



# FIRST QUARTER 2021

## FINANCIAL AND OPERATIONAL RESULTS

# FORWARD LOOKING STATEMENTS

Forward-looking statements in this presentation, include statements regarding demand, product development and capital expenditure plans and timing of those plans, acquisition, expansion and modernization plans and our expectations with respect to the costs and benefits of those plans and timing of those benefits, production levels, share repurchases, dividend rates, and our future revenue, price levels, margins, earnings, cash flow, tax rates and other financial metrics, are subject to risks that could cause actual results to differ materially from those suggested by the statements. These risks include, but are not limited to, adverse developments in the agricultural industry, including those resulting from COVID-19 (including plant closings, workforce availability, supply chain disruption, and product demand) weather, commodity prices, and changes in product demand, interruptions in supply of parts and products, the possible failure by us to develop new and improved products on time, including premium technology and smart farming solutions, within budget and with the expected performance and price benefits, introduction of new or improved products by our competitors and reductions in pricing by them, difficulties in integrating acquired businesses and in completing expansion and modernization plans on time and in a manner that produces the expected financial results, and adverse changes in the financial and foreign exchange markets. Actual results could differ materially from those suggested in these statements. Further information concerning these and other risks is included in AGCO's filings with the SEC, including its Form 10-K for the year ended December 31, 2020 and subsequent Form 10-Q filings. AGCO disclaims any obligation to update any forward-looking statements except as required by law.

# FINANCIAL SUMMARY

\$M\*\*










Reported	Q1 21	Q1 21 v Q1 20
Net Sales	\$2,378.7	23.4%
Gross margin	24.0%	+60bps
Operating income	\$195.2	94.4%
Operating margin	8.2%	+300bps
Diluted EPS	\$1.99	\$1.14

Adjusted	Q1 21	Q1 21 v Q1 20
Adj. Operating income*	\$196.5	94.2%
Adj. Operating margin*	8.3%	+300bps
Diluted Adjusted EPS*	\$2.00	\$1.14

