UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2001

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM -------------- TO --------------

COMMISSION FILE NUMBER 1-12930

AGCO CORPORATION
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	58-1960019
(STATE OF INCORPORATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

4205 RIVER GREEN PARKWAY
DULUTH, GEORGIA 30096

(ADDRESS OF PRINCIPAL EXECUTIVE
OFFICES INCLUDING ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (770) 813-9200

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Common stock par value $.01 per share: 71,995,847 shares outstanding as of October 31, 2001.

AGCO CORPORATION AND SUBSIDIARIES

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Part I. Financial Information
Item I. Financial Statements

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN MILLIONS, EXCEPT SHARE DATA)

	SEPTEMBER 30, 2001 (UNAUDITED)	DECEMBER 31, 2000
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 13.9	$ 13.3
Accounts and notes receivable, net	417.2	602.9
Inventories, net	656.0	531.1
Other current assets	90.8	93.0
Total current assets	1,177.9	1,240.3
Property, plant and equipment, net	305.6	316.2
Investments in affiliates	86.5	85.3
Other assets	247.8	176.0
Intangible assets, net	426.8	286.4
Total assets	$ 2,244.6	$ 2,104.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 220.8	$ 244.4
Accrued expenses	354.6	357.6
Other current liabilities	18.4	34.4
Total current liabilities	593.8	636.4
Long-term debt	719.7	570.2
Postretirement health care benefits	25.7	27.5
Other noncurrent liabilities	69.3	80.2
Total liabilities	1,408.5	1,314.3
Stockholders' Equity:		
Common stock: $0.01 par value, 150,000,000 shares authorized, 71,989,047 and 59,589,428 shares issued and outstanding at September 30, 2001 and December 31, 2000, respectively	0.7	0.6
Additional paid-in capital	531.7	427.1
Retained earnings	621.8	622.9
Unearned compensation	(0.3)	(1.4)
Accumulated other comprehensive loss	(317.8)	(259.3)
Total stockholders' equity	836.1	789.9
Total liabilities and stockholders' equity	$ 2,244.6	$ 2,104.2

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED AND IN MILLIONS, EXCEPT PER SHARE DATA)

	THREE MONTHS ENDED SEPTEMBER 30,	
	2001	2000
Net sales	$ 577.2	$ 521.1
Cost of goods sold	474.6	430.8
Gross profit	102.6	90.3
Selling, general and administrative expenses	63.8	56.4
Engineering expenses	12.3	12.4
Restructuring and other infrequent expenses	4.9	4.5
Amortization of intangibles	4.9	3.9
Income from operations	16.7	13.1
Interest expense, net	15.6	11.0
Other expense, net	4.8	5.7
Loss before income taxes and equity in net earnings of affiliates	(3.7)	(3.6)
Income tax benefit	(1.8)	(3.4)
Loss before equity in net earnings of affiliates	(1.9)	(0.2)
Equity in net earnings of affiliates	2.3	2.6
Net income	$ 0.4	$ 2.4
Net income per common share:		
Basic	$ 0.01	$ 0.04
Diluted	$ 0.01	$ 0.04
Weighted average number of common and common equivalent shares outstanding:		
Basic	71.7	59.3
Diluted	72.0	59.7
Dividends declared per common share	$ --	$ 0.01

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED AND IN MILLIONS, EXCEPT PER SHARE DATA)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2001	2000
Net sales	$ 1,768.6	$ 1,696.7
Cost of goods sold	1,469.8	1,424.3
Gross profit	298.8	272.4
Selling, general and administrative expenses	183.7	170.7
Engineering expenses	37.2	33.7
Restructuring and other infrequent expenses	10.5	19.5
Amortization of intangibles	13.6	11.2
Income from operations	53.8	37.3
Interest expense, net	45.0	34.3
Other expense, net	22.5	26.8
Loss before income taxes, equity in net earnings of affiliates and extraordinary loss	(13.7)	(23.8)
Income tax benefit	(5.6)	(11.5)
Loss before equity in net earnings of affiliates and extraordinary loss	(8.1)	(12.3)
Equity in net earnings of affiliates	8.3	8.1
Income (loss) before extraordinary loss	0.2	(4.2)
Extraordinary loss, net of taxes	(0.8)	--
Net loss	$ (0.6)	$ (4.2)
Net loss per common share:		
Basic:		
Loss before extraordinary loss	$ --	$ (0.07)
Extraordinary loss	(0.01)	--
Net loss	$ (0.01)	$ (0.07)
Diluted:		
Loss before extraordinary loss	$ --	$ (0.07)
Extraordinary loss	(0.01)	--
Net loss	$ (0.01)	$ (0.07)
Weighted average number of common and common equivalent shares outstanding:		
Basic	66.9	59.1
Diluted	66.9	59.1
Dividends declared per common share	$ 0.01	$ 0.03

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED AND IN MILLIONS)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2001	2000
Cash flows from operating activities:		
Net loss	$ (0.6)	$ (4.2)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Extraordinary loss, net of taxes	0.8	--
Depreciation and amortization	39.0	41.4
Amortization of intangibles	13.6	11.2
Amortization of unearned compensation	1.2	2.6
Equity in net earnings of affiliates, net of cash received	2.5	(7.8)
Deferred income tax benefit	(32.9)	(33.4)
Loss on write-down of property, plant and equipment	--	3.1
Changes in operating assets and liabilities, net of effects from purchase of businesses:		
Accounts and notes receivable, net	175.4	193.0
Inventories, net	(41.5)	(60.0)
Other current and noncurrent assets	(0.3)	(15.0)
Accounts payable	(34.5)	(11.0)
Accrued expenses	(20.6)	10.0
Other current and noncurrent liabilities	(6.7)	(13.5)
Total adjustments	96.0	120.6
Net cash provided by operating activities	95.4	116.4
Cash flows from investing activities:		
Purchase of property, plant and equipment	(23.5)	(33.4)
Proceeds from sale of property, plant and equipment	2.5	--
Purchase of businesses, net of cash acquired	(147.5)	(10.0)
Investments in affiliates	(0.5)	(1.5)
Net cash used for investing activities	(169.0)	(44.9)
Cash flows from financing activities:		
Proceeds from (repayments of) debt, net	83.7	(84.4)
Proceeds from issuance of preferred stock	5.3	--
Payment of debt and common stock issuance costs	(12.8)	--
Dividends paid on common stock	(0.6)	(1.8)
Net cash provided by (used in) financing activities	75.6	(86.2)
Effect of exchange rate changes on cash and cash equivalents	(1.4)	(0.9)
Increase (decrease) in cash and cash equivalents	0.6	(15.6)
Cash and cash equivalents, beginning of period	13.3	19.6
Cash and cash equivalents, end of period	$ 13.9	$ 4.0

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF PRESENTATION

The condensed consolidated financial statements of AGCO Corporation and subsidiaries (the "Company" or "AGCO") included herein have been prepared in accordance with generally accepted accounting principles for interim financial information and the rules and regulations of the Securities and Exchange Commission. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly the Company's financial position, results of operations and cash flows at the dates and for the periods presented. These condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2000. Interim results of operations are not necessarily indicative of results to be expected for the fiscal year. Certain reclassifications of previously reported financial information were made to conform to the current presentation. These reclassifications include the reclassification of shipping and handling fees and costs in accordance with Emerging Issues Task Force ("EITF") Issue No. 00-10 "Accounting for Shipping and Handling Fees and Costs".

2. AG-CHEM ACQUISITION

On April 16, 2001, the Company completed the acquisition of Ag-Chem Equipment Co., Inc. ("Ag-Chem"), a manufacturer and distributor of self-propelled sprayers. The Company paid Ag-Chem shareholders approximately $247.2 million consisting of approximately 11.8 million AGCO common shares and $147.5 million of cash. The funding of the cash component of the purchase price was made through borrowings under the Company's revolving credit facility.

The Ag-Chem acquisition was accounted for as a purchase in accordance with Accounting Principles Board ("APB") No. 16, and, accordingly, the purchase price has been allocated to the assets acquired and the liabilities assumed based on a preliminary estimate of fair values as of the acquisition date. In connection with the acquisition of Ag-Chem, the Company established liabilities primarily related to severance, employee relocation and other costs associated with the planned closure of Ag-Chem's Benson, Minnesota manufacturing facility, Minnetonka, Minnesota administrative office and fifteen parts and service facilities. The activity related to these liabilities is summarized in the following table (in millions):

	Liabilities Established	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 2.5	$ 2.1	$ 0.4
Employee relocation expense	0.3	0.1	0.2
Facility closure costs	0.2	--	0.2
	$ 3.0	$ 2.2	$ 0.8

The severance relates to the planned termination of approximately 350 Ag-Chem employees, of which approximately 275 had been terminated as of September 30, 2001.

