

Second Quarter 2009  
Financial and Operational Results  
July 28, 2009



# Forward-Looking Statements

Statements that are not historical facts, including the projections of future sales, earnings, production levels, market conditions, availability of financing, general economic conditions, currency translation impacts, working capital (and its components), cash flow, effect of new accounting rules, pricing levels, capital expenditures, plant shutdowns, engineering expense and strategic initiatives, are forward-looking and subject to risks which could cause actual results to differ materially from those suggested by the statements. The following are among the factors that could cause actual results to differ materially from the results discussed in or implied by the forward-looking statements: our results depend entirely on the agricultural industry, the economic downturn has and will continue to impact sales, we depend upon suppliers for components and parts, a majority of our sales and manufacturing takes place outside the United States, and we are subject to exchange and interest rate changes. Further information concerning these and other factors is included in AGCO's filings with the SEC, including its Form 10-K for the year ended December 31, 2008. The Company disclaims any responsibility to update any forward-looking statements.

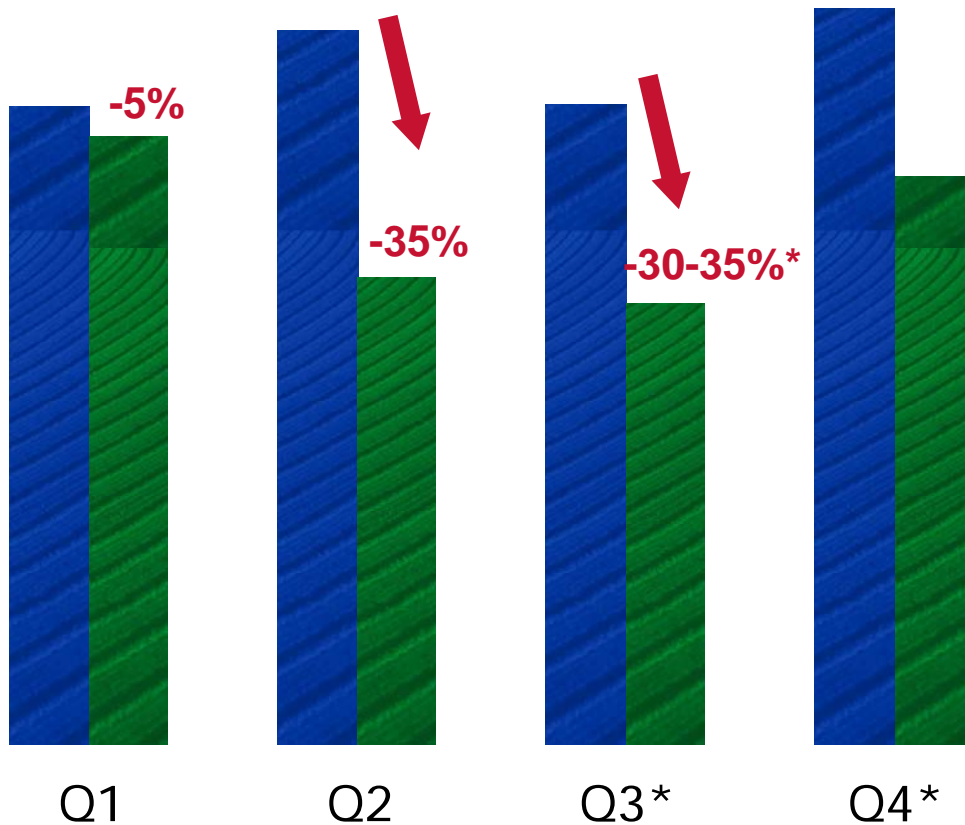
# Financial Summary

	<u>Q209</u>	Q209 vs <u>Q208</u>	<u>YTD 2009</u>	YTD09 vs <u>YTD08</u>
Net Sales (\$Ms)	1,795.2	-25.1%	3,374.2	-19.3%
Gross Profit (\$Ms)	291.5	- 31.9%	563.8	-24.2%
Adj. Op. Inc.* (\$Ms)	80.6	-57.4%	139.2	-50.9%
Adj. Op. Margin*	4.5%	-340 bps	4.1%	-270 bps
Adj. Diluted EPS*	\$0.64	-\$0.67	\$1.00	-\$0.90

\*Reflects adjusted results, which exclude restructuring and other infrequent items. Please see our SEC filings for more information.

