



## AGCO and Russian Machines Create Joint Venture

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MOSCOW--(BUSINESS WIRE)--Sep. 17, 2013-- AGCO, Your Agriculture Company (NYSE: AGCO), a worldwide manufacturer and distributor of agricultural equipment, and Russian Machines, part of the Basic Element group and one of the leaders in the Russian machinery sector, today announced the creation of a new joint venture in order to manufacture and distribute agricultural equipment and replacement parts in Russia. AGCO and Russian Machines plan to make a total investment of approximately US\$ 100 million in the joint venture over the next three years.

The joint venture is expected to begin operations in early 2014, with AGCO and Russian Machines each having an equal ownership. The manufacturing facility will be located in Golitsyno, near Moscow, with a total area of nearly 12.5 hectares including 27,000 square meters of production facilities. The site will include a product show room, a training center and will feature state of the art manufacturing processes. The training center will offer courses designed to educate customers and dealers on the latest agri machinery technologies. Additional plans include the creation of a Model Farm, based on the agricultural business of Basic Element, to develop and disseminate modern full-cycle agricultural solutions that help to improve efficiency of Russian farmers.

The joint venture plans to offer comprehensive agricultural solutions for medium and large scale farmers, including support services such as financing and insurance, leveraging Russian Machines' supply chain strengths and providing AGCO with a strong local partner. AGCO will introduce more of its high-tech products into the Russian market, while Russian Machines will provide the necessary production capabilities and support with local business development expertise.

"This joint venture is a very significant step in AGCO's growth strategy for the Russian market," said Martin Richenhagen, AGCO Chairman, President and Chief Executive Officer. "The agricultural sector in Russia has significant potential but needs modernization and efficiency gains. The joint venture between AGCO and Russian Machines is to join forces in bringing local farmers a wide range of professional farming equipment, technologies, services and solutions."

Siegfried Wolf, Chairman of Russian Machines commented, "We believe that the combination of AGCO's technology driven products with Russian Machine's local production capabilities will lead to a highly successful business operation that will enhance the shareholder value of both companies."

### **ABOUT AGCO**

*AGCO, Your Agriculture Company, (NYSE: AGCO), is a global leader focused on the design, manufacture and distribution of agricultural machinery. AGCO supports more productive farming through a full line of tractors, combines, hay tools, sprayers, forage equipment, tillage, implements, grain storage and protein production systems, as well as related replacement parts. AGCO products are sold through five core machinery brands, Challenger®, Fendt®, GSI®, Massey Ferguson® and Valtra® and are distributed globally through 3,150 independent dealers and distributors in more than 140 countries worldwide. Founded in 1990, AGCO is headquartered in Duluth, GA, USA. In 2012, AGCO had net sales of \$10 billion. [www.AGCOcorp.com](http://www.AGCOcorp.com)*

### **ABOUT RUSSIAN MACHINES**

*Russian Machines – a major Russian diversified corporation which is part of Basic Element Group. Russian Machines comprises industrial and engineering assets in such segments as automotive OEM, automotive components, rail industry, aircraft OEM, road construction machinery and military vehicles. The corporation includes 24 enterprises located in 12 regions throughout Russia and employs over 68000 people. The official corporate internet site is [www.rm.ru](http://www.rm.ru).*

### **Safe Harbor Statement**

*Statements which are not historical facts, including expectations regarding the development, productions and sales of products in this region, are forward-looking and subject to risks that could cause actual results to differ materially from those suggested by the statements. These risks include possible declines in demand for products as a result of weather, demand and other conditions that impact farm income, actions by producers of competitive products, and the general risks attendant to acquisitions. Further information concerning these and other factors is included in AGCO's filings with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2012. AGCO disclaims any obligation to update any forward-looking statements except as required by law.*



Source: AGCO

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