

AGCO Corporation Unveils Business Strategy to Accelerate Organic Growth

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Always Growing(TM) Corporate Brand Positioning Signifies New Direction For Global Agricultural Equipment Manufacturer

DULUTH, Ga.--(BUSINESS WIRE)--Dec. 13, 2006--AGCO Corporation (NYSE:AG), a worldwide manufacturer and distributor of agricultural equipment, recently unveiled an aggressive, strategic business plan supported by a new corporate brand positioning. The new plan focuses on major growth initiatives that will continue the company's advancement to becoming one of the most dominant players in the global agricultural machinery marketplace. The new corporate positioning, "AGCO...Always Growing(TM)", exemplifies the company's ambition to move the company forward and to constantly improve in all facets of its business.

The increase in mega-farming operations, the population explosion in developing nations, the demand for biofuels among industrialized nations and the need for more technologically advanced farm equipment were cited as global industry drivers motivating AGCO to redefine its place in the agricultural machinery industry.

Numerous internal initiatives are being implemented, which support AGCO Corporation's objectives to grow its revenues, profitability and earnings per share. "We are a company built from a series of acquisitions," said AGCO Chairman, President and CEO, Martin Richenhagen.

"Our organic growth plan and the new corporate brand strategy together are building on that foundation. The 'Always Growing(TM)' philosophy embodies growth on many fronts including revenue, technology, market share, product development, employee development and profitability, which will ultimately enable our customers to become more productive and more profitable. We're introducing initiatives that will make our operations more efficient, create growth opportunities for AGCO in emerging markets and, in the end, improve overall shareholder value," Richenhagen continued.

AGCO is pursuing its growth strategy on a global basis using regionalized approaches. "In North America, the company has reorganized its sales and marketing efforts to address defined industry segments, which align with our core brand strategies," said Randy Hoffman, Senior Vice President, Global Sales and Marketing. "Other global growth strategies include further expansion into the emerging Central and Eastern European markets, the Far East and China. In South America, we will leverage our established market positions in Brazil and Argentina to drive targeted expansion throughout the remainder of the region."

This new strategy will drive development in the key aspects of the Company's business and will grow its value proposition for customers and shareholders. The strategic initiatives are addressed using the three building blocks of value creation; strength, performance and simplicity.

AGCO intends to strengthen its global market position by focusing on its core brands, the quality of its dealer networks and by enhancing service support programs. The Company will solidify its technological advantage in the high-end professional farming segment, and will further establish its cost leadership in the lower-tech, lifestyle market segment. Also, the company will enhance its product line through a globally competitive harvesting offer.

In the area of performance, AGCO has identified, implemented and is realizing improvements through programs targeted at harmonizing processes in front- and back-office operations, optimizing global manufacturing and sourcing and decreasing time to market with greater efficiency.

The company has also developed initiatives aimed at reducing its asset base and working capital requirements by increasing the simplicity of its operations in order to experience a greater return on invested capital (ROIC).

Equally important as its manufacturing and market initiatives is the human capital element. AGCO Corporation values the

contribution that all employees make to the success of the company and continues to implement numerous programs to provide employees with a stimulating and motivating work environment in all parts of the world.

"Our strength comes from the heritage of our brands, our performance is driven by a passion to develop innovative technologies, and our focus on simplicity stems from the growth opportunities derived from being nimble and responsive to an ever changing agricultural marketplace. We are able to see growth where others don't," said Richenhagen. "For those reasons, and others, AGCO is 'Always Growing'."

Safe Harbor Statement

This press release contains forward-looking statements regarding, among other things, our plans and expectations for the joint venture, strategic development and product plans, and the impact of the joint venture on Fendt and Valtra. Actual results may differ materially from those suggested by these forward-looking statements for a number of reasons including the development of demand for our products in Russia and Kazakhstan, the difficulties inherent in commencing the operation of a new business including staffing, licensing and the development of infrastructure, the economic health of the Russian and Kazakhstan agricultural industry and the general demand for farm equipment, and competitive response by other manufacturers of farm equipment to the creation of the joint venture. For additional information regarding factors that could impact results, please see our Form 10-K for the year ended December 31, 2005, as filed with the Securities and Exchange Commission. AGCO disclaims any obligation to update any forward-looking statements except as required by law.

About AGCO

Founded in 1990, AGCO Corporation (NYSE:AG) (www.agcocorp.com) is a global manufacturer of agricultural equipment and related replacement parts. AGCO offers a full product line including tractors, combines, hay tools, sprayers, forage, tillage equipment and implements, which are distributed through more than 3,600 independent dealers and distributors in more than 140 countries worldwide. AGCO products include the following well-known brands: AGCO(R), Challenger(R), Fendt(R), Gleaner(R), Hesston(R), Massey Ferguson(R), New Idea(R), RoGator(R), Spra-Coupe(R), Sunflower(R), Terra-Gator(R), Valtra(R), and White(TM) Planters. AGCO provides retail financing through AGCO Finance. The company is headquartered in Duluth, Georgia, and in 2005, had net sales of \$5.4 billion.

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