
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

For the quarter ended June 30, 2016

of

AGCO CORPORATION

A Delaware Corporation

IRS Employer Identification No. 58-1960019

SEC File Number 1-12930

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Duluth, GA 30096

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AGCO Corporation (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 and (2) has been subject to such filing requirements for the past 90 days.

AGCO Corporation has submitted electronically and posted on its corporate website every Interactive Data File for the periods required to be submitted and posted pursuant to Rule 405 of regulation S-T.

As of August 5, 2016, AGCO Corporation had 81,114,957 shares of common stock outstanding. AGCO Corporation is a large accelerated filer.

AGCO Corporation is a well-known seasoned issuer and is not a shell company.

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS**

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited and in millions, except share amounts)

ASSETS	June 30, 2016	December 31, 2015
Current Assets:		
Cash and cash equivalents	\$ 324.7	\$ 426.7
Accounts and notes receivable, net	946.0	836.8
Inventories, net	1,764.1	1,423.4
Other current assets	271.4	211.4
Total current assets	3,306.2	2,898.3
Property, plant and equipment, net	1,355.1	1,347.1
Investment in affiliates	424.7	392.9
Deferred tax assets	87.8	100.7
Other assets	145.2	136.5
Intangible assets, net	520.8	507.7
Goodwill	1,176.1	1,114.5
Total assets	\$ 7,015.9	\$ 6,497.7
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 93.7	\$ 89.0
Senior term loan	—	217.2
Accounts payable	741.1	625.6
Accrued expenses	1,125.7	1,106.9
Other current liabilities	185.6	146.7
Total current liabilities	2,146.1	2,185.4
Long-term debt, less current portion and debt issuance costs	1,378.7	925.2
Pensions and postretirement health care benefits	218.1	233.9
Deferred tax liabilities	93.9	86.4
Other noncurrent liabilities	196.3	183.5
Total liabilities	4,033.1	3,614.4
Commitments and contingencies (Note 17)		
Stockholders' Equity:		
AGCO Corporation stockholders' equity:		
Preferred stock; \$0.01 par value, 1,000,000 shares authorized, no shares issued or outstanding in 2016 and 2015	—	—
Common stock; \$0.01 par value, 150,000,000 shares authorized, 81,114,868 and 83,814,809 shares issued and outstanding at June 30, 2016 and December 31, 2015, respectively	0.8	0.8
Additional paid-in capital	191.5	301.7
Retained earnings	4,032.5	3,996.0
Accumulated other comprehensive loss	(1,301.1)	(1,460.2)
Total AGCO Corporation stockholders' equity	2,923.7	2,838.3
Noncontrolling interests	59.1	45.0
Total stockholders' equity	2,982.8	2,883.3
Total liabilities and stockholders' equity	\$ 7,015.9	\$ 6,497.7

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 June 30,	
	2016	2015
Net sales	\$ 1,995.6	\$ 2,069.3
Cost of goods sold	1,568.6	1,619.7
Gross profit	427.0	449.6
Selling, general and administrative expenses	217.8	213.1
Engineering expenses	77.1	71.7
Restructuring expenses	2.1	4.0
Amortization of intangibles	11.4	10.9
Income from operations	118.6	149.9
Interest expense, net	11.9	11.3
Other expense, net	16.0	9.5
Income before income taxes and equity in net earnings of affiliates	90.7	129.1
Income tax provision	54.8	37.9
Income before equity in net earnings of affiliates	35.9	91.2
Equity in net earnings of affiliates	13.5	14.4
Net income	49.4	105.6
Net loss attributable to noncontrolling interests	0.9	1.5
Net income attributable to AGCO Corporation and subsidiaries	\$ 50.3	\$ 107.1
Net income per common share attributable to AGCO Corporation and subsidiaries:		
Basic	\$ 0.61	\$ 1.22
Diluted	\$ 0.61	\$ 1.22
Cash dividends declared and paid per common share	\$ 0.13	\$ 0.12
Weighted average number of common and common equivalent shares outstanding:		
Basic	82.0	87.6
Diluted	82.1	87.7

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)

	Six Months Ended June 30,	
	2016	2015
Net sales	\$ 3,554.9	\$ 3,771.9
Cost of goods sold	2,813.2	2,974.4
Gross profit	741.7	797.5
Selling, general and administrative expenses	429.0	424.3
Engineering expenses	148.3	140.5
Restructuring expenses	4.0	14.6
Amortization of intangibles	22.4	21.4
Income from operations	138.0	196.7
Interest expense, net	22.4	21.5
Other expense, net	27.3	19.3
Income before income taxes and equity in net earnings of affiliates	88.3	155.9
Income tax provision	54.4	48.5
Income before equity in net earnings of affiliates	33.9	107.4
Equity in net earnings of affiliates	25.7	28.1
Net income	59.6	135.5
Net (income) loss attributable to noncontrolling interests	(1.5)	1.7
Net income attributable to AGCO Corporation and subsidiaries	\$ 58.1	\$ 137.2
Net income per common share attributable to AGCO Corporation and subsidiaries:		
Basic	\$ 0.70	\$ 1.55
Diluted	\$ 0.70	\$ 1.55
Cash dividends declared and paid per common share	\$ 0.26	\$ 0.24
Weighted average number of common and common equivalent shares outstanding:		
Basic	82.5	88.2
Diluted	82.6	88.3

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited and in millions)

	Three Months Ended June 30,	
	2016	2015
Net income	\$ 49.4	\$ 105.6
Other comprehensive income, net of reclassification adjustments:		
Foreign currency translation adjustments	66.8	65.9
Defined benefit pension plans, net of tax	2.9	2.2
Unrealized (loss) gain on derivatives, net of tax	(4.1)	0.1
Other comprehensive income, net of reclassification adjustments	65.6	68.2
Comprehensive income	115.0	173.8
Comprehensive loss attributable to noncontrolling interests	0.1	0.8
Comprehensive income attributable to AGCO Corporation and subsidiaries	\$ 115.1	\$ 174.6

	Six Months Ended June 30,	
	2016	2015
Net income	\$ 59.6	\$ 135.5
Other comprehensive income (loss), net of reclassification adjustments:		
Foreign currency translation adjustments	161.6	(278.3)
Defined benefit pension plans, net of tax	5.1	4.4
Unrealized loss on derivatives, net of tax	(6.8)	(1.5)
Other comprehensive income (loss), net of reclassification adjustments	159.9	(275.4)
Comprehensive income (loss)	219.5	(139.9)
Comprehensive (income) loss attributable to noncontrolling interests	(2.3)	0.9
Comprehensive income (loss) attributable to AGCO Corporation and subsidiaries	\$ 217.2	\$ (139.0)

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited and in millions)

	Six Months Ended June 30,	
	2016	2015
Cash flows from operating activities:		
Net income	\$ 59.6	\$ 135.5
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation	111.9	108.2
Deferred debt issuance cost amortization	0.7	1.2
Amortization of intangibles	22.4	21.4
Stock compensation expense	11.4	7.1
Proceeds from termination of hedging instrument	7.3	—
Equity in net earnings of affiliates, net of cash received	(9.1)	(22.9)
Deferred income tax provision	14.6	(3.0)
Other	(0.3)	(0.2)
Changes in operating assets and liabilities, net of effects from purchase of businesses:		
Accounts and notes receivable, net	(61.1)	(147.4)
Inventories, net	(263.3)	(170.9)
Other current and noncurrent assets	(34.3)	(33.1)
Accounts payable	80.6	149.5
Accrued expenses	0.3	(17.4)
Other current and noncurrent liabilities	(5.3)	—
Total adjustments	(124.2)	(107.5)
Net cash (used in) provided by operating activities	(64.6)	28.0
Cash flows from investing activities:		
Purchases of property, plant and equipment	(72.0)	(101.3)
Proceeds from sale of property, plant and equipment	0.9	0.8
Purchase of businesses, net of cash acquired	(38.8)	(18.6)
Investment in consolidated affiliates, net of cash acquired	(11.8)	—
Investment in unconsolidated affiliates	—	(5.2)
Restricted cash	0.4	—
Net cash used in investing activities	(121.3)	(124.3)
Cash flows from financing activities:		
Proceeds from debt obligations, net	214.1	432.9
Purchases and retirement of common stock	(120.0)	(125.0)
Payment of dividends to stockholders	(21.6)	(21.3)
Payment of minimum tax withholdings on stock compensation	(1.8)	(6.0)
Payment of debt issuance costs	(0.5)	(0.7)
Net cash provided by financing activities	70.2	279.9
Effects of exchange rate changes on cash and cash equivalents	13.7	(49.1)
(Decrease) increase in cash and cash equivalents	(102.0)	134.5
Cash and cash equivalents, beginning of period	426.7	363.7
Cash and cash equivalents, end of period	\$ 324.7	\$ 498.2

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 its subsidiaries (the “Company” or “AGCO”) included herein have been prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”) for interim financial information and the rules and regulations of the Securities and Exchange Commission (“SEC”). 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, comprehensive income (loss) 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 consolidated financial statements and the notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2015. Results for interim periods are not necessarily indicative of the results for the year.

Recent Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-13, “Measurement of Credit Losses on Financial Instruments” (“ASU 2016-13”), which requires measurement and recognition of expected versus incurred credit losses for financial assets held. ASU 2016-13 is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods. This standard will likely impact the results of operations and financial condition of the Company’s finance joint ventures and as a result, will likely impact the Company’s “Investment in affiliates” and “Equity in net earnings of affiliates” upon adoption.

In March 2016, the FASB issued ASU 2016-09, “Improvements to Employee Share-Based Payment Accounting” (“ASU 2016-09”). ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the accounting for forfeitures, employer tax withholding on share-based compensation and the financial statement presentation of excess tax benefits or deficiencies. In addition, the standard clarifies the statement of cash flow presentation for certain components of share-based awards. The application methods are specific to each component of the ASU and may be applied using a prospective, retrospective or a modified retrospective approach. ASU 2016-09 is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. The Company is currently evaluating the impact of adopting this standard on the Company’s results of operations, financial condition and cash flows.

In February 2016, the FASB issued ASU 2016-02, “Leases” (“ASU 2016-02”), which supersedes the existing lease guidance under current U.S. GAAP. ASU 2016-02 is based on the principle that entities should recognize assets and liabilities arising from leases. The standard does not significantly change the lessees’ recognition, measurement and presentation of expenses and cash flows from the previous accounting standard. Leases are classified as finance or operating. ASU 2016-02’s primary change is the requirement for entities to recognize a lease liability for payments and a right-of-use asset representing the right to use the leased asset during the term of an operating lease arrangement. Lessees are permitted to make an accounting policy election to not recognize the asset and liability for leases with a term of 12 months or less. Lessors’ accounting under the standard is largely unchanged from the previous accounting standard. In addition, ASU 2016-02 expands the disclosure requirements of lease arrangements. The standard is effective for reporting periods beginning after December 15, 2018, and interim periods within those annual periods. Early adoption is permitted. Upon adoption, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Company is currently evaluating the impact of adopting this standard on the Company’s results of operations, financial condition and cash flows.

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers” (“ASU 2014-09”), which supersedes existing revenue recognition guidance under current U.S. GAAP. ASU 2014-09 outlines a comprehensive, single revenue recognition model that provides a five-step analysis in determining when and how revenue is recognized. The new model will require revenue recognition to depict the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Additional disclosures also will be required to enable users to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 is effective for reporting periods beginning after December 15, 2016 using either a full retrospective or a modified retrospective approach. Early adoption is not permitted. On July 9, 2015, the FASB delayed the

effective date of ASU 2014-09 by one year or to reporting periods beginning after December 15, 2017. Early adoption is permitted, but not any earlier than the original effective date. Subsequent to the issuance of ASU 2014-09, the FASB issued ASU 2016-08, “Principal versus Agent Considerations (Reporting Revenue Gross versus Net)”, ASU 2016-10, “Identifying Performance Obligations and Licensing”, ASU 2016-11, “Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting” and ASU 2016-12, “Revenue from Contracts with Customers: Narrow-Scope Improvements and Practical Expedients”. These amendments are intended to improve and clarify the implementation guidance of ASU 2014-09 and each have the same effective date as the original standard. The Company is currently evaluating the impact of adopting these standards on the Company’s results of operations and financial condition.

2. ACQUISITIONS

On February 2, 2016, the Company acquired Tecno Poultry Equipment S.p.A (“Tecno”) for approximately €58.4 million (or approximately \$63.4 million). The Company acquired cash of approximately €17.6 million (or approximately \$19.1 million) associated with the acquisition. Tecno, headquartered in Marsango di Campo San Martino, Italy, manufactures and supplies poultry housing and related products, including egg collection equipment and trolley feeding systems. The acquisition was financed through the Company’s credit facility (Note 6). The Company allocated the purchase price to the assets acquired and liabilities assumed based on preliminary estimates of their fair values as of the acquisition date. The acquired net assets primarily consisted of accounts receivable, inventories, accounts payable and accrued expenses, deferred revenue, property, plant and equipment, and customer relationship, technology and trademark identifiable intangible assets. The Company recorded approximately \$27.5 million of customer relationship, technology and trademark identifiable intangible assets and approximately \$20.7 million of goodwill associated with the acquisition. The results of operations of Tecno have been included in the Company’s Consolidated Financial Statements as of and from the date of acquisition.

The acquired identifiable intangible assets of Tecno as of the date of the acquisition are summarized in the following table (in millions):

Intangible Asset	Amount	Weighted- Average Useful Life
Customer relationships	\$ 15.7	10 years
Technology	7.9	10 years
Trademarks	3.9	10 years
	\$ 27.5	

3. RESTRUCTURING EXPENSES

Since 2014, the Company has initiated several actions to rationalize employee headcount at various manufacturing facilities and administrative offices in order to reduce costs in response to softening global demand and reduced production volumes. During the six months ended June 30, 2016, the Company recorded severance and related costs associated with various rationalizations in the United States, South America and Europe, connected with the termination of approximately 300 employees. The components of the restructuring expenses are summarized as follows (in millions):

	Employee Severance	Facility Closure Costs	Total
Balance as of December 31, 2015	\$ 16.9	\$ —	\$ 16.9
First quarter 2016 provision	1.9	—	1.9
First quarter 2016 cash activity	(3.4)	—	(3.4)
Foreign currency translation	0.6	—	0.6
Balance as of March 31, 2016	16.0	—	16.0
Second quarter 2016 provision	1.3	0.8	2.1
Second quarter 2016 cash activity	(3.2)	—	(3.2)
Foreign currency translation	(0.3)	—	(0.3)
Balance as of June 30, 2016	\$ 13.8	\$ 0.8	\$ 14.6

4. STOCK COMPENSATION PLANS

The Company recorded stock compensation expense as follows for the three and six months ended June 30, 2016 and 2015 (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Cost of goods sold	\$ 0.5	\$ 0.3	\$ 0.9	\$ 0.5
Selling, general and administrative expenses	5.7	4.7	10.8	6.9
Total stock compensation expense	\$ 6.2	\$ 5.0	\$ 11.7	\$ 7.4

Stock Incentive Plan

Under the Company's 2006 Long Term Incentive Plan (the "2006 Plan"), up to 10,000,000 shares of AGCO common stock may be issued. As of June 30, 2016, of the 10,000,000 shares reserved for issuance under the 2006 Plan, approximately 2,677,493 shares were available for grant, assuming the maximum number of shares are earned related to the performance award grants discussed below. The 2006 Plan allows the Company, under the direction of the Board of Directors' Compensation Committee, to make grants of performance shares, stock appreciation rights, restricted stock units and restricted stock awards to employees, officers and non-employee directors of the Company.

Long-Term Incentive Plan and Related Performance Awards

The weighted average grant-date fair value of performance awards granted under the 2006 Plan during the six months ended June 30, 2016 and 2015 was \$47.94 and \$42.46, respectively.

During the six months ended June 30, 2016, the Company granted 1,327,042 performance awards related to varying performance periods. The awards granted assume the maximum target level of performance is achieved, as applicable. The compensation expense associated with all awards granted under the 2006 Plan is amortized ratably over the vesting or performance period based on the Company's projected assessment of the level of performance that will be achieved and earned. Performance award transactions during the six months ended June 30, 2016 were as follows and are presented as if the Company were to achieve its maximum levels of performance under the plan awards:

Shares awarded but not earned at January 1	1,449,396
Shares awarded	1,327,042
Shares forfeited or unearned	(34,440)
Shares earned	—
Shares awarded but not earned at June 30	<u>2,741,998</u>

As of June 30, 2016, the total compensation cost related to unearned performance awards not yet recognized, assuming the Company's current projected assessment of the level of performance that will be achieved and earned, was approximately \$55.8 million, and the weighted average period over which it is expected to be recognized is approximately two years.

Restricted Stock Unit Awards

During the six months ended June 30, 2016, the Company granted 137,496 restricted stock unit ("RSU") awards. These awards entitle the participant to receive one share of the Company's common stock for each RSU granted and vest one-third per year over a three-year requisite service period. For RSU awards granted in 2015, dividends will accrue on all unvested grants until the end of each vesting date within the three-year requisite service period. In January 2016, the Company amended its RSU award agreement such that dividends will not accrue on unvested grants over the requisite service period on all future RSU grants. The compensation expense associated with these awards is amortized ratably over the requisite service period for the awards that are expected to vest. The weighted average grant-date fair value of the RSUs granted under the 2006 Plan during the six months ended June 30, 2016 and 2015 was \$45.05 and \$43.88, respectively. RSU transactions during the six months ended June 30, 2016 were as follows:

Shares awarded but not vested at January 1	137,396
Shares awarded	137,496
Shares forfeited	(3,924)
Shares vested	(46,137)
Shares awarded but not vested at June 30	<u>224,831</u>

As of June 30, 2016, the total compensation cost related to the unvested RSUs not yet recognized was approximately \$8.3 million, and the weighted average period over which it is expected to be recognized is approximately two years.

Stock-Settled Appreciation Rights

Compensation expense associated with the stock-settled appreciation rights (“SSAR”) awards is amortized ratably over the requisite service period for the awards that are expected to vest. The Company estimated the fair value of the grants using the Black-Scholes option pricing model. SSAR transactions during the six months ended June 30, 2016 were as follows:

SSARs outstanding at January 1	1,319,911
SSARs granted	296,200
SSARs exercised	(89,400)
SSARs canceled or forfeited	(10,675)
SSARs outstanding at June 30	<u>1,516,036</u>

Director Restricted Stock Grants

The 2006 Plan provides for annual restricted stock grants of the Company’s common stock to all non-employee directors. The 2016 grant was made on April 28, 2016 and equated to 20,232 shares of common stock, of which 15,395 shares of common stock were issued after shares were withheld for taxes. The Company recorded stock compensation expense of approximately \$1.1 million during the six months ended June 30, 2016 associated with these grants.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Changes in the carrying amount of acquired intangible assets during the six months ended June 30, 2016 are summarized as follows (in millions):

	Trademarks and Tradenames	Customer Relationships	Patents and Technology	Land Use Rights	Total
Gross carrying amounts:					
Balance as of December 31, 2015	\$ 122.2	\$ 492.3	\$ 92.5	\$ 9.1	\$ 716.1
Acquisitions	5.2	18.6	9.8	—	33.6
Foreign currency translation	0.4	6.7	1.5	(0.2)	8.4
Balance as of June 30, 2016	<u>\$ 127.8</u>	<u>\$ 517.6</u>	<u>\$ 103.8</u>	<u>\$ 8.9</u>	<u>\$ 758.1</u>

	Trademarks and Tradenames	Customer Relationships	Patents and Technology	Land Use Rights	Total
Accumulated amortization:					
Balance as of December 31, 2015	\$ 41.9	\$ 193.8	\$ 55.1	\$ 2.9	\$ 293.7
Amortization expense	3.6	16.3	2.4	0.1	22.4
Foreign currency translation	0.3	5.9	1.0	(0.1)	7.1
Balance as of June 30, 2016	<u>\$ 45.8</u>	<u>\$ 216.0</u>	<u>\$ 58.5</u>	<u>\$ 2.9</u>	<u>\$ 323.2</u>

	Trademarks and Tradenames
Indefinite-lived intangible assets:	
Balance as of December 31, 2015	\$ 85.3
Foreign currency translation	0.6
Balance as of June 30, 2016	<u>\$ 85.9</u>

The Company currently amortizes certain acquired intangible assets, primarily on a straight-line basis, over their estimated useful lives, which range from five to 50 years.

Changes in the carrying amount of goodwill during the six months ended June 30, 2016 are summarized as follows (in millions):

	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
Balance as of December 31, 2015	\$ 518.7	\$ 114.4	\$ 425.2	\$ 56.2	\$ 1,114.5
Acquisitions	24.1	—	6.2	—	30.3
Foreign currency translation	—	26.2	4.3	0.8	31.3
Balance as of June 30, 2016	<u>\$ 542.8</u>	<u>\$ 140.6</u>	<u>\$ 435.7</u>	<u>\$ 57.0</u>	<u>\$ 1,176.1</u>

Goodwill is tested for impairment on an annual basis and more often if indications of impairment exist. The Company conducts its annual impairment analyses as of October 1 each fiscal year.

6. INDEBTEDNESS

Indebtedness consisted of the following at June 30, 2016 and December 31, 2015 (in millions):

	June 30, 2016	December 31, 2015
1.056% Senior term loan due 2020	\$ 221.7	\$ 217.2
Credit facility, expiring 2020	455.9	338.9
Senior term loan due 2021	332.6	—
5 ⁷ / ₈ % Senior notes due 2021	307.3	297.4
4 ¹ / ₂ % Senior term loan due 2016	—	217.2
Other long-term debt	158.7	164.3
Debt issuance costs	(3.8)	(3.6)
	<u>1,472.4</u>	<u>1,231.4</u>
Less: 4 ¹ / ₂ % Senior term loan due 2016	—	(217.2)
Current portion of other long-term debt	(93.7)	(89.0)
Total indebtedness, less current portion	<u>\$ 1,378.7</u>	<u>\$ 925.2</u>

1.056% Senior Term Loan

In December 2014, the Company entered into a term loan with the European Investment Bank, which provided the Company with the ability to borrow up to €200.0 million. The €200.0 million (or approximately \$221.7 million as of June 30, 2016) of funding was received on January 15, 2015 with a maturity date of January 15, 2020. The Company has the ability to prepay the term loan before its maturity date. Interest is payable on the term loan at 1.056% per annum, payable quarterly in arrears.

