



## GLACIAL LAKES CORN PROCESSORS

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June 27, 2014

Dear GLCP Shareholder:

In January 2009, as a result of the expansion of our company and significant hedge losses, our total indebtedness peaked at \$184 million. Since then, reducing debt has ranked higher than capital projects, process improvements, and even competitive shareholder returns (dividends). During this period of time, our employee and management teams have managed to squeeze every single gallon possible out of our plant operations with minimal investment and expense.

Although you won't see it on the enclosed financial statement for the quarter ended May 31, 2014, by the time you receive this letter, we will have paid down our term debt another \$15.4 million to the \$20.0 million level while our operating line of credit will continue to have a \$0 balance. This is a total reduction of \$164 million or an equivalent of approximately \$0.88 per share over 5½ years!

What you will see on the enclosed financial statement for the quarter ended May 31, 2014, is outstanding financial performance...we closed the third quarter of the current fiscal year with consolidated net income of \$56.3 million and we are now posting year to date net income of \$72.7 million.

This performance well positions us to implement a balanced strategy of paying consistent dividends as well as re-investing a portion of these profits into necessary capital projects, diversified revenue streams, and other potential growth opportunities. To say the least, it seems like we would never get here but, by industry standards, we're nearly debt free and we have positioned ourselves for the future as well!

**As a result, we have declared a cash dividend of \$0.07 per share on all shares, payable to shareholders of record as of August 31, 2014, to be paid in September 2014.** In keeping true to the "retirement schedule", for retained patronage earnings attributed to 2006, we will also pay out an additional \$0.02 per share on original shares for a total distribution of \$15.8 million.

In the commodities business, the only thing predictable is change and uncertainty rules the day. Therefore, we intend to evaluate if an additional dividend declaration can be made later in the year upon completion of our annual audit which we anticipate will be in December 2014.

On behalf of the employees and Board of Directors here at your cooperative, thank you for your support of our efforts.

Sincerely,

**GLACIAL LAKES CORN PROCESSORS**

James A. Seurer  
Chief Executive Officer