



**Andy Beck**

Senior Vice President and CFO

# Agenda

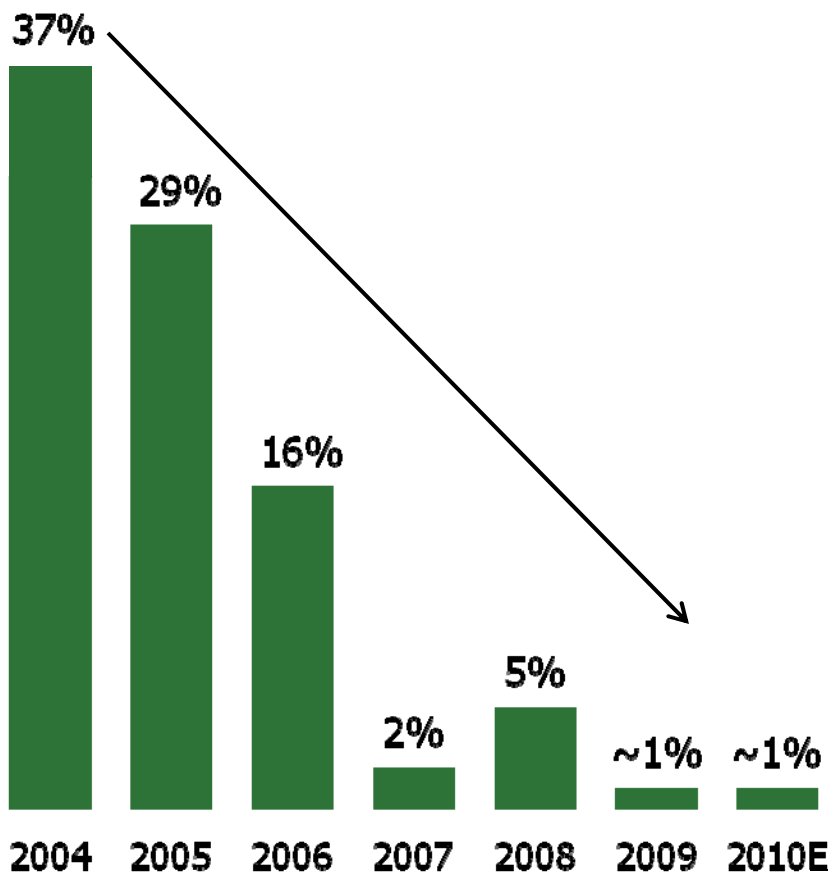
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- Recent transactions
- Investing in the business
- AGCO Finance performance
- 2011 preliminary targets



# Strong Financial Position – Reinvesting in the Business

## Reducing Net Debt to Total Capital\*



- Investments in developing markets
- New products
- Production / productivity improvements
- Tactical acquisitions

Note: Net debt to total capital is defined as (total debt less cash) divided by (total debt less cash) + total equity

# Sparex Acquisition

- Late life cycle UK-based parts retailer
- 2009 sales of approximately \$85M
  - mostly European
  - also in Africa, Middle East, Asia and North America
- Gives AGCO access to independent service shops
- Provides market share opportunity for AGCO dealer parts sales
- Strong margin business
- £53M purchase price

**Sparex**



# Amity Acquisition

- 50% joint venture in U.S.
- Expands AGCO's product offering: air seeders and tillage products
- Strong margin business
- Primarily in US today, opportunity for international growth



# Laverda Acquisition

- Remaining 50% interest acquired
- Additional volume and scale
- Shared R&D
- Opportunity for integration of purchasing and marketing organizations
- New home for European combine production