# Tractor/Combine Production

## Production Units



- Production down 35% in Q209 vs Q208
- Q309 production expected to be down 30-35%
- Full year 2009 production projected to be down 20-25% from 2008

■ 2008 Production    ■ 2009 Production

\* Amounts are estimated for Q3 and Q4 2009 production

# Industry Overview

## June 2009 YTD Retail Units

### North America

### YTD09 vs YTD08

Tractors	– Industry	-22%
	– AGCO	↓
Combines	– Industry	+30%
	– AGCO	↓

### Europe

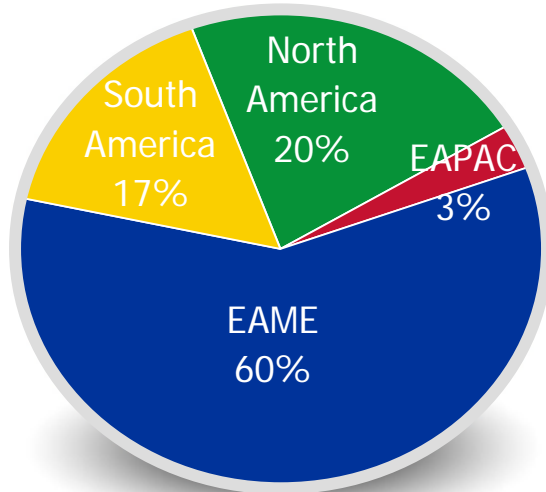
Tractors	– Industry	-13%
	– AGCO	↓

### South America

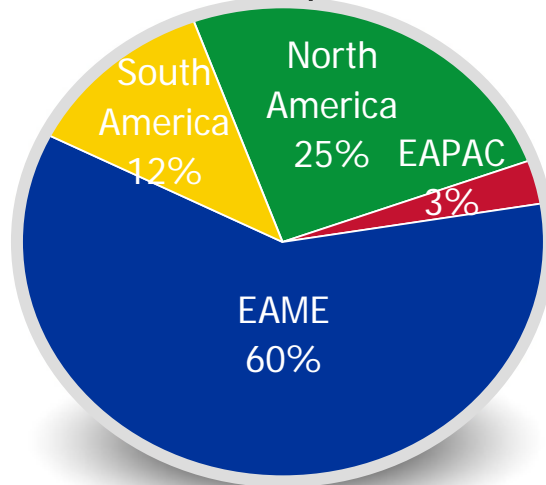
Tractors	– Industry	-25%
	– AGCO	↓
Combines	– Industry	-48%
	– AGCO	↓

