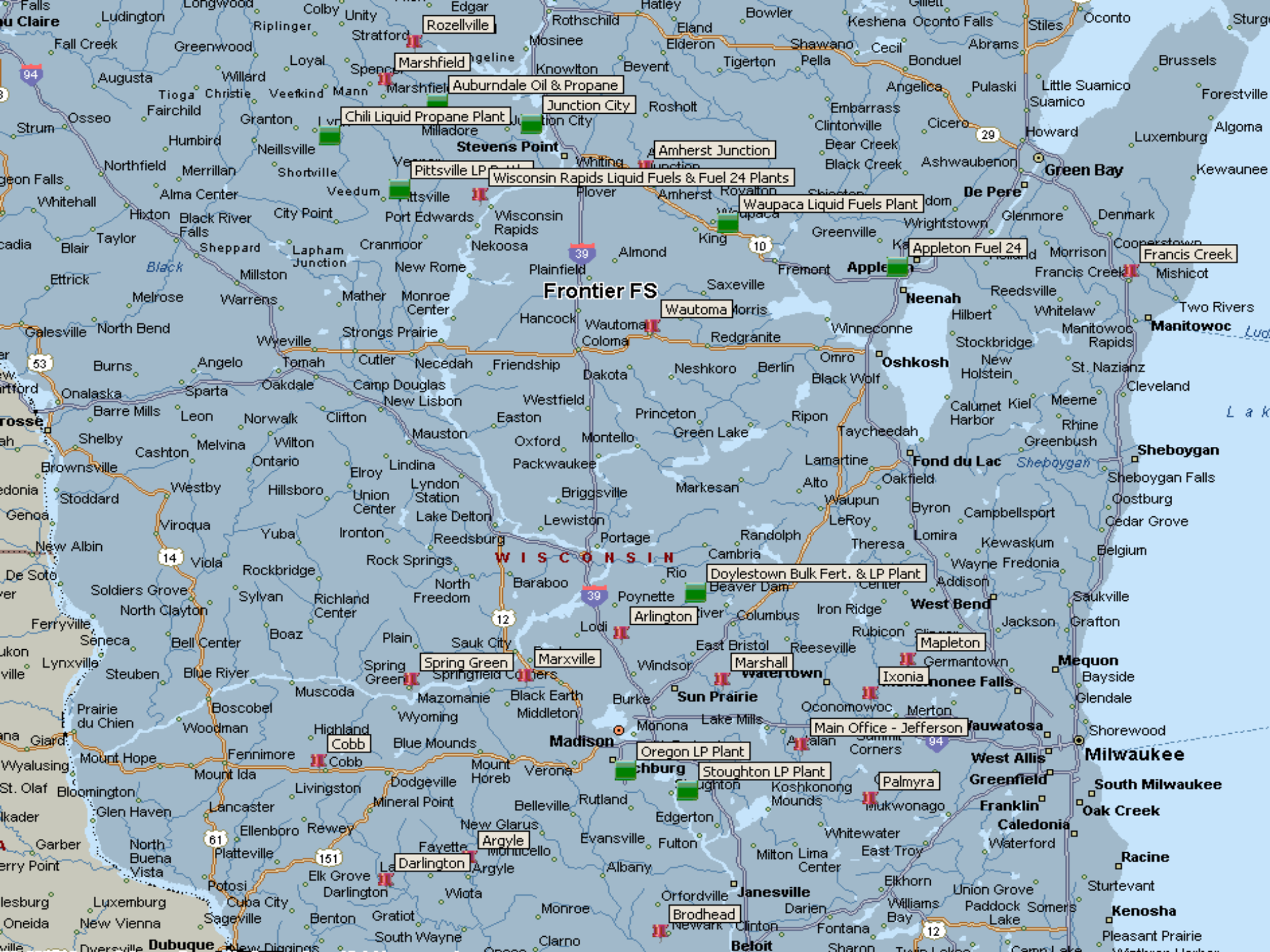


Frontier FS

Retail Division of GROWMARK

Sam Skemp
General Manager





Rozellville

Marshfield

Chili Liquid Propane Plant

Stevens Point

Pittsville LP

Wisconsin Rapids Liquid Fuels & Fuel 24 Plants

Amherst Junction

Waupaca Liquid Fuels Plant

Appleton Fuel 24

Francis Creek

Wautoma

Wautoma

Oshkosh

Doylestown Bulk Fert. & LP Plant

Arlington

Spring Green

Spring Green

Marquette

Sun Prairie

Marshall

Ixonia

Main Office - Jefferson

Stoughton LP Plant

Palmyra

Argyle

Darlington

Argyle

Brodhead

Kenosha

Frontier FS Overview

- Sales over \$200 million
- Energy
 - 17 million gallons liquid fuels
 - 12 million gallons Liquid Propane
- Feed
 - \$12 million in sales



Frontier Overview

(continued)

- Agronomy
 - 112,000 ton of Fertilizer
 - \$11 million crop protection
 - 60,000 bags of seed corn
 - 70,000 bags of soybeans
 - \$2 million of turf products

Frontier FS Overview

(continued)

- Grain \$30 million in sales
- Employees – 185 / 300
- We operate in 17 counties with 18 locations
- Jefferson Wisconsin – main office



Consolidation & Acquisitions

- 2001 – Danco Prairie FS Cooperative purchased Agri-Tech FS
- 2003 – Jefferson County Farmco & Danco Prairie FS Cooperative consolidated to form Frontier FS Cooperative
- 2004 – Frontier FS purchased FS Cooperative
- 2005 – Frontier FS purchased Klink Oil and Simonson Oil companies



Consolidations & Acquisitions

(continued)

- 2008 – Frontier FS purchased Abby Gas & Winch LP
- 2009 – Frontier FS purchased Countrywide Propane
- 2009 – GROWMARK purchased Sem-Fuels & split between Frontier FS & Servco FS
- 2010 – Frontier FS merged into GROWMARK as a Retail Division



Consolidation & Acquisitions

(continued)

- 2011 – Frontier purchased Auburndale Oil & Propane
- Currently an accepted offer in place on an Liquid Propane company (2.5 million gallons)
- Placing an offer on another Liquid Propane company

Board Planning

- Two day session off site – Annual planning review
- Where do we want to be:
 - 5 years / 10 years / 20 years
- Revolving old stock
- Building retained earnings
- Good equipment and modern facilities

Board Planning

(continued)

- Review of all current locations
 - P & L by location
 - Determine which ones are profitable
 - Can we get the non-profitable ones in the black
- Look at all opportunities – other cooperatives & private business
- Coordinates with lenders as Frontier grows
- Implementation – now we have to make it work

Frontier FS

Retail Division of GROWMARK

- What were the challenges?
- What are the advantages?



Retail Division Challenges

- Board Support
- Getting the staff's support
- Policies / Compliance
- Paperwork
- Learning Curve

Retail Division Advantages

- Stronger balance sheet
- Access to capital
- Lower interest rates
- Opportunities for larger acquisitions
- Revolved old stock (\$6.2 million)

Retail Division Advantages

(continued)

- New patronage paid out in higher cash/stock ratio
- Still have an elected Board of Directors / Customers still have representation
- Better employee benefits — Insurance — Pension — Etc.
- Attract higher quality employees

Summary

- Stronger company for both customers and employees
- Positioned ourselves for the future

Thank you