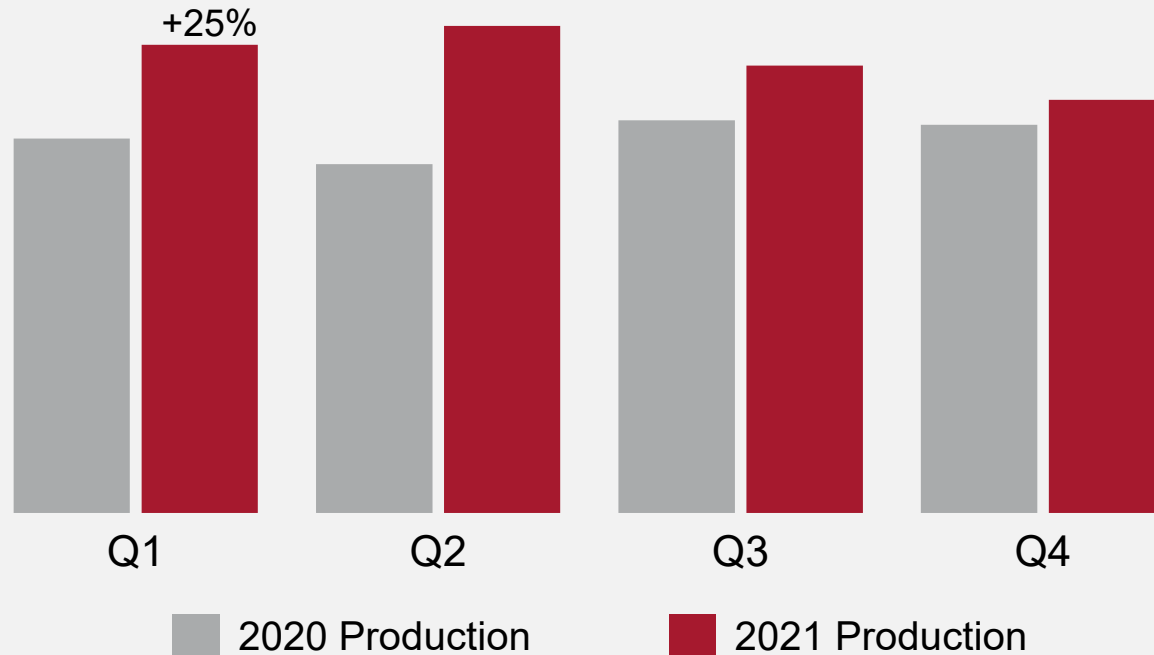
# INDUSTRY OVERVIEW

## Q1 2021 Retail Units

					2021 vs. 2020
North America			Tractors*	Industry	31%
			Combines	Industry	17%
Western Europe			Tractors	Industry	23%
			Combines	Industry	16%
South America			Tractors	Industry	33%
			Combines	Industry	26%

# 2021 PRODUCTION

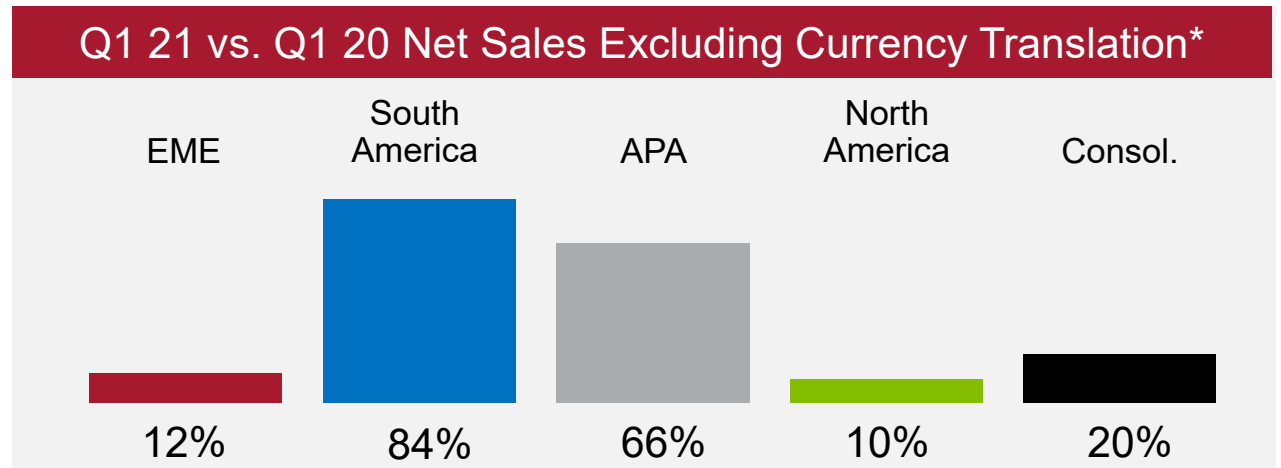
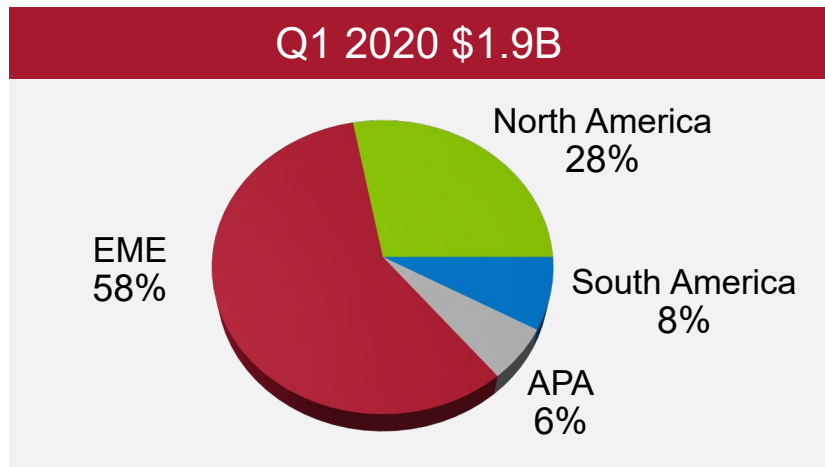
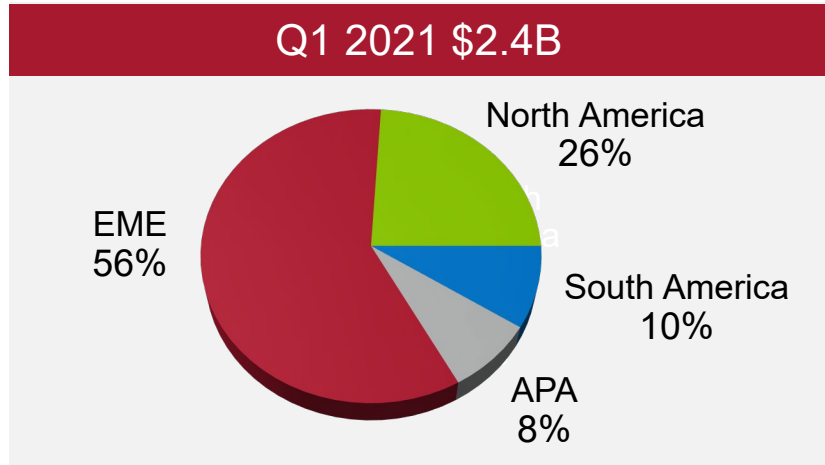
## AGCO Production Hours