Combines / Balers / Grass and Hay Equipment



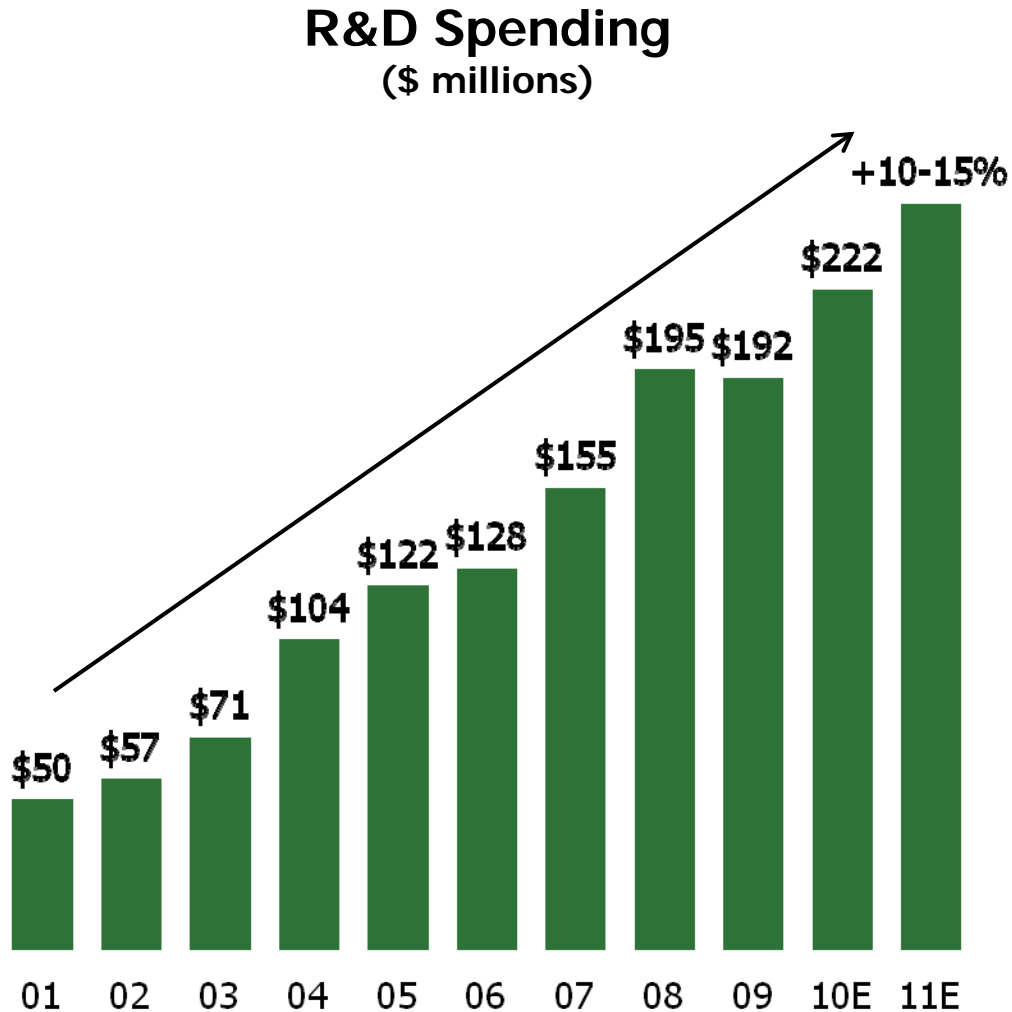
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# Growing R&D







- Continuing to invest in new products
  - high horsepower tractors
  - harvesting products
- Tier 4 interim products to be launched in 2011
- Expect increased in spend in 2011








# Multiple New Product Launches and Upgrades – Tractors Development Schedule

|  |            | 2010 |   | 2011 |   | 2012 |   | 2013 |   | 2014 |   |
|--|------------|------|---|------|---|------|---|------|---|------|---|
|  |            | N    | R | N    | R | N    | R | N    | R | N    | R |
|   | 40-100 hp  | 2    | - | 1    | 1 | -    | 5 | 3    | - | 2    | - |
|   | 100-150 hp | -    | 1 | 1    | 3 | -    | 4 | 1    | 1 | -    | 1 |
|   | 150-250 hp | 1    | 1 | -    | 4 | 2    | - | -    | 1 | -    | 2 |
|  | 250+ hp    | 2    | 1 | -    | 1 | -    | 1 | -    | 3 | -    | 2 |

