**2012**		2011		*Better (Worse)*
	Net cash used in operating activities	**$**	**(387,764)**	$	(540,925)	*$*	*153,161*
	Changes in non-cash working capital		**529,812**		725,850		*(196,038)*
	Operating cash flow prior to working capital changes	**$**	**142,048**	$	184,925	*$*	*(42,877)*
	Add: Net cash outflows from operating activities from discontinued operations		**935**		2,954		*(2,019)*
	Operating cash flow prior to working capital changes from continuing operations	**$**	**142,983**	$	187,879	*$*	*(44,896)*
	As at January 31, 2012						
	Current assets	**$**	**3,634,929**	$	3,651,394	*$*	*(16,465)*
	Current liabilities		**1,903,310**		2,255,234		*(351,924)*
	Current ratio (current assets/current liabilities)		**1.91 x**		1.62 x		*0.29 x*
	Short-term borrowings	**$**	**431,456**	$	779,020	*$*	*347,564*
[A]	Long-term debt	**$**	**1,088,384**	$	889,269	*$*	*(199,115)*
[B]	Total debt	**$**	**1,519,840**	$	1,668,289	*$*	*148,449*
[C]	Cash and cash equivalents	**$**	**140,640**	$	288,767	*$*	*(148,127)*
	Total debt, net of cash and cash equivalents	**$**	**1,379,200**	$	1,379,522	*$*	*322*
[D]	Total equity	**$**	**3,941,416**	$	3,685,329	*$*	*256,087*
[E]	Total capital [B + D]	**$**	**5,461,256**	$	5,353,618	*$*	*107,638*
	Debt-to-total capital [B]/[E]		**27.8%**		31.2%		*3.4 pt*
	Long-term debt-to-total capital [A]/[E]		**19.9%**		16.6%		*(3.3 pt)*

3.3 Debt Ratings

The following table summarizes the Company's current credit ratings, which have not changed from the information disclosed in the Company's annual MD&A:

	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

4. Outstanding Share Data

The market capitalization of the Company's 371.7 million issued and outstanding shares at March 5, 2012 was $4.0 billion or $10.69 per share. The issued and outstanding shares at March 5, 2012, together with securities convertible into common shares are summarized in the following table:

As at March 5, 2012	
Issued and outstanding common shares	371,695,195
Securities convertible into common shares - stock options	2,441,649
Securities redeemable for common shares - share units	1,151,647
	375,288,491

As of January 31, 2012, there were 21.8 million outstanding CHESS Depository Interests ("CDIs"), which trade on the ASX.

5. Other Matters

5.1 Accounting Policy Changes

5.1.1 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 CGAAP with International Financial Reporting Standards ("IFRS"). The date relates to condensed and annual financial statements for fiscal years beginning on or after January 1, 2011.

Effective November 1, 2011, the Company began reporting under IFRS. The accounting policies, as described in detail in Note 19 of the condensed financial statements, have been applied in preparing the financial results for the three-months ended January 31, 2012 and 2011, the financial results for the year ended October 31, 2011, and the Company's opening balance sheet as at November 1, 2010.

The impact of adopting IFRS on shareholders' equity, cash flows, net earnings and comprehensive income is disclosed in Note 19 to the condensed financial statements for the three-months ended January 31, 2012. Accordingly, the Company's 2011 fiscal year comparative financial information, previously reported under CGAAP, has been restated to be in accordance with IFRS.

5.1.2 Future Accounting Changes

The following new accounting pronouncements have not been adopted as they apply to future periods. They may result in future changes to the Company's existing accounting policies and other note disclosure. The Company has not completed its evaluation of the effect of adopting these standards on its financial statements.

IFRS 9 - *Financial Instruments,* effective for fiscal years that begin on or after January 1, 2015, is the first phase of a multi-phase project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, and applies to the classification and measurement of financial assets and liabilities. IFRS 9 replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classifications; amortized cost and fair value. In addition, for financial liabilities that are measured at fair value, IFRS 9 requires that an entity present the portion of any change in its fair value that is due to changes in the entity's own credit risk in other comprehensive income, rather than through net earnings. Phases to address impairment methodology and hedge accounting remain under development.

IFRS 10 - *Consolidated Financial Statements* builds on existing principles and standards and identifies the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company.

