

History of the J. R. Simplot Company

Unlike most companies, the history of the J.R. Simplot Company does not begin with an easily discernible founding date. Clearly, J.R. "Jack" Simplot's rise to prominence as a shipper of potatoes and onions in the late 1920s and 1930s defines the company's roots, but it was not until the turbulent years of World War II that two of the company's cornerstone businesses, food processing and fertilizer manufacturing, were established.

Through these early years, the company's growth both mirrored and, in many ways, influenced the postwar development of resources in Idaho and the Pacific Northwest. Irrigated farming, grazing rights, mining and the development of transportation systems were essential elements to the company's success.

By 1956, the framework of the vertically integrated company that exists today was in place, and the incorporation of the J.R. Simplot Company that same year provides a convenient event to mark the conclusion of the company's formative years.

Jack Simplot, who now serves as Chairman Emeritus, will remain forever fixed as the founder, leader, and inspiration of the Simplot Company, but it is equally true that scores of dedicated employees contributed mightily to the success of the organization.

Overview

Today, Simplot is one of the largest privately held agribusiness corporations in the U.S.

Based in Boise, Idaho, it employs more than 12,000 people in the U.S., Canada, Mexico, China, Australia, and Chile.

Annual sales are about \$3 billion, derived principally from food processing, fertilizer, cattle feeding, turf and horticulture, and other enterprises related to agriculture.

Food

Simplot is one of the world's largest frozen-potato processors, annually turning out more than 3 billion pounds of french fries and other potato products for the foodservice industry. The company also is among the largest frozen-vegetable processors in the nation, supplying

mainly institutional customers.

The firm has 25 wholly owned and joint-venture food plants in North America, Australia, South America, and China. An alliance with Farm Frites, one of the largest frozen-and-chilled-potato manufacturers and marketers in Europe, rounds out Simplot's global presence.

Agribusiness

The company's agribusiness activities are designed to provide farmers with a complete package to help them succeed.

Simplot assists growers by providing inputs such as fertilizer, scheduling applications for fertilizer and crop protectants, shepherding crops from planting to harvest, managing risk, and obtaining financing.

Eighty Simplot Grower Solutions farm service retail stores throughout the West and Midwest provide a broad array of products and services directly to customers.

The company also is a major manufacturer of agricultural fertilizer, with markets in the United States, Canada, and Mexico. Several million tons of various fertilizers are produced annually at wholly owned plants in Pocatello, Idaho, and Brandon, Manitoba, and a joint-venture plant in Rock Springs, Wyo.

Raw material for the plants is supplied in large part by two mines in Idaho and Utah. They contain phosphate ore reserves exceeding 100 years.

Land and Livestock

Simplot is the West's largest beef cattle producer, and the number one company nationwide for both feedlot cattle output and cow-calf production.

The firm's two feedlots in Idaho and Washington turn out more than 400,000 head a year, and the Grand View, Idaho, lot's one-time holding capacity of 150,000 is the biggest in the world.

Forty-three Simplot farms and ranches are located in Idaho, Oregon, Washington, Utah, and Nevada. They supply part of the incoming cattle needed at Company feedlots and crops used in the ration for feedlot animals. Most of those needs are filled by independent ranchers and growers.

Meat Processing

The Simplot Meat Products plant in Nampa, ID, produces fresh and frozen beef in a variety of specialty, value-added cuts primarily for customers in Japan. The plant turns out 132 million pounds of fabricated beef each year.

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PLAN TO ATTEND THE FIRST MGCSA GOLF OUTING OF THE YEAR

MONDAY, MAY 19

SPRING MIXER

VALLEY HIGH GOLF CLUB

HOUSTON, MINN.

HOST SUPERINTENDENT: JEFF NORMANDT



History of Simplot Partners—

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The Company's wholly-owned meat processing plant in Wilder, ID, and joint-venture plant in Azusa, CA, annually provide quick-service restaurants in the U.S. and abroad with more than 200 million pounds of products such as individual-quick-frozen hamburgers, chicken and beef fajitas and taco meat.

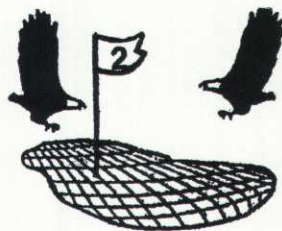
Turf and Horticulture

The Company is an international distributor of turf grass seed and fertilizer products for golf courses, landscapers, and other professional customers. The company's Jacklin Seed subsidiary in Post Falls, Idaho, is the world leader in Kentucky bluegrass products, and Jacklin's turf research program is the largest privately funded project of its kind in the country. Jacklin Seed currently holds many of the top ranked Kentucky bluegrasses in the USDA's National Turfgrass Evaluation Program.

In addition to producing a wide variety of grass seed, Simplot also offers customers BEST® brand bagged fertilizer from its two fertilizer production plants in Lathrop, CA and St. Louis, MO. Its primary nitrogen technologies are Polyon polymer-coated urea and UMAXX stabilized nitrogen. A full line of greens grade, mini and regular grade fertilizers are pro-

duced at these two locations.

The company sells its turf and horticulture products worldwide through its own network as well as a large group of independent distributors. The Company's own distribution network, known as Simplot Partners, has 20 locations throughout the United States. The Roseville, MN facility has been in operation since 2000 and currently serves the entire state of Minnesota and western Wisconsin. Besides selling proprietary products marketed by Jacklin Seed and the Best brand fertilizers, Simplot Partners enjoys strong positions with many major chemical companies including Syngenta, Bayer, DowAgroScience and PBI Gordon. Simplot Partners also carries its own line of specialty products including surfactants, liquid and water soluble fertilizers and a wide range of other nutrients and adjuvants. In the Spring of 2003, SP will be rolling out its own line of natural organic fertilizers as well.

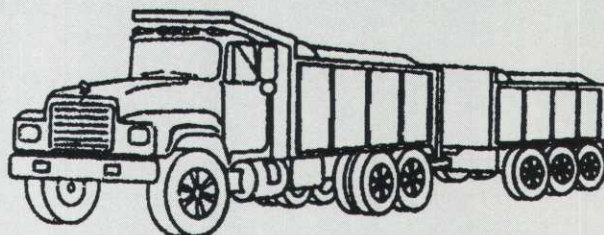


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