

GROWMARK, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended August 31, 2009 and 2008
(\$ In Thousands)

	<u>2009</u>	<u>RESTATED</u> <u>2008</u>
<u>Operating Activity</u>		
Net income before patronage and dividends	\$ 96,905	327,035
Patronage	82,757	129,643
Net income after patronage	\$ 14,148	197,392
Depreciation/Amortization	24,593	20,565
Patronage received in stock	(42,557)	(60,045)
Patronage refund declared in stock	42,096	74,816
Other non-cash items	12,843	4,237
Gain on sale of available-for-sale securities	(7,723)	(227,910)
Segregated funds	31,099	(36,942)
Changes in operating assets and liabilities:		
Accounts and notes receivable	87,116	(176,359)
Inventories	306,106	(346,027)
Accounts payable	(68,974)	154,806
Patronage refunds payable	(14,167)	15,228
Increase in other long-term liabilities	15,801	10,495
Vendor prepayments	133,778	(142,298)
Customer prepayments	(138,765)	154,829
Other assets/liabilities	(127,981)	46,983
Net cash provided (used) by operating activities	267,413	(310,230)
<u>Ownership Activity</u>		
Proceeds from sale of available-for-sale securities	10,970	282,895
Purchase of available-for-sale securities	(7,782)	(89,310)
Redemption of ownership in cooperatives	4,776	44,700
Purchases of property, plant and equipment	(87,096)	(51,664)
Proceeds from sale of property, plant and equipment	5,801	6,322
Net cash provided (used) by ownership activities	(73,331)	192,943
<u>Financing Activity</u>		
Term debt additions	68,974	21,340
Term debt payments	(77,824)	(3,335)
(Decrease) increase in short-term borrowings	(131,272)	163,939
Redemption of preferred stock	(30,641)	(60,251)
Dividends on preferred stock	(485)	(11)
Net cash provided (used) by financing activities	(171,248)	121,682
Net increase in cash and equivalents	22,834	4,395
Cash and equivalents at beginning of year	15,467	11,072
Cash and equivalents at end of year	\$ 38,301	15,467
Supplemental disclosures of cash flow information		
Cash paid during the year for:		
Interest	\$ 19,011	26,564
Income Taxes	18,036	115,218