Credit Facility

The Company's revolving credit and term loan facility consists of an \$800.0 million multi-currency revolving credit facility and a €312.0 million (or approximately \$345.9 million as of June 30, 2016) term loan facility. The maturity date of the credit facility is June 26, 2020. Under the credit facility agreement, interest accrues on amounts outstanding, at the Company's option, depending on the currency borrowed, at either (1) LIBOR or EURIBOR plus a margin ranging from 1.0% to 1.75% based on the Company's leverage ratio, or (2) the base rate, which is equal to the higher of (i) the administrative agent's base lending rate for the applicable currency, (ii) the federal funds rate plus 0.5%, and (iii) one-month LIBOR for loans denominated in U.S. dollars plus 1.0% plus a margin ranging from 0.0% to 0.25% based on the Company's leverage ratio. As is more fully described in Note 11, the Company entered into an interest rate swap in 2015 to convert the term loan facility's floating interest rate to a fixed interest rate of 0.33% plus the applicable margin over the remaining life of the term loan facility. As of June 30, 2016, the Company had \$455.9 million of outstanding borrowings under the credit facility and availability to borrow approximately \$690.0 million under the facility. Approximately \$110.0 million was outstanding under the multi-currency revolving credit facility and €312.0 million (or approximately \$345.9 million) was outstanding under the term loan facility as of June 30, 2016. As of December 31, 2015, no amounts were outstanding under the Company's multi-currency revolving

credit facility, and the Company had the ability to borrow approximately \$800.0 million under the facility. Approximately €312.0 million (or approximately \$338.9 million) was outstanding under the term loan facility as of December 31, 2015.

During 2015, the Company designated its €312.0 million (\$345.9 million as of June 30, 2016) term loan facility as a hedge of its net investment in foreign operations to offset foreign currency translation gains or losses on the net investment. See Note 11 for additional information about the net investment hedge.

Senior Term Loan

On April 26, 2016, the Company entered into two term loan agreements with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (“Rabobank”), in the amount of €100.0 million and €200.0 million, respectively. The €300.0 million (or approximately \$332.6 million as of June 30, 2016) of funding was received on April 26, 2016 and was partially used to repay the Company’s 4½% senior term loan with Rabobank which was due May 2, 2016. The Company received net proceeds of approximately €99.6 million (or approximately \$112.2 million) after debt issuance costs. The provisions of the two term loans are identical in nature. The Company has the ability to prepay the term loans before their maturity date on April 26, 2021. Interest is payable on the term loans per annum, equal to the EURIBOR plus a margin ranging from 1.0% to 1.75% based on the Company’s net leverage ratio. Interest is paid quarterly in arrears.

5^{7/8}% Senior Notes

The Company’s \$307.3 million of 5^{7/8}% senior notes due December 1, 2021 constitute senior unsecured and unsubordinated indebtedness. Interest is payable on the notes semi-annually in arrears. At any time prior to September 1, 2021, the Company may redeem the notes, in whole or in part from time to time, at its option, at a redemption price equal to the greater of (i) 100% of the principal amount plus accrued and unpaid interest, including additional interest, if any, to, but excluding, the redemption date, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of interest accrued to the date of redemption) discounted to the redemption date at the treasury rate plus 0.5%, plus accrued and unpaid interest, including additional interest, if any. Beginning September 1, 2021, the Company may redeem the notes, in whole or in part from time to time, at its option, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, including additional interest, if any. As is more fully described in Note 11, the Company entered into an interest rate swap in 2015 to convert the senior notes’ fixed interest rate to a floating interest rate over the remaining life of the senior notes. During the second quarter of 2016, the Company terminated the interest rate swap. As a result, the Company recorded a deferred gain of approximately \$7.3 million associated with the termination, which will be amortized as a reduction to “Interest expense, net” over the remaining term of the 5^{7/8}% senior notes through December 1, 2021.

Former 4^{1/2}% Senior Term Loan

On April 26, 2016, the Company repaid its €200.0 million (or approximately \$225.4 million) 4^{1/2}% senior term loan with Rabobank that was due May 2, 2016. The Company had the ability to prepay the term loan before its maturity date. Interest was payable on the term loan at 4^{1/2}% per annum, payable quarterly in arrears.

Standby Letters of Credit and Similar Instruments

The Company has arrangements with various banks to issue standby letters of credit or similar instruments, which guarantee the Company’s obligations for the purchase or sale of certain inventories and for potential claims exposure for insurance coverage. At June 30, 2016 and December 31, 2015, outstanding letters of credit totaled \$17.4 million and \$17.5 million, respectively.

7. INVENTORIES

Inventories at June 30, 2016 and December 31, 2015 were as follows (in millions):

	June 30, 2016	December 31, 2015
Finished goods	\$ 759.7	\$ 523.1
Repair and replacement parts	560.2	515.4
Work in process	118.9	97.5
Raw materials	325.3	287.4
Inventories, net	<u>\$ 1,764.1</u>	<u>\$ 1,423.4</u>

8. PRODUCT WARRANTY

The warranty reserve activity for the three and six months ended June 30, 2016 and 2015 consisted of the following (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Balance at beginning of period	\$ 241.7	\$ 252.9	\$ 230.3	\$ 284.6
Acquisitions	—	—	0.6	—
Accruals for warranties issued during the period	51.4	43.3	95.4	77.3
Settlements made (in cash or in kind) during the period	(47.6)	(42.2)	(88.2)	(87.1)
Foreign currency translation	(4.9)	7.3	2.5	(13.5)
Balance at June 30	<u>\$ 240.6</u>	<u>\$ 261.3</u>	<u>\$ 240.6</u>	<u>\$ 261.3</u>

The Company's agricultural equipment products generally are warranted against defects in material and workmanship for a period of one to four years. The Company accrues for future warranty costs at the time of sale based on historical warranty experience. Approximately \$205.3 million and \$195.2 million of warranty reserves are included in "Accrued expenses" in the Company's Condensed Consolidated Balance Sheets as of June 30, 2016 and December 31, 2015, respectively. Approximately \$35.3 million and \$35.1 million of warranty reserves are included in "Other noncurrent liabilities" in the Company's Condensed Consolidated Balance Sheets as of June 30, 2016 and December 31, 2015, respectively.

9. NET INCOME PER COMMON SHARE

Basic net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income per common share assumes the exercise of outstanding SSARs and the vesting of performance share awards and RSUs using the treasury stock method when the effects of such assumptions are dilutive. A reconciliation of net income attributable to AGCO Corporation and its subsidiaries and weighted average common shares outstanding for purposes of calculating basic and diluted net income per share for the three and six months ended June 30, 2016 and 2015 is as follows (in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Basic net income per share:				
Net income attributable to AGCO Corporation and subsidiaries	\$ 50.3	\$ 107.1	\$ 58.1	\$ 137.2
Weighted average number of common shares outstanding	82.0	87.6	82.5	88.2
Basic net income per share attributable to AGCO Corporation and subsidiaries	\$ 0.61	\$ 1.22	\$ 0.70	\$ 1.55
Diluted net income per share:				
Net income attributable to AGCO Corporation and subsidiaries	\$ 50.3	\$ 107.1	\$ 58.1	\$ 137.2
Weighted average number of common shares outstanding	82.0	87.6	82.5	88.2
Dilutive SSARs, performance share awards and RSUs	0.1	0.1	0.1	0.1
Weighted average number of common shares and common share equivalents outstanding for purposes of computing diluted net income per share	82.1	87.7	82.6	88.3
Diluted net income per share attributable to AGCO Corporation and subsidiaries	\$ 0.61	\$ 1.22	\$ 0.70	\$ 1.55

SSARs to purchase approximately 1.2 million shares of the Company's common stock for the three and six months ended June 30, 2016 and approximately 0.9 million and 1.3 million shares of the Company's common stock for the three and six months ended June 30, 2015, respectively, were outstanding but not included in the calculation of weighted average common and common equivalent shares outstanding because they had an antidilutive impact.

10. INCOME TAXES

At June 30, 2016 and December 31, 2015, the Company had approximately \$145.1 million and \$133.0 million, respectively, of unrecognized tax benefits, all of which would affect the Company's effective tax rate if recognized. At June 30, 2016 and December 31, 2015, the Company had approximately \$64.4 million and \$61.2 million, respectively, of accrued or deferred taxes related to uncertain income tax positions connected with ongoing income tax audits in various jurisdictions that it expects to settle or pay in the next 12 months. The Company accrues interest and penalties related to unrecognized tax benefits in its provision for income taxes. At June 30, 2016 and December 31, 2015, the Company had accrued interest and penalties related to unrecognized tax benefits of \$21.5 million and \$18.3 million, respectively. Generally, tax years 2010 through 2015 remain open to examination by taxing authorities in the United States and certain other foreign tax jurisdictions.

During the second quarter of 2016, the Company recorded a non-cash deferred income tax charge of approximately \$31.6 million to increase the valuation allowance on its deferred income tax assets in the United States for previous periods. A valuation allowance is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company assessed the likelihood that its deferred tax assets would be recovered from estimated future taxable income and available tax planning strategies and determined that the adjustment to the valuation allowance at June 30, 2016 was appropriate. In making this assessment, all available evidence was considered including the current economic climate, as well as reasonable tax planning strategies. The Company believes it is more likely than not that the Company will realize its remaining deferred tax assets, net of the valuation allowance, in future years.

11. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

All derivatives are recognized on the Company's Condensed Consolidated Balance Sheets at fair value. On the date the derivative contract is entered into, 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 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 or the net investment hedges in foreign operations. When it is determined that a derivative is no longer highly effective as a hedge, hedge accounting is discontinued on a prospective basis.

The Company categorizes its derivative assets and liabilities into one of three levels based on the assumptions used in valuing the asset or liability. See Note 15 for a discussion of the fair value hierarchy as per the guidance in Accounting Standards Codification 820, "Fair Value Measurements." The Company's valuation techniques are designed to maximize the use of observable inputs and minimize the use of unobservable inputs.

Foreign Currency and Interest Rate Risk

The Company has significant manufacturing operations in the United States, France, Germany, Finland 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 Company's most significant transactional foreign currency exposures are the Euro, the Brazilian real and the Canadian dollar in relation to the United States dollar and the Euro in relation to the British pound.

The Company attempts to manage its transactional foreign exchange exposure by hedging foreign currency cash flow forecasts and commitments arising from the anticipated settlement of receivables and payables and from future purchases and sales. Where naturally offsetting currency positions do not occur, the Company hedges certain, but not all, of its exposures through the use of foreign currency contracts. The Company's translation exposure resulting from translating the financial statements of foreign subsidiaries into United States dollars may be partially hedged from time to time. The Company's most significant translation exposures are the Euro, the British pound and the Brazilian real in relation to the United States dollar and the Swiss franc in relation to the Euro. When practical, the translation impact is reduced by financing local operations with local borrowings.

The Company uses floating rate and fixed rate debt to finance its operations. The floating rate debt obligations expose the Company to variability in interest payments due to changes in the EURIBOR and LIBOR benchmark interest rates. The Company believes it is prudent to limit the variability of a portion of its interest payments, and to meet that objective, the Company periodically enters into interest rate swaps to manage the interest rate risk associated with the Company's borrowings. The Company designates interest rate contracts used to convert the interest rate exposure on a portion of the Company's debt portfolio from a floating rate to a fixed rate as cash flow hedges, while those contracts converting the Company's interest rate exposure from a fixed rate to a floating rate are designated as fair value hedges.

The Company's senior management establishes the Company's foreign currency and interest rate risk management policies. These policies are reviewed periodically by the Finance Committee of the Company's Board of Directors. The policies allow for the use of derivative instruments to hedge exposures to movements in foreign currency and interest rates. The Company's policies prohibit the use of derivative instruments for speculative purposes.

Counterparty Risk

The Company regularly monitors the counterparty risk and credit ratings of all the counterparties to the derivative instruments. The Company believes that its exposures are appropriately diversified across counterparties and that these counterparties are creditworthy financial institutions. If the Company perceives any risk with a counterparty, then the Company would cease to do business with that counterparty. There have been no negative impacts to the Company from any non-performance of any counterparties.

Derivative Transactions Designated as Hedging Instruments**Foreign Currency Contracts**

During 2016 and 2015, the Company designated certain foreign currency contracts as cash flow hedges of expected future sales and purchases. The effective portion of the fair value gains or losses on these cash flow hedges were recorded in other comprehensive loss and were subsequently reclassified into cost of goods sold during the period the sales and purchases were recognized. These amounts offset the effect of the changes in foreign currency rates on the related sale and purchase transactions. During the six months ended June 30, 2016, no losses or gains were reclassified into cost of goods sold as the related sales and purchases had not yet been recognized. The amount of the net loss recorded in other comprehensive income(loss) that was reclassified into cost of goods sold during the six months ended June 30, 2015 was approximately \$1.1 million on an after-tax basis. The Company had outstanding foreign currency contracts with a notional amount of approximately \$18.3 million as of June 30, 2016 that were entered into to hedge forecasted sale and purchase transactions. As of December 31, 2015, there were no outstanding foreign currency contracts. The outstanding contracts as of June 30, 2016 range in maturity through December 2016.

Interest Rate Swap Contracts*Cash Flow Hedge*

During the third quarter of 2015, the Company entered into an interest rate swap instrument with a notional amount of €312.0 million (or approximately \$345.9 million as of June 30, 2016) and an expiration date of June 26, 2020. The swap was designated and accounted for as a cash flow hedge. Under the swap agreement, the Company pays a fixed interest rate of 0.33% plus the applicable margin, and the counterparty to the agreement pays a floating interest rate based on the three-month EURIBOR.

Changes in the fair value of the interest rate swap are recorded in other comprehensive income (loss). These amounts are subsequently reclassified into "Interest expense, net" as a rate adjustment in the same period in which the related interest on the Company's floating rate term loan facility affects earnings. For the three and six months ended June 30, 2016, the effective portion of the unrealized change in fair value, net of tax, was a loss of approximately \$4.4 million and \$7.4 million, respectively, which was recorded in other comprehensive income. The amount of the net loss recorded in other comprehensive income that was reclassified into "Interest expense, net" during the three and six months ended June 30, 2016 was approximately \$0.7 million and \$0.9 million, respectively, on an after-tax basis. There was no ineffectiveness during the six months ended June 30, 2016.

Fair Value Hedge

During the third quarter of 2015, the Company entered into an interest rate swap instrument with a notional amount of \$300.0 million and an expiration date of December 1, 2021 designated as a fair value hedge of the Company's 5⁷/₈% senior notes (Note 6). Under the interest rate swap, the Company paid a floating interest rate based on the three-month LIBOR plus a spread of 4.14% and the counterparty to the agreement paid a fixed interest rate of 5⁷/₈%. The gains and losses related to changes in the fair value of the interest rate swap were recorded to "Interest expense, net" and offset changes in the fair value of the underlying hedged 5⁷/₈% senior notes.

During the second quarter of 2016, the Company terminated the existing interest rate swap transaction and received cash proceeds of approximately \$7.3 million. The resulting gain was deferred and is being amortized as a reduction to "Interest expense, net" over the remaining term of the Company's 5⁷/₈% senior notes through December 1, 2021. As of June 30, 2016, the unamortized portion of the deferred gain was approximately \$7.3 million and the amortization for both the three and six months ended June 30, 2016 was approximately less than \$0.1 million.

The following table summarizes the activity in accumulated other comprehensive loss related to the derivatives held by the Company during the six months ended June 30, 2016 (in millions):

	Before-Tax Amount	Income Tax	After-Tax Amount
Accumulated derivative net losses as of December 31, 2015	\$ (3.3)	\$ (1.3)	\$ (2.0)
Net changes in fair value of derivatives	(7.8)	(0.1)	(7.7)
Net losses reclassified from accumulated other comprehensive loss into income	0.9	—	0.9
Accumulated derivative net losses as of June 30, 2016	<u>\$ (10.2)</u>	<u>\$ (1.4)</u>	<u>\$ (8.8)</u>

Net Investment Hedges

The Company uses non-derivative and, from time to time, derivative instruments, to hedge a portion of its net investment in foreign operations against adverse movements in exchange rates. The Company measures ineffectiveness on these derivatives based on changes in forward rates.

For instruments that are designated as hedges of net investments in foreign operations, changes in the fair value of the derivative instruments are recorded in foreign currency translation adjustments, a component of accumulated other comprehensive loss, to offset changes in the value of the net investments being hedged. When the net investment in foreign operations is sold or substantially liquidates, the amounts recorded in accumulated other comprehensive loss are reclassified to earnings. To the extent foreign currency denominated debt is dedesignated from a net investment hedge relationship, changes in the value of the foreign currency denominated debt are recorded in earnings through the maturity date.

During 2015, the Company designated its €312.0 million (or approximately \$345.9 million as of June 30, 2016) term loan facility with a maturity date of June 26, 2020 as a hedge of its net investment in foreign operations to offset foreign currency translation gains or losses on the net investment. As of June 30, 2016, approximately \$0.5 million of foreign currency losses were included in the cumulative translation adjustment component of accumulated other comprehensive loss.

There was no ineffectiveness with respect to the net investment hedge discussed above during the six months ended June 30, 2016.

Derivative Transactions Not Designated as Hedging Instruments

During 2016 and 2015, the Company entered into foreign currency contracts to economically hedge receivables and payables on the Company and its subsidiaries' balance sheets that are denominated in foreign currencies other than the functional currency. These contracts were classified as non-designated derivative instruments.

As of June 30, 2016 and December 31, 2015, the Company had outstanding foreign currency contracts with a notional amount of approximately \$1,854.7 million and \$1,533.9 million, respectively, that were entered into to economically hedge receivables and payables that were denominated in foreign currencies other than the functional currency. Changes in the fair value of these contracts are reported in "Other expense, net." For the three and six months ended June 30, 2016, the Company recorded a net gain of approximately \$6.0 million and \$14.3 million, respectively, within "Other expense, net" within the Company's Condensed Consolidated Statements of Operations related to these contracts. For the three and six months ended June 30, 2015, the Company recorded a net gain of approximately \$5.4 million and a net loss of approximately \$40.3 million, respectively, within "Other expense, net" within the Company's Condensed Consolidated Statements of Operations related to these contracts. Gains and losses on such contracts are substantially offset by losses and gains on the remeasurement of the underlying asset or liability being hedged.

Notes to Condensed Consolidated Financial Statements - Continued
(unaudited)

The table below sets forth the fair value of derivative instruments as of June 30, 2016 (in millions):

	Asset Derivatives as of June 30, 2016		Liability Derivatives as of June 30, 2016	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivative instruments designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ —	Other current liabilities	\$ 0.4
Interest rate swap contracts	Other noncurrent assets	—	Other noncurrent liabilities	9.8
Derivative instruments not designated as hedging instruments:				
Foreign currency contracts	Other current assets	16.1	Other current liabilities	4.0
Total derivative instruments		<u>\$ 16.1</u>		<u>\$ 14.2</u>

The table below sets forth the fair value of derivative instruments as of December 31, 2015 (in millions):

	Asset Derivatives as of December 31, 2015		Liability Derivatives as of December 31, 2015	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivative instruments designated as hedging instruments:				
Interest rate swap contracts	Other noncurrent assets	\$ —	Other noncurrent liabilities	\$ 5.9
Derivative instruments not designated as hedging instruments:				
Foreign currency contracts	Other current assets	4.8	Other current liabilities	7.9
Total derivative instruments		<u>\$ 4.8</u>		<u>\$ 13.8</u>

12. CHANGES IN STOCKHOLDERS' EQUITY

The following table sets forth changes in stockholders' equity attributed to AGCO Corporation and its subsidiaries and to noncontrolling interests for the six months ended June 30, 2016 (in millions):

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Stockholders' Equity
Balance, December 31, 2015	\$ 0.8	\$ 301.7	\$ 3,996.0	\$ (1,460.2)	\$ 45.0	\$ 2,883.3
Stock compensation	—	11.4	—	—	—	11.4
Issuance of RSUs	—	(0.9)	—	—	—	(0.9)
SSARs exercised	—	(0.7)	—	—	—	(0.7)
Comprehensive income:						
Net income	—	—	58.1	—	1.5	59.6
Other comprehensive income, net of reclassification adjustments:						
Foreign currency translation adjustments	—	—	—	160.8	0.8	161.6
Defined benefit pension plans, net of tax	—	—	—	5.1	—	5.1
Unrealized loss on derivatives, net of tax	—	—	—	(6.8)	—	(6.8)
Payment of dividends to stockholders	—	—	(21.6)	—	—	(21.6)
Purchases and retirement of common stock	—	(120.0)	—	—	—	(120.0)
Investment by noncontrolling interest	—	—	—	—	11.8	11.8
Balance, June 30, 2016	\$ 0.8	\$ 191.5	\$ 4,032.5	\$ (1,301.1)	\$ 59.1	\$ 2,982.8

Total comprehensive (loss) income attributable to noncontrolling interests for the three and six months ended June 30, 2016 and 2015 was as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net (loss) income	\$ (0.9)	\$ (1.5)	\$ 1.5	\$ (1.7)
Other comprehensive income:				
Foreign currency translation adjustments	0.8	0.7	0.8	0.8
Total comprehensive (loss) income	\$ (0.1)	\$ (0.8)	\$ 2.3	\$ (0.9)

The following table sets forth changes in accumulated other comprehensive loss by component, net of tax, attributed to AGCO Corporation and its subsidiaries for the six months ended June 30, 2016 (in millions):

	Defined Benefit Pension Plans	Deferred Net (Losses) Gains on Derivatives	Cumulative Translation Adjustment	Total
Accumulated other comprehensive loss, December 31, 2015	\$ (249.0)	\$ (2.0)	\$ (1,209.2)	\$ (1,460.2)
Other comprehensive (loss) income before reclassifications	—	(7.7)	160.8	153.1
Net losses reclassified from accumulated other comprehensive loss	5.1	0.9	—	6.0
Other comprehensive income (loss), net of reclassification adjustments	5.1	(6.8)	160.8	159.1
Accumulated other comprehensive loss, June 30, 2016	\$ (243.9)	\$ (8.8)	\$ (1,048.4)	\$ (1,301.1)

The following table sets forth reclassification adjustments out of accumulated other comprehensive loss by component attributed to AGCO Corporation and its subsidiaries for the three months ended June 30, 2016 and 2015 (in millions):

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss		Affected Line Item within the Condensed Consolidated Statements of Operations
	Three months ended June 30, 2016 ⁽¹⁾	Three months ended June 30, 2015 ⁽¹⁾	
Derivatives:			
Net losses on foreign currency contracts	\$ —	\$ 0.9	Cost of goods sold
Net losses on interest rate swap contracts	0.5	—	Interest expense, net
Reclassification before tax	0.5	0.9	
	0.2	(0.1)	Income tax benefit (provision)
Reclassification net of tax	<u>\$ 0.7</u>	<u>\$ 0.8</u>	
Defined benefit pension plans:			
Amortization of net actuarial loss	\$ 2.7	\$ 2.8 ⁽²⁾	
Amortization of prior service cost	0.3	0.2 ⁽²⁾	
Reclassification before tax	3.0	3.0	
	(0.1)	(0.8)	Income tax provision
Reclassification net of tax	<u>\$ 2.9</u>	<u>\$ 2.2</u>	
Net losses reclassified from accumulated other comprehensive loss	<u>\$ 3.6</u>	<u>\$ 3.0</u>	

(1) Losses included within the Condensed Consolidated Statements of Operations for the three months ended June 30, 2016 and 2015.