3. RESTRUCTURING AND OTHER INFREQUENT EXPENSES

In the second quarter of 2001, the Company announced its plans to rationalize certain facilities as part of the Ag-Chem acquisition integration. The Company has commenced the consolidation of AGCO's Willmar, Minnesota manufacturing facility and Ag-Chem's Benson, Minnesota manufacturing facility into Ag-Chem's Jackson, Minnesota manufacturing plant. In addition, the Company is in the process of closing Ag-Chem's Minnetonka, Minnesota administrative offices and relocating all functions to the Jackson facility. Lastly, the Company is in the process of closing fifteen Ag-Chem parts and service facilities and integrating parts warehousing and logistics into AGCO's existing North America parts distribution system.

In connection with these closures, the Company recorded restructuring and other infrequent expenses of $6.7 million during the second and third quarters of 2001. The components of the restructuring and other infrequent expenses are summarized in the following table (in millions):

	2001 Expense	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 0.6	$ 0.4	$ 0.2
Employee retention payments	1.4	0.7	0.7
Facility closure costs	0.6	0.5	0.1
Write-down of property, plant and equipment	0.4	0.4	--
Facility relocation and transition costs	3.7	3.7	--
	$ 6.7	$ 5.7	$ 1.0

The severance relates to the planned termination of approximately 200 AGCO employees of which approximately 170 were terminated as of September 30, 2001. The employee retention payments relate to incentives to be paid to Ag-Chem and AGCO employees who remain employed until certain future termination dates and are accrued over the term of the retention period. The facility closure costs include employee costs and other exit costs to be incurred at Willmar after operations cease. The write-down of property, plant and equipment represents the impairment of machinery and equipment at Willmar from the facility closures and was based on the estimated fair value of the assets compared to their carrying value. The facility relocation and transition costs are being expensed as incurred and represent costs to relocate employees, inventory and machinery and costs to integrate operations into the retained facilities. The $1.0 million of costs accrued at September 30, 2001 are expected to be incurred in 2001.

In 2000, the Company permanently closed its combine manufacturing facility in Independence, Missouri and its Lockney, Texas and Noetinger, Argentina implement manufacturing facilities. In 1999, the Company permanently closed its Coldwater, Ohio manufacturing facility. The majority of production in these facilities has been relocated to existing Company facilities or outsourced to third parties. In connection with these facility closures, the Company recorded restructuring and other infrequent expenses of $3.8 million in the first nine months of 2001. A summary of the expenses and related reserves associated with these closures is included in the following table (in millions):

	Reserve Balance at December 31, 2000	2001 Expense	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 1.9	$ --	$ 1.4	$ 0.5
Facility closure costs	3.9	(0.7)	2.7	0.5
Write-down of property, plant and equipment, net of recoveries	--	(0.7)	(0.7)	--
Production transition costs	--	5.2	5.2	--
	$ 5.8	$ 3.8	$ 8.6	$ 1.0

The expenses incurred in 2001 primarily relate to production transition costs. In addition, the Company recorded credits totaling $1.4 million relating to recoveries from the sale of property and the reversal of closing cost reserves which will not be incurred.

4. LONG-TERM DEBT

Long-term debt consisted of the following at September 30, 2001 and December 31, 2000 (in millions):

	September 30, 2001	December 31, 2000
Revolving credit facility	$ 191.1	$ 314.2
9 1/2% Senior notes due 2008	250.0	--
8 1/2% Senior subordinated notes due 2006	248.8	248.6
Other long-term debt	29.8	7.4
	$ 719.7	$ 570.2

On April 17, 2001 the Company issued $250.0 million of 9 1/2% Senior Notes due 2008 (the "Senior Notes"). The Senior Notes are unsecured obligations of the Company and are redeemable at the option of the Company, in whole or in part, commencing May 1, 2005 initially at 104.75% of their principal amount, plus accrued interest, declining to 100% of their principal amount plus accrued interest on or after May 1, 2007. The indenture governing the Senior Notes requires the Company to offer to repurchase the Senior Notes at 101% of their principal amount, plus accrued interest to the date of the repurchase in the event of a change in control. The indenture also contains certain covenants that, among other things, limit the Company's ability (and that of its restricted subsidiaries) to incur additional indebtedness; make restricted payments (including dividends and share repurchases); make investments; guarantee indebtedness; create liens; and sell assets. The proceeds were used to repay borrowings outstanding under the Company's existing revolving credit facility and support the financing of the Ag-Chem acquisition.

On April 17, 2001 the Company entered into a $350.0 million multi-currency revolving credit facility with Rabobank that will mature October 2005. The facility is secured by a majority of the Company's U.S., Canadian and U.K. based assets and a pledge of the stock of the Company's domestic and material foreign subsidiaries. Interest will accrue on borrowings outstanding under the facility, at the Company's option, at either (1) LIBOR plus a margin based on a ratio of the Company's senior debt to EBITDA, as adjusted, or (2) the administrative agent's base lending rate or the federal funds rate plus a margin ranging between .625% and 1.5%, whichever is higher. The facility contains covenants, including covenants restricting the incurrence of indebtedness and the making of restrictive payments, including dividends. In addition, the Company must fulfill financial covenants including, among others, a total debt to EBITDA ratio, a senior debt to EBITDA ratio and a fixed charge coverage ratio, as defined in the facility. The proceeds were used to repay borrowings outstanding under the Company's then existing revolving credit facility.

5. INVENTORIES

Inventories are valued at the lower of cost or market using the first-in, first-out method. Market is net realizable value for finished goods and repair and replacement parts. For work in process, production parts and raw materials, market is replacement cost.

Inventory balances at September 30, 2001 and December 31, 2000 were as follows (in millions):

	September 30, 2001	December 31, 2000
Finished goods	$ 290.3	$ 233.0
Repair and replacement parts	243.8	222.2
Work in process, production parts and raw materials	191.7	143.6
Gross inventories	725.8	598.8
Allowance for surplus and obsolete inventories	(69.8)	(67.7)
Inventories, net	$ 656.0	$ 531.1

6. NET INCOME PER COMMON SHARE

The computation, presentation and disclosure requirements for earnings per share are presented in accordance with Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings per Share." Basic earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted earnings per common share assumes exercise of outstanding stock options and vesting of restricted stock when the effects of such assumptions are dilutive.

A reconciliation of net income (loss) and the weighted average number of common shares outstanding used to calculate basic and diluted net income (loss) per common share for the three and nine months ended September 30, 2001 and 2000 is as follows (in millions, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
BASIC EARNINGS PER SHARE				
Weighted average number of common shares outstanding	71.7	59.3	66.9	59.1
Net income (loss) before extraordinary loss	$ 0.4	$ 2.4	$ 0.2	$ (4.2)
Extraordinary loss, net of taxes	$ --	$ --	$ (0.8)	--
Net income (loss)	$ 0.4	$ 2.4	$ (0.6)	$ (4.2)
Net income (loss) per common share:				
Income (loss) before extraordinary loss	$ 0.01	$ 0.04	$ --	$ (0.07)
Extraordinary loss	$ --	$ --	$ (0.01)	$ --
Net income (loss)	$ 0.01	$ 0.04	$ (0.01)	$ (0.07)
DILUTED EARNINGS PER SHARE				
Weighted average number of common shares outstanding	71.7	59.3	66.9	59.1
Assumed vesting of restricted stock	0.2	0.3	--	--
Assumed exercise of outstanding stock options	0.1	0.1	--	--
Weighted average number of common and common equivalent shares outstanding	72.0	59.7	66.9	59.1
Net income (loss) before extraordinary loss	$ 0.4	$ 2.4	$ 0.2	$ (4.2)
Extraordinary loss, net of taxes	$ --	$ --	$ (0.8)	--
Net income (loss)	$ 0.4	$ 2.4	$ (0.6)	$ (4.2)
Net income (loss) per common share:				
Income (loss) before extraordinary loss	$ 0.01	$ 0.04	$ --	$ (0.07)
Extraordinary loss	$ --	$ --	$ (0.01)	$ --
Net income (loss)	$ 0.01	$ 0.04	$ (0.01)	$ (0.07)

7. COMPREHENSIVE INCOME (LOSS)

Total comprehensive income (loss) for the three and nine months ended September 30, 2001 and 2000 were as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Net income (loss)	$ 0.4	$ 2.4	$ (0.6)	$ (4.2)
Other comprehensive income (loss)				
Foreign currency translation adjustments	3.1	(30.6)	(58.4)	(50.8)
Unrealized gain (loss) on derivatives	1.1	--	(0.1)	--
Total comprehensive income (loss)	$ 4.6	$ (28.2)	$ (59.1)	$ (55.0)

8. ACCOUNTS RECEIVABLE SECURITIZATION

In the second quarter, the Company entered into account receivable securitization facilities in Europe and Canada, whereby wholesale accounts receivable are sold on a revolving basis. The facilities allow for funding up to approximately $150 million. In connection with the closing of these facilities, the Company incurred transaction costs and an initial loss of sales of receivables of $3.6 million. At September 30, 2001, the Company had funded approximately $372.5 million under the Company's securitization facilities in the United States, Canada and Europe.