**N = New      R = Repowering/Upgrade**

**Total New and Repowering: 47**

# Multiple New Product Launches and Upgrades – Combines Development Schedule

|   |                       | 2010 |   | 2011 |   | 2012 |   | 2013 |   | 2014 |   |
|---|-----------------------|------|---|------|---|------|---|------|---|------|---|
|   |                       | N    | R | N    | R | N    | R | N    | R | N    | R |
|    | Class VII, VIII, IX   | -    | 1 | 1    | 1 | -    | 1 | -    | 3 | -    | 2 |
|    | Class IV, V, VI       | 1    | 1 | -    | 4 | 2    | - | -    | 1 | -    | 2 |
|    | Headers               | 1    | - | 1    | - | 1    | - | -    | - | 1    | - |
|   | Forage Harvesters     | -    | - | 1    | - | -    | - | -    | - | -    | - |
|  | Sugar Cane Harvesters | -    | - | -    | - | 1    | - | -    | - | -    | - |

**N = New      R = Repowering/Upgrade**

**Total New and Repowering: 24**

# New Tractor Products



Massey Ferguson  
8000 series



Valtra – "A" series



Fendt 800-900 series



# New Harvesting and Sprayer Products



TERRAGATOR CVT  
Equipped Sprayer



Hybrid  
Combine

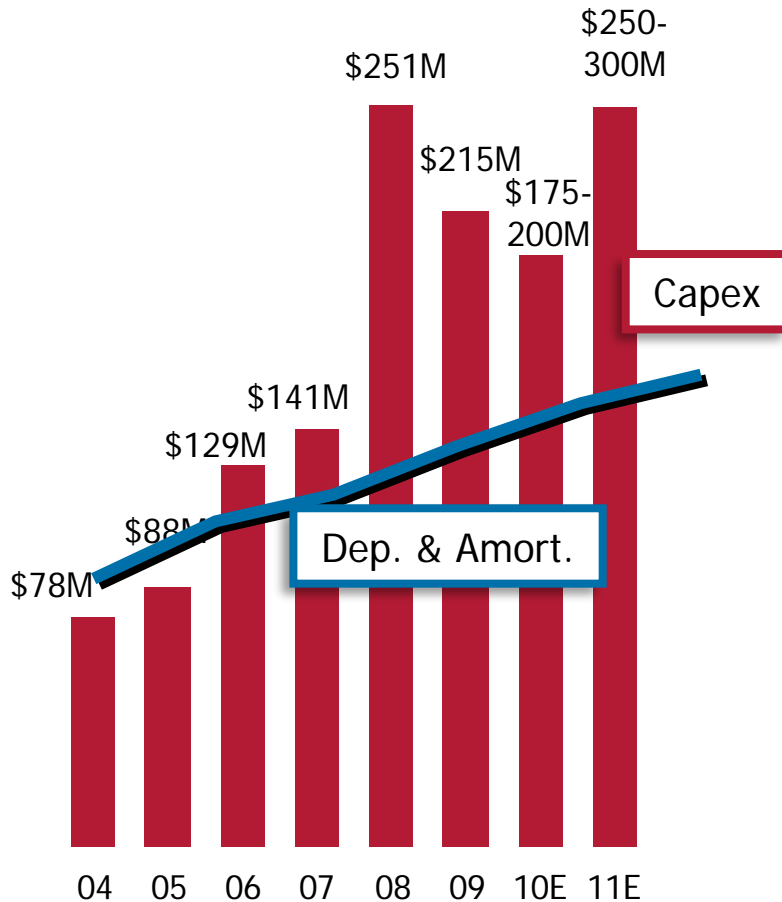


Forage Harvester

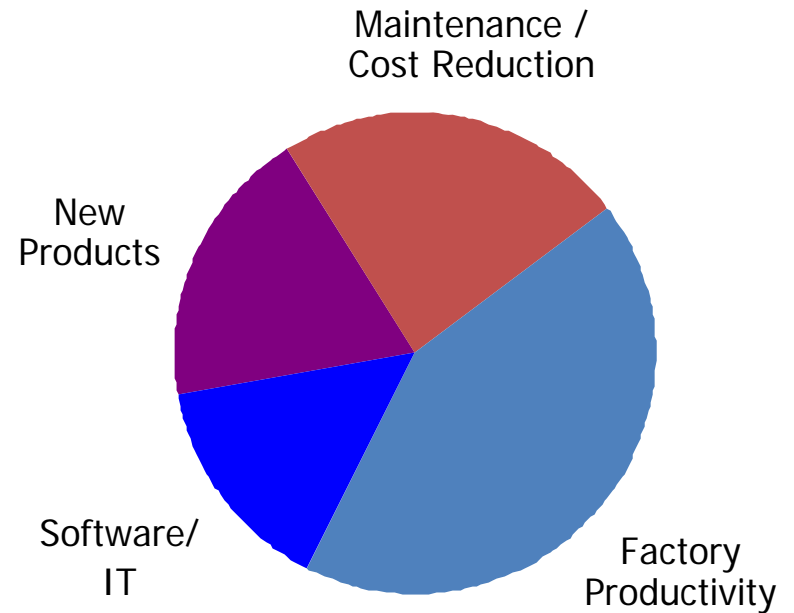


# Capital Expenditures – Investing for Growth

## Continuing to Invest



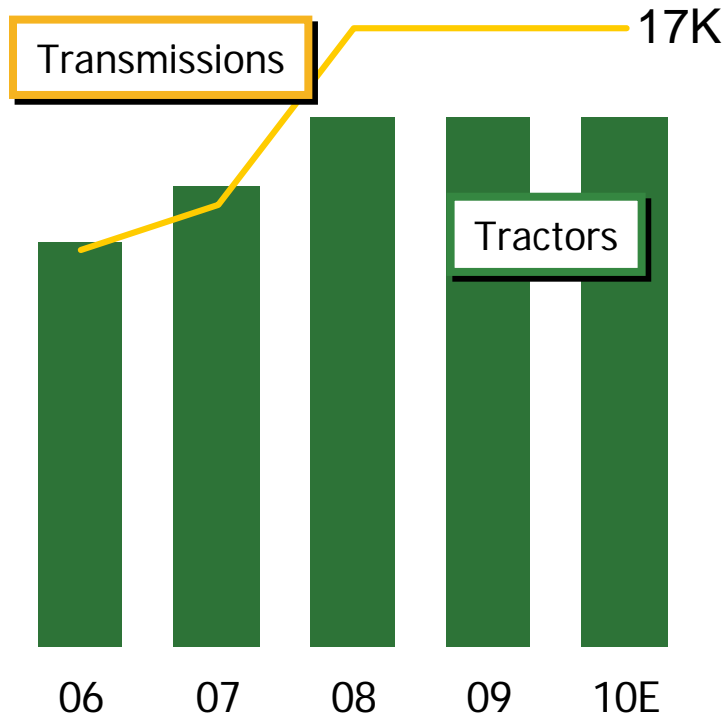
## 2010 Capex Components



# Investing in Tractor Technology and Fendt Growth

## Fendt Capacity

# FENDT



- Growth in professional farming segment driving Fendt growth
- Fendt continues to be technology leader
- €70-80M investment in 2011 to:
  - improve manufacturing flow and efficiency
  - increase tractor assembly capacity



# Investing in Production Facilities - China

## China Operation

- 2011 Activities focused on developing local assembly capabilities
  - High horsepower assembly in Daqing
  - Low horsepower localization and assembly in Changzhou