- Q121 production up ~25% vs. Q120
- Full year 2021 production expected to be up 10-12% vs. 2020



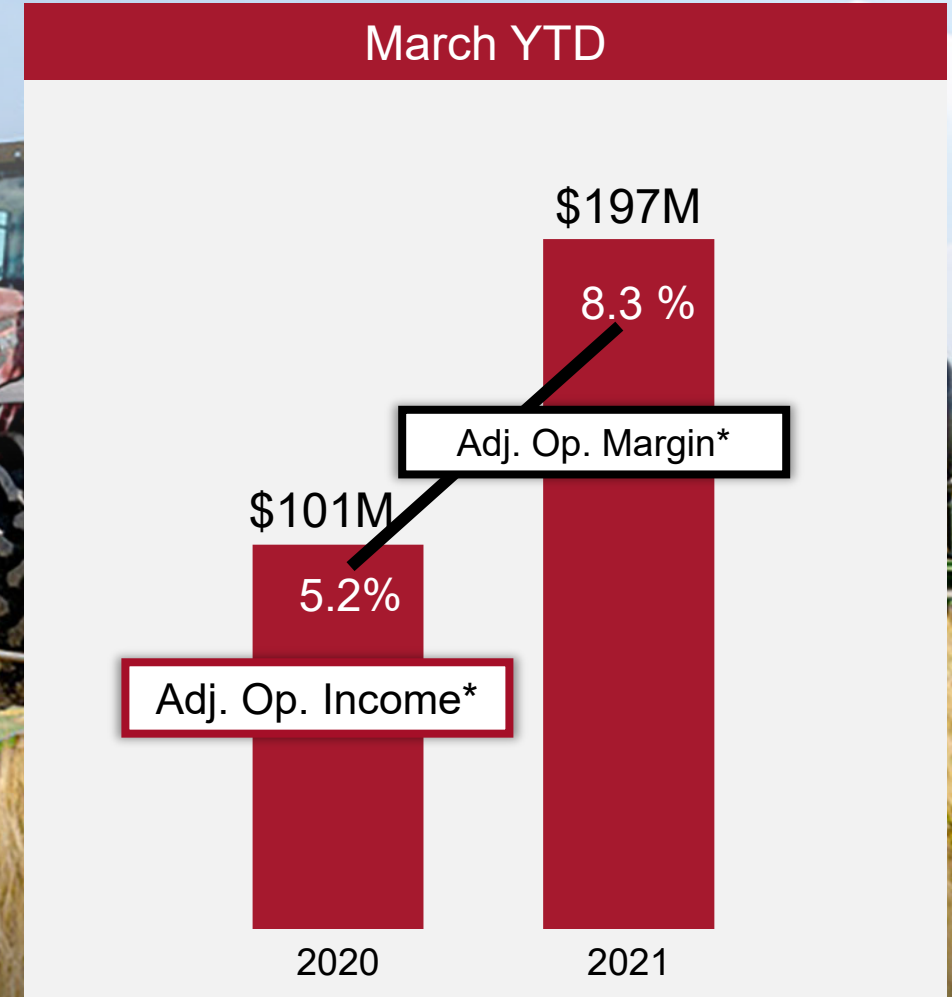
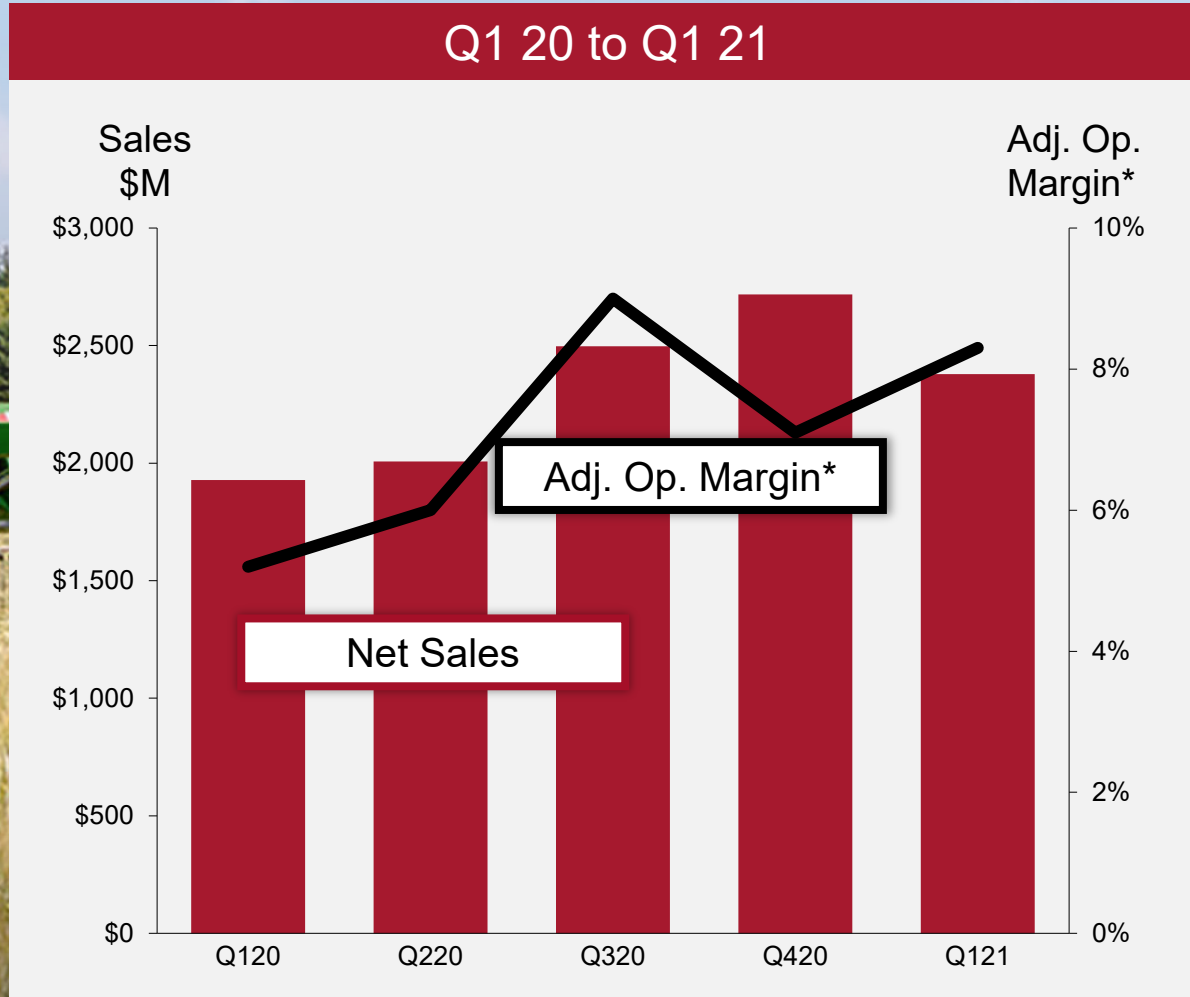
# REGIONAL NET SALES RESULTS



EME – Europe/Middle East    APA – Asia/Pacific/Africa

\*See reconciliations in the appendix to this presentation.