9. PREFERRED STOCK

On March 23, 2001, the Company sold non-voting preferred shares, which were convertible into shares of the Company's common stock, in a private placement with net proceeds of approximately $5.3 million. On June 1, 2001, these preferred shares were converted into 555,000 shares of the Company's common stock.

10. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Effective January 1, 2001, the Company adopted SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 138. The cumulative effect for adopting this standard as of January 1, 2001 resulted in a fair value asset, net of taxes of approximately $0.5 million, which is expected to be reclassified to earnings over the next twelve months. All derivatives are recognized on the balance sheet at fair value. On the date the derivative contract is entered, the Company designates the derivative as either (1) a fair value hedge of a recognized liability, (2) a cash flow hedge of a forecasted transaction, (3) a hedge of a net investment in a foreign operation, or (4) a non-designated derivative instrument. The Company currently engages in derivatives that are classified as cash flow hedges and non-designated derivative instruments. Changes in the fair value of a derivative that is designated as a cash flow hedge are recorded in other comprehensive income until reclassified into earnings at the time of settlement of the forecasted transaction. Changes in the fair value of non-designated derivative contracts and the ineffective portion of designated derivative instruments are reported in current earnings.

The Company formally documents all relationships between hedging instruments and hedged items, as well as the risk management objectives and strategy for undertaking various hedge transactions. The Company formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flow of hedged items. When it is determined that a derivative is no longer highly effective as a hedge, hedge accounting is discontinued on a prospective basis.

Foreign Currency Risk

The Company has significant manufacturing operations in the United States, the United Kingdom, France, Germany, Denmark and Brazil, and it purchases a portion of its tractors, combines and components from third party foreign supplies, primarily in various European countries and in Japan. The Company also sells products in over 140 countries throughout the world. The Company's most significant transactional foreign currency exposures include: (i) the British pound in relation to the Euro and the U.S. dollar and (ii) the Euro and the Canadian dollar in relation to the U.S. dollar.

The Company attempts to manage its transactional foreign exchange exposure by hedging identifiable foreign currency cash flow commitments arising from receivables, payables, and expected purchases and sales. Where naturally offsetting currency positions do not occur, the Company hedges certain of its exposures through the use of foreign currency forward contracts.

The Company uses foreign currency forward contracts to hedge receivables and payables on the Company's balance sheet that are denominated in foreign currencies other than the functional currency. These forward contracts are classified as non-designated derivatives instruments. For the nine months ended September 30, 2001, the Company recorded losses of approximately $6.4 million included in current earnings under the caption of other expense, net. These losses were substantially offset by gains on the remeasurement of the underlying asset or liability being hedged.

The Company uses foreign currency forward contracts to hedge forecasted foreign currency inflows and outflows resulting from purchases and sales. The Company currently has hedged anticipated foreign currency cash flows up to twelve months in the future. As of September 30, 2001, the Company had deferred losses, net of taxes, of approximately $0.1 million included in stockholders' equity as a component of accumulated other comprehensive loss. The deferred loss is expected to be reclassified to earnings during the next twelve months. The Company recorded no gain or loss resulting from a forward contract's ineffectiveness or discontinuance as a cash flow hedge.

Interest Rate Risk

The Company uses interest rate swap agreements to manage its exposure to interest rate changes. Currently, the Company has an interest rate swap which matures in December 2001 that has the effect of converting a portion of the Company's floating rate debt to a fixed rate. The Company has designated this swap agreement as a cash flow hedge. As of September 30, 2001, the Company had a deferred loss, net of tax, of less than $0.1 million included in stockholders' equity as a component of accumulated other comprehensive loss. This deferred loss is expected to be reclassified to current earnings on or before the maturity date of the swap. The Company had no material gain or loss resulting from the interest rate swap agreement's ineffectiveness as a cash flow hedge. In addition, no portion of the swap agreement was discontinued as a cash flow hedge.

The following table summarizes activity in accumulated other comprehensive loss related to derivatives held by the Company during the period from January 1, 2001 through September 30, 2001 (in millions):

	Before-Tax Amount	Income Tax	After-Tax Amount
Cumulative effect of adopting SFAS No. 133, net	$ 0.8	$ (0.3)	$ 0.5
Net changes in fair value of derivatives	(2.8)	1.1	(1.7)
Net gains reclassified from accumulated other comprehensive loss into earnings	1.9	(0.8)	1.1
Accumulated derivative net losses as of September 30, 2001	$ (0.1)	$ --	$ (0.1)

The Company's senior management establishes the Company's foreign currency and interest rate risk management policies. This policy is reviewed periodically by the Audit Committee of the Board of Directors. The policy allows for the use of derivative instruments to hedge exposures to movements in foreign currency and interest rates. The Company's policy prohibits the use of derivative instruments for speculative purposes.

11. SEGMENT REPORTING

The Company has five reportable segments: North America; South America; Europe/Africa/Middle East; Asia/Pacific; and Sprayer Division. Each regional segment distributes a full range of agricultural equipment and related replacement parts. The Sprayer division manufactures and distributes self-propelled agricultural sprayers and replacement parts. The Company evaluates segment performance primarily based on income from operations. Sales for each regional segment are based on the location of the third-party customer. All intercompany transactions between the segments have been eliminated. The Company's selling, general and administrative expenses and engineering expenses are charged to each segment based on the region and division where the expenses are incurred. As a result, the components of operating income for one segment may not be comparable to another segment. As a result of the Ag-Chem acquisition, the Company created a new segment, the Sprayer Division, which includes Ag-Chem and the Company's existing sprayer operations. Prior period segment results have been restated to conform with the new segments. Segment results for the three and nine months ended September 30, 2001 and 2000 are as follows (in millions):

Three months ended September 30,	North America	South America	Europe/Africa /Middle East	Asia/Pacific	Sprayer Division	Consolidated
2001						
Net sales	$ 175.7	$ 65.5	$ 270.5	$ 26.7	$ 38.8	$ 577.2
Income (loss) from operations	4.8	7.4	17.0	4.2	(6.5)	26.9
2000						
Net sales	$ 148.1	$ 68.1	$ 271.6	$ 29.1	$ 4.2	$ 521.1
Income (loss) from operations	(4.8)	3.5	19.7	4.7	(1.4)	21.7

Nine months ended September 30,	North America	South America	Europe/Africa /Middle East	Asia/Pacific	Sprayer Division	Consolidated
2001						
Net sales	$ 481.6	$ 184.2	$ 914.6	$ 70.1	$ 118.1	$ 1,768.6
Income (loss) from operations	(9.7)	15.3	67.3	10.9	(4.2)	79.6
2000						
Net sales	$ 453.5	$ 175.0	$ 962.1	$ 76.7	$ 29.4	$ 1,696.7
Income (loss) from operations	(16.4)	2.4	73.5	11.4	0.3	71.2

A reconciliation from the segment information to the consolidated balances for income from operations is set forth below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Segment income from operations	$ 26.9	$ 21.7	$ 79.6	$ 71.2
Restricted stock compensation expense	(0.4)	(0.2)	(1.7)	(3.2)
Restructuring and other infrequent expenses	(4.9)	(4.5)	(10.5)	(19.5)
Amortization of intangibles	(4.9)	(3.9)	(13.6)	(11.2)
Consolidated income from operations	$ 16.7	$ 13.1	$ 53.8	$ 37.3