# Regional Net Sales Results

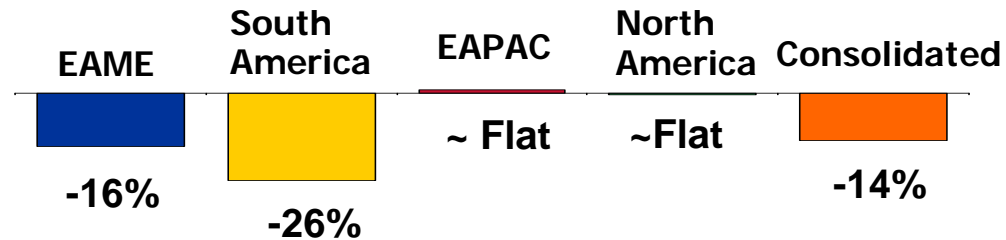
YTD 2008 \$4.2 billion



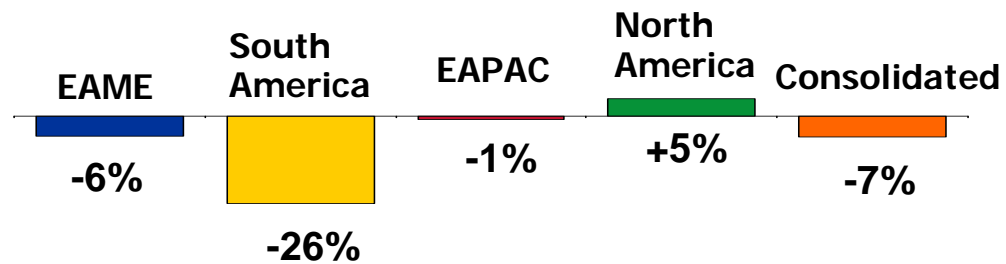
YTD 2009 \$3.4 billion



Q209 vs Q208 Net Sales Excl. Translation



YTD 09 vs YTD 08 Net Sales Excl. Translation

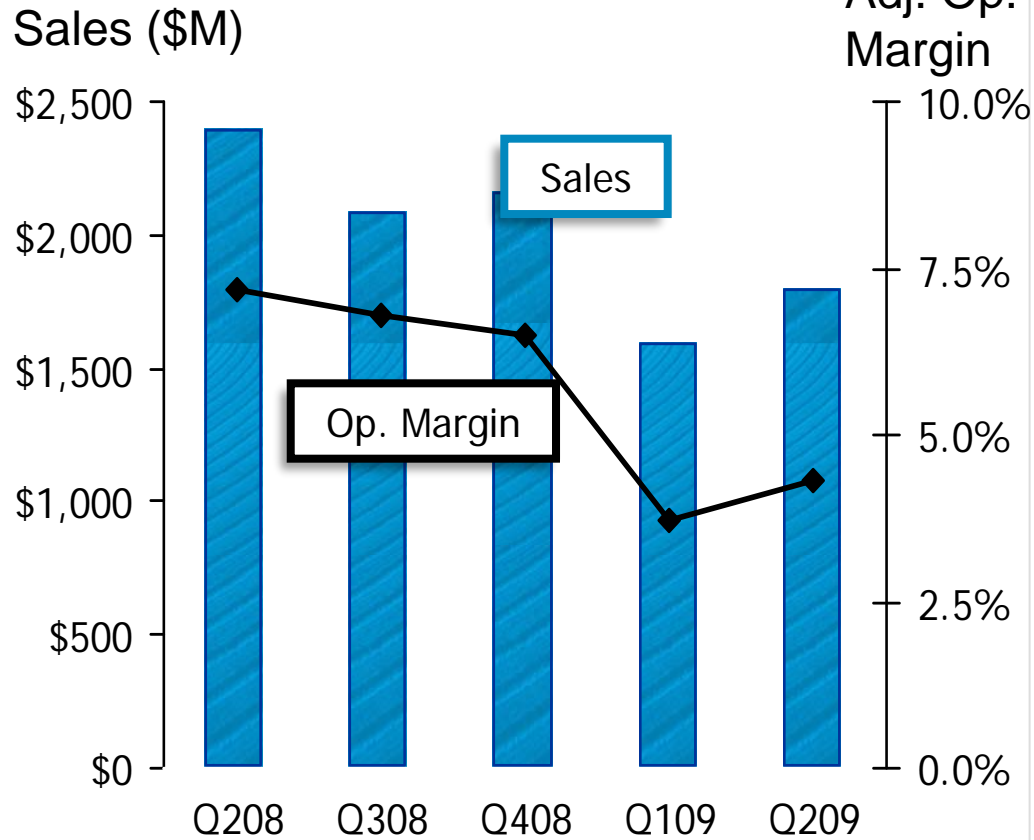


EAME – Europe/Africa/Middle East

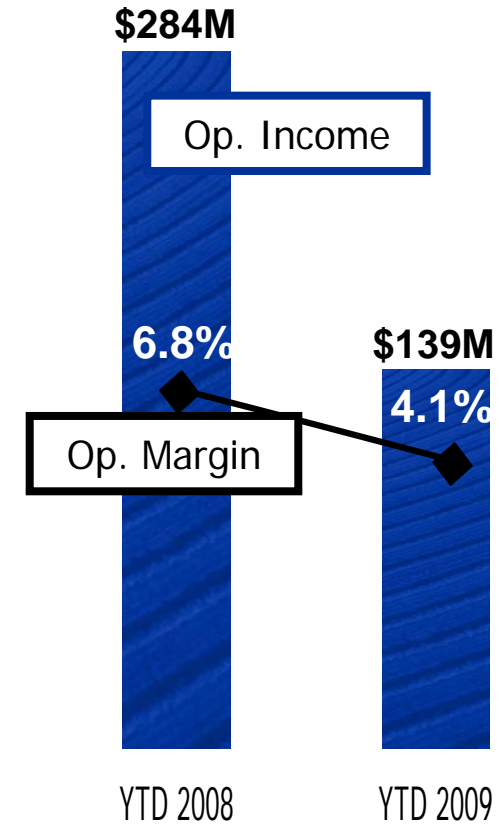