(2) These accumulated other comprehensive loss components are included in the computation of net periodic pension and postretirement benefit cost. See Note 14 to the Company's Condensed Consolidated Financial Statements.

Notes to Condensed Consolidated Financial Statements - Continued
(unaudited)

The following table sets forth reclassification adjustments out of accumulated other comprehensive loss by component attributed to AGCO Corporation and its subsidiaries for the six months ended June 30, 2016 and 2015 (in millions):

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss		Affected Line Item within the Condensed Consolidated Statements of Operations
	Six months ended June 30, 2016 ⁽¹⁾	Six months ended June 30, 2015 ⁽¹⁾	
Derivatives:			
Net losses on foreign currency contracts	\$ —	\$ 1.2	Cost of goods sold
Net losses on interest rate swap contracts	0.9	—	Interest expense, net
Reclassification before tax	0.9	1.2	
	—	(0.1)	Income tax provision
Reclassification net of tax	<u>\$ 0.9</u>	<u>\$ 1.1</u>	
Defined benefit pension plans:			
Amortization of net actuarial loss	\$ 5.3	\$ 5.6 ⁽²⁾	
Amortization of prior service cost	0.6	0.3 ⁽²⁾	
Reclassification before tax	5.9	5.9	
	(0.8)	(1.5)	Income tax provision
Reclassification net of tax	<u>\$ 5.1</u>	<u>\$ 4.4</u>	
Net losses reclassified from accumulated other comprehensive loss	<u>\$ 6.0</u>	<u>\$ 5.5</u>	

(1) Losses included within the Condensed Consolidated Statements of Operations for the six months ended June 30, 2016 and 2015.

(2) These accumulated other comprehensive loss components are included in the computation of net periodic pension and postretirement benefit cost. See Note 14 to the Company's Condensed Consolidated Financial Statements.

Share Repurchase Program

During the six months ended June 30, 2016, the Company entered into accelerated share repurchase ("ASR") agreements with a financial institution to repurchase an aggregate of \$120.0 million of shares of the Company's common stock. The Company received approximately 2,349,735 shares during the six months ended June 30, 2016 related to the ASR agreements. All shares received under the ASR agreements were retired upon receipt, and the excess of the purchase price over par value per share was recorded to "Additional paid-in capital" within the Company's Condensed Consolidated Balance Sheets.

Of the \$1,050.0 million in approved share repurchase programs, the remaining amount authorized to be repurchased is approximately \$123.9 million.

13. ACCOUNTS RECEIVABLE SALES AGREEMENTS

As of June 30, 2016 and December 31, 2015, the Company had accounts receivable sales agreements that permit the sale, on an ongoing basis, of a majority of its wholesale receivables in North America and Europe to its 49% owned U.S., Canadian and European finance joint ventures. The Company also had an accounts receivable sales agreement that permits the sale, on an ongoing basis, of a portion of its wholesale receivables in Brazil to its Brazilian finance joint venture. As of June 30, 2016 and December 31, 2015, the cash received from receivables sold under the U.S., Canadian, European and Brazilian accounts receivable sales agreements was approximately \$1.3 billion and \$1.1 billion, respectively.

Under the terms of the accounts receivable agreements in North America, Europe and Brazil, the Company pays an annual servicing fee related to the servicing of the receivables sold. The Company also pays the respective AGCO Finance entities a subsidized interest payment with respect to the sales agreements, calculated based upon LIBOR plus a margin on any non-interest bearing accounts receivable outstanding and sold under the sales agreements. These fees were reflected within losses on the sales of receivables included within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations. The Company does not service the receivables after the sale occurs and does not maintain any direct retained interest in the receivables. The Company reviewed its accounting for the accounts receivable sales agreements and determined that these facilities should be accounted for as off-balance sheet transactions.

Losses on sales of receivables associated with the accounts receivable financing facilities discussed above, reflected within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations, were approximately \$4.7 million and \$9.5 million during the three and six months ended June 30, 2016, respectively. Losses on sales of receivables associated with the accounts receivable financing facilities discussed above, reflected within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations, were approximately \$4.4 million and \$9.4 million during the three and six months ended June 30, 2015, respectively.

The Company's finance joint ventures in Brazil and Australia also provide wholesale financing directly to the Company's dealers. The receivables associated with these arrangements are without recourse to the Company. The Company does not service the receivables after the sale occurs and does not maintain any direct retained interest in the receivables. As of June 30, 2016 and December 31, 2015, these finance joint ventures had approximately \$20.7 million and \$17.7 million, respectively, of outstanding accounts receivable associated with these arrangements. The Company reviewed its accounting for these arrangements and determined that these arrangements should be accounted for as off-balance sheet transactions.

In addition, the Company sells certain trade receivables under factoring arrangements to other financial institutions around the world. The Company reviewed the sale of such receivables and determined that these arrangements should be accounted for as off-balance sheet transactions.

14. EMPLOYEE BENEFIT PLANS

Net periodic pension and postretirement benefit cost for the Company's defined pension and postretirement benefit plans for the three months ended June 30, 2016 and 2015 are set forth below (in millions):

	Three Months Ended June 30,	
	2016	2015
<u>Pension benefits</u>		
Service cost	\$ 4.1	\$ 4.6
Interest cost	6.4	7.8
Expected return on plan assets	(10.2)	(11.1)
Amortization of net actuarial loss	2.7	2.8
Amortization of prior service cost	0.2	0.1
Net periodic pension cost	<u>\$ 3.2</u>	<u>\$ 4.2</u>
<u>Postretirement benefits</u>		
Interest cost	\$ 0.4	\$ 0.3
Amortization of prior service cost	0.1	0.1
Net periodic postretirement benefit cost	<u>\$ 0.5</u>	<u>\$ 0.4</u>

Net periodic pension and postretirement benefit cost for the Company's defined pension and postretirement benefit plans for the six months ended June 30, 2016 and 2015 are set forth below (in millions):

	Six Months Ended June 30,	
	2016	2015
<u>Pension benefits</u>		
Service cost	\$ 8.2	\$ 9.3
Interest cost	12.8	15.6
Expected return on plan assets	(20.4)	(22.2)
Amortization of net actuarial loss	5.3	5.6
Amortization of prior service cost	0.5	0.2
Net periodic pension cost	<u>\$ 6.4</u>	<u>\$ 8.5</u>
<u>Postretirement benefits</u>		
Interest cost	\$ 0.8	\$ 0.7
Amortization of prior service cost	0.1	0.1
Net periodic postretirement benefit cost	<u>\$ 0.9</u>	<u>\$ 0.8</u>

Notes to Condensed Consolidated Financial Statements - Continued
(unaudited)

The following table summarizes the activity in accumulated other comprehensive loss related to the Company's defined pension and postretirement benefit plans during the six months ended June 30, 2016 (in millions):

	Before-Tax Amount	Income Tax	After-Tax Amount
Accumulated other comprehensive loss as of December 31, 2015	\$ (336.6)	\$ (87.6)	\$ (249.0)
Amortization of net actuarial loss	5.3	0.8	4.5
Amortization of prior service cost	0.6	—	0.6
Accumulated other comprehensive loss as of June 30, 2016	<u>\$ (330.7)</u>	<u>\$ (86.8)</u>	<u>\$ (243.9)</u>

During the six months ended June 30, 2016, approximately \$17.3 million of contributions had been made to the Company's defined pension benefit plans. The Company currently estimates its minimum contributions for 2016 to its defined pension benefit plans will aggregate approximately \$32.0 million.

During the six months ended June 30, 2016, the Company made approximately \$0.7 million of contributions to its postretirement health care and life insurance benefit plans. The Company currently estimates that it will make approximately \$1.5 million of contributions to its postretirement health care and life insurance benefit plans during 2016.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company categorizes its assets and liabilities into one of three levels based on the assumptions used in valuing the asset or liability. Estimates of fair value for financial assets and liabilities are based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Observable inputs (highest level) reflect market data obtained from independent sources, while unobservable inputs (lowest level) reflect internally developed market assumptions. In accordance with this guidance, fair value measurements are classified under the following hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations in which all significant inputs are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Model-derived valuations in which one or more significant inputs are unobservable.

The Company categorizes its pension plan assets into one of the three levels of the fair value hierarchy.

The Company enters into foreign currency and interest rate swap contracts. The fair values of the Company's derivative instruments are determined using discounted cash flow valuation models. The significant inputs used in these models are readily available in public markets, or can be derived from observable market transactions, and therefore have been classified as Level 2. Inputs used in these discounted cash flow valuation models for derivative instruments include the applicable exchange rates, forward rates or interest rates. Such models used for option contracts also use implied volatility. See Note 11 for a discussion of the Company's derivative instruments and hedging activities.

The Company's trading securities consist of foreign-based government bonds. The fair value of the Company's investments in trading securities classified as Level 2 are priced using nonbinding market prices that are corroborated by observable market data.

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2016 and December 31, 2015 are summarized below (in millions):

	As of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Derivative assets	\$ —	\$ 16.1	\$ —	\$ 16.1
Derivative liabilities	\$ —	\$ 14.2	\$ —	\$ 14.2
Trading securities	\$ —	\$ 0.5	\$ —	\$ 0.5

	As of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Derivative assets	\$ —	\$ 4.8	\$ —	\$ 4.8
Derivative liabilities	\$ —	\$ 13.8	\$ —	\$ 13.8
Long-term debt	\$ —	\$ 297.4	\$ —	\$ 297.4
Trading securities	\$ —	\$ 6.6	\$ —	\$ 6.6

The carrying amounts of long-term debt under the Company's 1.056% senior term loan, credit facility, senior term loan due 2021 and 5⁷/₈% senior notes (Note 6) approximate fair value based on the borrowing rates currently available to the Company for loans with similar terms and average maturities.

16. SEGMENT REPORTING

The Company's four reportable segments distribute a full range of agricultural equipment and related replacement parts. The Company evaluates segment performance primarily based on income (loss) from operations. Sales for each segment are based on the location of the third-party customer. 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 income (loss) from operations for one segment may not be comparable to another segment. Segment results for the three and six months ended June 30, 2016 and 2015 and assets as of June 30, 2016 and December 31, 2015 based on the Company's reportable segments are as follows (in millions):

Three Months Ended June 30,	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
2016					
Net sales	\$ 498.9	\$ 203.4	\$ 1,185.3	\$ 108.0	\$ 1,995.6
Income from operations	23.6	—	143.3	2.2	169.1
Depreciation	16.5	5.3	31.0	3.6	56.4
Capital expenditures	8.4	8.2	18.6	1.1	36.3
2015					
Net sales	\$ 563.1	\$ 280.3	\$ 1,137.0	\$ 88.9	\$ 2,069.3
Income (loss) from operations	58.0	15.2	134.6	(10.9)	196.9
Depreciation	15.2	5.5	30.6	2.8	54.1
Capital expenditures	9.0	3.1	17.4	8.9	38.4
Six Months Ended June 30,	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
2016					
Net sales	\$ 907.3	\$ 347.6	\$ 2,109.4	\$ 190.6	\$ 3,554.9
Income (loss) from operations	22.9	0.4	213.6	(0.7)	236.2
Depreciation	32.1	9.9	62.7	7.2	111.9
Capital expenditures	19.8	14.4	34.3	3.5	72.0
2015					
Net sales	\$ 1,035.6	\$ 529.3	\$ 2,045.1	\$ 161.9	\$ 3,771.9
Income (loss) from operations	75.5	28.3	215.1	(22.9)	296.0
Depreciation	30.5	11.5	60.4	5.8	108.2
Capital expenditures	26.0	10.0	47.3	18.0	101.3
Assets					
As of June 30, 2016	\$ 985.5	\$ 645.7	\$ 1,979.1	\$ 404.2	\$ 4,014.5
As of December 31, 2015	\$ 943.7	\$ 490.0	\$ 1,757.2	\$ 346.3	\$ 3,537.2

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Segment income from operations	\$ 169.1	\$ 196.9	\$ 236.2	\$ 296.0
Corporate expenses	(31.3)	(27.4)	(61.0)	(56.4)
Stock compensation expense	(5.7)	(4.7)	(10.8)	(6.9)
Restructuring expenses	(2.1)	(4.0)	(4.0)	(14.6)
Amortization of intangibles	(11.4)	(10.9)	(22.4)	(21.4)
Consolidated income from operations	\$ 118.6	\$ 149.9	\$ 138.0	\$ 196.7

	June 30, 2016	December 31, 2015
Segment assets	\$ 4,014.5	\$ 3,537.2
Cash and cash equivalents	324.7	426.7
Receivables from affiliates	50.7	70.1
Investments in affiliates	424.7	392.9
Deferred tax assets, other current and noncurrent assets	504.4	448.6
Intangible assets, net	520.8	507.7
Goodwill	1,176.1	1,114.5
Consolidated total assets	\$ 7,015.9	\$ 6,497.7

17. COMMITMENTS AND CONTINGENCIES

Off-Balance Sheet Arrangements

Guarantees

The Company maintains a remarketing agreement with its U.S. finance joint venture, whereby the Company is obligated to repurchase repossessed inventory at market values. The Company has an agreement with its U.S. finance joint venture, AGCO Finance LLC, which limits the Company's purchase obligations under this arrangement to \$6.0 million in the aggregate per calendar year. The Company believes that any losses that might be incurred on the resale of this equipment will not materially impact the Company's financial position or results of operations, due to the fair value of the underlying equipment.

At June 30, 2016, the Company has outstanding guarantees of indebtedness owed to third parties of approximately \$13.9 million, primarily related to dealer and end-user financing of equipment. Such guarantees generally obligate the Company to repay outstanding finance obligations owed to financial institutions if dealers or end users default on such loans through 2020. The Company believes the credit risk associated with these guarantees is not material to its financial position or results of operations. Losses under such guarantees have historically been insignificant. In addition, the Company generally would expect to be able to recover a significant portion of the amounts paid under such guarantees from the sale of the underlying financed farm equipment, as the fair value of such equipment is expected to be sufficient to offset a substantial portion of the amounts paid.

Other

The Company sells a majority of its wholesale receivables in North America and Europe to its 49% owned U.S., Canadian and European finance joint ventures, and a portion of its wholesale receivables in Brazil to its Brazilian finance joint venture. The Company also sells certain accounts receivable under factoring arrangements to financial institutions around the

world. The Company reviewed the sale of such receivables and determined that these facilities should be accounted for as off-balance sheet transactions.

Legal Claims and Other Matters

In August 2008, as part of routine audits, the Brazilian taxing authorities disallowed deductions relating to the amortization of certain goodwill recognized in connection with a reorganization of the Company's Brazilian operations and the related transfer of certain assets to the Company's Brazilian subsidiaries. The amount of the tax disallowance through June 30, 2016, not including interest and penalties, was approximately 131.5 million Brazilian reais (or approximately \$40.9 million). The amount ultimately in dispute will be greater because of interest and penalties. The Company has been advised by its legal and tax advisors that its position with respect to the deductions is allowable under the tax laws of Brazil. The Company is contesting the disallowance and believes that it is not likely that the assessment, interest or penalties will be required to be paid. However, the ultimate outcome will not be determined until the Brazilian tax appeal process is complete, which could take several years.

The Company is a party to various other legal claims and actions incidental to its business. The Company believes that none of these claims or actions, either individually or in the aggregate, is material to its business or financial statements as a whole, including its results of operations and financial condition.

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

GENERAL

Our operations are subject to the cyclical nature of the agricultural industry. Sales of our equipment are affected by changes in net cash farm income, farm land values, weather conditions, the demand for agricultural commodities, commodity prices and general economic conditions. We record sales when we sell equipment and replacement parts to our independent dealers, distributors and other customers. To the extent possible, we attempt to sell products to our dealers and distributors on a level basis throughout the year to reduce the effect of seasonal demands on manufacturing operations and to minimize our investment in inventories. However, 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, our net sales have historically been the lowest in the first quarter and have increased in subsequent quarters.

RESULTS OF OPERATIONS

For the three months ended June 30, 2016, we generated net income of \$50.3 million, or \$0.61 per share, compared to net income of \$107.1 million, or \$1.22 per share, for the same period in 2015. For the first six months of 2016, we generated net income of \$58.1 million, or \$0.70 per share, compared to net income of \$137.2 million, or \$1.55 per share, for the same period in 2015.

Net sales during the three and six months ended June 30, 2016 were \$1,995.6 million and \$3,554.9 million, respectively, which were approximately 3.6% and 5.8% lower than the three and six months ended June 30, 2015 due to weaker global market conditions and the negative impact of foreign currency translation.

Income from operations for the three months ended June 30, 2016 was \$118.6 million compared to \$149.9 million for the same period in 2015. Income from operations was \$138.0 million for the six months ended June 30, 2016 compared to \$196.7 million for the same period in 2015. The decrease in income from operations for the three and six months was primarily a result of lower net sales and production levels, a weaker product mix and higher engineering expenses compared to the same periods in the prior year.

Regionally, income from operations in our Europe/Africa/Middle East ("EAME") region increased in the three months ended June 30, 2016 compared to the same period in 2015. Higher net sales and production volumes during the second quarter ended June 30, 2016 helped to bolster operating income in the region. For the six months ended June 30, 2016, income from operations decreased in our EAME region compared to the same period in 2015 due to lower sales and production volumes, a weaker sales mix and higher engineering expenses. In the North American region, a decline in net sales and production volumes coupled with a weaker sales mix negatively impacted income from operations during the three and six months ended June 30, 2016 compared to the same periods in 2015. Income from operations in our South American region also decreased in both the three and six months ended June 30, 2016 compared to the same periods in 2015 due to lower sales and production volumes, material cost inflation and a weaker mix of sales. The operating results in our Asia/Pacific region improved in both the three and six months ended June 30, 2016 compared to the same periods in 2015 due to higher net sales and production levels in China.

Industry Market Conditions

Growing global grain stocks have resulted in lower prices for all major agricultural commodities, which negatively impacts farm income. As a result of more challenging farm economics, industry demand continued to soften in all major agricultural equipment markets during the first six months of 2016 compared to the first six months of 2015.

In North America, industry unit retail sales of utility and high horsepower tractors for the first six months of 2016 decreased by approximately 10% compared to the first six months of 2015. Industry unit retail sales of combines for the first six months of 2016 decreased by approximately 19% compared to the first six months of 2015. Retail sales were significantly lower for high horsepower tractors, sprayers and combines, partially offset by stable retail sales for smaller and mid-sized tractors.

In Western Europe, industry unit retail sales of tractors for the first six months of 2016 decreased by approximately 1% compared to the first six months of 2015. Industry unit retail sales of combines for the first six months of 2016 decreased by approximately 9% compared to the first six months of 2015. Difficult economic conditions for dairy producers and lower commodity prices in the arable farming sector negatively impacted market demand across Western Europe, with declines most pronounced in Germany and the United Kingdom, partially offset by increases in France.

South American industry unit retail sales of tractors in the first six months of 2016 decreased approximately 30% compared to the same period in 2015. Industry unit retail sales of combines for the first six months of 2016 decreased by approximately 15% compared to the first six months of 2015. The decline was most pronounced in Brazil. In Brazil, political uncertainty and the depressed general economy negatively impacted industry retail sales.

STATEMENTS OF OPERATIONS

Net sales for the three months ended June 30, 2016 were \$1,995.6 million compared to \$2,069.3 million for the same period in 2015. Net sales for the six months ended June 30, 2016 were \$3,554.9 million compared to \$3,771.9 million for the same period in 2015. Foreign currency translation negatively impacted net sales by approximately \$51.7 million, or 2.5%, in the three months ended June 30, 2016 and by approximately \$139.9 million, or 3.7% during the six months ended June 30, 2016.