12. SUPPLEMENTAL GUARANTOR/NON-GUARANTOR FINANCIAL INFORMATION

On April 17, 2001, AGCO issued $250 million of 9 1/2% Senior Notes due 2008. The Senior Notes are fully and unconditionally guaranteed by the following U.S. subsidiaries of AGCO Corporation: AGCO Ventures LLC, Hesston Ventures Corporation, Hay and Forage Industries ("HFI"), Ag-Chem Equipment Co., Inc., Ag-Chem Manufacturing Co., Inc., Ag-Chem Sales Co., Inc., Ag-Chem Equipment International, Inc., Lor*Al Products, Inc. and Ag-Chem Equipment Canada, Ltd. (the "Guarantor Subsidiaries"). The following financial information presents condensed consolidating balance sheets, statements of operations and cash flow of (i) the parent company as if it accounted for its subsidiaries on the equity method, (ii) the Guarantor Subsidiaries on a combined basis, and (iii) the non-guarantor subsidiaries on a combined basis. AGCO Ventures LLC, Hesston Ventures Corporation and HFI, represent AGCO's ownership in the manufacturing operations of HFI. AGCO acquired the remaining 50% interest in HFI in May 2000. Accordingly, HFI is reflected on the equity method of accounting for periods prior to May 2000 and is consolidated with the Company's financial statements subsequent to May 2000. In addition, the remaining Guarantor Subsidiaries, not associated with HFI, were acquired on April 16, 2001 as part of the acquisition of Ag-Chem Equipment Company, Inc., and accordingly, are included in the following financial information subsequent to the acquisition date.

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
THREE MONTHS ENDED SEPTEMBER 30, 2001
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net sales	$ 177.5	$ 89.2	$ 441.4	$(130.9)	$ 577.2
Cost of good sold	152.4	88.4	364.7	(130.9)	474.6
Gross profit	25.1	0.8	76.7	--	102.6
Selling, general and administrative expenses	22.4	9.4	32.0	--	63.8
Engineering expenses	0.6	3.9	7.8	--	12.3
Restructuring and other infrequent expenses	0.7	4.0	0.2	--	4.9
Amortization of intangibles	1.6	1.1	2.2	--	4.9
Income (loss) from operations	(0.2)	(17.6)	34.5	--	16.7
Interest expense, net	12.7	0.2	2.7	--	15.6
Other (income) expense, net	2.0	(0.4)	3.2	--	4.8
Income (loss) before income taxes and equity in net earnings of unconsolidated subsidiaries and affiliates	(14.9)	(17.4)	28.6	--	(3.7)
Income tax provision (benefit)	(1.6)	(7.0)	6.8	--	(1.8)
Income (loss) before equity in net earnings of unconsolidated subsidiaries and affiliates	(13.3)	(10.4)	21.8	--	(1.9)
Equity in net earnings of unconsolidated subsidiaries and affiliates	13.7	(0.2)	1.3	(12.5)	2.3
Net income (loss)	$ 0.4	$ (10.6)	$ 23.1	$ (12.5)	$ 0.4

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
THREE MONTHS ENDED SEPTEMBER 30, 2000
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net sales	$ 141.2	$ 32.0	$ 432.3	$ (84.4)	$ 521.1
Cost of goods sold	125.6	31.0	358.6	(84.4)	430.8
Gross profit	15.6	1.0	73.7	--	90.3
Selling, general and administrative expenses	18.9	3.2	34.3	--	56.4
Engineering expenses	2.2	1.9	8.3	--	12.4
Restructuring and other infrequent expenses	4.0	--	0.5	--	4.5
Amortization of intangibles	1.7	--	2.2	--	3.9
Income (loss) from operations	(11.2)	(4.1)	28.4	--	13.1
Interest expense, net	7.1	--	3.9	--	11.0
Other (income) expense, net	3.6	(0.1)	2.2	--	5.7
Income (loss) before income taxes and equity in net earnings of unconsolidated subsidiaries and affiliates	(21.9)	(4.0)	22.3	--	(3.6)
Income tax provision (benefit)	(10.3)	(1.6)	8.5	--	(3.4)
Income (loss) before equity in net earnings of unconsolidated subsidiaries and affiliates	(11.6)	(2.4)	13.8	--	(0.2)
Equity in net earnings of unconsolidated subsidiaries and affiliates	14.0	--	1.2	(12.6)	2.6
Net income (loss)	$ 2.4	$ (2.4)	$ 15.0	$ (12.6)	$ 2.4

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2001
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net sales	$ 489.2	$ 232.3	$1,395.1	$(348.0)	$1,768.6
Cost of goods sold	428.8	226.5	1,162.5	(348.0)	1,469.8
Gross profit	60.4	5.8	232.6	--	298.8
Selling, general and administrative expenses	67.3	20.6	95.8	--	183.7
Engineering expenses	2.4	10.6	24.2	--	37.2
Restructuring and other infrequent expenses	--	8.9	1.6	--	10.5
Amortization of intangibles	5.1	2.1	6.4	--	13.6
Income (loss) from operations	(14.4)	(36.4)	104.6	--	53.8
Interest expense, net	35.6	0.4	9.0	--	45.0
Other (income) expense, net	10.9	(0.9)	12.5	--	22.5
Income (loss) before income taxes, equity in net earnings of unconsolidated subsidiaries and affiliates and extraordinary loss	(60.9)	(35.9)	83.1	--	(13.7)
Income tax provision (benefit)	(15.5)	(14.8)	24.7	--	(5.6)
Income (loss) before equity in net earnings of unconsolidated subsidiaries and affiliates	(45.4)	(21.1)	58.4	--	(8.1)
Equity in net earnings of unconsolidated subsidiaries and affiliates	45.6	0.3	4.3	(41.9)	8.3
Income (loss) before extraordinary loss	0.2	(20.8)	62.7	(41.9)	0.2
Extraordinary loss, net of taxes	(0.8)	--	--	--	(0.8)
Net income (loss)	$ (0.6)	$ (20.8)	$ 62.7	$ (41.9)	$ (0.6)

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2000
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net sales	$ 462.8	$ 45.0	$1,390.0	$(201.1)	$1,696.7
Cost of goods sold	413.6	43.0	1,168.8	(201.1)	1,424.3
Gross profit	49.2	2.0	221.2	--	272.4
Selling, general and administrative expenses	66.9	3.9	99.9	--	170.7
Engineering expenses	7.0	2.4	24.3	--	33.7
Restructuring and other infrequent expenses	18.9	--	0.6	--	19.5
Amortization of intangibles	4.4	--	6.8	--	11.2
Income (loss) from operations	(48.0)	(4.3)	89.6	--	37.3
Interest expense, net	21.6	--	12.7	--	34.3
Other (income) expense, net	17.1	(0.1)	9.8	--	26.8
Income (loss) before income taxes and equity in net earnings of unconsolidated subsidiaries and affiliates	(86.7)	(4.2)	67.1	--	(23.8)
Income tax provision (benefit)	(37.0)	(1.7)	27.2	--	(11.5)
Income (loss) before equity in net earnings of unconsolidated subsidiaries and affiliates	(49.7)	(2.5)	39.9	--	(12.3)
Equity in net earnings of unconsolidated subsidiaries and affiliates	45.5	--	4.1	(41.5)	8.1
Net income (loss)	$ (4.2)	$ (2.5)	$ 44.0	$ (41.5)	$ (4.2)

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING BALANCE SHEET
AS OF SEPTEMBER 30, 2001
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
ASSETS					
Current Assets:					
Cash and cash equivalents	$ (2.2)	$ 2.6	$ 13.5	$ --	$ 13.9
Accounts and notes receivables, net	86.4	17.2	300.5	--	404.1
Receivables from unconsolidated subsidiaries and affiliates	236.0	--	213.1	(436.0)	13.1
Inventories, net	199.3	138.3	331.0	(12.6)	656.0
Other current assets	41.9	3.0	45.9	--	90.8
Total current assets	561.4	161.1	904.0	(448.6)	1,177.9
Property, plant and equipment, net	11.4	73.4	220.8	--	305.6
Investments in unconsolidated subsidiaries and affiliates	984.4	1.9	84.1	(983.9)	86.5
Other assets	141.2	33.2	73.3	0.1	247.8
Intangible assets, net	33.6	170.4	222.8	--	426.8
Total assets	$1,732.0	$ 440.0	$1,505.0	$(1,432.4)	$2,244.6
LIABILITIES & STOCKHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable	$ 41.0	$ 26.5	$ 147.2	$ --	$ 214.7
Payables to unconsolidated subsidiaries and affiliates	177.3	132.5	132.3	(436.0)	6.1
Accrued expenses	96.1	20.5	238.0	--	354.6
Other current liabilities	1.1	5.4	11.9	--	18.4
Total current liabilities	315.5	184.9	529.4	(436.0)	593.8
Long-term debt	547.6	15.8	156.3	--	719.7
Postretirement health care benefits	22.2	3.5	--	--	25.7
Other noncurrent liabilities	10.6	2.8	55.9	--	69.3
Total liabilities	895.9	207.0	741.6	(436.0)	1,408.5
Total stockholders' equity	836.1	233.0	763.4	(996.4)	836.1
Total liabilities & stockholder's equity	$1,732.0	$ 440.0	$1,505.0	$(1,432.4)	$2,244.6