# NET SALES, OPERATING INCOME AND OPERATING MARGINS



# GRAIN AND PROTEIN RESULTS



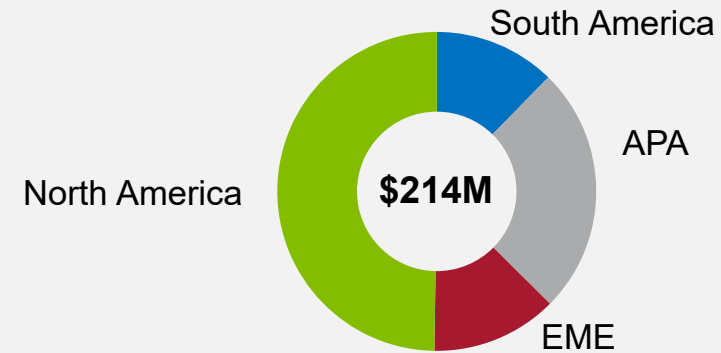
## Grain / Seed / Protein Production Equipment

- March YTD 2021 net sales increased ~21% vs 2020 on a constant currency basis
  - Increase in sales of grain and seed equipment of ~18%
  - Increase in sales of protein production equipment ~24%
- Longer term:
  - Macro trends driving growth in demand for grain storage and protein production
  - Increases exposure to counter-cyclical protein sector

