

Media Advisory

American Crystal Sugar Company



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Company**

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Clay County and American Crystal Reach Property Tax Accord

June 16, 2011 — Clay County and American Crystal Sugar Company have reached a settlement regarding their longstanding dispute over the property tax valuation of the Company’s factory, technical services center and corporate headquarters in Moorhead, Minn. The agreement was reached by both parties earlier this month and ratified this week by the Clay County Board of Commissioners and the Moorhead City Council.

The terms of the settlement cover property valuations for taxes payable in years 2004 – 2018. The settlement involves no additional payment or refund of property taxes payable for the years 2004-2012 and establishes an assessed value of \$24 million for 2013-2018.

“Any time two parties resolve a long standing dispute, each side needs to make some compromises. We are grateful that we and the county were able to find a resolution, and we appreciate their willingness to find middle ground,” said David Berg, president and chief executive officer of American Crystal. “We are pleased to put this issue behind us, and we look forward to focusing on the future as American Crystal operates its three facilities located in Clay County.”

The original taxable valuation of the properties in 2004 was \$12 million. The taxable valuation of the properties in 2011 is \$32 million. The settlement, while a discount to the 2011 taxable valuation, represents a significant increase in valuation from that which was in place in 2004 and eliminates the uncertainty and cost associated with a potentially lengthy court process.

American Crystal has reached property tax settlements for its facilities in Richland County, Montana; Pembina County, North Dakota; Traill County, North Dakota; and Polk County, Minnesota.