The following tables sets forth, for the three and six months ended June 30, 2016, the impact to net sales of currency translation by geographical segment (in millions, except percentages):

	Three Months Ended June 30,		Change		Change Due to Currency Translation	
	2016	2015	\$	%	\$	%
	North America	\$ 498.9	\$ 563.1	\$ (64.2)	(11.4)%	\$ (7.0)
South America	203.4	280.3	(76.9)	(27.4)%	(36.8)	(13.1)%
Europe/Africa/Middle East	1,185.3	1,137.0	48.3	4.2 %	(4.0)	(0.4)%
Asia/Pacific	108.0	88.9	19.1	21.5 %	(3.9)	(4.4)%
	<u>\$ 1,995.6</u>	<u>\$ 2,069.3</u>	<u>\$ (73.7)</u>	<u>(3.6)%</u>	<u>\$ (51.7)</u>	<u>(2.5)%</u>

	Six Months Ended June 30,		Change		Change Due to Currency Translation	
	2016	2015	\$	%	\$	%
	North America	\$ 907.3	\$ 1,035.6	\$ (128.3)	(12.4)%	\$ (16.1)
South America	347.6	529.3	(181.7)	(34.3)%	(88.8)	(16.8)%
Europe/Africa/Middle East	2,109.4	2,045.1	64.3	3.1 %	(26.5)	(1.3)%
Asia/Pacific	190.6	161.9	28.7	17.7 %	(8.5)	(5.3)%
	<u>\$ 3,554.9</u>	<u>\$ 3,771.9</u>	<u>\$ (217.0)</u>	<u>(5.8)%</u>	<u>\$ (139.9)</u>	<u>(3.7)%</u>

Regionally, net sales in North America decreased during the three and six months ended June 30, 2016 compared to the same periods in 2015. Decreases in net sales of high horsepower tractors, implements and grain storage and handling equipment were partially offset by modest net sales growth in parts, low horsepower tractors and protein production equipment. In the EAME region, net sales increased during the three and six months ended June 30, 2016 compared to the same periods in 2015. Higher sales in France, Scandinavia and Finland were partially offset by net sales declines in Germany and Africa. Net sales in South America decreased during the three and six months ended June 30, 2016 compared to the same periods in 2015 primarily due to significant sales declines in Brazil, which were partially offset by growth in Argentina. In the Asia/Pacific region, net sales increased during the three and six months ended June 30, 2016 compared to the same periods in 2015. The increase in net sales during the three and six months ended June 30, 2016 was primarily driven by net sales growth in China. We estimate worldwide average price increases were approximately 0.8% and 1.2% during the three and six months ended June 30, 2016, respectively, compared to the same prior year periods. Consolidated net sales of tractors and combines, which comprised approximately 61% of our net sales in both the three and six months ended June 30, 2016, decreased approximately 5% and 6% in the three and six months ended June 30, 2016, respectively, compared to the same periods in 2015. Unit sales of tractors and combines decreased approximately 4% and 7%, respectively for the three and six months ended June 30, 2016, compared to the same periods in 2015. The difference between the unit sales decrease and the decrease in net sales was primarily the result of foreign currency translation, pricing and sales mix changes.

Management's Discussion and Analysis of Financial Condition and Results of Operations
(continued)

The following table sets forth, for the periods indicated, the percentage relationship to net sales of certain items in our Condensed Consolidated Statements of Operations (in millions, except percentages):

	Three Months Ended June 30,			
	2016		2015	
	\$	% of Net Sales	\$	% of Net Sales
Gross profit	\$ 427.0	21.4%	\$ 449.6	21.7%
Selling, general and administrative expenses	217.8	10.9%	213.1	10.3%
Engineering expenses	77.1	3.9%	71.7	3.5%
Restructuring expenses	2.1	0.1%	4.0	0.2%
Amortization of intangibles	11.4	0.6%	10.9	0.5%
Income from operations	<u>\$ 118.6</u>	<u>5.9%</u>	<u>\$ 149.9</u>	<u>7.2%</u>

	Six Months Ended June 30,			
	2016		2015	
	\$	% of Net Sales	\$	% of Net Sales
Gross profit	\$ 741.7	20.9%	\$ 797.5	21.1%
Selling, general and administrative expenses	429.0	12.1%	424.3	11.2%
Engineering expenses	148.3	4.2%	140.5	3.7%
Restructuring expenses	4.0	0.1%	14.6	0.4%
Amortization of intangibles	22.4	0.6%	21.4	0.6%
Income from operations	<u>\$ 138.0</u>	<u>3.9%</u>	<u>\$ 196.7</u>	<u>5.2%</u>

Gross profit as a percentage of net sales decreased for the three and six months ended June 30, 2016 compared to the same periods in 2015. The impact of lower net sales and production levels as well as a weaker product mix were partially offset by benefits from material cost containment and productivity initiatives. Production hours were slightly lower for the three months ended June 30, 2016 and decreased approximately 6% for the six months ended June 30, 2016 compared to the same periods in 2015. We recorded approximately \$0.5 million and \$0.9 million of stock compensation expense within cost of goods sold during the three and six months ended June 30, 2016, respectively, compared to approximately \$0.3 million and \$0.5 million for the comparable periods in 2015, respectively, as is more fully explained below and in Note 4 to our Condensed Consolidated Financial Statements.

Selling, general and administrative ("SG&A") expenses and engineering expenses increased for the three and six months ended June 30, 2016 compared to the same periods in 2015 primarily due to the decline in net sales. Engineering spending also increased to support investments in future new product introductions during the three and six months ended June 30, 2016. We recorded approximately \$5.7 million and \$10.8 million of stock compensation expense within SG&A expenses during the three and six months ended June 30, 2016, respectively, compared to \$4.7 million and \$6.9 million during the same periods in 2015, as is more fully explained in Note 4 to our Condensed Consolidated Financial Statements.

The restructuring expenses of \$2.1 million and \$4.0 million recorded during the three and six months ended June 30, 2016, respectively, were primarily related to severance and other related costs associated with the rationalization of certain manufacturing operations and administrative offices located in Europe, South America and the United States. Refer to Note 3 to our Condensed Consolidated Financial Statements for further information.

Interest expense, net was approximately \$11.9 million and \$22.4 million for the three and six months ended June 30, 2016, respectively, compared to approximately \$11.3 million and \$21.5 million for the comparable periods in 2015. The increase was primarily due to lower interest income during the three and six months ended June 30, 2016 as compared to the same periods in 2015.

Other expense, net was approximately \$16.0 million and \$27.3 million for the three and six months ended June 30, 2016 compared to \$9.5 million and \$19.3 million during the same periods in 2015, respectively. The increase in other expense, net during the three and six months ended June 30, 2016 was primarily a result of higher foreign exchange losses compared to the same periods in 2015. Losses on sales of receivables, primarily related to our accounts receivable sales agreements with our finance joint ventures in North America, Europe and Brazil, were approximately \$4.7 million and \$9.5 million for the three and six months ended June 30, 2016, respectively, compared to approximately \$4.4 million and \$9.4 million for the comparable periods in 2015.

We recorded an income tax provision of approximately \$54.8 million and \$54.4 million for the three and six months ended June 30, 2016, respectively, compared to an income tax provision of approximately \$37.9 million and \$48.5 million for the comparable periods in 2015. Our effective tax rate varies from period to period due to the mix of taxable income and losses in the various tax jurisdictions in which we operate. During the three months ended June 30, 2016, we recorded a non-cash deferred tax adjustment of approximately \$31.6 million to establish a valuation allowance against our U.S. net deferred income tax assets for previous periods. A valuation allowance is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized. We assessed the likelihood that our deferred tax assets would be recovered from estimated future taxable income and available tax planning strategies and determined that the adjustment to the valuation allowance at June 30, 2016 was appropriate. In making this assessment, all available evidence was considered including the current economic climate, as well as reasonable tax planning strategies. We believe it is more likely than not that we will realize our remaining deferred tax assets, net of the valuation allowance, in future years.

Equity in net earnings of affiliates, which is primarily comprised of income from our finance joint ventures, was approximately \$13.5 million and \$25.7 million for the three and six months ended June 30, 2016, respectively, compared to approximately \$14.4 million and \$28.1 million for the comparable periods in 2015, respectively. Refer to "Finance Joint Ventures" for further information regarding our finance joint ventures and their results of operations.

FINANCE JOINT VENTURES

Our AGCO Finance joint ventures provide both retail financing and wholesale financing to our dealers in the United States, Canada, Brazil, Europe, Argentina and Australia. The joint ventures are owned 49% by AGCO and 51% by a wholly-owned subsidiary of Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("Rabobank"), a financial institution based in the Netherlands. The majority of the assets of the finance joint ventures represent finance receivables. The majority of the liabilities represent notes payable and accrued interest. Under the various joint venture agreements, Rabobank or its affiliates provide financing to the joint ventures, primarily through lines of credit. We do not guarantee the debt obligations of the joint ventures. As of June 30, 2016, our capital investment in the finance joint ventures, which is included in "Investment in affiliates" on our Condensed Consolidated Balance Sheets, was approximately \$393.3 million compared to \$359.4 million as of December 31, 2015. The total finance portfolio in our finance joint ventures was approximately \$8.3 billion and \$8.0 billion as of June 30, 2016 and December 31, 2015, respectively. The total finance portfolio as of June 30, 2016 included approximately \$6.9 billion of retail receivables and \$1.4 billion of wholesale receivables from AGCO dealers. The total finance portfolio as of December 31, 2015 included approximately \$6.7 billion of retail receivables and \$1.3 billion of wholesale receivables from AGCO dealers. The wholesale receivables either were sold directly to AGCO Finance without recourse from our operating companies or AGCO Finance provided the financing directly to the dealers. For the six months ended June 30, 2016, our share in the earnings of the finance joint ventures, included in "Equity in net earnings of affiliates" within our Condensed Consolidated Statements of Operations, was \$24.0 million compared to \$26.2 million for the same period in 2015.

LIQUIDITY AND CAPITAL RESOURCES

Our financing requirements are subject to variations due to seasonal changes in inventory and receivable levels. Internally generated funds are supplemented when necessary from external sources, primarily our credit facility and accounts receivable sales agreement facilities. We believe that the following facilities, together with available cash and internally generated funds, will be sufficient to support our working capital, capital expenditures and debt service requirements for the foreseeable future (in millions):

	June 30, 2016
1.056% Senior term loan due 2020	\$ 221.7
Credit facility, expiring 2020	455.9
Senior term loan due 2021	332.6
5 ⁷ / ₈ % Senior notes due 2021	307.3
Other long-term debt	158.7
Debt issuance costs	(3.8)
	<u>\$ 1,472.4</u>

In addition, while we are in complete compliance with the financial covenants contained in these facilities and currently expect to continue to maintain such compliance, should we ever encounter difficulties, our historical relationship with our lenders has been strong and we anticipate their continued long-term support of our business. Refer to Note 6 to the Condensed Consolidated Financial Statements for further information regarding our current facilities.

Our accounts receivable sales agreements in North America and Europe permit the sale, on an ongoing basis, of a majority of our receivables to our 49% owned U.S., Canadian and European finance joint ventures, and our accounts receivables agreement in Brazil permits the sale, on an ongoing basis, of a portion of our wholesale receivables to our Brazilian finance joint venture. The sales of all receivables are without recourse to us. We do not service the receivables after the sale occurs, and we do not maintain any direct retained interest in the receivables. These agreements are accounted for as off-balance sheet transactions and have the effect of reducing accounts receivable and short-term liabilities by the same amount. As of June 30, 2016 and December 31, 2015, the cash received from receivables sold under the U.S., Canadian, European and Brazilian accounts receivable sales agreements was approximately \$1.3 billion and \$1.1 billion, respectively.

Our finance joint ventures in Brazil and Australia also provide wholesale financing directly to our dealers. The receivables associated with these arrangements also are without recourse to us. As of June 30, 2016 and December 31, 2015, these finance joint ventures had approximately \$20.7 million and \$17.7 million, respectively, of outstanding accounts receivable associated with these arrangements. These arrangements are accounted for as off-balance sheet transactions. In addition, we sell certain trade receivables under factoring arrangements to other financial institutions around the world. These arrangements are also accounted for as off-balance sheet transactions.

Cash Flows

Cash flows used in operating activities were approximately \$64.6 million for the first six months of 2016 compared to cash flows provided by operating activities of approximately \$28.0 million for the first six months of 2015. Our 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. We had \$1,160.1 million in working capital at June 30, 2016 as compared with \$712.9 million at December 31, 2015 and \$1,209.3 million at June 30, 2015. Accounts receivable and inventories, combined, at June 30, 2016 were \$449.9 million higher and \$153.4 million lower than at December 31, 2015 and June 30, 2015, respectively. The decrease in accounts receivable and inventories as of June 30, 2016 as compared to June 30, 2015 was primarily a result of a decrease in production levels as well as the negative impact of foreign currency translation.

Capital expenditures for the first six months of 2016 were \$72.0 million compared to \$101.3 million for the first six months of 2015. We anticipate that capital expenditures for the full year of 2016 will be approximately \$250.0 million and will primarily be used to support the development and enhancement of new and existing products, upgrade our system capabilities and improve our factory productivity.

Our debt to capitalization ratio, which is total indebtedness divided by the sum of total indebtedness and stockholders' equity, was 33.1% and 30.0% at June 30, 2016 and December 31, 2015, respectively.

Share Repurchase Program

During the six months ended June 30, 2016, we entered into accelerated share repurchase ("ASR") agreements with a financial institution to repurchase an aggregate of \$120.0 million of shares of our common stock. We received approximately 2,349,735 shares during the six months ended June 30, 2016 related to the ASR agreements. All shares received under the ASR agreements were retired upon receipt, and the excess of the purchase price over par value per share was recorded to "Additional paid-in capital" within our Condensed Consolidated Balance Sheets.

Of the \$1,050.0 million in approved share repurchase programs, the remaining amount authorized to be repurchased is approximately \$123.9 million.

COMMITMENTS, OFF-BALANCE SHEET ARRANGEMENTS AND CONTINGENCIES

We are party to a number of commitments and other financial arrangements, which may include "off-balance sheet" arrangements. At June 30, 2016, we have outstanding guarantees of indebtedness owed to third parties of approximately \$13.9 million, primarily related to dealer and end-user financing of equipment. We also sell a majority of our wholesale receivables in North America and Europe to our 49% owned U.S., Canadian and European finance joint ventures, and a portion of our wholesale accounts receivables to our finance joint venture in Brazil. At June 30, 2016, we had outstanding designated and non-designated foreign currency contracts with a gross notional amount of approximately \$1,873.0 million. Refer to "Liquidity and Capital Resources" and "Item 3. Quantitative and Qualitative Disclosures about Market Risk-Foreign Currency Risk Management," as well as to Notes 11, 13 and 17 to our Condensed Consolidated Financial Statements, for further discussion of these matters.

Contingencies

As part of routine audits, the Brazilian taxing authorities disallowed deductions relating to the amortization of certain goodwill recognized in connection with a reorganization of our Brazilian operations and the related transfer of certain assets to our Brazilian subsidiaries.

Refer to Note 17 to our Condensed Consolidated Financial Statements for further discussion of these matters.

OUTLOOK

Industry demand for farm equipment is expected to weaken in all regions for the full year of 2016 compared to 2015 resulting from lower commodity prices and reduced farm income levels. Our net sales in 2016 are expected to decrease compared to 2015, primarily due to the projected industry decline and unfavorable currency translation impacts. Gross and operating margins, as well as net income, are expected to be below 2015 levels due to the negative impact of lower sales and production volumes, a weaker product mix and an expected increase in engineering expenses. Benefits from our cost reduction initiatives are expected to partially offset the volume-related impacts.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our Condensed Consolidated Financial Statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, management evaluates estimates, including those related to reserves, goodwill and intangible assets, income taxes, pension and other postretirement benefit obligations, derivative financial instruments and contingencies. Management bases these estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. A description of critical accounting policies and related judgments and estimates that affect the preparation of our Condensed Consolidated Financial Statements is set forth in our Annual Report on Form 10-K for the year ended December 31, 2015.

FORWARD-LOOKING STATEMENTS

Certain statements in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Quarterly Report on Form 10-Q are forward-looking, including certain statements set forth under the headings "Liquidity and Capital Resources" and "Outlook." Forward-looking statements reflect assumptions, expectations, projections, intentions or beliefs about future events. These statements, which may relate to such matters as earnings, net sales, margins, industry demand, market conditions, commodity prices, farm incomes, foreign currency translation, general economic outlook, availability of financing, product development and enhancement, system capabilities and factory productivity, production and sales volumes, benefits from cost reduction initiatives, tax rates, compliance with loan covenants, capital expenditures and working capital and debt service requirements are "forward-looking statements" within the meaning of the federal securities laws. These statements do not relate strictly to historical or current facts, and you can identify certain of these statements, but not necessarily all, by the use of the words "anticipate," "assumed," "indicate," "estimate," "believe," "predict," "forecast," "rely," "expect," "continue," "grow" and other words of similar meaning. Although we believe that the expectations and assumptions reflected in these statements are reasonable in view of the information currently available to us, there can be no assurance that these expectations will prove to be correct.

These forward-looking statements involve a number of risks and uncertainties, and actual results may differ materially from the results discussed in or implied by the forward-looking statements. Adverse changes in any of the following factors could cause actual results to differ materially from the forward-looking statements:

- general economic and capital market conditions;
- availability of credit to our retail customers;
- the worldwide demand for agricultural products;
- grain stock levels and the levels of new and used field inventories;
- cost of steel and other raw materials;
- energy costs;
- performance and collectability of the accounts receivable originated or owned by AGCO or AGCO Finance;
- government policies and subsidies;
- weather conditions;
- interest and foreign currency exchange rates;
- pricing and product actions taken by competitors;
- commodity prices, acreage planted and crop yields;
- farm income, land values, debt levels and access to credit;
- pervasive livestock diseases;
- production disruptions;
- production levels and capacity constraints at our facilities, including those resulting from plant expansions and systems upgrades;
- integration of recent and future acquisitions;
- our expansion plans in emerging markets;
- supply constraints;
- our cost reduction and control initiatives;
- our research and development efforts;
- dealer and distributor actions;
- regulations affecting privacy and data protection;
- technological difficulties; and
- political and economic uncertainty in various areas of the world.

Any forward-looking statement should be considered in light of such important factors. For additional factors and additional information regarding these factors, please see "Risk Factors" in our Form 10-K for the year ended December 31, 2015.

On June 23, 2016, the U.K. held a referendum in which voters approved an exit from the E.U., commonly referred to as "Brexit." As a result of the referendum, it is expected that the British government will begin negotiating the terms of the U.K.'s future relationship with the E.U. Although it is unknown what those terms will be, it is possible that there will be greater restrictions on imports and exports between the U.K. and E.U. countries, increased regulatory complexities, and increased currency volatility, any of which could adversely affect our operations and financial results.

New factors that could cause actual results to differ materially from those described above emerge from time to time, and it is not possible for us to predict all of such factors or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made, and we disclaim any obligation to update the information contained in such statement to reflect subsequent developments or information except as required by law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Risk Management

For quantitative and qualitative disclosures about market risks, see “Quantitative and Qualitative Disclosures About Market Risks” in Item 7A of Part II of our Annual Report on Form 10-K for the year ended December 31, 2015. As of the second quarter of 2016, there has been no material change in our exposure to market risks.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of June 30, 2016, have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The Company’s management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that the Company’s disclosure controls or the Company’s internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected. We will conduct periodic evaluations of our internal controls to enhance, where necessary, our procedures and controls.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation described above that occurred during the three months ended June 30, 2016 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II. OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

We are a party to various other legal claims and actions incidental to our business. These items are more fully discussed in Note 17 to our Condensed Consolidated Financial Statements.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Equity Securities**

The table below sets forth information with respect to purchases of our common stock made by or on behalf of us during the three months ended June 30, 2016:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs⁽¹⁾	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)⁽¹⁾
April 1, 2016 through April 30, 2016	—	\$ —	—	\$ 183.9
May 1, 2016 through May 31, 2016 ⁽²⁾⁽³⁾	1,159,248	\$ 51.07	1,159,248	\$ 123.9
June 1, 2016 through June 30, 2016 ⁽³⁾	215,868	\$ 51.99	215,868	\$ 123.9
Total	1,375,116	\$ 51.07	1,375,116	\$ 123.9

⁽¹⁾ Our Board of Directors' authorization to repurchase these shares expires in December 2016.

⁽²⁾ In February 2016, we entered into an accelerated share repurchase ("ASR") agreement with a third-party financial institution to repurchase \$60.0 million of shares of our common stock. The ASR agreement resulted in the initial delivery of 974,619 shares of our common stock, representing approximately 80% of the shares expected to be repurchased in connection with the transaction. In May 2016, the remaining 221,015 shares under the ASR agreement were delivered. As reflected in the table above, the average price paid per share for the ASR agreement was the volume-weighted average stock price of our common stock over the term of the ASR agreement. Refer to Note 12 to our Condensed Consolidated Financial Statements for a further discussion of this matter.

⁽³⁾ In May 2016, we entered into an ASR agreement with a third-party financial institution to repurchase \$60.0 million of shares of our common stock. The ASR agreement resulted in the initial delivery of 938,233 shares of our common stock, representing approximately 80% of the shares expected to be repurchased in connection with the transaction. In June 2016, the remaining 215,868 shares under the ASR agreement were delivered. As reflected in the table above, the average price paid per share for the ASR agreement was the volume-weighted average stock price of our common stock over the term of the ASR agreement. Refer to Note 12 to our Condensed Consolidated Financial Statements for a further discussion of this matter.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	The filings referenced for incorporation by reference are AGCO Corporation
2.1	Share Sale Agreement Relating to Cimbria Holdings Limited dated June 29, 2016	Filed herewith
31.1	Certification of Martin Richenhagen	Filed herewith
31.2	Certification of Andrew H. Beck	Filed herewith
32.1	Certification of Martin Richenhagen and Andrew H. Beck	Furnished herewith
101.INS	XBRL Instance Document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed herewith

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.

Date: August 9, 2016

AGCO CORPORATION

Registrant

/s/ Andrew H. Beck

Andrew H. Beck
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Dated 29 June 2016

(1) THE INVESTOR SELLERS

(2) THE MANAGEMENT SELLERS

(3) THE TRUSTEE SELLER

(4) THE OTHER SELLERS

(5) THE BUYER

**SHARE SALE AGREEMENT
RELATING TO
CIMBRIA HOLDINGS LIMITED**

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Documents in the approved terms

- 1** Voting Powers of attorney
- 2** Board resolutions
- 3** Agreed Announcements
- 4** Letters of Resignation
- 5** Deed of Termination
- 6** Pay off Letter
- 7** Deed of Release

Annexures

- 1** Accounts
- 2** Management Accounts
- 3** Locked Box Accounts

THIS AGREEMENT is made on June 29 2016

BETWEEN:

- (1) **THE SEVERAL PERSONS** whose names and addresses are set out in Part I of Schedule 1 (each an "**Investor Seller**" and together, the "**Investor Sellers**");
- (2) **THE SEVERAL PERSONS** whose names and addresses are set out in Part II of Schedule 1 (each a "**Management Seller**" and together, the "**Management Sellers**");
- (3) **ESTERA TRUST (JERSEY) LIMITED** as trustee of the Cimbria Group Employee Incentive Trust incorporated in Jersey with registered number 21755 and whose registered office is at 13-14 Esplanade, St. Helier, Jersey JE1 1BD (the "**Trustee Seller**");
- (4) **THE SEVERAL PERSONS** whose names and addresses are set out in Part III of Schedule 1 (each an "**Other Seller**" and together, the "**Other Sellers**"); and
- (5) **AGCO INTERNATIONAL HOLDINGS B.V.**, incorporated in the Netherlands and whose registered office is at Horsterweg 66a, 5971 NG Grubbenvorst, the Netherlands (the "**Buyer**").