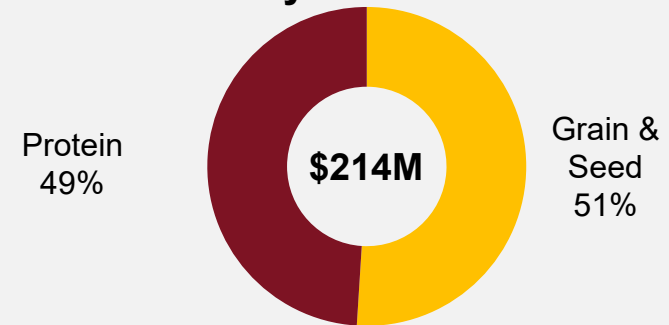


## March 2021 YTD Sales

### By Region

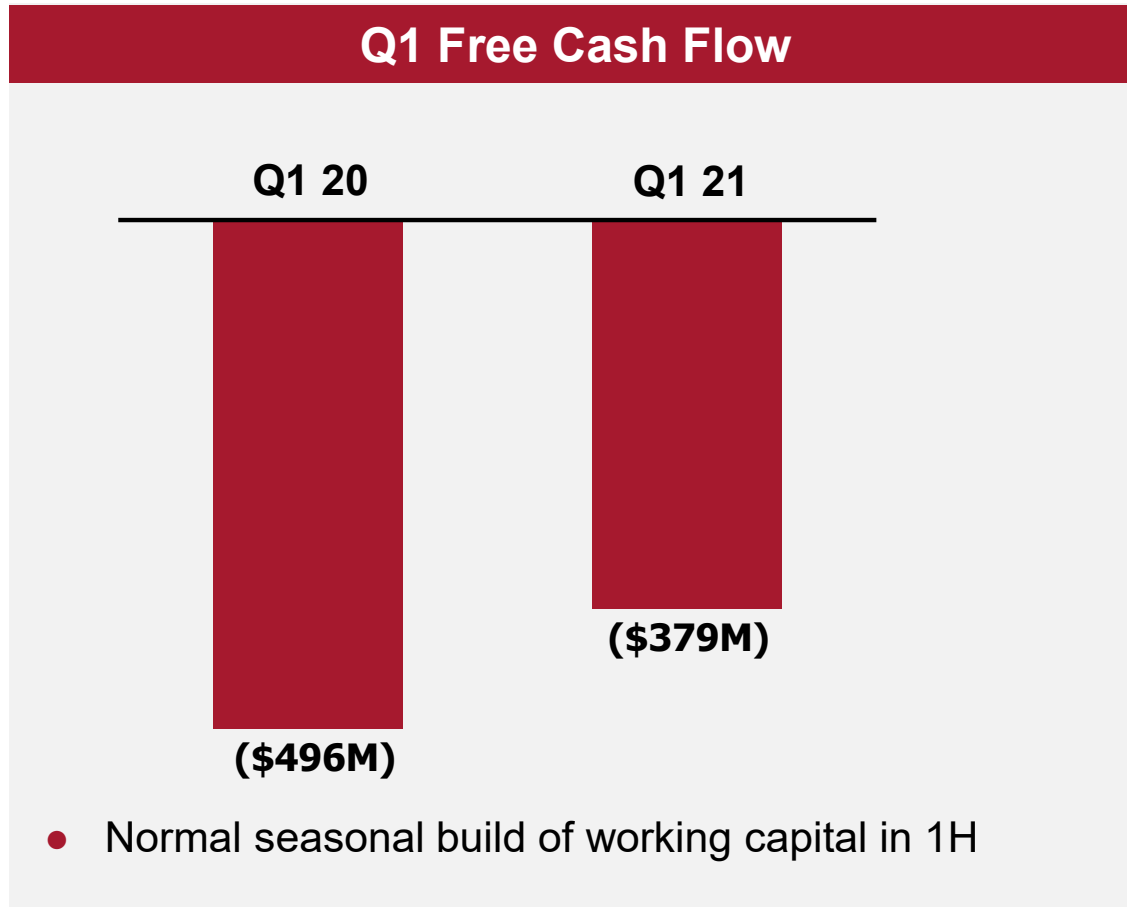


### By Product





# LIQUIDITY / FREE CASH FLOW\*



## Liquidity

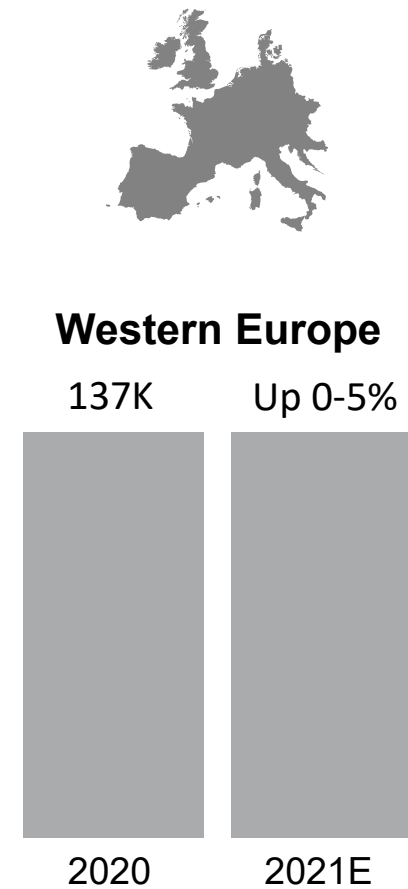
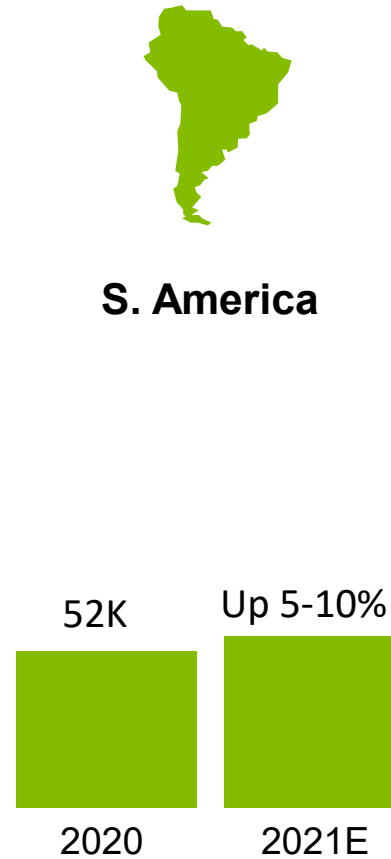