AGCO Corporation and Subsidiaries
Notes to Condensed Consolidated Financial Statements - Continued
(Unaudited)

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2001
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net cash provided by (used for) operating activities:	$ 16.0	$ (31.6)	$ 111.0	$ --	$ 95.4
Cash flows from investing activities:					
Purchase of property, plant & equipment	(2.7)	(9.7)	(11.1)	--	(23.5)
Proceeds on sale of property, plant & equipment	2.5		--	--	2.5
Purchase of business, net of cash acquired	(147.5)	--	--	--	(147.5)
Investments in affiliates	(0.5)	--	--	--	(0.5)
Net cash used for investing activities	(148.2)	(9.7)	(11.1)	--	(169.0)
Cash flows from financing activities:					
Proceeds (payments) on long-term debt	234.3	(44.1)	(106.5)	--	83.7
Proceeds (payments) from intercompany loans	(96.2)	87.9	8.3	--	--
Proceeds from issuance of preferred stock	5.3	--	--	--	5.3
Payment of debt & common stock issuance costs	(12.8)	--	--	--	(12.8)
Dividends paid on common stock	(0.6)	--	--	--	(0.6)
Net cash provided by (used for) financing activities:	130.0	43.8	(98.2)	--	75.6
Effect of exchange rate changes on cash & cash equivalents	--	--	(1.4)	--	(1.4)
Increase (decrease) in cash & cash equivalents	(2.2)	2.5	0.3	--	0.6
Cash and cash equivalents, beginning of period	--	0.1	13.2	--	13.3
Cash and cash equivalents, end of period	$ (2.2)	$ 2.6	$ 13.5	$ --	$ 13.9

AGCO CORPORATION
SUPPLEMENTAL CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2000
(IN MILLIONS)

	PARENT COMPANY	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATING ENTRIES	CONSOLIDATED
Net cash provided by (used for) operating activities:	$ 122.5	$ (6.8)	$ 0.7	$ --	$ 116.4
Cash flows from investing activities:					
Purchase of property, plant & equipment	(11.1)	(9.0)	(13.3)	--	(33.4)
Purchase of business, net of cash acquired	--	(10.0)	--	--	(10.0)
Investments in affiliates	(2.0)	--	(1.5)	2.0	(1.5)
Net cash used for investing activities	(13.1)	(19.0)	(14.8)	2.0	(44.9)
Cash flows from financing activities:					
Payments on long-term debt	(56.7)	(0.2)	(27.5)	--	(84.4)
Proceeds (payments) from intercompany loans	(50.9)	24.0	26.9	--	--
Issuance of common stock	--	2.0	--	(2.0)	--
Dividends paid on common stock	(1.8)	--	--	--	(1.8)
Net cash provided by (used for) financing activities:	(109.4)	25.8	(0.6)	(2.0)	(86.2)
Effect of exchange rate changes on cash & cash equivalents	--	--	(0.9)	--	(0.9)
Decrease in cash & cash equivalents	--	--	(15.6)	--	(15.6)
Cash and cash equivalents, beginning of period	--	--	19.6	--	19.6
Cash and cash equivalents, end of period	$ --	$ --	$ 4.0	$ --	$ 4.0

13. NEW ACCOUNTING PRONOUNCEMENTS

In July 2001, the Financial Accounting Standards Board ("FASB") issued SFAS No. 141 "Business Combinations" and SFAS No. 142 "Goodwill and Other Intangible Assets." SFAS No. 141 prospectively prohibits the pooling of interest method of accounting for business combinations initiated after June 30, 2001. SFAS No. 142 requires companies to cease amortizing goodwill on December 31, 2001 that was in existence at June 30, 2001. Any goodwill resulting from acquisitions completed after June 30, 2001 will not be amortized. SFAS No. 142 also establishes a new method of testing goodwill for impairment on an annual basis or on an interim basis if an event occurs or circumstances change that would reduce the fair value of a reporting unit below its carrying value. The adoption of SFAS No. 142 will result in the Company's discontinuation of amortization of its goodwill; however, the Company will be required to test its goodwill for impairment under the new standard in 2002, which could have an adverse effect on the Company's future results of operations if an impairment occurs. Management is currently evaluating the effect of this statement on the Company's results of operations and financial position.

In July 2001, the FASB also issued SFAS No. 143, "Accounting for Asset Retirement Obligations" ("SFAS No. 143"). SFAS No. 143 requires entities to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred. When the liability is initially recorded, the entity capitalizes the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, the entity either settles the obligation for the amount recorded or incurs a gain or loss. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. Management is evaluating the effect of this statement on the Company's results of operations and financial position.

In August 2001, the FASB issued statement No. 144, "Accounting for the Impairment of Disposal of Long-Lived Assets" ("SFAS No. 144"). SFAS No. 144 supersedes FASB statement No. 121. "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" ("SFAS No. 121"), and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions" ("Opinion 30") for the disposal of a segment of business (as previously defined in Opinion 30). The FASB issued SFAS No. 144 to establish a single accounting model, based on the framework established in SFAS No. 121, for long-lived assets to be disposed of by sale. SFAS No. 144 broadens the presentation of discontinued operations in the income statement to include a component of an entity (rather than a segment of a business). A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. SFAS No. 144 also requires that discontinued operations be measured at the lower of the carrying amount or fair value less cost to sell. SFAS No. 144 is effective for fiscal years beginning after December 15, 2001 and should be applied prospectively. Management is evaluating the effect of this statement on the Company's results of operations and financial position.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The Company's operations are subject to the cyclical nature of the agricultural industry. Sales of the Company's equipment have been and are expected to continue to be affected by changes in net cash farm income, farm land values, weather conditions, demand for agricultural commodities, commodity prices and general economic conditions. The Company records sales when the Company ships equipment and replacement parts to its independent dealers, distributors or other customers. To the extent possible, the Company attempts to ship products to its dealers and distributors on a level basis throughout the year to reduce the effect of seasonal demands on its manufacturing operations and to minimize its investment in inventory. Retail sales by dealers to farmers are highly seasonal and are a function of the timing of the planting and harvesting seasons. As a result, the Company's net sales have historically been the lowest in the first quarter and have increased in subsequent quarters.

RESULTS OF OPERATIONS

The Company recorded net income for the quarter ended September 30, 2001 of $0.4 million, or $0.01 per diluted share, compared to $2.4 million, or $0.04 per diluted share, for the same period in 2000. Net income before extraordinary loss for the first nine months of 2001 was $0.2 million, representing less than $0.01 per share, compared to a loss of $4.2 million, or $0.07 per share, for the same period in 2000. The results for the third quarter and first nine months of 2001 included restructuring and other infrequent expenses ("restructuring expenses") of $4.9 million, or $0.04 per share, and $10.5 million, or $0.10 per share, respectively, primarily related to the integration of Ag-Chem Equipment Company, Inc. ("Ag-Chem") acquired in April 2001 and the rationalization of certain manufacturing facilities. In addition, the year-to-date earnings include an extraordinary loss, net of taxes, of $0.8 million, or $0.01 per share, for the write-off of unamortized debt costs associated with the Company's revolving credit facility, which was refinanced in April 2001. The results for the third quarter and first nine months of 2000 included restructuring expenses of $4.5 million, or $0.05 per share and $19.5 million, or $0.20 per share, respectively, associated with the closure of certain manufacturing facilities announced in 2000 and 1999.