INTRODUCTION

- (A) The Company's entire issued share capital is made up of 8,744,689 A Ordinary Shares, 1,040,000 B Ordinary Shares and 638,134,774 Preference Shares.
- (B) Each of the Sellers has agreed to sell the Shares held by it and the Buyer has agreed to purchase such Shares, in each case on the terms and subject to the conditions set out in this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1** The following words and expressions where used in this Agreement have the meanings given to them below:

A Ordinary Shares means the A ordinary shares of DKK 0.01 each in the capital of the Company.

Accounts means the audited consolidated financial statements of the Target Group, prepared in accordance with the Companies Act for the accounting reference period ended on the Accounts Date, a copy of which comprises Annexure 1.

Accounts Date means 30 September 2015.

Affiliate means in relation to any Seller who is not an individual and, in each case, from time to time:

- (a) any group undertaking of that Seller;

- (b) if that Seller is a Fund, any adviser, nominee, custodian, operator, manager, administrator, trustee, general partner or limited partner to or of that Fund or to or of any group undertaking of that Seller or any investor in any of them;
- (c) any group undertaking of any trustee, nominee, custodian, operator or manager of that Seller;
- (d) any company or Fund which has the same general partner, trustee, nominee, operator, manager or adviser of that Seller or any group undertaking of that Seller;
- (e) any Fund in respect of which the Seller or any group undertaking of the Seller is a general partner;
- (f) any company or Fund which is advised by, or the assets of which (or some material part thereof) are managed (whether solely or jointly with others) from time to time by that Seller (or any group undertaking of that Seller), or that Seller's (or any group undertaking of that Seller's) general partner, trustee, nominee, manager or adviser;
- (g) any co-investment scheme of that Seller or any group undertaking of that Seller or any person holding shares under such scheme or entitled to the benefit of shares under such scheme; and
- (h) any employee, officer, director, consultant, partner or professional adviser of that Seller or of any of the persons referred to in (a) to (g) above.

Agreed Announcements means the press releases in the approved terms in relation to the signing of this Agreement and the transactions contemplated hereby.

Applicable Law means, in respect of a person, all laws, regulations, statutes, subordinate legislation, common law and civil codes of any jurisdiction, and all judgments, orders and awards of any court or Government Authority or tribunal exercising statutory or delegated powers, that are binding upon or applicable to such person.

Authorities has the meaning given to it in paragraph 2.1 of Part VII - of Schedule 5.

B Ordinary Shares means the B ordinary shares of DKK 0.01 each in the capital of the Company.

Bank Indebtedness means an amount equal to all amounts owing by each Target Group Company to Nordea Bank Danmark A/S or Nordea Finland Plc at the Completion Date (including without limitation, amounts of principal debt, accrued interest, accrued fees, costs, any cash collateralisation obligations and charges and any early repayment or redemption penalties due as a result of the repayment of such amount at Completion or the termination or cancellation of any guarantees or performance bonds or interest hedging arrangements) in respect of any amounts outstanding under the finance arrangements in place between the Target Group and Nordea Bank Danmark A/S.

Business means any business carried on by the Target Group as at the date of this Agreement.

Business Day means any day other than a Saturday, Sunday or English, Danish or US bank or public holiday.

Business Intellectual Property has the meaning given to it in paragraph 1 of Part IX - of Schedule 5.

Buyer Group means the Buyer, any holding company of the Buyer and any subsidiary of the Buyer or such holding company (including, for these purposes, the Company and every Target Group Company) from time to time and references to "**any member of the Buyer Group**" shall be construed accordingly.

Buyer's Solicitors means Herbert Smith Freehills LLP of Exchange House, Primrose Street, London EC2A 2EG.

Companies Act means the United Kingdom Companies Act 2006.

Company means Cimbria Holdings Limited, details of which are set out in Part I of Schedule 2.

Competition Law means the competition or antitrust laws which are applicable in any jurisdiction in which the Target Group conducts business or where its activities may have an effect, including, but not limited to, Articles 101 and 102 of the TFEU.

Completion means completion of the sale and purchase of the Shares under this Agreement.

Completion Date means the date on which Completion occurs.

Confidential Information means all information (whether oral or recorded in any medium) relating to the business, financial or other affairs (including future plans) of the Company or any other Target Group Company, which is treated by the Company or that Target Group Company, or any of the Sellers (as the case may be) as confidential, or is marked or is by its nature confidential, together with the contents of the Transaction Documents (including all Schedules and Annexures).

Consideration has the meaning given to it in clause 3.1.

COTS Software has the meaning given to it in paragraph 1 of Part X of Schedule 5.

Covenantors means the Management Sellers.

CTA 2010 means the United Kingdom Corporation Tax Act 2010.

Data Protection Legislation any applicable legislation in force from time to time which implements either or both of the European Community's Directive 95/46/EC and Directive 2002/58/EC or any other equivalent legislation applicable in any other jurisdiction binding upon or applicable the Target Group.

Data Room means the Project Lighthouse online data room hosted by Merrill Corporation.

De Minimis Claim has the meaning given to it in in paragraph 4.2 of Schedule 6.

Deed of Release means the deed of release, in the approved terms, in respect of the security granted by the Target Group in connection with the Bank Indebtedness set out in Schedule 8.

Deed of Termination means (i) the deed in the approved terms, to be entered into between, amongst others: (a) the Company; (b) the Management Sellers and (c) the Investor Sellers on Completion in respect of the termination of the Existing Shareholders' Agreement and (ii) the deed in the approved terms, to be entered into between, amongst others: (a) the Company; and (b) the Investor Sellers on Completion in respect of the termination of the Syndication Deed.

Disclosed shall have the meaning given to it in clause 9.2.

Disclosed Matters means any fact, matter, event or circumstance which is Disclosed in this Agreement, the Disclosure Letter (or which is deemed to be Disclosed under the terms of the Disclosure Letter) or the Disclosure Documents.

Disclosure Documents means the documentation relating to the Target Group which has, prior to the date of this Agreement, been made available for inspection in the Data Room, an index of which is set out in Appendix 1 to the Disclosure Letter.

Disclosure Letter means the letter dated on the date of this Agreement from the Warrantors to the Buyer executed and delivered immediately before the execution of this Agreement (of which the Buyer has acknowledged receipt) in which certain matters are Disclosed against the Warranties.

EBT means the Cimbria Group Employee Incentive Trust established by the Company and the Trustee Seller by way of a trust deed dated 18 March 2015.

EBT Shares means the Shares set out against the name of the Trustee Seller in Part IV to Schedule 1 of this Agreement.

Employees has the meaning given to it in paragraph 2.1 of Part XIV - of Schedule 5.

Encumbrance means any mortgage, charge, lien, pledge, debenture or other security interest of any kind, hypothecation, restriction, right to acquire, right of pre-emption, option, conversion right, third party right or interest, right of set-off or counterclaim, equities, trust arrangement or any other type of preferential agreement (such as a retention of title arrangement) having similar effect or any other rights exercisable by or claims by third parties and any agreement to create any of the foregoing.

Enforcement Notice has the meaning given to that term in the UK Data Protection Act 1998, or its equivalent in other relevant Data Protection Legislation.

Exchange Rate means in relation to any currency to be converted into or from DKK for the purposes of this Agreement, the spot rate of exchange (closing mid-point) for that currency into or, as the case may be, from pounds sterling, as published in the London edition of The Financial Times first published after the relevant date or, where no such rate of exchange is published in such edition on that date, at the rate quoted by www.oanda.com as at the close of business in London on that date.

Existing Shareholders' Agreement means the shareholders' agreement relating to the Company entered into by, amongst others: (i) the Company; (ii) the Investor Sellers; and (iii) the Management Sellers dated 4 April 2013 (a copy of which has not been Disclosed by the Buyer).

Fund means any unit trust, investment trust, limited partnership, general partnership or their collective investment scheme or body corporate or other entity in each case the assets of which are managed professionally for investment purposes.

Governmental Authority means any national, federal, regional, state, local or other court, administrative agency or commission or other governmental, administrative or regulatory body, authority, agency or instrumentality.

Hardware has the meaning given to it in paragraph 1 of Part X of Schedule 5.

Historic Tax Records has the meaning given to it in clause 18.21.1.

Incoming Directors means the new directors of the Company to be notified by the Buyer to the Sellers after the date of signing of this Agreement and before Completion.

Intellectual Property has the meaning given to it in paragraph 1 of Part IX - of Schedule 5.

Investor Representative means Silverfleet Capital Partners LLP or such other person as the Investor Sellers shall notify the Buyer in writing from time to time.

IT Systems has the meaning given to it in paragraph 1 of Part X of Schedule 5.

Leakage means:

- (a) any dividend or distribution of profits or capital declared, paid or made by any Target Group Company to any of the Sellers or their Related Persons;
- (b) any payments made or agreed to be made (including, for the avoidance of doubt, any professional adviser fees or costs relating to transactions contemplated by this Agreement which have been made or agreed to be made by any Target Group Company) on behalf of any of the Sellers or their Related Persons by any Target Group Company;
- (c) any liabilities of any Seller (or their Related Persons) assumed, guaranteed or secured by any Target Group Company;

- (d) any payments made or agreed to be made by any Target Group Company to or for the benefit of any of the Sellers or their Related Persons in respect of any share capital or other securities of any Target Group Company being issued, redeemed, purchased or repaid, or any other return of capital;
- (e) the waiver, release or discount by any Target Group Company of any amount or obligation owed to it by any of the Sellers or their Related Persons;
- (f) the purchase by any Target Group Company from any of the Sellers or their Related Persons of any assets not on arm's length terms or otherwise at an overvalue;
- (g) the payment by any Target Group Company of any fees or costs on behalf of any of the Sellers or their Related Persons and which are, or were, incurred by any Target Group Company as a result of those matters set out in paragraphs (a) to (f) above;
- (h) any Tax payable by a Target Group Company as a result of any of the matters referred to in (a) to (g) (inclusive) above, other than any amounts in respect of VAT which are recoverable by the Target Group by way of repayment or credit; or
- (i) any agreement or arrangement made or entered into by any Target Group Company to do or give effect to any matter referred to in (a) to (f) above,

but excludes any Permitted Payment.

Locked Box Accounts means the consolidated balance sheet of the Target Group as at the Locked Box Date, a true copy of which comprises Annexure 3.

Locked Box Claim has the meaning given to it in clause 8.2.

Locked Box Date means 31 December 2015;

Longstop Date has the meaning given to it in clause 5.1.

Management Accounts means the unaudited management accounts of the Company for the eight-month period to the Management Accounts Date, a copy of which comprises Annexure 2.

Management Accounts Date means 31 May 2016.

Material Bank Accounts means all bank accounts held with Nordea Bank Danmark A/S or any of its subsidiaries or group undertakings.

Material Contracts means:

- (a) the agreement with Euro-Hybrid/KWS Ukraine (contract no. 339713), a copy of which is contained in folder E.4.2.1.1 of the Data Room;

- (b) the agreement with limited liability company “Elevator” Russian Federation (contract no. 343702), a copy of which is contained in folder E.4.2.2.1 of the Data Room;
- (c) the agreement with NDF Azteca Milling Europe Srl. (contract no. 15-333372-225), a copy of which is contained in folder E.4.2.3.1 of the Data Room;
- (d) the agreement with Misr Concrete Development Co. (contract no. 337393), a copy of which is contained in folder E.4.2.4.1 of the Data Room;
- (e) the agreement with The Petroleum Projects & Technical Consultations Co. (contract no. 333887), a copy of which is contained in folder E.4.2.5.1 of the Data Room;
- (f) the agreement with Osman A. Osman & Co. (contract no. 333878), a copy of which is contained in folder E.4.2.7.1 of the Data Room;
- (g) the agreement with SAMCRETE Engineers & Contractors (contract no. 337388), a copy of which is contained in folder E.4.2.8.1 of the Data Room;
- (h) the agreement with LLC Monsanto Seeds (contract no. CUR06000-C018 and CUR06000-C023), a copy of which is contained in folder E.4.2.6.1.1 of the Data Room; and
- (i) the agreement with Mulindwa Plantation Limited, a copy of which is contained in folder E.4.4.9.1 of the Data Room.

Merger Control Authority means any national, supra-national or regional, government or governmental, quasi-governmental, statutory, regulatory or investigative body or court, in any jurisdiction, responsible for the review or approval of mergers, acquisitions, concentrations, joint ventures, or any other similar matter pursuant to federal, state, local, municipal, national, international or supranational Applicable Law intended to prohibit or regulate conduct having the purposes or effect of monopolisation, abuse of dominance, restraint of trade or substantial lessening of competition.

Outgoing Directors means Joachim Braun, Darren Jordan and Gareth Whiley.

Pay Off Letter means the letter, in the approved terms, in relation to the Bank Indebtedness.

Permitted Payments means:

- (a) any payments made by any Target Group Company at the written request, or with the written consent, of the Buyer;
- (b) payments of salary, bonuses, directors' fees and expenses made to or for the benefit of any of the Sellers or their Related Persons as employees, consultants or directors of, or investors in, any member of the Target Group (including all associated PAYE, income tax and national insurance contributions or equivalent in

any jurisdiction outside the United Kingdom) for the period between the Locked Box Date and the Completion Date, provided that such payments are in the ordinary and usual course of business, are not exceeding DKK20,000,000 in aggregate and a breakdown of such payments (or anticipated payments) are disclosed to the Buyer not later than five Business Days following the date hereof;

- (c) accruals of dividends in respect of the Preference Shares in accordance with the rights attaching to the Preference Shares as at the date of this Agreement;
- (d) any payment toward the satisfaction of any express obligation of the Company or the Target Group under this Agreement and, for the avoidance of doubt, the payment of the Trust Bonuses on Completion in accordance with clause 3.3;
- (e) the payment of directors' fees, monitoring fees and expenses made to any Investor Seller, any Affiliate of any Investor Seller or a director appointed by any Investor Seller or Affiliate of any Investor Seller to the board of any member of the Target Group, for the period between the Locked Box Date and the Completion Date, such amounts being on a basis consistent with corresponding payments made in respect of such period during the 24 months preceding the date hereof and not exceeding DKK1,200,000 in aggregate;
- (f) any trading in the ordinary course and on arm's length terms with any portfolio entities from time to time in which Funds managed by the Investor Sellers or any Affiliate of any Investor Seller have invested and provided that such amounts have been Disclosed; and
- (g) payment of DKK 125,000 to Deloitte LLP in relation to audit work carried out on the 31 December 2015 Balance Sheet for the Target Group;
- (h) any Tax arising as a result of, or in connection with, any of the payments at (a) to (f) above.

Preference Share Consideration means an amount equal to the Issue Price (as defined in the Articles of Association of the Company in force at the date of this Agreement) of the Preference Shares in issue on the Completion Date, together with all accrued but unpaid dividends in respect thereof up to (and including) the Completion Date.

Preference Shares means the shares of DKK 0.01 each in the capital of the Company.

Proceedings has the meaning given to it in paragraph 3.1 of Part VII - of Schedule 5.

Properties means the properties, details of which are set out in Schedule 7 and "**Property**" shall be construed accordingly.

Recovery Amount has the meaning given to it in paragraph 12 of Schedule 6.

Regulatory Conditions means the Conditions in clause 5.1.1.

Related Person means:

- (a) in the case of a person which is a body corporate and/or a Fund, (i) any subsidiary or holding company of that person and any subsidiary of any such holding company, (ii) any trustee or nominee acting on its behalf in each case from time to time, or (iii) an Affiliate of such person; and
- (b) in the case of a person who is an individual, (i) any spouse or sibling by blood or adoption and/or lineal ascendants or descendants by blood or adoption of any such individual, (ii) any person or persons acting in its or their capacity as trustee or trustees of a trust of which such individual is the settler, or (iii) any body corporate controlled by that person,

but provided always that for the purposes of this Agreement:

- (i) no member of the Target Group shall be or shall be deemed to be a Related Person of any Seller; and
- (ii) no Seller shall be deemed to be a Related Person of any other Seller as a result of their being holders of Shares in the Company or any Target Group Company.

Relevant Accounting Standards means generally accepted accounting policies, principles, practices and conventions using all relevant Financial Reporting Standards (FRSs), Statements of Standard Accounting Practice (SSAPs) and Statements of Recommended Practice (SoRPs), in each case issued or adopted by the Financial Reporting Council, and all Urgent Issues Task Force (UITF) abstracts current at the Accounts Date.

Relief includes, unless the context otherwise requires, any loss, allowance, credit, deduction, exemption or set off in respect of any Tax or relevant to the computation of any income, profits or gains for the purpose of any Tax, or any repayment or refund of or saving of Tax (including any repayment supplement, fee or interest in respect of Tax).

Remedied means remedied by the Sellers or the relevant Target Group Company promptly after the Sellers' Representatives become aware of the matter concerned and in any event by no later than the Long Stop Date.

Revenue Claim has the meaning given to it in Schedule 9 (*Tax Covenant*).

Run-off Policy shall have the meaning attributed to it in clause 15.1.

Sellers means the Investor Sellers, the Management Sellers, the Other Sellers and the Trustee Seller, and references to "**Seller**" shall be construed accordingly.

Sellers' Representatives shall have the meaning given to such term in clause 1.12.2.

Sellers' Solicitors means Travers Smith LLP of 14 Snow Hill, London EC1A 2AL.

Sellers' Solicitor's Account means the DKK bank account nominated by the Sellers and notified to the Buyer prior to Completion.

Senior Manager means any director or officer or employee having a gross salary, (excluding bonus) of over £60,000 per annum.

Shares means the entire issued share capital of the Company comprising (i) 8,744,689 A ordinary shares of DKK 0.01 each; (ii) 1,040,000 B ordinary shares of DKK 0.01 each; and (iii) 638,134,774 preference shares of DKK 0.01 each in the capital of the Company.

Software has the meaning given to it in paragraph 1 of Part X - of Schedule 5.

Specified Managers means Christian Andersen, Søren Overgaard and their direct reports.

Subsidiaries means the subsidiary undertakings of the Company, details of which are set out in Part II of Schedule 2.

Syndication Deed means the syndication deed relating to the transfer of certain shares in Company entered into by, amongst others: (i) the Company; and (ii) the Investor Sellers; dated 24 September 2013.

Target Group means the Company and the Subsidiaries and references to "**Target Group Company**" and to "**member of the Target Group**" shall be construed accordingly.

Tax or **Taxation** means all taxes, duties (including stamp duties), charges, levies, imposts, contributions (including national insurance and social security contributions), withholdings or amounts in the nature thereof (but for the avoidance of doubt excluding water rates, business rates and other utility or local authority charges), whenever and by whatever authority imposed and whether of the United Kingdom, Denmark or elsewhere, irrespective of the person to which any such taxes, duties, charges, levies, imposts, contributions, withholdings or amounts are directly or primarily chargeable, together with all interest, fines, penalties, surcharges and charges incidental or relating to any of the foregoing.

Tax Authority or **Taxation Authority** means any taxation or other authority (whether within or outside the United Kingdom or Denmark) which seeks to determine liability for and/or administers Taxation.

Tax Claim has the meaning given to it in paragraph 5 of Schedule 6.

Tax Covenant Claim has the meaning given to it in paragraph 1.1.6 of Schedule 6.

Tax Warranty Claim has the meaning given to it in paragraph 1.1.2 of Schedule 6.

Termination Event means:

- (a) at any time between the date of this Agreement and the Completion Date, the Target Group failing to achieve rolling last twelve months' net revenue of at least DKK 1,000,000,000 (as shown in the latest available management accounts of the Target Group, copies of which shall be made available to the Buyer pursuant to clause 6.2.1.3);

- (b) any Seller is in breach of any of the Title and Capacity Warranties or would be in breach of any of the Title and Capacity Warranties if they were repeated at any time between the date of this Agreement and Completion (by reference to the facts and circumstances then prevailing) and such breach, if capable of remedy, is not Remedied;
- (c) any Seller or any of the Target Group Companies materially breaches any of the provisions of clauses 6.1, 6.4 or Schedule 4 and (i) such breach, if capable of remedy, is not Remedied and (ii) such breach has directly caused or could be reasonably expected to cause a materially adverse effect on the business of the relevant Target Group Company.

Title and Capacity Warranties means the warranties given by the Sellers in clauses 9.7 and 9.89 and the Investor Sellers in clause 9.8.

TFEU means the Treaty on the Functioning of the European Union.

Third Party Claim has the meaning given to it in paragraph 9.1 of Schedule 6.

Threshold has the meaning given to it in paragraph 4.1 of Schedule 6.

Transaction Documents means this Agreement and any other document referred to in this Agreement or required to be entered into pursuant to this Agreement including, for the avoidance of doubt, any document in the approved terms.

Trust Bonuses means the bonuses which are payable by the Trustee Seller in its capacity as trustee of the EBT to be paid to (i) Olav Knudsen on or shortly following Completion in an aggregate amount equal to the amount that the Trustee Seller actually receives by way of Consideration in respect of its holding of 29,354 B Ordinary Shares and (ii) any other Management Seller(s) as approved by the remuneration committee of the Target Group and the Trustee Seller and notified to the Buyer prior to Completion.

Trust Fee means the amount payable to the Trustee Seller on Completion by way of fees and/or expenses pursuant to the trust deed establishing the Cimbria Group Employee Incentive Trust dated 18 March 2015 as notified by the Trustee Seller to the Company prior to Completion.

Trust Loan means the balance outstanding as at the date of this Agreement under the loan agreement entered into between the Company (as lender) and the Trustee Seller (as borrower) dated 6 July 2015.

VAT means within the European Union, such Taxation as may be levied in accordance with (but subject to derogations from) the Directive 2006/112/EC and outside the European Union, any similar Taxation levied by reference to value or sales.

W&I Policy means the Buyer's warranty and indemnity policy entered into between the Buyer and AIG Europe Limited and dated the date hereof.