IFRS 11 - *Joint Arrangements* establishes the principles for financial reporting by entities when they have an interest in arrangements that are jointly controlled.

IFRS 12 - *Disclosure of Interest in Other Entities* provides the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities.

IFRS 13 - *Fair Value Measurement* defines fair value, requires disclosure about fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards.

IAS 1 - *Financial Statements Presentation*, effective for fiscal years after July 1, 2012, was amended to address the presentation of other comprehensive income and requires the grouping of items within other comprehensive income that might eventually be reclassified to the net earnings section of other comprehensive income.

IAS 19 - *Employee Benefits* was amended and includes the requirement to recognize all changes in the net defined benefit liability (asset) when they occur such that service costs and net interest is recognized in net earnings while re-measurements are recorded in other comprehensive income.

IAS 28 - *Investments in Associates and Joint Ventures* revised the existing standard and prescribes the accounting for investments and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

IAS 32 - *Financial Instruments: Presentation*, effective for fiscal years that begin on or after January 1, 2014, was amended to clarify the meaning of certain terms used to decide when financial assets and financial liabilities can be offset.

5.2 Critical Accounting Judgments and Estimates

The preparation of financial statements requires Management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, Management evaluates its judgments and estimates in relation to assets, liabilities, revenues and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Areas which Management believes require the most critical accounting judgments and estimates are:

Decommissioning Obligations

Decommissioning obligations are recognized in the financial statements at the net present value of the estimated future expenditure required to settle the Company's restoration obligations. Estimates of decommissioning costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. Management applies judgment to determining probability weighted estimates of expected costs and anticipated timing of the decommissioning obligations. A risk free rate is applied to the expected costs to recognize the time value of money and the obligations are unwound over the life of the provisions through a charge to finance costs in net earnings.

Employee Benefits

The Company operates defined benefit pension and other employee benefit plans for which actuarial valuations are required. Pension and other future benefit costs are assessed with Management's best estimates using the advice of an independent qualified actuary and assumptions in the latest actuarial valuations. The assumptions are based on information supplied to the actuary by Management, supplemented by discussions between the actuary and Management. The principal assumptions are the discount rates used on the accrued benefit obligations and expenses, the expected long-term rate of return on plan assets, the rate of compensation increase, and assumed health care cost trend rates.

Cash Generating Units

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units). Management determines which groups of assets are capable of generating cash inflows that are largely independent of other operations within the Company. To create these groupings, Management makes critical judgments about where active markets exist including an analysis of the degree of autonomy various operations have in negotiating prices with customers.

Allowance for Doubtful Accounts

Provision is made against accounts that, in the estimation of Management, may not be collectible. Within each of the operating segments, a quarterly assessment is performed on the recoverability of accounts receivable based on a range of factors including the age of the receivable and the creditworthiness of the customer. Determining the recoverability of an account involves estimation as to the likely financial condition of the customer and their ability to subsequently make payment.

Fair Value of Financial Instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Where a valuation model is used to determine fair value, it makes maximum use of observable inputs, including valuations determined by unadjusted quoted prices in active markets and market standard pricing models that use observable inputs. Financial instruments whose fair value is determined, at least in part, using unobservable inputs require measurement that is more subjective in nature.

The methods and assumptions used by Management in estimating fair value of the Company's financial instruments where measurement is required are set out in note 2 of the condensed financial statements. An analysis of financial instruments carried at fair value by valuation technique, together with a sensitivity analysis of valuations, is included in note 17 of the condensed financial statements.

Inventories

Inventories, except for commodity inventories carried at fair value, are evaluated to ensure they are carried at the lower of cost or net realizable value.

Estimates and assumptions are required in the determination of fair values of commodity inventories, particularly for those commodity inventories where exchange-traded prices are not available. For these inventories, Management assesses the available quoted market prices and applies judgment in determining the effect of local market conditions on those prices.

Carrying Value of Property, Plant and Equipment and Intangible Assets with Definite Useful Lives

Estimated useful lives of property, plant and equipment and intangible assets are based on Management's judgment and experience. When Management identifies that the actual useful lives for these assets differ materially from the estimates used to calculate depreciation and amortization, that change is adjusted prospectively. Due to the significance of capital investment to the Company, variations between actual and estimated useful lives could impact operating results both positively and negatively. Asset lives, depreciation and amortization methods, and residual values are reviewed annually and, historically, changes to estimates of remaining useful lives have not been material.