**Total investment of \$200M  
over 4 years**



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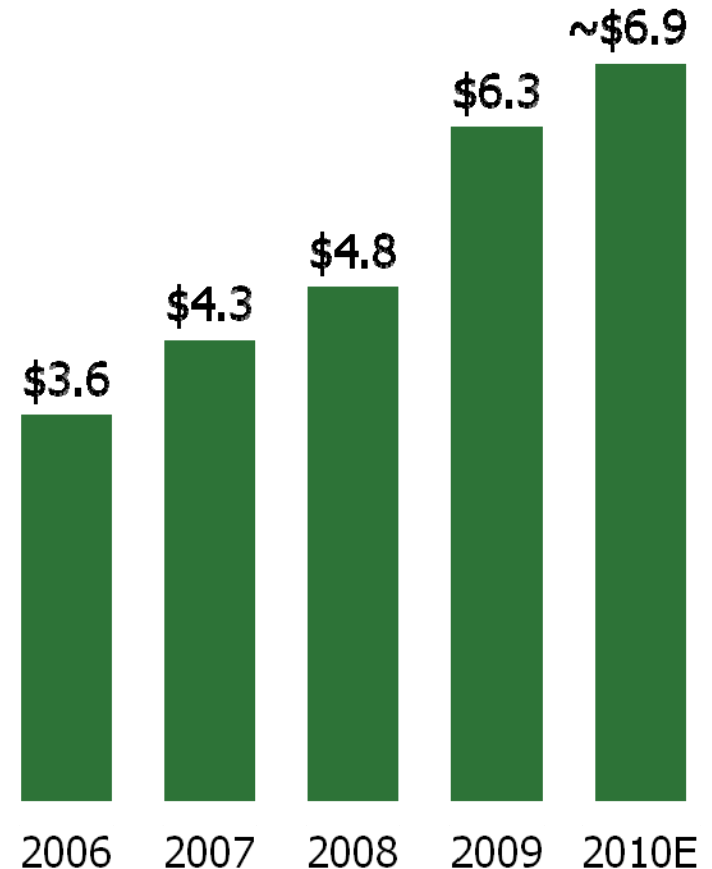


# Solid, Growing Finance Business

- JV with Rabobank
  - triple A rated Dutch Bank
- 49% owned by AGCO
- Funded by Rabobank
- \$6.9 billion portfolio
- Growing market share
- Robust financial performance



## Managed Portfolio (\$B)

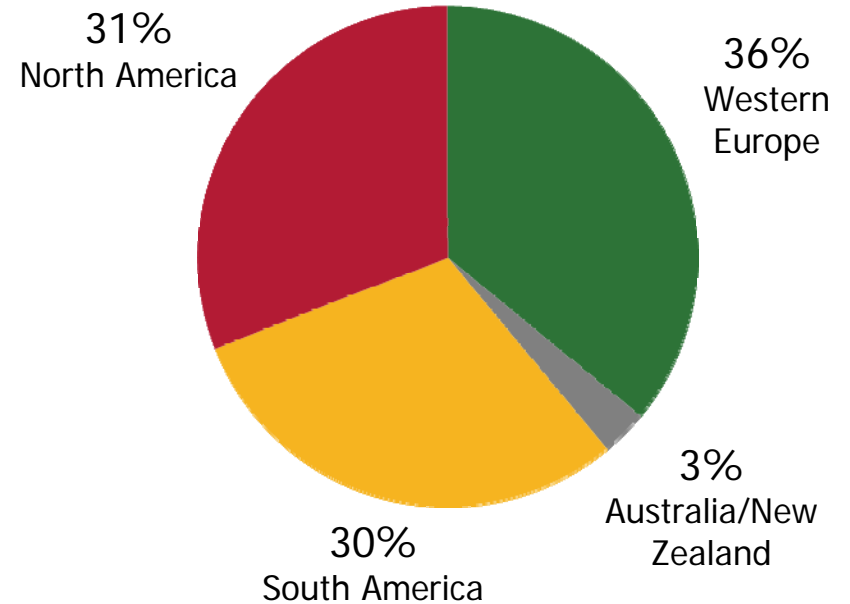


# AGCO Finance – A Closer Look

## By Product



## By Region



# 2011 Preliminary Assumptions – Summary

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- Sales growth from exchange, acquisitions and market share gains
- ~2.5% pricing
- 10-15% increase in engineering expense for new product development and tier 4 emission requirements
- Gross margin improvement
- More normal seasonality in 2011
- Effective tax rate 35-37%
- Additional expenses for growth in developing markets

**2011**



IN SUMMARY

# Our Priorities Are Clear

1

Execute plans for margin improvement



2

Capitalize on AGCO's sales growth opportunities



3

Meet our ambitions for long term earnings growth