EAPAC – Asia/Pacific

# Sales and Margins

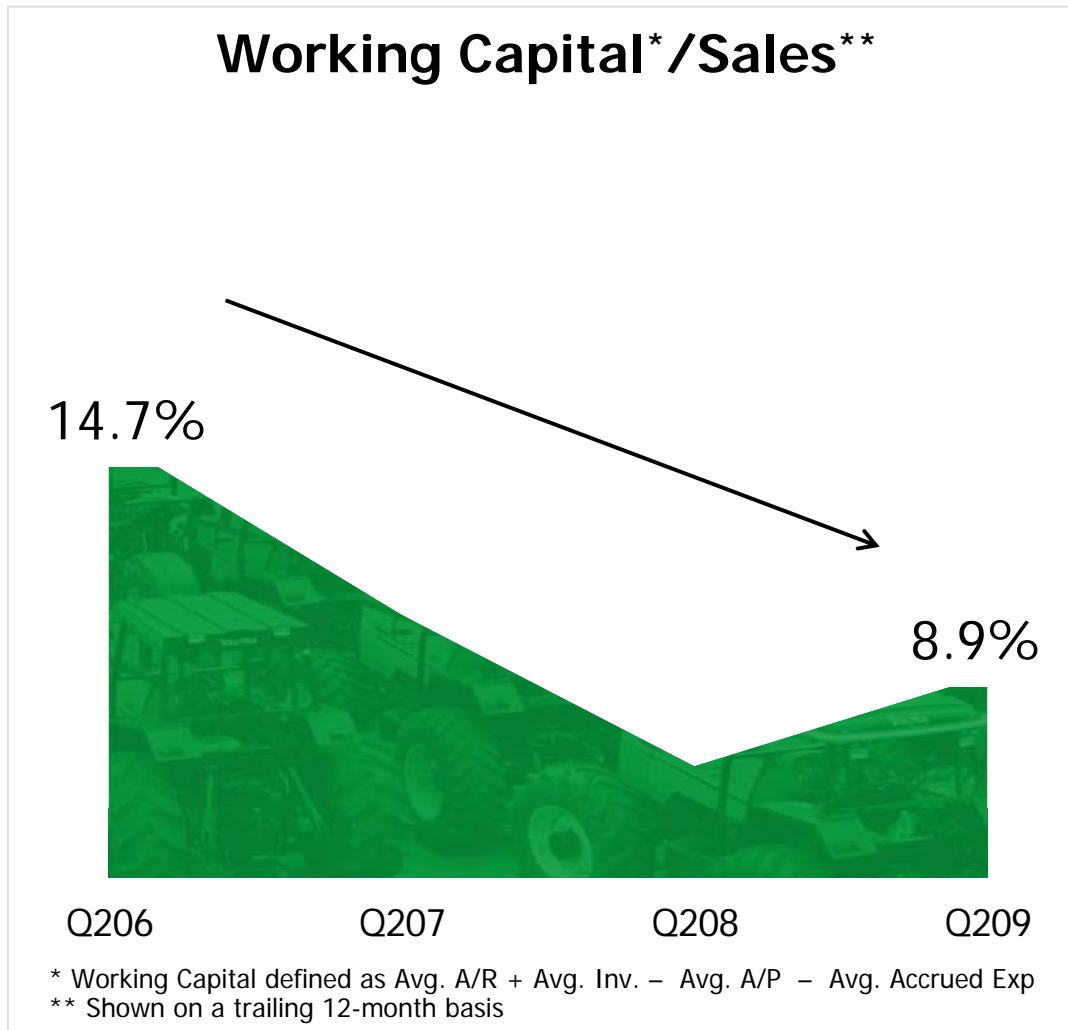
## Continuing to Invest



## Adjusted Op. Margins



# Progress in Reducing Working Capital



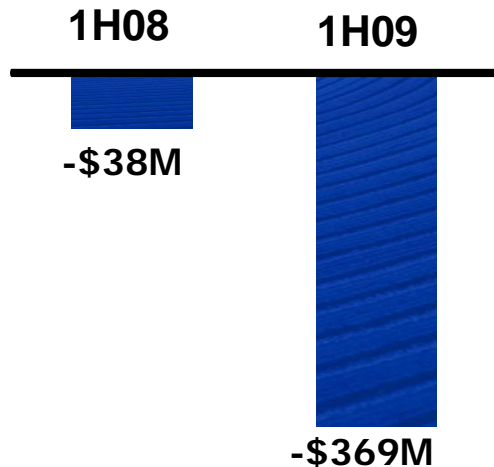
- 2009 focus to reduce working capital in line with demand
- 2H09 production cuts expected to have significant impact on 2H09 sales and earnings