AGCO's earnings for the third quarter and first nine months of 2001 were negatively impacted by losses at Ag-Chem for the period since acquisition. The Ag-Chem acquisition was completed after Ag-Chem's seasonally strongest period, typically the first calendar quarter of the year. The impact of the Ag-Chem acquisition, excluding restructuring expenses, was a reduction in net income of approximately $6.5 million, or $0.12 per share for the third quarter and $8.5 million, or $0.15 per share for the first nine months of 2001 including the additional shares issued in the transaction. In addition, the Company incurred higher cost of sales of $1.9 million for the third quarter and $7.9 million for the first nine months of 2001 associated with inefficiencies at AGCO's Hesston, Kansas manufacturing facility during the initial production of products relocated from closed facilities. For the first nine months ended September 30, 2001, AGCO's earnings were negatively impacted by approximately $4.0 million of costs associated with the initial funding of securitization facilities and approximately $2.6 million of expenses to obtain covenant waivers from note holders of the Company's 8.5% senior subordinated notes regarding the payment of dividends on the Company's common stock. In 2000, the first nine months included a loss of $8.0 million, or $0.08 per share, associated with the closing of the U.S. accounts receivable securitization facility completed in January 2000.

RETAIL SALES

In North America, industry retail unit sales of tractors and combines for the first nine months of 2001 increased approximately 8% and 23%, respectively, compared to the same period in 2000. Company retail unit sales of tractors in North America increased and Company retail unit sales of combines declined in the first nine months of 2001 compared to the same period in the prior year. The Company's retail unit sales of combines were lower due to the timing of production and deliveries compared to the prior year period.

In Western Europe, industry retail unit sales of tractors declined approximately 7% for the first nine months of 2001 compared to the prior year. The Western European market remains lower than the prior year but has stabilized as concerns over BSE (mad cow disease) and foot-and-mouth disease have diminished. Company retail unit sales for the first nine months also declined compared to 2000.

Industry retail unit sales of tractors in South America for the first nine months of 2001 increased approximately 12% compared to 2000. The major market of Brazil continued its strong growth due to full availability of a supplemental Brazilian government subsidized retail financing program. The growth in the Brazilian market was partially offset by declines in the Argentina market. Company retail unit sales also increased during the first nine months of 2001 compared to the prior year period.

In most other international markets, Company net sales for the first nine months were slightly below the comparable prior year period. The Company is monitoring its Middle Eastern business for any disruptions resulting from the conflict in the region.

STATEMENTS OF OPERATIONS

Net sales for the third quarter of 2001 were $577.2 million compared to $521.1 million for the same period in 2000. Net sales for the first nine months of 2001 were $1,768.6 million compared to $1,696.7 million for the prior year. Net sales generated by Ag-Chem subsequent to acquisition for the quarter and first nine months of 2001 were $37.5 million and $91.5 million, respectively. Net sales for the third quarter and first nine months of 2001 were negatively impacted by foreign currency translation by approximately $30.0 million and $106.0 million for the third quarter and first nine months respectively, due to the strength of the U.S. dollar in relation to the Euro and Brazilian real. Excluding the impact of the Ag-Chem acquisition and foreign currency translation, net sales were 9.2% and 5.1% higher for the third quarter and first nine months, respectively, when compared to the prior year.

Regionally, net sales in North America increased $27.6 million, or 18.6%, for the third quarter of 2001 and increased $28.1 million, or 6.2%, for the first nine months of 2001 compared to the same periods in 2000 due primarily to improved market conditions. In the Europe/Africa/Middle East region, net sales for the third quarter of 2001 decreased $1.1 million, or 0.4%, compared to 2000 and decreased $47.5 million, or 4.9%, for the first nine months of 2001 compared to 2000 primarily due to the negative impact of foreign currency translation and the result of industry declines in Western Europe. Net sales in South America decreased approximately $2.6 million, or 3.8%, for the third quarter of 2001, and increased $9.2 million, or 5.3%, for the first nine months of 2001 compared to 2000 with strong sales increases being offset by the impact of currency translation. In the Asia/Pacific region, net sales decreased approximately $2.4 million, or 8.2%, for the third quarter of 2001, and $6.6 million, or 8.6%, for the first nine months of 2001 compared to 2000 primarily due to the impact of currency translation. In the Sprayer Division, net sales increased $34.6 million and $88.7 million, respectively, for the third quarter and first nine months of 2001 compared to the same periods in 2000. The increase is due primarily to the acquisition of Ag-Chem, which contributed net sales of approximately $37.5 million and $91.5 million for the third quarter and first nine months of 2001, respectively.

Gross profit was $102.6 million (17.8% of net sales) for the third quarter of 2001 compared to $90.3 million (17.3% of net sales) for the same period in the prior year. Gross profit was $298.8 million (16.9% of net sales) for the first nine months of 2001 compared to $272.4 million (16.1% of net sales) for the same period in the prior year. Gross margins improved for the quarter and first nine months primarily due to cost reduction initiatives and the impact of new higher margin products. This margin improvement was offset, in part, by cost inefficiencies in the Hesston plant aggregating approximately $1.9 million and $7.9 million, respectively, for the third quarter and first nine months of 2001. These inefficiencies were primarily due to the initial production run of combines and planters in this facility.

Selling, general and administrative ("SG&A") expenses for the third quarter of 2001 were $63.8 million (11.1% of net sales) compared to $56.4 million (10.8% of net sales) for the same period in the prior year. For the first nine months of 2001, SG&A expenses were $183.7 million (10.4% of net sales) compared to $170.7 million (10.1% of net sales) for the same period in the prior year. The increase as a percentage of net sales for both the quarter and first nine months was the result of Ag-Chem, which had a higher SG&A expense ratio to net sales than the remainder of the Company. Engineering expenses for the third quarter and first nine months of 2001 were $12.3 million (2.1% of net sales) and $37.2 million (2.1% of net sales), respectively, compared to $12.4 million (2.4% of net sales) and $33.7 million (2.0% of net sales), respectively, for the same periods in the prior year. The year-to-date increase is due to the addition of engineering expenses of Hay & Forage Industries acquired in May 2000 and Ag-Chem subsequent to acquisition.

The Company recorded restructuring expenses of $4.9 million and $10.5 million for the third quarter and first nine months ended September 30, 2001. The restructuring expenses included $4.0 million, and $6.6 million of costs related to the integration Ag-Chem recorded in the third quarter and first nine months of 2001, respectively. The remaining expenses primarily related to costs associated with manufacturing facility rationalization programs. See "Restructuring and Other Infrequent Expenses" for further discussion. For the third quarter and first nine months ended September 30, 2000, the Company recorded $4.5 million and $19.5 million, respectively, for costs associated with manufacturing facility closures.

Amortization of intangibles for the third quarter and first nine months of 2001 increased $1.0 million and $2.4 million, respectively, compared to 2000, primarily due to the amortization of goodwill associated with the Ag-Chem acquisition.

Income from operations was $16.7 million (2.9% of net sales) and $53.8 million (3.0% of net sales) for the third quarter and first nine months of 2001, respectively, compared to $13.1 million (2.5% of net sales) and $37.3 million (2.2% of net sales), respectively, for the same period in the prior year. Excluding restructuring expenses, operating income was $21.6 million (3.7% of net sales) and $64.3 million (3.6% of net sales) for the third quarter and first nine months of 2001, respectively, compared to $17.6 million (3.4% of net sales) and $56.8 million (3.3% of net sales) for the comparable periods in 2000, respectively. The improvement for the third quarter and first nine months is due to higher gross margins as discussed previously.

Interest expense, net was $15.6 million and $45.0 million for the third quarter and first nine months of 2001, respectively, compared to $11.0 million and $34.3 million, respectively, for the same period in 2000. The increase in interest expense for the third quarter and first nine months primarily relates to increased indebtedness related to the Ag-Chem acquisition. Interest expense, net for the first nine months of 2001 also included $2.0 million of the $2.6 million related to the successful waiver solicitation on the Company's 8 1/2% Senior Subordinated Notes.

Other expense, net was $4.8 million and $22.5 million for the third quarter and first nine months of 2001, respectively, compared to $5.7 million and $26.8 million, respectively, for the same periods in 2000. During the third quarter of 2001, losses on sales of receivables primarily under the Company's securitization facilities were $4.9 million compared to $5.1 million for the same period in 2000. For the first nine months of 2001, losses on the sales of receivables primarily under the Company's securitization facilities were $18.6 million compared to $19.8 million for the same period in 2000. In the second quarter of 2001, the Company completed securitization facilities in Europe and Canada totaling $150.0 million. As a result, the first nine months of 2001 includes $3.6 million of up-front losses and transaction costs associated with the initial funding of these facilities. The first nine months of 2000 included $7.1 million of up-front losses and transaction costs associated with the initial $200.0 million funding of the U.S. securitization facility.

