




AGCO China Announces Strategy for China Rural Market Development

September 9, 2015

SHANGHAI --(BUSINESS WIRE)--Sep. 9, 2015-- AGCO (NYSE:AGCO), a world-leading manufacturer and distributor of agricultural equipment, today signed a memorandum of understanding (MOU) with the Alibaba Group in Shanghai to start an "Internet-plus-Agriculture" crossover program.

This Smart News Release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20150909006229/en/>

 AGCO Executives sign memorandum of understanding with Alibaba Group's Taobao business division to st ...

AGCO Senior Vice President, General Manager of Asia Pacific , Gary Collar and Fred Yang, Vice President, Managing Director of AGCO China, attended the signing ceremony, along with Frank Yu, Senior Director of Alibaba Group's Rural Taobao business division. Rural Taobao is responsible for promoting rural e-commerce by removing bottlenecks in logistics and information flow between urban and rural areas.

According to the MOU, AGCO products will be featured on Rural Taobao's online platform (cun.taobao.com), which is dedicated to offering agricultural resources and consumer goods to rural villagers in China . At the same time, both parties agreed to extend their cooperation to cloud computing and big data, aiming to promote the development of "modern agriculture" and "intelligent agriculture" in China . In addition, both parties look forward to expanding the cooperation in rural finance and other areas.

AGCO Executives sign memorandum of understanding with Alibaba Group's Taobao business division to start "Internet-plus-Agriculture" crossover program. (Photo: Business Wire)

"We are entering a global phase of the 'Internet Plus' age. The merging of internet and traditional industries is set to go deeper still and will lead to the creation of

new development formats," said Mr. Collar. "Agriculture as a primary industry will certainly be one of the key forces to drive the economic transition and accelerate this revolutionary innovation in the industrial model."

The MOU objectives are aligned with government policy for the development of the agricultural sector in China . According to the 'Made in China 2025' initiative, approved by China's State Council in March, the agricultural machinery industry is one of several industry sectors that will be prioritized under its "intelligent manufacturing program." This will draw on information technology, data technology and the Internet of Things in the design, processing, testing and assembly of agricultural machines. The Chinese government made clear its intention to prioritize investment in agricultural and rural areas, develop the pilot-financing and rental projects for large-sized agricultural machinery, strongly encourage agricultural machinery leasing and press forward with the reform of rural financing systems.

"This strong strategic cooperation between AGCO and Alibaba happens in the context of economic development and is a

pioneering act in the agriculture machinery industry,” said Mr. Yang of AGCO China. “As a responsible international company and with the favorable policies of the Chinese government, AGCO is looking to adapt and promote the merging of modern agriculture with mobile internet, big data, cloud computing and the Internet of Things , and to stimulate innovation in modern agricultural production, new business patterns and industry models. Meanwhile, AGCO will further enhance our production quality, sales efficiency and service so that our product information and services can reach our customers in a more timely and complete manner.”

“China is entering an explosive growth period in information consumption industries. It is estimated by 2015 the amount will exceed 3,200 billion yuan , an increase of over 20% compared to 2014,” said Mr. Yu of Rural Taobao. “We are honored to join hands with AGCO Corporation to bring world-class agricultural machinery to rural villagers across China , along with other areas of collaboration. This underscores our commitment to connecting rural villagers with agricultural resources and consumer goods that can help elevate their productivity and standard of living.”

About AGCO

AGCO (NYSE: AGCO) is a global leader in the design, manufacture and distribution of agricultural equipment. AGCO supports more productive farming through a full line of tractors, combines, hay tools, sprayers, forage equipment, grain storage and protein production systems, seeding and tillage implements and replacement parts. AGCO products are sold through five core equipment brands, Challenger®, Fendt®, GSI®, Massey Ferguson® and Valtra® and are distributed globally through a combination of approximately 3,100 independent dealers and distributors in more than 140 countries. Founded in 1990, AGCO is headquartered in Duluth, GA, USA . In 2014, AGCO had net sales of \$9.7 billion . For more information, visit <http://www.AGCOcorp.com>.

AGCO : 25 years of identity, centuries of history



View source version on businesswire.com: <http://www.businesswire.com/news/home/20150909006229/en/>

Source: AGCO

AGCO China

Susan Fan, +86 (10) 5706 2928

susan.fan@agcocorp.com

or

Instinctif Partners

Sandra Sun, +86 (21) 6441 6701

sandra.sun@instinctif.com