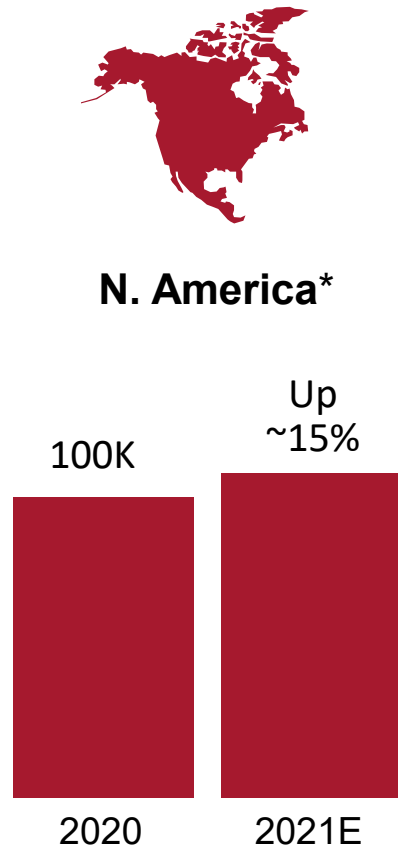
- Closely managing costs and cash expenditures
- Increased dividend
- Re-starting share repurchases
- Declared an annual variable special dividend
- Repaid \$276M of term loan facility during Q1 21