The Company recorded an income tax benefit of $1.8 million and $5.6 million for the third quarter and first nine months of 2001, respectively, compared to an income tax benefit of $3.4 million and of $11.5 million for the same periods in 2000. The tax benefit in the third quarter of 2000 included the recognition of a United States tax credit carryback of approximately $2.0 million.

Equity in earnings of affiliates was $2.3 million and $8.3 million for the third quarter and first nine months of 2001, respectively, compared to $2.6 million and $8.1 million for the same periods in 2000.

During the second quarter of 2001, the Company recorded a $0.8 million extraordinary loss, net of taxes, representing the write-off of the unamortized debt issuance costs associated with the Company's revolving credit facility, which was refinanced in April 2001.

AG-CHEM ACQUISITION

On April 16, 2001, the Company completed the acquisition of Ag-Chem Equipment Co., Inc. ("Ag-Chem"), a manufacturer and distributor of self-propelled sprayers. The Company paid Ag-Chem shareholders approximately $247.2 million consisting of approximately 11.8 million AGCO common shares and $147.5 million of cash. The funding of the cash component of the purchase price was made through borrowings under the Company's revolving credit facility.

The Ag-Chem acquisition was accounted for as a purchase in accordance with Accounting Principles Board ("APB") No. 16, and, accordingly, the purchase price has been allocated to the assets acquired and the liabilities assumed based on a preliminary estimate of fair values as of the acquisition date. In connection with the acquisition of Ag-Chem, the Company established liabilities primarily related to severance, employee relocation and other costs associated with the planned closure of Ag-Chem's Benson, Minnesota manufacturing facility, Minnetonka, Minnesota administrative office and fifteen parts and service facilities. The activity related to these liabilities is summarized in the following table (in millions):

	Liabilities Established	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 2.5	$ 2.1	$ 0.4
Employee relocation expense	0.3	0.1	0.2
Facility closure costs	0.2	--	0.2
	$ 3.0	$ 2.2	$ 0.8

The severance relates to the planned termination of approximately 350 Ag-Chem employees, of which approximately 275 had been terminated as of September 30, 2001.

RESTRUCTURING AND OTHER INFREQUENT EXPENSES

In the second quarter of 2001, the Company announced its plans to rationalize certain facilities as part of the Ag-Chem acquisition integration. The Company has commenced the consolidation of AGCO's Willmar, Minnesota manufacturing facility and Ag-Chem's Benson, Minnesota manufacturing facility into Ag-Chem's Jackson, Minnesota manufacturing plant. In addition, the Company is in the process of closing Ag-Chem's Minnetonka, Minnesota administrative offices and relocating all functions to the Jackson facility. Lastly, the Company is in the process of closing fifteen Ag-Chem parts and service facilities and integrating parts warehousing and logistics into AGCO's existing North America parts distribution system. These closures are expected to result in the reduction of cost of goods sold and operating expenses for the combined businesses and generate a portion of the targeted $30 million of synergies to be achieved in the acquisition.

In connection with these closures, the Company recorded restructuring and other infrequent expenses of $6.7 million during the second and third quarters of 2001. The components of the restructuring and other infrequent expenses are summarized in the following table (in millions):

	2001 Expense	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 0.6	$ 0.4	$ 0.2
Employee retention payments	1.4	0.7	0.7
Facility closure costs	0.6	0.5	0.1
Write-down of property, plant and equipment	0.4	0.4	--
Facility relocation and transition costs	3.7	3.7	--
	$ 6.7	$ 5.7	$ 1.0

The severance relates to the planned termination of approximately 200 AGCO employees of which approximately 170 were terminated as of September 30, 2001. The employee retention payments relate to incentives to be paid to Ag-Chem and AGCO employees who remain employed until certain future termination dates and are accrued over the term of the retention period. The facility closure costs include employee costs and other exit costs to be incurred at Willmar after operations cease. The write-down of property, plant and equipment represents the impairment of machinery and equipment at Willmar from the facility closures and was based on the estimated fair value of the assets compared to their carrying value. The facility relocation and transition costs are being expensed as incurred and represent costs to relocate employees, inventory and machinery and costs to integrate operations into the retained facilities. The $1.0 million of costs accrued at September 30, 2001 are expected to be incurred in 2001. In addition, the Company expects to incur additional restructuring expenses of $5 to $7 million in the balance of 2001 related to these closures.

In 2000, the Company permanently closed its combine manufacturing facility in Independence, Missouri and its Lockney, Texas and Noetinger, Argentina implement manufacturing facilities. In 1999, the Company permanently closed its Coldwater, Ohio manufacturing facility. The majority of production in these facilities has been relocated to existing Company facilities or outsourced to third parties. In connection with these facility closures, the Company recorded additional restructuring and other infrequent expenses of $3.8 million in the first nine months of 2001. A summary of the expenses and related reserves associated with these closures is included in the following table (in millions):

	Reserve Balance at December 31, 2000	2001 Expense	Expenses Incurred	Reserve Balance at September 30, 2001
Employee severance	$ 1.9	$ --	$ 1.4	$ 0.5
Facility closure costs	3.9	(0.7)	2.7	0.5
Write-down of property, plant and equipment, net of recoveries	--	(0.7)	(0.7)	--
Production transition costs	--	5.2	5.2	--
	$ 5.8	$ 3.8	$ 8.6	$ 1.0

The expenses incurred in 2001 primarily relate to production transition costs. In addition, the Company recorded credits totaling $1.4 million relating to recoveries from the sale of property and the reversal of closing cost reserves which will not be incurred.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financing requirements are subject to variations due to seasonal changes in inventory and dealer receivable levels. Internally generated funds are supplemented when necessary from external sources, primarily the Company's revolving credit facility and accounts receivable securitization facilities.

During the first nine months of 2001, the Company completed a number of transactions, which modified the Company's capital structure and replaced the Company's existing revolving credit facility, which was scheduled to expire in January 2002.

The Company entered into a $350.0 million multi-currency revolving credit facility with Rabobank that will mature October 2005. The facility is secured by a majority of the Company's U.S., Canadian and U.K. based assets and a pledge of the stock of the Company's domestic and material foreign subsidiaries. Interest will accrue on borrowings outstanding under the facility, at the Company's option, at either (1) LIBOR plus a margin based on a ratio of the Company's senior debt to EBITDA, as adjusted, or (2) the administrative agent's base lending rate or the federal funds rate plus a margin ranging between .625% and 1.5%, whichever is higher. The facility contains covenants, including covenants restricting the incurrence of indebtedness and the making of restrictive payments, including dividends. In addition, the Company must fulfill financial covenants including, among others, a total debt to EBITDA ratio, a senior debt to EBITDA ratio and a fixed charge coverage ratio, as defined in the facility. The proceeds were used to repay borrowings outstanding under the Company's existing revolving credit facility. As of September 30, 2001 the Company had borrowings of $191.1 million and availability to borrow $153.4 million under its revolving credit facility.

The Company issued $250.0 million of 9 1/2% Senior Notes due 2008 (the "Senior Notes"). The Senior Notes are unsecured obligations of the Company and are redeemable at the option of the Company, in whole or in part, commencing May 1, 2005 initially at 104.75% of their principal amount, plus accrued interest, declining to 100% of their principal amount plus accrued interest on May 1, 2007. The indenture governing the Senior Notes requires the Company to offer to repurchase the Senior Notes at 101% of their principal amount, plus accrued interest to the date of the repurchase in the event of a change in control. The indenture contains certain covenants that, among other things, limits the Company's ability (and that of its restricted subsidiaries) to incur additional indebtedness; make restricted payments (including dividends and share repurchases); make investments; guarantee indebtedness; create liens; and sell assets and share repurchases. The proceeds were used to pay borrowings outstanding under the Company's existing revolving credit facility and support the financing of the Ag-Chem acquisition.

Lastly, the Company completed accounts receivable securitization facilities totaling approximately $150.0 million whereby certain European and Canadian wholesale accounts receivable from the Company's operations in Europe and Canada may be sold to a third party on a revolving basis. The Company used the proceeds from these securitization facilities to reduce outstanding borrowings under its new revolving credit facility.

As a result, the Company's primary financing and funding sources are the $250.0 million 8 1/2% Senior Subordinated Notes due 2006, the Senior Notes, a $350.0 million revolving credit facility and approximately $400.0 million of accounts receivable securitization facilities in the U.S., Canada and Europe.