W&I Provider means AIG Europe Limited.

Warranties means the warranties set out in Schedule 5.

Warrantors means the Management Sellers.

Warrantors' Representative shall be Søren Overgaard or any other person appointed as a Warrantors' Representative pursuant to clause 9.14.

Warranty Claim shall have the meaning attributed to it in paragraph 1.1.1 of Schedule 6.

1.2 Unless the context requires otherwise, words and expressions defined in or having a meaning provided by the Companies Act at the date of this Agreement shall have the same meaning in this Agreement. The use of the term "**connected**" and any question as to whether a person is "**connected**" with another shall be determined in accordance with the provisions, as at the date of this Agreement, of sections 1122 and 1123 of the CTA 2010, save that for these purposes, the term "company" (as defined in section 1123 of the CTA 2010) shall include a limited liability partnership and provided that two or more persons shall not be treated as connected solely by reason of acting together to secure or exercise control of the Company or by virtue of being party to the Existing Shareholders' Agreement.

1.3 Unless the context requires otherwise, references in this Agreement to:

1.3.1 any of the masculine, feminine and neuter genders shall include other genders;

1.3.2 the singular shall include the plural and vice versa;

1.3.3 a "**person**" shall include a reference to any natural person, body corporate, unincorporated association, partnership and trust;

1.3.4 any statute or statutory provision shall be deemed to include any instrument, order, regulation or direction made or issued under it and shall be construed so as to include a reference to the same as it may have been, or may from time to time be, amended, modified, consolidated, re-enacted or replaced except to the extent that any amendment or modification made after the date of this Agreement would increase any liability or impose any additional obligation upon the Sellers under this Agreement;

1.3.5 any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than that of England, be deemed to include what most nearly approximates in that jurisdiction to the English legal term;

1.3.6 any time or date shall be construed as a reference to the time or date prevailing in England and "**months**" shall be to calendar months; and

1.3.7 a particular government or statutory authority shall include any entity which is a successor to that authority.

- 1.4 The headings in this Agreement are for convenience only and shall not affect its meaning. References to a "**clause**", "**Schedule**" or "**paragraph**" are (unless otherwise stated) to a clause of and Schedule to this Agreement and to a paragraph of the relevant Schedule. The Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement.
- 1.5 A document expressed to be "**in the approved terms**" means a document, the terms of which have been approved by the parties and a copy of which has been identified as such and initialled by or on behalf of the Sellers and the Buyer (or by solicitors acting on their behalf).
- 1.6 A document expressed to be an "**Annexure**" means a document a copy of which has been identified as such and initialled by or on behalf of the Sellers and the Buyer (or by solicitors acting on their behalf).
- 1.7 In construing this Agreement, "**including**" shall mean "including, without limitation" general words introduced by the word "**other**" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word "**including**" shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 1.8 Without prejudice to the provisions of clause 9.4 below with regard to the awareness of each Warrantor, the obligations of each Seller under this Agreement (whether as a Seller or a Warrantor or otherwise) are entered into individually by that Seller on his own behalf and are made severally and separately from any obligation entered into by any other Seller. No claim can be made against any Seller in respect of any breach of this Agreement by any other Seller other than in respect of that Seller's own breach.
- 1.9 References to "**DKK**" shall be references to Danish Krone.
- 1.10 References in any Warranty to any monetary sum expressed in DKK shall, where such sum is referable in whole or part to a particular jurisdiction, be deemed to be a reference to an equivalent amount in the local currency of that jurisdiction translated at the Exchange Rate on the date of this Agreement.
- 1.11 Where it is necessary to determine whether a monetary limit or threshold set out in paragraph 4.1 or paragraph 4.2 of Schedule 6 has been reached or exceeded (as the case may be) and the value of the relevant Warranty Claim or any of the relevant Warranty Claims is expressed in a currency other than DKK, the value of each such Warranty Claim shall be translated into DKK by reference to the Exchange Rate on the date that written notification is sent to the Warrantors from the Buyer in accordance with paragraph 2 of Schedule 6 of the existence of such Warranty Claim or, if such day is not a Business Day, on the Business Day immediately preceding such day.

1.12 Wherever, under the terms of this Agreement, the Sellers are entitled or obliged to exercise or enforce any right or discretion, or to give any direction, consent or notice, save as otherwise expressly provided, such right or discretion may be validly exercised, and such direction, consent or notice may be validly given:

1.12.1 if it is in relation to the Warranties or a right or obligation of the Management Sellers, if it is exercised, enforced or given by the Warrantors' Representative; and

1.12.2 if it relates to any other matter under this Agreement, if it is jointly exercised, enforced or given jointly by or on behalf of the Investor Representative and the Warrantors' Representative (collectively, the "**Sellers' Representatives**"),

and each of the Sellers acknowledges and confirms to the Warrantors' Representative and the Investor Representative that they shall not assume or be deemed to have assumed any obligation of a fiduciary or other nature with any of the Sellers as a result of so acting.

1.13 To the extent that any loss, damage or other liability of any Seller is incurred or increased as a result of any act, omission, agreement, approval, consent, deed or decision of the Sellers' Representatives or by any deed, agreement, instrument, consent or other document agreed, approved, signed, executed and/or delivered by the Sellers' Representatives, in each case acting in good faith in the proper execution and discharge of his appointment as Sellers' Representatives (as the case may be) hereunder, no Sellers' Representatives shall be responsible for, nor have any liability to any such Seller in relation to, any such loss, damage or other liability or such increased loss, damage or other liability.

2. SALE OF SHARES

2.1 Each Seller shall sell (or procure to be sold) with full title guarantee and free from Encumbrances, the number of Shares set out opposite his name in columns (3), (4) and (6) of Schedule 2, and the Buyer shall buy the Shares on the terms and subject to the conditions of this Agreement.

2.2 The Buyer shall buy the Shares with effect from and including the Completion Date to the intent that as from that date all rights and advantages accruing to the Shares, including any dividends or distributions declared, made or paid on the Shares on or after that date, shall belong to the Buyer.

2.3 The Buyer shall not be obliged to complete the purchase of any of the Shares unless the sale of all the Shares is completed simultaneously.

2.4 Each Seller waives any rights or restrictions conferred on him which may exist in relation to the transfer of the Shares under the articles of association of the Company or the Existing Shareholders' Agreement.

3. CONSIDERATION

3.1 The consideration for the sale of the Shares shall be the aggregate of:

3.1.1 the cash sum of DKK2,286,794,521 (two billion, two hundred and eighty six million, seven hundred and ninety four thousand, five hundred and twenty one Danish Krone); and

3.1.2 an additional cash sum equal to DKK482,192 (four hundred eighty two thousand, one hundred and ninety two Danish Krone) multiplied by the number of days between the date of this Agreement and the Completion Date (commencing on the date following the date of this Agreement and ending on (but including) the day immediately preceding the Completion Date),

payable by the Buyer on Completion in accordance with paragraph 1 of Part IV of Schedule 3 (the "**Consideration**").

3.2 The Consideration shall be apportioned between the Sellers as follows:

3.2.1 first the Preference Share Consideration shall be apportioned between the Sellers in the proportions set out in column 7 of the tables in Parts I – IV of Schedule 1; and

3.2.2 the balance of the Consideration remaining after the payment of the Preference Share Consideration pursuant to clause 3.2.1 in full ("**Remaining Consideration**") shall be apportioned between the Sellers in the proportions set out in column 5 of the tables in Parts I-IV of Schedule 1.

Consideration payable to the Trustee Seller

3.3 The Trustee Seller authorises and directs on Completion that all of the Consideration payable to it in its capacity as trustee of the EBT in relation to the EBT Shares (net of the Trustee Seller's pro rata share of transaction fees as notified to the Buyer by the Sellers' Representatives two Business Days prior to Completion) less an amount equal to the Trust Fee shall be paid directly by the Buyer to the Company, and the Buyer shall procure that:

3.3.1 DKK 50,000 shall be applied by the Company in full and final settlement of the Trust Loan;

3.3.2 the remainder, following any deductions required pursuant to 3.3.3 below, shall be applied by the Company (or as the Company may direct) in payment of the Trust Bonuses as soon as reasonably practicable following Completion, but in any event within 5 days of Completion, (subject to the deduction of all applicable Taxation that arises in

connection with the payment of the Trust Bonuses as are required to be made by law); and

3.3.3 all applicable Taxation, including any employer social security contributions arising in connection with the payment of the Trust Bonuses, is (where applicable) deducted from the gross amount of the Trust Bonuses and paid to the relevant Taxation Authority by the due date.

3.4 To the extent that the amount of the Trust Bonuses, payment of the Trust Fee and repayment of the Trust Loan is less than the Consideration payable to the Trustee Seller in its capacity as trustee of the EBT in relation to the EBT Shares, the difference shall be paid to the Trustee Seller to the bank account specified by the Trustee Seller for such purpose.

No Set-Off

3.5 The Buyer shall procure that all monies payable to any Seller under or pursuant to this Agreement shall be paid in full without any deduction, set-off or counterclaim whatsoever (except such deductions as may be required by law, in which case such deduction or withholding shall not exceed the minimum amount required to be deducted or withheld under law) and the Buyer irrevocably waives any right to set-off or counterclaim against, or deduct from, any monies owed by it to any Seller.

4. EXCHANGE

On the date of this Agreement, the Sellers and the Buyer shall each perform their respective obligations in accordance with and as set out in Part I and Part II of Schedule 3.

5. CONDITIONS

Regulatory Conditions

5.1 Completion is conditional on the following Regulatory Conditions being satisfied on or before 15 September 2016 (the "**Longstop Date**"):

5.1.1 merger control filings and notifications in respect of the transactions contemplated by this Agreement in the following jurisdictions:

5.1.1.1 Germany;

5.1.1.2 Austria;

5.1.1.3 Ukraine; and

5.1.1.4 Lithuania,

(together, the "**Notified Jurisdictions**"), having been made to the competent Merger Control Authority in each Notified Jurisdiction and all approvals, consents or clearances

necessary for Completion of the Transaction having been obtained from the competent Merger Control Authority in each such Notified Jurisdiction or any waiting period under Applicable Law having expired or having been terminated by the competent Merger Control Authority.

Satisfaction of Regulatory Conditions

- 5.2** Subject to clause 5.4, the Buyer shall use its best endeavours to satisfy or procure the satisfaction of the Regulatory Conditions as soon as possible and in any event on or before the Longstop Date.
- 5.3** The Buyer shall within ten Business Days of the date of signing of this Agreement: (i) submit filings necessary to satisfy the Regulatory Conditions in Austria and Germany; and (ii) submit final draft notifications to satisfy the Regulatory Conditions in Ukraine and Lithuania (in each case in substantially the same form disclosed to the Sellers' Solicitors prior to any such filing) to the relevant Merger Control Authorities, provided that any information which the Buyer has reasonably requested from the Sellers, or any Target Group Company (in accordance with clause 5.6) has been furnished prior to such date and the Sellers' Representatives (or its legal counsel) has promptly provided any comments contemplated by clause 5.5.3.
- 5.4** The obligation to use all best endeavours shall include the Buyer:
- 5.4.1 using all reasonable endeavours to obtain as promptly as practicable all authorisations, consents, orders and approvals of, and make all filings with, appropriate Merger Control Authorities that may be or become necessary for the satisfaction of the Regulatory Conditions;
 - 5.4.2 complying at the earliest practicable date with any request for additional information or documentary material received by it or any member of the Buyers Group from any Merger Control Authority for the purpose of satisfying the Regulatory Conditions; and
 - 5.4.3 causing the waiting periods under applicable antitrust, competition or similar Applicable Laws in any Notified Jurisdictions to terminate or expire at the earliest possible date,

provided, however, that nothing in this clause 5 shall require the Buyer or any member of the Buyer Group to (i) litigate, pursue or defend any proceeding challenging any of the transactions contemplated by this Agreement as a violation of any Applicable Law beyond a second review phase ('Phase 2' equivalent), (ii) agree to any divestitures; (iii) agree to any licenses, supply agreements, hold separate or trust agreements; or (iv) agree to the imposition of any other conditions or restrictions on the Target Group's business, the Buyer or any member of the Buyer Group, any business of the Buyer or any member of the Buyer Group, or the assets or operations of the Target Group, which would, in either case (iii) or (iv), apply following Completion.

- 5.5** Without limiting clauses 5.2, the Buyer shall:

- 5.5.1 supply, as promptly as practicable, any additional information and documentary material relating to the Buyer and the Buyer Group that may be requested by any Merger Control Authority in any of the Notified Jurisdictions;
- 5.5.2 promptly inform the Sellers' Representatives of any communication received from, or given by the Buyer to, any Merger Control Authority regarding any of the transactions contemplated by this Agreement and provide copies of such communications to the Sellers' Representatives, unless doing so would result in a violation of any Applicable Law or where the Buyer is not permitted to do so by the Merger Control Authority; and
- 5.5.3 permit the Sellers' Representatives, or its legal counsel, to review any draft communication (including filings) to be given by the Buyer to any Merger Control Authority prior to submitting those communications to the Merger Control Authority, provide reasonable time for the Sellers' Representatives to provide comments thereon and to take reasonable account of such comments.
- 5.6 The Sellers shall cause the Target Group to co-operate reasonably with, and to provide such reasonable assistance as may be reasonably requested by the Buyer in order to procure satisfaction of the Regulatory Conditions, including furnishing to the Buyer such information as the Buyer may reasonably require in connection with satisfying the Regulatory Conditions (including the satisfaction of the Buyer's obligations under clause 5.3), except that the Sellers may reasonably designate any competitively sensitive or confidential business material as "outside counsel only" and such materials and information contained therein to be given only to the outside legal counsel of the Buyer and not disclosed by such outside counsel to employees, officers or directors of the Buyer unless express permission is obtained in advance from the Seller's Representatives or its legal counsel.
- 5.7 Neither Party shall take any action that would reasonably be expected to have the effect of delaying, impairing or impeding the receipt of any such authorisations, consents, orders or approvals.

Notification of satisfaction of Regulatory Conditions

- 5.8 The Buyer shall notify the Sellers' Representatives of the satisfaction of each of the Regulatory Conditions as soon as reasonably practicable after such Regulatory Conditions have been satisfied and in any event within one Business Day of such satisfaction, or as soon as reasonably practicable after it becomes aware that the relevant Regulatory Condition is incapable of being satisfied.

Waiver

- 5.9** The Regulatory Conditions are each for the benefit of each of the Sellers and the Buyer and each such Regulatory Condition may only be waived by written agreement between the Seller's Representatives and the Buyer.

Failure to Satisfy Regulatory Conditions

- 5.10** If any Condition:

5.10.1 remains unsatisfied on the Longstop Date and has not been waived on or before that date; or

5.10.2 becomes impossible to satisfy on or before the Longstop Date and has not been waived;

either Party may at any time thereafter give notice to the other Party that they wish to terminate this Agreement, in which case the provisions of clause 11 shall apply.

Termination Events

- 5.11** If, between the date of this Agreement and the Completion Date, a Termination Event occurs (and, for the avoidance of doubt, the occurrence of a Termination Event shall be determined by reference to the provisions of limbs (a), (b) or (c) of the definition of "Termination Event") then the Buyer may at its option terminate this Agreement by notice in writing to the Sellers' Representatives and the provisions of clause 11 shall apply.

- 5.12** On the date which would otherwise be two Business Days prior to completion, the Sellers' Representatives shall notify the Buyer (in writing) whether or not it is aware that any Termination Event has occurred since the date hereof and/or is continuing.

6. CONDUCT OF BUSINESS BEFORE COMPLETION

Normal course

- 6.1** From the date of this Agreement until Completion or termination of this Agreement each of the Management Sellers and each of the Investor Sellers (other than PE1A LP) shall, so far as it is reasonably able by exercising its rights as a Shareholder, director and/or employee of the Target Group (as applicable), procure that each Target Group Company continues to carry on its business in the normal course and in substantially the same manner as its business has been carried on in the 12 month period before the date of this Agreement.

Access and reporting

- 6.2** Subject to clause 6.3, each of the Management Sellers and each of the Investor Sellers (other than PE1A LP) shall, so far as it is able by exercising its rights as a Shareholder, director and/or employee of the Target Group (as applicable), procure that:

- 6.2.1 upon the Buyer giving reasonable notice to the Seller's Representatives the Buyer and such of its officers and employees as are necessary to perform the relevant activities are given access to:
- 6.2.1.1 such offsite meetings during normal business hours with the Specified Managers as are reasonably required by the Buyer for the purposes of:
- (i) integration planning and facilitating transition in the ownership of the Target Group from the Sellers to the Buyer (including, without limitation, planning with respect to US GAAP consolidation accounting and related reporting);
 - (ii) preparing a business plan for the Target Group to be implemented following Completion;
 - (iii) assisting the Buyer in preparing the Target Group to procure, to the extent practicable, full compliance by the Target Group with any compliance and/or reporting requirements which the Buyer is required to comply with under Applicable Law (including all anti-bribery, anti-money laundering, compliance, counterparty acceptance and integrity or similar legislation applicable in any jurisdiction binding upon or applicable the Target Group) (this clause 6.2.1.1 (iii) being the "**Compliance Integration**");
- 6.2.1.2 such documents and information of the Target Group as are reasonably required by the Buyer for the purposes of the Compliance Integration; and
- 6.2.1.3 monthly management accounts of the Target Group (in the form in which they are provided to the shareholders of the Company) as soon as reasonably practicable after the relevant set of monthly management accounts have been reviewed and approved by the board of directors of the Company, and
- 6.2.2 the Sellers' Representatives notify to the Buyer (in writing and promptly upon it becoming aware of the same) of any fact, matter or circumstance which constitutes or could reasonably be expected to constitute:
- 6.2.2.1 a breach of the undertakings contained in clause 6.1, clause 6.4 or Schedule 4 (*Gap controls*);
 - 6.2.2.2 a breach of the covenant contained in Clause 8.1 (*Leakage*); and
 - 6.2.2.3 a material breach any of the Warranties given in clause 9 and set out in Schedule 5, and

and upon becoming aware of any such fact, matter or circumstance (whether pursuant to any notification received from the Sellers' Representative or otherwise), the Buyer and such of its officers and employees as are necessary to perform the relevant activities, shall be permitted to make reasonable enquiries of the Sellers' Representative to establish the nature of any such breach, and the Sellers' shall procure that such enquiries shall be answered as promptly as practicable and with all information reasonably available to the Sellers.

- 6.3** The Buyer acknowledges and agrees that the Sellers shall not be required to procure access in accordance with clause 6.2 where:
- 6.3.1 such access would be restricted by Applicable Law or binding confidentiality requirements;
 - 6.3.2 such access would, in the reasonable opinion of the Investor Sellers, materially disrupt the day to day business of the Target Group; or
 - 6.3.3 the Investor Sellers reasonably believe that any request for access is made by or on behalf of the Buyer wholly or partly for a purpose other than those set out at clauses 6.2

- 6.4** Without prejudice to the generality of clause 6.1, with effect from the date hereof until Completion or termination of this Agreement, Schedule 4 shall apply.

7. COMPLETION

- 7.1** Completion shall take place at the offices of the Sellers' Solicitors on the date which is five Business Days following satisfaction or waiver of the Conditions.
- 7.2** On Completion the Sellers and the Buyer shall each perform their respective obligations in relation to the sale and purchase of the Shares, the payment of the Trust Bonuses and the repayment of the Bank Indebtedness in accordance with and as set out in Part III and Part IV of Schedule 3.

Default at Completion

- 7.3** If Completion does not occur on the Completion Date because either the Buyer or any of the Sellers (in each case, the "**breaching party**", with the other Party being the "**non-breaching party**") fails to comply with its respective obligations on Completion, the non-breaching party may by written notice to the breaching party:
- 7.3.1 defer Completion to a date selected by the non-breaching party being not more than 20 Business Days after the Completion Date which may be later than the Longstop Date (in which case this clause 7.3 shall apply to Completion as so deferred); or
 - 7.3.2 proceed to Completion as far as practicable and in any case without prejudice to its rights under this Agreement; or

7.3.3 if such non-compliance is reasonably considered to be material and has not, if capable of remedy, been remedied within 10 Business Days, give notice to the breaching party that it wishes to terminate this Agreement.

7.4 If the non-breaching party terminates this Agreement pursuant to clause 7.3.3:

7.4.1 each Party's further rights and obligations shall cease immediately on termination, save for any rights or obligations which have accrued or become due prior to the date of termination; and

7.4.2 the provisions of clause 11 shall apply.

Notification of Bank Indebtedness

7.5 No later than two Business Days before any Completion Date, the Sellers' Representatives shall notify the Buyer of its calculation (in DKK) of each of (i) the outstanding Bank Indebtedness, and (ii) notification of the Consideration calculated in accordance with clause 3.1.

Italian Fire Certificate

7.6 The Management Sellers will use all reasonable endeavours to ensure that Cimbria S.R.L will obtain a fire prevention certificate from the Bologna Fire Brigade for its activities in its plant in Imola as soon as practicable after the date hereof (it being acknowledged by the Buyer that such certificate may not be obtained until after Completion).

8. LEAKAGE

8.1 Each of the Sellers severally covenants (in respect of itself and its Related Persons only) to the Buyer that in the period from the Locked Box Date up to and including the Completion Date neither it nor any of its Related Persons have received and/or benefited from any amount of Leakage.

8.2 In the event of a breach of clause 8.1 (but subject always to clauses 8.3 and 8.4), the relevant Seller severally covenants to pay to the Buyer an amount in cash equal to the amount or value of such Leakage received by it or by any of its Related Persons or in respect of which it or any of its Related Persons have benefitted (a "**Locked Box Claim**").

8.3 Save in the case of fraud, no Seller shall be liable for any claim under this clause 8 unless written notice has been given to the relevant Seller and the Sellers' Representatives on or before the date which is six months following the Completion Date. A claim under this clause 8 shall be the sole remedy available to the Buyer arising from a breach of clause 8.1.

8.4 Save in the case of fraud, the liability of each Seller under this clause 8 shall not in any circumstances exceed the amount of Leakage actually received by such Seller or by any of its Related Persons or in respect of which that Seller or any of its Related Persons has benefitted plus any reasonable costs of recovery incurred by the Buyer (including reasonable legal fees).