Note: Free cash flow is defined as net cash (used in) provided by operating activities less capital expenditures.

\* See reconciliations in the appendix to this presentation.

# 2021 MARKET OUTLOOK

## Regional Market Outlook – Industry Unit Retail Tractor Sales



# 2021 ASSUMPTIONS: SUMMARY

- 2021 sales vs. 2020
  - + Improved end market demand
  - + Positive currency impact of ~3%
  - + Pricing +3.5% to 4.0%
  - + Market share gains
- Engineering expense
  - +20% vs '20
- Operating margin
  - Up 150 bps vs '20
- Effective tax rate
  - 28-30%



# 2021 OUTLOOK

**Sales**

**\$10.6B to \$10.8B**

**Reported and  
Adjusted EPS**

**\$8.40 to \$8.60**

**CAPEX**

**~\$300M**

**Free Cash Flow\***

**\$450M-\$500M**

# APPENDIX



# NON-GAAP TO GAAP RECONCILIATION

## Free Cash Flow

\$M

	Quarter ended March 31, 2021	Quarter ended March 31, 2020
Net cash used in operating activities	\$ (315.3)	\$ (435.3)
Less:		
Capital expenditures	(63.5)	(60.6)
Free cash flow	<u>\$ (378.8)</u>	<u>\$ (495.9)</u>

Note: Free cash flow is defined as net cash used in operating activities less capital expenditures.

# NON-GAAP TO GAAP RECONCILIATION

## Free Cash Flow

\$M

	2021E
Net cash provided by operating activities	\$750 - \$800
Less:	
Capital expenditures	<u>\$(300)</u>
Free cash flow	<u><u>\$450 - \$500</u></u>

Note: Free cash flow is defined as net cash provided by operating activities less capital expenditures.

# RECONCILIATION OF CURRENCY TRANSLATION AND ACQUISITION IMPACTS TO NET SALES

Net Sales  
\$M

	Three Months Ended March 31,			Change due to currency translation	
	2021	2020	% change from 2020	\$	%
North America	\$ 611.1	\$ 551.9	10.7 %	\$ 5.7	1.0 %
South America	240.5	153.9	56.3 %	(42.4)	(27.6)%
Europe/Middle East	1,327.2	1,113.3	19.2 %	86.4	7.8 %
Asia/Pacific/Africa	199.9	109.2	83.1 %	18.7	17.1 %
	<u>\$ 2,378.7</u>	<u>\$ 1,928.3</u>	<u>23.4 %</u>	<u>\$ 68.4</u>	<u>3.5 %</u>



# NON-GAAP TO GAAP RECONCILIATION

(In millions, except per share amounts)

	Three Months Ended March 31,					
	2021			2020		
	Income From Operations	Net Income	Net Income Per Share <sup>(1)</sup>	Income From Operations	Net Income <sup>(1)</sup>	Net Income Per Share
As reported	\$ 195.2	\$ 150.8	\$ 1.99	\$ 100.4	\$ 64.7	\$ 0.85
Restructuring expenses <sup>(3)</sup>	1.3	1.3	0.02	0.8	0.7	0.01
As adjusted	\$ 196.5	\$ 152.1	\$ 2.00	\$ 101.2	\$ 65.5	\$ 0.86

(1) Rounding may impact summation of amounts