The Company's working capital requirements are seasonal, with investments in working capital typically building in the first half of the year and then reducing in the second half of the year. The Company had $584.1 million of working capital at September 30, 2001, a decrease of $19.8 million from working capital of $603.9 million at December 31, 2000. Accounts receivable and inventory combined were $50.0 million lower than at the end of September 2000. The change includes a $142.0 million reduction resulting from the increased funding of securitization facilities in 2001, offset by the addition of $109.0 million of Ag-Chem receivables and inventory. The net change in receivables and inventory, excluding these items is a reduction of approximately $17.0 million compared to September 2000. The majority of this reduction is due to currency translation.

Cash flow provided by operating activities was $95.4 million for the nine months ended September 30, 2001 compared to $116.4 million provided by operating activities for the same period during 2000. Operating cash flow benefited from an additional $142.0 million in receivables securitization funding in 2001 and $200.0 million in funding in 2000.

Capital expenditures for the first nine months ended September 30, 2001 were $23.5 million compared to $33.4 million for the same period in 2000. The Company anticipates that additional capital expenditures for the remainder of 2001 will range from approximately $20.0 million to $25.0 million and will primarily be used to support the development and enhancement of new and existing products as well as facility, equipment and systems improvements.

The Company's debt to capitalization ratio (total long-term debt divided by the sum of total long-term debt and stockholders' equity) was 46.3% at September 30, 2001 compared to 41.9% at December 31, 2000. The increase is primarily attributable to higher debt incurred in connection with the Ag-Chem acquisition partially offset by the reduction in debt resulting from increased funding of accounts receivable securitization facilities.

The Company believes that available borrowings under the Company's revolving credit facility, funding under the accounts receivable securitization facilities, available cash and internally generated funds will be sufficient to support its working capital, capital expenditures and debt service requirements for the foreseeable future.

The Company from time to time reviews and will continue to review acquisition and joint venture opportunities as well as changes in the capital markets. If the Company were to consummate a significant acquisition or elect to take advantage of favorable opportunities in the capital markets, the Company may supplement availability or revise the terms under its credit facilities or complete public or private offerings of equity or debt securities.

OUTLOOK

The Company expects to improve operating margins in 2001 through cost reductions from manufacturing facility rationalizations, product resourcing, material cost reductions and other initiatives. The Company's earnings for 2001 will be adversely impacted by the incremental debt and common shares issued in connection with the Ag-Chem acquisition. As a result of the mid-April closing date and the timing of identified synergies, AGCO's results for 2001 will not reflect Ag-Chem's seasonally strongest period and AGCO will not generate sufficient operating earnings to cover the acquisition carrying costs. Improved operating income in North and South America are expected to offset this impact as well as weakness in the Western European market. As a result, the Company anticipates it will increase profitability compared to 2000.

ACCOUNTING CHANGES

In July 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard ("SFAS") No. 141 "Business Combinations" and SFAS No. 142 "Goodwill and Other Intangible Assets." SFAS No. 141 prospectively prohibits the pooling of interest method of accounting for business combinations initiated after June 30, 2001. SFAS No. 142 requires companies to cease amortizing goodwill on December 31, 2001, that was in existence at June 30, 2001. Any goodwill resulting from acquisitions completed after June 30, 2001 will not be amortized. SFAS No. 142 also establishes a new method of testing goodwill for impairment on an annual basis or on an interim basis if an event occurs or circumstances change that would reduce the fair value of a reporting unit below its carrying value. The adoption of SFAS No. 142 will result in the Company's discontinuation of amortization of its goodwill; however, the Company will be required to test its goodwill for impairment under the new standard in 2002, which could have an adverse effect on the Company's future results of operations if an impairment occurs. Management is currently evaluating the effect of this statement on the Company's results of operations and financial position.

In July 2001, the FASB also issued SFAS No. 143, "Accounting for Asset Retirement Obligations" ("SFAS No. 143"). SFAS No. 143 requires entities to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred. When the liability is initially recorded, the entity capitalizes the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, the entity either settles the obligation for the amount recorded or incurs a gain or loss. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. Management is evaluating the effect of this statement on the Company's results of operations and financial position.

In August 2001, the FASB issued statement No. 144, "Accounting for the Impairment of Disposal of Long-Lived Assets" ("SFAS No. 144"). SFAS No. 144 supersedes FASB statement No. 121. "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be

Disposed Of" ("SFAS No. 121"), and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions" ("Opinion 30") for the disposal of a segment of business (as previously defined in Opinion 30). The FASB issued SFAS No. 144 to establish a single accounting model, based on the framework established in SFAS No. 121, for long-lived assets to be disposed of by sale. SFAS No. 144 broadens the presentation of discontinued operations in the income statement to include a component of an entity (rather than a segment of a business). A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. SFAS No. 144 also requires that discontinued operations be measured at the lower of the carrying amount or fair value less cost to sell. SFAS No. 144 is effective for fiscal years beginning after December 15, 2001 and should be applied prospectively. Management is evaluating the effect of this statement on the Company's results of operations and financial position.

FORWARD LOOKING STATEMENTS

Certain statements included in Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report are forward looking, including certain statements set forth under "Outlook", "Results of Operations" and "Liquidity and Capital Resources" headings. Forward looking statements reflect the Company's expectations with respect to factors that affect net sales, restructuring and infrequent expenses, cost reduction projections, future capital expenditures, fulfillment of working capital needs, and plans with respect to acquisitions. Although the Company believes that the statements it has made are based on reasonable assumptions, they are based on current information and beliefs and, accordingly, the Company can give no assurance that its statements will be achieved. In addition, these statements are subject to factors that could cause actual results to differ materially from those suggested by the forward looking statements. These factors include, but are not limited to, general economic and capital market conditions, the demand for agricultural products, world grain stocks, crop production, commodity prices, farm income, farm land values, government farm programs and legislation, the levels of new and used field inventories, weather conditions, interest and foreign currency exchanges rates, the conversion to the Euro, pricing and product actions taken by competitors, customer access to credit, production disruptions, supply and capacity constraints, Company cost reduction and control initiatives, Company research and development efforts, labor relations, dealer and distributor actions, technological difficulties, changes in environmental, international trade and other laws, the impact of the SFAS No. 142 requirement that the Company test for impairment of goodwill, and political and economic uncertainty in various areas of the world. Further information concerning factors that could significantly affect the Company's results is included in the Company's filings with the Securities and Exchange Commission. The Company disclaims any responsibility to update any forward looking statements.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

FOREIGN CURRENCY RISK MANAGEMENT

The Company has significant manufacturing operations in the United States, the United Kingdom, France, Germany, Denmark and Brazil, and it purchases a portion of its tractors, combines and components from third party foreign suppliers, primarily in various European countries and in Japan. The Company also sells products in over 140 countries throughout the world. The majority of the Company's revenue outside the United States is denominated in the currency of the customer location with the exception of sales in the Middle East, Africa and Asia which is primarily denominated in British pounds, Euros or U.S. dollars. The Company's most significant transactional foreign currency exposures are (i) the British pound in relation to the Euro and the U.S. dollar and (ii) the Euro and the Canadian dollar in relation to the U.S. dollar. Fluctuations in the value of foreign currencies create exposures, which can adversely affect the Company's results of operations.

The Company attempts to manage its transactional foreign exchange exposure by hedging identifiable foreign currency cash flow commitments arising from receivables, payables, and committed purchases and sales. Where naturally offsetting currency positions do not occur, the Company hedges certain of its exposures through the use of foreign currency forward contracts. The Company's hedging policy prohibits foreign currency forward contracts for speculative trading purposes. The Company's translation exposure resulting from translating the financial statements of foreign subsidiaries into U.S. dollars is not hedged. The Company's most significant translation exposures are the British pound, the Euro and the Brazilian real in relation to the U.S. dollar. When practical, this translation impact is reduced by financing local operations with local borrowings.

For additional information, see the Company's most recent annual report filed on Form 10-K (Item 7A). There has been no material change in this information

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

(b) Reports on Form 8-K

The Company filed a Form 8-K dated July 12, 2001 to provide the condensed consolidating balance sheets statements of operations and cash flows of (i) the parent company as if it accounted for its subsidiaries on the equity method, (ii) the Guarantor Subsidiaries on a combined basis, and (iii) the non-Guarantor Subsidiaries on a combined basis as a note to the audited financial statements of the AGCO Corporation for the most recently completed fiscal year ended December 31, 2000 and unaudited financial statements of the AGCO Corporation for the most recently completed interim period dated March 31, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AGCO CORPORATION
Registrant

Date: November 13, 2001

/s/ Donald R. Millard

Donald R. Millard
Sr. Vice President and Chief Financial Officer
(Principal Financial Officer)