8.5 Any payment by any Seller pursuant to clause 8.1 shall, to the greatest extent permitted by law, be treated by that Seller and the Buyer as a reduction of the amount of Consideration paid to that Seller.

9. WARRANTIES

Warrantors Warranties

9.1 The Warrantors, upon the execution of this Agreement, severally warrant to the Buyer in the terms of the Warranties.

9.2 Each Warranty is given subject to the Disclosed Matters and to the limitations in Schedule 6 provided that none of the provisions in Schedule 6 shall apply if any Warrantor fraudulently makes or fraudulently omits to make a disclosure in the Disclosure Letter in such a way as to render any Warranty (when read with the Disclosure Letter) inaccurate, misleading or deceptive. For this purpose and for all purposes under this Agreement, the expression "**Disclosed**" means fairly disclosed with sufficient detail (including, where a value is attributed to a disclosure contained in the Disclosure Letter, the Warrantors' reasonable estimate of such value as at the date of the Disclosure Letter based on the information actually known to the Warrantors as at such date) to enable the Buyer to make a reasonably informed assessment at the date of such disclosure of the nature and scope of the matter concerned.

9.3 The Warranties shall continue in full force and effect notwithstanding Completion.

9.4 Where any statement is expressly qualified in the Warranties by the expression "**to the best of the knowledge, information and belief of the Warrantors**" or "**so far as the Warrantors are aware**" or any similar expression, each Warrantor shall be deemed only to have knowledge of anything of which he is actually aware, having also actually made reasonable enquiry of each other Warrantor (and any other constructive or implied knowledge of any Warrantor shall be expressly excluded from such statement or expression).

9.5 In applying any Warranty to any Target Group Company, any reference to any legal term for an action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing which refers to or relates to a specific jurisdiction shall be deemed to include or refer to what most nearly approximates to that legal term in the relevant jurisdiction and any reference to any statute, regulation, order or other statutory provision of a specific jurisdiction shall be deemed to include what most nearly approximates to that statute, regulation, order or other statutory provision in the relevant jurisdiction.

Sellers' Warranties

9.6 Save as otherwise expressly provided for in this Agreement (and without prejudice to the foregoing generality, the limitations on Warranty Claims set out in Schedule 6), the total aggregate liability of each Seller for all claims under this Agreement shall be limited to the amount of Consideration actually received by such Seller.

9.7 Each Seller severally warrants (in respect of itself only) to the Buyer that upon the execution of this Agreement and immediately prior to Completion, that:

9.7.1 the number of Shares set opposite its respective name in columns (3), (4) and (6) of Schedule 1 are legally and beneficially owned by such Seller free from all Encumbrances and are fully paid; and

9.7.2 no order has been made, petition presented or meeting convened for the bankruptcy or winding up (as appropriate) of him or it, nor any other action taken in relation to the appointment of a trustee in bankruptcy or an administrator, liquidator, receiver, administrative receiver, compulsory manager or any provisional liquidator (or equivalent in any other jurisdiction) and there are no proceedings under any applicable insolvency, reorganisation or similar laws in any relevant jurisdiction and no events have occurred which, under Applicable Law, would justify any such proceedings.

9.8 Each Investor Seller (other than PE1ALP) severally warrants to the Buyer that upon the execution of this Agreement and immediately prior to Completion, that:

9.8.1 all shares in XBA Finco ApS as detailed in Schedule 1 Part II are legally and beneficially owned by the Company free from all Encumbrances and are fully paid;

9.8.2 all shares in XBA Midco ApS as detailed in Schedule 1 Part II are legally and beneficially owned by XBA Finco ApS free from all Encumbrances and are fully paid;

9.8.3 all shares in XBA BidCo ApS as detailed in Schedule 1 Part II are legally and beneficially owned by XBA Midco ApS free from all Encumbrances and are fully paid; and

9.8.4 all shares in A/S Cimbria as detailed in Schedule 1 Part II are legally and beneficially owned by XBA BidCo ApS free from all Encumbrances and are fully paid,

save in each case in respect of any Encumbrance in place at the date of this Agreement pursuant to the Bank Indebtedness.

9.9 Each Seller severally warrants (in respect of itself only) to the Buyer, upon the execution of this Agreement, that it has full power and authority and has obtained all necessary consents to enter into and perform the obligations expressed to be assumed by it under the Transaction Documents, that the obligations expressed to be assumed by it hereunder are legal, valid and binding and enforceable against it in accordance with their terms and that the execution, delivery and performance by it of this Agreement and each Transaction Document will not:

9.9.1 result in a breach of, or constitute a default under, any agreement or arrangement to which it is a party or by which it is bound; or

9.9.2 result in a breach of any law or order, judgment or decree of any court or Governmental Authority to which it is a party or by which it is bound.

9.10 Each Seller severally warrants (in respect of itself only) to the Buyer that upon Completion and due compliance by the parties with their respective obligations under this Agreement, that:

9.10.1 all sums due to a Target Group Company from that Seller (and that Seller's Related Persons) have been repaid in full; and

9.10.2 he or it (and his or its Related Persons) does not have any claims or rights or causes of action against a Target Group Company other than in respect of:

(a) any Permitted Payments; or

(b) in relation to any Seller or any of their Related Persons who is an employee or officer of any Target Group Company, in respect of accrued but unpaid salary or bonus entitlement, paid holiday entitlement (if any), expenses reasonably incurred in the performance of his duties and any other benefits under his contract of employment or to which he is otherwise entitled, in each case to the extent such contract and arrangements are Disclosed,

and to the extent that any Target Group Company has any obligation to pay or confer a benefit on any Seller (and/or any of its Related Persons) other than in respect of any matter set out in clauses 9.10.1 and 9.10.2, such Seller, (on behalf of himself and his Related Persons), hereby unconditionally (with effect from Completion) waives and releases (or, as the case may be, procures the waiver and release of), the relevant Target Group Company from any such obligation.

Buyer's Warranties

9.11 The Buyer warrants to the Sellers upon the execution of this Agreement that, apart from the Disclosed Matters, neither it nor any other member of the Buyer Group (excluding the Target Group Companies) is actually aware of any fact, matter, event or circumstance which it is actually aware would constitute a breach of Warranty as at the date of this Agreement. For this purpose, the Buyer and the relevant members of the Buyer's Group shall be deemed only to have knowledge of anything of which one or more of Roger Batkin and David Williams is actually aware (and any constructive or implied knowledge shall be excluded).

9.12 The Buyer warrants to the Sellers upon the execution of this Agreement and immediately prior to Completion that it is a corporation validly existing under the laws of the Netherlands and that it has full power and authority and has obtained all necessary consents to enter into and perform the obligations expressed to be assumed by it under the Transaction Documents, that the obligations expressed to be assumed by it

hereunder are legal, valid and binding and enforceable against it in accordance with their terms and that the execution, delivery and performance by it of this Agreement and each such other agreement and arrangement will not:

9.12.1 result in a breach of, or constitute a default under, any agreement or arrangement to which it is a party or by which it is bound; or

9.12.2 result in a breach of any law or order, judgment or decree of any court, on Governmental Authority to which it is a party or by which it is bound.

9.13 The Buyer warrants to the Sellers upon execution of this Agreement that:

9.13.1 it is duly established and validly existing under the laws of its jurisdiction of establishment and has been in continuous existence since its establishment;

9.13.2 it is not insolvent or unable to pay its debts within the meaning of section 123(1) or (2) of the Insolvency Act 1986 of England and Wales or pursuant to the statute in force in the Netherlands which most nearly approximates to the same;

9.13.3 no order has been served on it and no resolution has been passed for the winding-up or dissolution of it; it is not in administration and no steps have been taken to place it in administration (including the filing of any notice of intention to appoint an administrator over it); it is not subject to a company voluntary arrangement and no such arrangement has been proposed nor is it subject to a scheme of arrangement and no such scheme has been proposed; no receiver (whether statutory or contractual) has been appointed to it or any of its assets; it is not in administrative receivership and has not suspended payments on any of its debts, nor entered into any compromises with any or all of its creditors.

Warrantors' Representative

9.14 Each Warrantor hereby irrevocably and unconditionally appoints the Warrantors' Representative to act as his agent (and to the complete exclusion of any rights which the Warrantors may have in such regard) with full authority to:

9.14.1 take all actions in exercise of that Warrantor's rights, and take (on that Warrantor's behalf) all actions contemplated in Schedule 6;

9.14.2 agree any matter referred to or contemplated in Schedule 6 and any matter which is connected with, in anticipation of or related, consequential or ancillary to any such matter; and

9.14.3 do or omit anything, incur any costs, give any consent or approval and agree the form and content of, and approve, sign, execute and/or deliver, any deed, agreement, instrument, consent or other document pursuant to, contemplated by or in relation to Schedule 6,

in each case, as the Warrantors' Representative, acting in good faith, considers necessary or desirable. Each Warrantor hereby irrevocably and unconditionally agrees to be bound by each act, omission, agreement, approval, consent, deed and decision of the Warrantors' Representative and by each deed, agreement, instrument, consent or other document agreed, approved, signed, executed and/or delivered by the Warrantors' Representative.

9.15 Insofar as any loss, damage or other liability of any Warrantor is incurred or increased as a result of any act, omission, agreement, approval, consent, deed or decision of the Warrantors' Representative or by any deed, agreement, instrument, consent or other document agreed, approved, signed, executed and/or delivered by the Warrantors' Representative, in each case acting in good faith in the proper execution and discharge of his appointment as Warrantors' Representative hereunder, the Warrantors' Representative shall not be responsible for, nor have any liability to any such Warrantor in relation to, any such loss, damage or other liability or such increased loss, damage or other liability.

9.16 Each Warrantor irrevocably agrees that, all rights, acts, omissions, agreements, approvals, consents, deeds and decisions of the Warrantors and/or the Warrantors' Representative under, or contemplated by, Schedule 6 and all deeds, agreements, instruments, consents and other documents agreed, approved, signed, executed and/or delivered by the Warrantors and/or by the Warrantors' Representative under Schedule 6 or contemplated by Schedule 6 as being so agreed, approved, signed, executed and/or delivered may, for all purposes of this Agreement, be regarded as having been validly exercised, done, omitted, agreed, approved of, consented to, decided, signed, executed or delivered if exercised, done, omitted, agreed, approved of, consented to, decided, signed, executed or delivered by the Warrantors' Representative.

9.17 Each Warrantor irrevocably agrees that:

9.17.1 any notice or other communication to be given to it is deemed to have been properly given if it is given to the Warrantors' Representative in accordance with clause 19 (whether or not such notice is forwarded to or received by such Warrantor); and

9.17.2 failure by the Warrantors' Representative to notify it of the process will not invalidate the legal action or proceedings concerned.

9.18 Each of the Warrantors irrevocably:

9.18.1 undertakes to the Buyer that the Warrantors' Representative has and shall retain the authority to bind it in relation to each matter referred to in clause 9.16 (each a "**Relevant Matter**");

9.18.2 agrees that the Buyer shall be entitled to rely on any notice or communication in writing provided by the Warrantors' Representative in relation to any Relevant Matter as binding on it;

9.18.3 agrees that any notice or communication in writing by the Warrantors' Representative to the Buyer in relation to any Relevant Matter shall be deemed (unless the context requires otherwise) to be provided by the Warrantors' Representative as agent for all of the Warrantors; and

9.18.4 agrees that any irrecoverable costs and expenses incurred by the Warrantors' Representative in defending any claims under the Warranties will be borne in the proportions set out in column (3) of the table at paragraph 3.2 of Schedule 6.

9.19 The Buyer agrees that all acts, omissions, agreements, approvals, consents, deeds and decisions of the Warrantors' Representative under, or contemplated by, Schedule 6 and all deeds, agreements, instruments, consents and other documents jointly agreed, approved, signed, executed and/or delivered by the Warrantors' Representative thereunder or contemplated thereby shall be as valid and effective for all purposes of this Agreement as if the same had been effected by each of the Warrantors, provided always that nothing in this clause shall affect any claim which the Buyer might have against any party to this Agreement or a Warrantors' Representative for breach of this Agreement or otherwise.

9.20 The first Warrantors' Representative shall be Søren Overgaard who hereby confirms that he is willing to act as the Warrantors' Representative. In the event that the Warrantors' Representative at the relevant time dies or becomes mentally or physically incapacitated or is otherwise unable or unwilling to act as a Warrantors' Representative, the relevant replacement Warrantors' Representative shall thereupon be such person as a Majority of the Warrantors may appoint or, if they fail to appoint such a replacement Warrantors' Representative, such person as appointed by the Investor Representative at the request of the Buyer (provided that such person is a Warrantor). In this clause, "**Majority of the Warrantors**" means a majority in number of the Warrantors who are still alive and mentally capable at the time of such appointment and holding a majority in number of the total Shares held by those Warrantors who are still alive and mentally capable at such time.

10. PROTECTION OF GOODWILL

10.1 Each Covenantor severally undertakes to the Buyer that he will not (other than in accordance with the usual and ordinary course of his directorship of and/or his continuing employment by the Company or any other member of the Buyer Group) directly or indirectly:

10.1.1 within the Restricted Territories, at any time during the Restricted Period, engage in, consult to or be otherwise involved with any business which is carried on in competition with any part of the Business;

10.1.2 at any time during the Restricted Period solicit or endeavour to solicit the custom of, or deal or endeavour to deal with, any person who is at the

Completion Date or, at any time during the period of twelve months prior to the Completion Date, was a customer of any Target Group Company;

10.1.3 at any time during the Restricted Period interfere or endeavour to interfere with the continuance of supplies to any Target Group Company (or the terms relating to those supplies) by any person who is at the Completion Date or, at any time during the period of twelve months prior to the Completion Date, was a supplier to any Target Group Company; or

10.1.4 at any time during the Restricted Period solicit or entice away, or endeavour to solicit or entice away, from the Company or any other Target Group Company any Senior Manager whether or not such person would commit a breach of his employment contract by reason of leaving service.

10.2 Nothing contained in clause 10.1 shall prevent any Covenantor from:

10.2.1 being the holder or beneficial owner by way of a bona fide personal investment, of any class of securities in any company if such class of securities is listed, or dealt in, on a recognised investment exchange (within the meaning of Part XVIII of the Financial Services and Markets Act 2000) provided that he neither holds nor is beneficially interested in more than a total of 5 per cent of any single class of the securities in that company; or

10.2.2 placing or procuring the placing of any recruitment advertisement for employees and communicating with or recruiting, employing or otherwise contracting with any person who responds to such an advertisement.

10.3 Each of the undertakings contained in clause 10.1 is a separate undertaking by each Covenantor and shall be enforceable by the Buyer (on its own behalf and on behalf of each Buyer Group Company) separately and independently of its right to enforce any one or more of the other covenants contained in clause 10.1. Each Covenantor agrees (having taken independent legal advice) that the undertakings contained in clause 10.1 are reasonable and necessary for the protection of the legitimate interests of the Buyer and the Company and any other Target Group Company and that these restrictions do not work harshly on him. It is nevertheless agreed that, if any such undertaking is found to be void but would be valid if some part were deleted, then such undertaking shall apply with such deletions as may be necessary to make it valid and enforceable. The parties further agree that, without prejudice to any other remedy which may be available to the Buyer, the Buyer shall be entitled to seek injunctive or other equitable relief in relation to any breach or prospective breach of the undertakings in clause 10.1, it being acknowledged that an award of damages may not be an adequate remedy for such a breach.

10.4 For the purposes of clause 10.1:

10.4.1 "**directly or indirectly**" shall (without limiting the expression) mean any Covenantor acting either alone or jointly with or on behalf of any other

person whether as principal, partner, manager, employee, contractor, director, consultant, investor (subject to clause 10.2) or otherwise;

10.4.2 **"Restricted Period"** shall mean twelve months from the Completion Date; and

10.4.3 **"Restricted Territories"** shall mean Denmark, Austria, the Czech Republic and Italy and such other geographical area as the relevant Covenantor carries on the Business for the Company or any other Target Group Company as at the Completion Date.

11. TERMINATION

Termination Provisions

11.1 Subject to clause 11.2, this Agreement shall automatically terminate with immediate effect and each Party's rights and obligations shall cease to have force and effect:

11.1.1 if either Party gives valid notice to the other Party pursuant to clause 5.10;

11.1.2 if either Party gives valid notice to the other Party pursuant to clause 7.3.3;

11.1.3 if the Buyer gives valid notice to the Sellers' Representatives pursuant to clause 5.11.

Effect of termination

11.2 The termination of this Agreement shall not affect:

11.2.1 any rights or obligations which have accrued or become due prior to the date of termination; and

11.2.2 the continued existence and validity of the rights and obligations of the Parties under this clause 11 and clauses 12, 13, 14,, 16, 17, 18 and 19.

12. CONFIDENTIALITY

12.1 Subject to clauses 12.2, 12.3, 12.4 and 12.5, and save in respect of the proper discharge of his duties or obligations to which he might be subject as an employee, director or consultant to any Target Group Company after the date of this Agreement, each Seller severally undertakes to the Buyer in all respects to keep confidential and not at any time disclose or make known in any other way to anyone whomsoever or use for his own or any other person's benefit or to the detriment of any Target Group Company any Confidential Information, provided that any Seller shall be entitled to disclose to its officers, employees, partners, members, agents or advisers such information as may be necessary to enable them to carry out their duties on the basis that the recipient(s) keeps the Confidential Information confidential.

12.2 Subject to clauses 12.3 and 12.4, each party (save in the case of clauses 12.2.3 and 12.2.4, which shall apply only as set out in such clauses) undertakes to the others to keep

confidential in all respects and not disclose in any way to anyone whomsoever or use for its own or any other person's benefit or to the detriment of the Buyer or any of the Sellers (as the case may be) all information received or obtained as a result of entering into or performing this Agreement which relates to:

- 12.2.1 the provisions, or subject matter, of this Agreement or any other Transaction Document;
- 12.2.2 the negotiations relating to this Agreement and the other Transaction Documents;
- 12.2.3 in the case of the Buyer only, the Sellers (other than in relation to the Business), and the businesses carried on by, and the affairs of, the Sellers or any of their connected persons; and
- 12.2.4 in the case of the Sellers only, the Buyer Group and the businesses carried on by, and the affairs of, the Buyer Group.

12.3 Any party may disclose Confidential Information or other information which is otherwise to be treated as confidential under this clause 12 if and to the extent:

- 12.3.1 that the information becomes generally known (other than through a breach by any party of this clause 12) including any information contained in any announcement made pursuant to clause 13;
- 12.3.2 required by law or by any competent judicial or regulatory authority or by any recognised investment exchange;
- 12.3.3 the disclosure is required for the purposes of any judicial proceedings arising out of a breach of this Agreement or any other Transaction Document or the disclosure is made to any Taxation Authority in connection with the tax affairs of the disclosing party;
- 12.3.4 the disclosure is made to professional advisers of any party on terms that such professional advisers undertake to comply with the provisions of clause 12 in respect of such information; or
- 12.3.5 that the other party or parties have given their prior written consent to the disclosure, such consent not to be unreasonably withheld or delayed.

12.4 Notwithstanding clauses 12 and 13, each Investor Seller shall be permitted to disclose information regarding any of the matters provided for or referred to in this Agreement other than information referred to in clause 12.2.4 to: (i) its Affiliates (including the Investor Representative) and each of their respective employees; and (ii) investors or potential investors in Funds which any Investor Seller, its Affiliates or the Investor Representative manage or advise, on the basis that the recipient keeps the information confidential.

12.5 Notwithstanding clauses 12 and 13, the Buyer shall be permitted to provide information otherwise required to be kept confidential under this Agreement:

12.5.1 to a proposed purchaser of, or investor in, the Buyer's Group or any part of it (or their advisers, agents and representatives) on the basis that the recipient keeps the information confidential;

12.5.2 in a prospectus, listing particulars, admission document or other similar document in connection with the application for admission to trading or to list (or equivalent) of any securities in any member of the Buyer's Group on any recognised stock exchange; and

12.5.3 to any provider of finance or potential provider of finance to any member of the Buyer's Group (or to their advisers, agents and representatives) or to a security trustee or agent acting on behalf of one or several banks or other financial institutions which have entered into, or may enter into, any financing, hedging or loan agreements with any members of the Buyer's Group, in each case on the basis that the recipient agrees to keep such information confidential.

13. ANNOUNCEMENTS

13.1 Subject to clauses 12.3, 12.4, 12.5 and 13.2, no party shall without the consent of the Buyer and the Sellers' Representatives (in each case not to be unreasonably withheld) issue any press release or publish any circular to shareholders or any other document or make any public statement or otherwise make any disclosure to any person who is not a party to this Agreement relating to any of the matters provided for or referred to in this Agreement, any Transaction Document or any ancillary matter. This clause shall not prohibit any announcement or disclosure required by law or by any competent judicial or regulatory authority or Taxation Authority or by any stock exchange or recognised investment exchange (in which case the parties shall co-operate, in good faith, in order to agree the content of any such announcement so far as practicable prior to it being made).

13.2 Nothing in clause 12.2 or 13.1 shall:

13.2.1 restrict the Buyer or any Target Group Company from informing customers or suppliers of the fact of (but not any term of or any other detail relating to) the acquisition of the Target Group by the Buyer, after Completion; or

13.2.2 prohibit the release, by any of the parties, of the Agreed Announcements following the execution hereof.

14. COSTS

Save for Permitted Payments or as otherwise expressly provided in this Agreement or agreed between the parties, each party shall pay its own costs and expenses incurred in connection with the preparation, negotiation and completion or termination of this

Agreement and the other Transaction Documents. In particular, stamp duty and any other transfer taxes payable in respect of the transfer of the Shares pursuant to this Agreement (including any interest or penalties thereon) shall be payable by the Buyer within the period prescribed by law.