Impairment of Goodwill and Intangible Assets with Indefinite Useful Lives

The Company records all assets and liabilities acquired in business acquisitions, including goodwill and intangible assets, at fair value. Goodwill and intangible assets with an indefinite useful life are assessed at least annually for impairment. The initial goodwill and intangible assets recorded and subsequent impairment analysis requires Management to make estimations of future cash flows, terminal values and an assessment of the long-term pre-tax discount rate to be applied to those cash flows which reflects an assessment of the cost of capital of the cash generating unit.

Income Taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes and the Company's income tax provisions reflect Management's interpretation of country-specific tax law. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business and may remain uncertain for several years after their occurrence. The Company recognizes assets and liabilities for taxation when it is probable that the relevant taxation authority will require the Company to receive or pay taxes. Where the final outcome of the determination of tax assets and liabilities is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provision in the period in which such determination is made. Changes in tax law or changes in the way that tax law is interpreted may also impact the Company's effective tax rate as well as its business and operations.

Purchase Price Allocation

Accounting for business combinations requires the allocation of the Company's purchase price to the various assets and liabilities of the acquired business at their respective fair values. The Company uses all available information to make these fair value determinations, and for major acquisitions, may hire an independent appraisal firm to assist in making fair value estimates. In some instances, assumptions with respect to the timing and amount of future revenues and expenses associated with an asset may be used to determine its fair value. Actual timing and amount of net cash flows from revenues and expenses related to that asset over time may differ materially from those initial estimates, and if the timing is delayed significantly or if the net cash flows decline significantly, the asset could become impaired.

6. 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, 2011, which is available on Viterra's website at www.viterra.com, as well as on SEDAR at www.sedar.com, under Viterra Inc.

7. 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 January 31, 2012. There have been no significant changes required to internal controls over financial reporting and no significant changes required to disclosure controls and procedures as their processes have not been significantly impacted by the change to IFRS. Controls have been implemented for the preparation of the opening balance sheet and the recognition, measurement and recording of IFRS adjustments for the

2011 comparative periods that are presented under IFRS in 2012. Management has concluded that, as of January 31, 2012, 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 know to them by others within those entities, particularly during the period in which this report was being prepared.

8. Forward-Looking Information

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

- litigation against the federal government regarding the amendment and repeal of the *Canadian Wheat Board Act* is resolved in favour of the Government of Canada and there is no delay in the implementation of the amendments;
- 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 producer customers in North America;
- movement and sales of board grains by the CWB;
- the amount of grains and oilseeds purchased by other marketers in Australia;
- demand for and supply of open market grains;
- movement and sale of grain and grain meal in Australia and New Zealand, particularly in the Australian states of South Australia, Victoria and New South Wales;

- agricultural commodity prices;
- general financial conditions for western Canadian and southern Australian agricultural producers;
- demand for seed grain, fertilizer, chemicals and other agri-products;
- market share of grain deliveries and agri-products sales that will be achieved by Viterra;
- extent of customer defaults in connection with credit provided by Viterra, its subsidiaries or a Canadian chartered bank in connection with agri-products and feed product purchases;
- ability of the railways to ship grain to port facilities for export without labour or other service disruptions;
- demand for oat, pasta, canola and malt barley products, and the market share of sales of these products that will be achieved by Viterra;
- ability to maintain existing customer contracts and relationships;
- 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. Factors that could cause actual results or events to differ materially from current expectations include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in agricultural, food processing and feed sectors, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Viterra to successfully implement its strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Company's assets, the availability and price of commodities and regulatory environment, processes and decisions. By its nature, forward-looking information is subject to various risks and uncertainties, including those risks discussed in the Risks and Risk Management sections in this MD&A, and in the "Canadian Regulation" and "Environmental and Sustainability Matters" sections in the Company's Annual Information Form, any of which could cause Viterra's actual results and experience to differ materially from the anticipated results or expectations expressed. Additional information on these and other factors is available in the reports filed by Viterra with Canadian and Australian securities regulators. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this MD&A or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. Viterra undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.