15. POST-COMPLETION ARRANGEMENTS

- 15.1 As soon as reasonably practicable following Completion, the Buyer shall procure that a D&O run-off insurance policy (the "**Run-off Policy**") is placed by the Target Group providing a minimum of six years coverage from the Completion Date in relation to the Outgoing Directors in amounts which are not less than, and otherwise on terms which are no less favourable to the D&O insurance cover maintained by the Target Group immediately before Completion. The Buyer shall provide the Outgoing Directors with a copy of the insurance terms and conditions and proof of the premium payment. The Buyer undertakes that it shall not take or omit to take (and shall procure that each Buyer Group Company shall not take or omit to take) any action which has the effect of invalidating such insurance policy provided that the Buyer can replace the Run Off Policy with an alternative D&O run off insurance policy on substantially the same terms.
- 15.2 The Buyer shall (and shall ensure that each Target Group Company shall), from and after Completion and to the fullest extent permitted in accordance with Applicable Law, waive, release, and discharge the Outgoing Directors from any and all claims (other than claims for fraud or criminal conduct), demands, proceedings, causes of action, orders, obligations and liabilities arising out of their capacity as a director of any Target Group Company and, solely in such capacity, any cause or event occurring on or before Completion (each a "**Pre-Closing Event**") which each Target Group Company has or may at any time have had against any Outgoing Director. The Buyer shall ensure that each Target Group Company shall not, directly or indirectly, assert any claim or demand, or commence, institute or cause to be commenced, any proceedings of any kind relating to any Pre-Closing Event against any Outgoing Director.
- 15.3 The provisions of clauses 15.1 and 15.2 are in addition to, and not in substitution for, any other rights to indemnification or contribution that the Outgoing Directors may have at law, by contract or otherwise.
- 15.4 The Sellers shall not (if a claim is made against any of them in connection with the sale of the Shares to the Buyer) make any claim against any Target Group Company or against any director, employee, agent or officer of any Target Group Company on whom any of the Sellers may have relied before agreeing to any term of the Transaction Documents or authorising any statement in the Disclosure Letter. The Sellers acknowledge that they have no rights to make any such claim. This shall not prevent any Seller from claiming against any other Seller under any right of contribution or indemnity to which he may be entitled. The rights of each Target Group Company and any director, employee, agent or officer of any Group Company under this Clause are subject to the provisions of clause 18.16.

- 15.5** The Sellers shall procure that as soon as reasonably practicable after the Completion Date and in any event within 30 days after the Completion Date any of their Affiliates or Related Persons whose name includes the word “Cimbria” change their name to a name which does not include the word “Cimbria” or any other words which, in the reasonable opinion of the Buyer, are confusingly similar.
- 15.6** Subject to clause 15.7, the Sellers shall procure that, as soon as reasonably practicable after the Completion Date and in any event within 30 days after the Completion Date:
- 15.6.1 other than in respect of any Management Seller, it and each of their Affiliates or Related Persons ceases to use or display (including on any of their properties and assets) any trade or service name or mark, business name, logo, design, symbol, get-up, trade dress or domain name that consists of or includes the words “Cimbria” or any other words which, in the reasonable opinion of the Buyer, are confusingly similar (together, the “**Target Company IPR**”); and
- 15.6.2 any goods, stock, products, product literature, product labels, packaging, signage, stationery or other marketing, promotional, advertising or public relations materials bearing any Target Company IPR and held by the Sellers other than the Management Sellers (if any) are, at the Buyer’s option, either delivered to the Buyer or destroyed, and the each of the Sellers shall certify in writing to the Buyer that they has done so.
- 15.7** Clause 15.6 shall not apply to any corporate records retained by any of the Sellers or any of their Affiliates or Related Persons which bear any Target Company IPR or any other assets or documents which are in the possession of the Sellers or any of their Affiliates or Related Persons for record keeping or other non-trading purposes.
- 16. APPLICABLE LAW AND JURISDICTION**
- 16.1** This Agreement and the rights and obligations of the parties including all non-contractual obligations arising under or in connection with this Agreement shall be governed by and construed in accordance with the laws of England and Wales.
- 16.2** The parties irrevocably submit to the non-exclusive jurisdiction of the courts of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this Agreement and/or any non-contractual obligation arising in connection with this Agreement, provided that nothing contained in this clause shall be taken to have limited the right of the Seller to proceed in the courts of any other competent jurisdiction.
- 17. TRUSTEE SELLER**
- 17.1** The Trustee Seller is entering into this Agreement as trustee of the EBT.

17.2 Notwithstanding any other provision of this Agreement, the aggregate liability of the Trustee Seller for all claims under this Agreement shall be limited to the lower of (i) the Consideration payable to it in respect of the EBT Shares, less the amount of the Trust Loan; and (ii) the value of the aggregate capital assets of the EBT at the time when payment is due to be made by the Trustee Seller in respect of such claim.

18. GENERAL

Entire agreement

18.1 This Agreement (together with the other Transaction Documents) contains the entire and only agreement and understanding of the parties and supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Agreement and any such other document.

18.2 Each of the parties acknowledges and agrees that:

18.2.1 it is not entering into this Agreement on the basis of, and is not relying and has not relied on, any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made, given or agreed to by any person (whether a party to this Agreement or not) except those expressly repeated or referred to in this Agreement or the Disclosure Letter and the only remedy or remedies available to the Buyer in respect of any misrepresentation or untrue statement made to it shall be a claim for breach of contract under this Agreement; and

18.2.2 this clause 18.2 shall not apply to any statement, representation or warranty made fraudulently or to any provision of this Agreement (including, for the avoidance of doubt, the Warranties) which was induced by fraud for which the remedies shall be all those available under the law governing this Agreement regardless of the other terms of this Agreement.

18.3 The Buyer acknowledges and agrees that the express terms of this Agreement are in lieu of all warranties, conditions, terms, undertakings and obligations implied by statute, common law or otherwise all of which are hereby excluded to the fullest extent permitted by law.

18.4 This Agreement shall not be construed as creating any partnership or agency relationship between any of the parties.

Variations and waivers

18.5 No variation of this Agreement shall be effective unless made in writing signed by or on behalf of all the parties and expressed to be such a variation.

18.6 No waiver by any party of any requirement of this Agreement, or of any remedy or right under this Agreement, shall have effect unless given in writing and signed by such party.

No waiver of any particular breach of the provisions of this Agreement shall operate as a waiver of any repetition of such breach.

Assignment

- 18.7** Subject to clauses 18.8, 18.9 and 18.10 no party shall be entitled to assign, transfer or create any trust in respect of the benefit or burden of any provision of this Agreement (or other Transaction Document) without the prior written consent of the Buyer (in the case of an assignment by any of the Sellers) or the Sellers' Representatives (in the case of an assignment by the Buyer).
- 18.8** All or any of the Buyer's rights under this Agreement (including, without limitation, in respect of the Warranties) may be assigned by the Buyer to any other member of the Buyer Group (or by any such member to or in favour of any other member of the Buyer Group) provided that:
- 18.8.1 prior to such assignee leaving the Buyer Group, such rights are assigned or transferred to, or made the subject of a trust in favour of, another member of the Buyer Group; and
- 18.8.2 in the event that such assignment occurs, the liability of the Sellers or Warrantors under this Agreement shall be no greater than it would have been had such assignment not occurred.
- 18.9** The Buyer may upon written notice to the Sellers' Representatives (a "**Substitution Notice**") transfer its rights and obligations pursuant to this Agreement (in whole or in part) to, and it may be enforced by, any member or members of the Buyer's Group (a "**Substitute Buyer**"). The Substitution Notice shall include: (a) the name and jurisdiction of the Substitute Buyer, and (b) an acknowledgement by the Substitute Buyer in accordance with the following sentence: the Substitute Buyer shall be deemed a "Buyer" for purposes of this Agreement in connection with the acquisition of the Shares (and any reference to "Buyer" in this Agreement shall be deemed to include reference to the Substitute Buyer) and such Substitute Buyer shall be assigned the rights and shall assume the obligations under this Agreement necessary in connection with such substitution provided that, following such substitution:
- 18.9.1 AGCO International Holdings B.V. shall be jointly and severally liable with the Substitute Buyer to the Sellers for all such rights and obligations so assigned or assumed by such Substitute Buyer;
- 18.9.2 AGCO International Holdings B.V shall cause the Substitute Buyer to appoint AGCO International Holdings B.V as its agent in connection with the exercise of its rights and remedies under this Agreement;
- 18.9.3 no such substitution shall relieve AGCO International Holdings B.V of its obligations under this Agreement;

18.9.4 if the Substitute Buyer ceases to be a member of the Buyer's Group, this Agreement and the rights under it shall automatically transfer back to AGCO International Holdings B.V immediately prior to such cessation; and

18.9.5 the liability of the Sellers are not increased in any way.

18.10 This Agreement and the benefits arising under it may be assigned or charged in whole or in part by the Buyer to its financial lenders or banks or any member of their groups (including Funds) or any security agent or trustee acting on their behalf as security for any financing or refinancing in respect of any transaction contemplated by this Agreement (including any additional facilities and hedging made available in connection with such financing or refinancing) and such benefit as may further be assigned to any other financial institution by way of security for the borrowings of the Buyer resulting from any refinancing of the borrowings made under such financing or refinancing or to any person entitled to enforce such security or to any transferee under a valid enforcement of such security provided that any such assignment permitted pursuant to this clause 18.9 shall not increase the liability of any of the Sellers or Warrantors beyond that which the relevant party would otherwise have had pursuant to this Agreement.

18.11 As soon as practicable after any assignment in accordance with clause 18.8, 18.9 or 18.10, the Buyer will give written notice of the assignment to the Sellers' Representatives.

Effect of Completion

18.12 The provisions of this Agreement, insofar as the same shall not have been fully performed at Completion, shall remain in full force and effect notwithstanding Completion.

Counterparts

18.13 This Agreement may be executed as two or more counterparts and execution by each of the parties of any one of such counterparts will constitute due execution of this Agreement.

Further Assurance

18.14 Each party shall, and shall use all reasonable endeavours to procure that any necessary third party shall, do and execute and perform all such further deeds, documents, assurances, acts and things as may reasonably be required to give effect to this Agreement including (in the case of the Sellers) vesting in the Buyer the legal and beneficial title to the Shares free from any Encumbrance.

Other remedies

- 18.15** The Buyer acknowledges and irrevocably agrees that, save in respect of its right to terminate this Agreement in accordance with clause 11, it will not be entitled to rescind, terminate or repudiate this Agreement for any reason.

Third party rights

- 18.16** Subject to clause 18.18, any Target Group Company and/or any of their respective officers, employees, agents or advisers (to the extent such clauses benefit those third parties) may enforce the terms of clauses 10 and 15.4 pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 18.17** Except as provided in clauses 10 and 18.16, the parties do not intend this Agreement or any part of it to be enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this Agreement, but this shall not affect any other right or remedy of a third party that is available or exists apart from that Act.
- 18.18** Notwithstanding clause 18.16, the parties may agree to vary or terminate this Agreement (or release or compromise any liability under this Agreement) in accordance with clause 18.5 without the consent of the persons mentioned in clause 18.16.

Several Liability

- 18.19** Except where this Agreement provides otherwise, obligations, covenants, warranties, representations and undertakings expressed to be assumed or given by two or more persons shall in each case be construed as if expressed to be given severally and not jointly or jointly and severally.

Successors

- 18.20** This Agreement shall be binding on the Buyer's assigns and successors in title.

Records

- 18.21** The Buyer undertakes to the Sellers that it shall, and shall procure that each member of the Buyer's Group shall, provided that the following provisions comply with any record keeping policies of the Buyer Group in place from time to time:
- 18.21.1 preserve for a period of at least seven years from Completion all books, records and documents of or relating to the Taxation of each Target Group Company as at Completion ("**Historic Tax Records**"); and
- 18.21.2 subject to the relevant Sellers reimbursing the Buyer its reasonable costs and expenses in providing such information and assistance permit and allow, upon reasonable notice and during normal business hours, any Seller (or the employees, agents and professional advisers of any Seller or, in the case of a Seller which is a partnership, the employees, agents and professional advisers of the manager of such partnership) access to such

Historic Tax Records and the right to inspect the same but solely to the extent that the relevant Seller reasonably requires access to such Historic Tax Records for the purposes of: (i) completing its relevant tax returns; (ii) agreeing its relevant tax returns with the relevant taxation authorities; or (iii) complying with any Applicable Law or regulation or the requirements of any judicial or regulatory authority or recognised investment exchange.

Taxation of payments

18.22 Any payment made by or due from the Sellers under, or pursuant to the terms of, this Agreement shall be free and clear of all Taxation whatsoever save only for any deductions or withholdings required by law.

18.23 If any deductions or withholdings are required, such further sums as shall be required to ensure that the net amount received by the Buyer, the relevant Target Group Company or other person (as the case may be) will equal the full amount which would have been received under the relevant provisions of this Agreement in the absence of any such deductions or withholdings.

19. NOTICES

Form of notice

19.1 Any notice, consent, request, demand, approval or other communication to be given or made under or in connection with this Agreement (each a "**Notice**" for the purposes of this clause) shall be in English, in writing and signed by or on behalf of the person giving it.

Method of service

19.2 Service of a Notice must be effected by one of the following methods:

19.2.1 by hand to the relevant address set out in clause 19.4 and shall be deemed served upon delivery if delivered during a Business Day, or at the start of the next Business Day if delivered at any other time; or

19.2.2 by prepaid recorded delivery, special delivery or registered post (if the Notice is to be served by post at an address in the same country from that which it is sent) to the relevant address set out in clause 19.4 and shall be deemed served at the start of the second Business Day after the date of posting; or

19.2.3 by a recognised international overnight courier service (if the Notice is to be served by post at an address outside the country from that which it is sent) to the relevant address set out in clause 19.4 and shall be deemed served at the start of the fourth Business Day after the date of posting.

19.3 In clause 19.2 "**during a Business Day**" means any time between 9.30 a.m. and 5.30 p.m. on a Business Day based on the local time where the recipient of the Notice is located.

References to "**the start of a Business Day**" and "**the end of a Business Day**" shall be construed accordingly.

Address for service

19.4 Notices shall be addressed as follows:

19.4.1 Notices for the Buyer shall be marked for the attention of:

Name: Roger Batkin

Address: AGCO Limited, Abbey Park Stoneleigh, Kenilworth CV8 2TQ

19.4.2 Notices for any Investor Seller and/or the Investor Representative shall be marked for the attention of:

Name: Gareth Whiley

Address: Silverfleet Capital Partners LLP
5 Fleet Place, London, EC4M 7RD

19.4.3 notices for any Warrantor shall be addressed to the Warrantors' Representative from time to time at the address set out next to his name in Schedule 1; and

19.4.4 notices for any other Seller shall be addressed to the relevant Seller at the address set out next to its name in Schedule 1.

Copies of Notices

19.5 Copies of all Notices sent to the Buyer shall also be sent or given to Herbert Smith Freehills LLP of Exchange House, Primrose Street, London, EC2A 2EG for the attention of Tomasz Wozniak with reference 30990051. Such copies shall be sent or given in accordance with one of the methods described in clause 19.2. Failure to communicate such copies shall not invalidate such Notice.

19.6 Copies of all Notices sent to the Sellers, the Investor Representative, the Warrantors' Representative or the Sellers' Representatives shall also be sent or given to Travers Smith LLP of 14 Snow Hill, London, EC1A 2AL for the attention of William Yates with reference S.5498-2. Such copies shall be sent or given in accordance with one of the methods described in clause 19.2. Failure to communicate such copies shall not invalidate such Notice.

Change of details

19.7 A party may change its address for service provided that the new address is within the same country and that it gives the other party not less than 28 days' prior notice in

accordance with this clause 19.7. Until the end of such notice period, service on either address shall remain effective.

Agent for service

- 19.8** The Buyer irrevocably authorises and appoints Tomasz Wozniak of Herbert Smith Freehills LLP at the office of the Buyer's Solicitors (or the firm which at the time in question has succeeded to it and carries on its practice, or any replacement agent appointed by the Buyer in accordance with clause 19.9) as its agent for service of Notices and/or proceedings in relation to any matter arising out of or in connection with this Agreement and service on such agent in accordance with this clause 19 shall be deemed to be effective service on the Buyer.
- 19.9** Following the date of this Agreement the Management Sellers and Other Sellers shall jointly appoint an agent for service of Notices and/or proceedings in relation to any matter arising out of or in connection with this Agreement and will notify the Buyer of such appointment as soon as reasonably practicable but in any event within 7 Business Days of the date of this Agreement.
- 19.10** If the agent referred to in clauses 19.8 or 19.9 (or any replacement agent appointed pursuant to this clause 19.10) at any time ceases to act as such for any reason, the Buyer shall forthwith appoint a replacement agent to accept service on behalf of the Buyer, such agent having a service address in England or Wales, and the Buyer shall notify the Sellers forthwith of the name and address of the replacement agent.

THIS AGREEMENT has been duly executed on the date first stated above.

EXECUTED and
DELIVERED as a
DEED)
by **SILVERFLEET**
CAPITAL
PARTNERS LLP)
in its capacity as
manager of)
SILVERFLEET
CAPITAL
PARTNERS LP)
acting by:)

/s/ GARETH WHILEY
Partner

in the presence of:)

Signature: /s/
GEMMA PHILIPS

Name: GEMMA
PHILIPS

Address: 10 SNOW
HILL
LONDON

Occupation:
SOLICITOR

EXECUTED and
DELIVERED as a
DEED)
by **SILVERFLEET**
CAPITAL
PARTNERS LLP)
in its capacity as
manager of)
SILVERFLEET
CAPITAL 2011-2012
LP)
acting by:)

/s/ GARETH WHILEY

Partner

in the presence of:)

Signature: /s/
GEMMA PHILIPS

Name: GEMMA
PHILIPS

Address: 10 SNOW
HILL
LONDON

Occupation:
SOLICITOR

EXECUTED and
DELIVERED as a
DEED)
by **SILVERFLEET**
CAPITAL
PARTNERS LLP)
in its capacity as
manager of)
SILVERFLEET
CAPITAL
PARTNERS)
AFFILIATES'
FUND LP)
acting by:)

/s/ GARETH WHILEY

Partner

in the presence of:)

Signature: /s/
GEMMA PHILIPS

Name: GEMMA
PHILIPS

Address: 10 SNOW
HILL
LONDON

Occupation:
SOLICITOR

EXECUTED and
DELIVERED as a
DEED)
by **PE1A LP**)
acting by
ABEREDEEN FUND
MANAGERS
LIMITED)
in its capacity as
manager of **PE1A LP**)
acting by:)

/s/ COLIN BURROWS

in the presence of:)

Signature: /s/ NIGLA
MARY ARMSTRONG

Name: NIGLA MARY
ARMSTRONG

Address: PRINCES
STREET
EDINBURGH

Occupation:
SOLICITOR

SIGNED as a
DEED and
DELIVERED by)
KARSTEN
LARSEN) /s/ KARSTEN LARSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
LARS NØRGAARD) /s/ LARS NØRGAARD
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
CHRISTIAN
ANDERSEN) /s/ CHRISTIAN ANDERSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
NIELS
CHRISTENSEN) /s/ NIELS CHRISTENSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
PEDER
FREDERIKSEN) /s/ PEDER FREDERIKSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
NIELS ULRIK
BLIKSTED) /s/ NIELS ULRIK BLIKSTED
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
PALLE DYBDAL) /s/ PALLE DYBDAL
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
CLAUS HAVE) /s/ CLAUD HAVE
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
FRANZ HAROLD) /s/ FRANZ HAROLD
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
JOSEF KOLAR) /s/ JOSEF KOLAR
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
ANDREA UZZO) /s/ ANDREA UZZO
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEÐ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
STEFANO UZZO) /s/ STEFANO UZZO
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEÐ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
MICHELA
PELLICONI) /s/ MICHELA PELLICONI
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
LORENZO TINTI) /s/ LORENZO TINTI
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
ANTONIO UZZO) /s/ ANTONIO UZZO
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
ARNE MOSE
SØRENSEN) /s/ ARNE MOSE SØRENSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
HENNING BUKH) /s/ HENNING BUKH
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
**OKSANA
STRETOVYCH**) /s/ OKSANA STRETOVYCH
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEØ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
JAN
VESTERGAARD
OLSEN) /s/ JAN VESTERGAARD OLSEN
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

SIGNED as a
DEED and
DELIVERED by)
SØREN
OVERGAARD) /s/ SØREN OVERGAARD
in the presence of:)

Witness

Signature: /s/
DORTHE B.
THOMSEN

Name: DORTHE
B.THOMSEN

Address: ÅBROVEJ
II
7755
BEDSTED

Occupation:
COORDINATOR

EXECUTED and
DELIVERED as a
DEED)
by **ESTERA TRUST**
(JERSEY)
LIMITED)
in its capacity as
trustee of the
CIMBRIA)
GROUP
EMPLOYEE
INCENTIVE
TRUST)
acting by: **WILLIAM**
PATRICK JONES and)
BRENDAN
DOWLING,
authorised signatories)

/s/ **WILLIAM PATRICK JONES**
Authorised Signatory

/s/ **BRENDAN DOWLING**
Authorised Signatory

**SIGNED as a DEED
and DELIVERED**
for and on behalf of)
**AGCO
INTERNATIONAL
HOLDINGS B.V.**)

by:)/s/ ROGER N BATKIN

Certification Pursuant to § 302 of the Sarbanes-Oxley Act of 2002

I, Martin Richenhagen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AGCO Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weakness in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 9, 2016

/s/ Martin Richenhagen

Martin Richenhagen
Chairman of the Board, President and Chief Executive Officer

Certification Pursuant to § 302 of the Sarbanes-Oxley Act of 2002

I, Andrew H. Beck, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AGCO Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weakness in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 9, 2016

/s/ Andrew H. Beck

Andrew H. Beck
Senior Vice President and Chief Financial Officer

CERTIFICATION

The undersigned, as the Chairman of the Board, President and Chief Executive Officer and as the Senior Vice President and Chief Financial Officer of AGCO Corporation, respectively, certify that, to the best of their knowledge and belief, the Quarterly Report on Form 10-Q for the period ended June 30, 2016, which accompanies this certification fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of AGCO Corporation at the dates and for the periods indicated. The foregoing certifications are made pursuant to 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and shall not be relied upon for any other purpose.

/s/ Martin Richenhagen

Martin Richenhagen
Chairman of the Board, President and Chief Executive Officer
August 9, 2016

/s/Andrew H. Beck

Andrew H. Beck
Senior Vice President and Chief Financial Officer
August 9, 2016

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to AGCO Corporation and will be retained by AGCO Corporation and furnished to the Securities and Exchange Commission or its staff upon request.