# Free Cash Flow

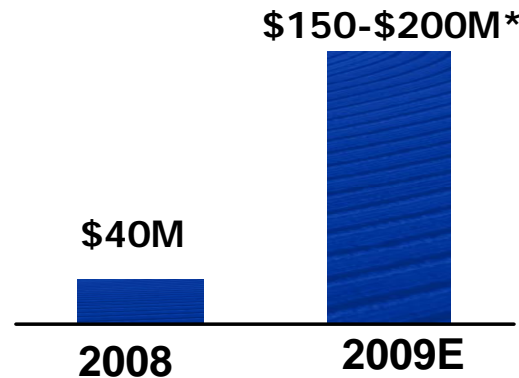
## 1H Free Cash Flow

(6 Months Ended June 30 )



## Full Year Free Cash Flow

(Year Ended December 31 )



- Production cuts in 1H09 reduced accounts payable and inventory levels
- Second half of year seasonally stronger for Free Cash Flow
- Strong focus on working capital reduction in Q3 and Q4 of 2009

Note: Free Cash flow is defined as net cash from operations less capital expenditures

\* Projection for 2009

# 2009 Assumptions

## Summary

- Significant uncertainty due to the financial crisis and global recession
- Agricultural industry sales
  - NA down approximately 20-25% vs. 2008
  - SA down 30-35% vs. 2008
  - Western Europe down approximately 10-15% vs. 2008
- Currency impacts reduce sales by 9%-10%
- 3.5% - 4% price increases
- Increased engineering expense for new product development and Tier 4 emission requirements
- New accounting rule for convertible debt will result in an additional \$15M of non-cash interest expense



# 2009 Targets

Total sales	<b>\$6.5-\$6.8B</b>
Diluted EPS	<b>\$2.00-\$2.25</b>
Capital expenditures	<b>\$250-\$275M</b>
Free cash flow*	<b>\$150-\$200M</b>



\*Free cash flow is defined as net cash from operations less capital expenditures.

# Non-GAAP To GAAP Reconciliation

## Free Cash Flow (\$M)

	Estimated Year ended December 31, 2009	Year ended December 31, 2008
Net cash provided by operating activities	\$ 425-500	\$ 291
Less:		
Capital expenditures	(275-300)	(251)
Free cash flow	<u>\$ 150-200</u>	<u>\$ 40</u>

Note: Free cash flow is defined as net cash from operations less capital expenditures

# Non-GAAP To GAAP Reconciliation

## Free Cash Flow (\$M)

	Six Months ended June 30, 2009	Six Months ended June 30, 2008
Net cash (used in) provided by operating activities	\$ (268)	\$ 61
Less:		
Capital expenditures	(101)	(99)
Free cash flow	<u>\$ (369)</u>	<u>\$ (38)</u>

Note: Free cash flow is defined as net cash used by operations less capital expenditures

# Non-GAAP To GAAP Reconciliation

\$M  
(except per share amts)

	Three months ended June 30,					
	2009			2008		
	Income From Operations	Net Income <sup>(1)</sup>	Earnings Per Share <sup>(1)</sup>	Income From Operations	Net Income <sup>(1)</sup>	Earnings Per Share <sup>(1)</sup>
As adjusted	\$ 80.6	\$ 59.6	\$ 0.64	\$ 189.2	\$ 129.6	\$ 1.31
Restructuring and other infrequent expenses	2.8	2.2	0.02	0.1	—	—
As reported	<u>\$ 77.8</u>	<u>\$ 57.4</u>	<u>\$ 0.61</u>	<u>\$ 189.1</u>	<u>\$ 129.6</u>	<u>\$ 1.31</u>

(1) After tax (rounding may impact the summation of certain line items).

See accompanying notes in the Company's press release.

# Non-GAAP To GAAP Reconciliation

\$M  
(except per share amts)

	Six months ended June 30,					
	2009			2008		
	Income From Operations	Net Income <sup>(1)</sup>	Earnings Per Share <sup>(1)</sup>	Income From Operations	Net Income <sup>(1)</sup>	Earnings Per Share <sup>(1)</sup>
As adjusted	\$ 139.2	\$ 93.3	\$ 1.00	\$ 283.5	\$ 188.5	\$ 1.90
Restructuring and other infrequent expenses	2.8	2.2	0.02	0.2	0.1	—
As reported	<u>\$ 136.4</u>	<u>\$ 91.1</u>	<u>\$ 0.98</u>	<u>\$ 283.3</u>	<u>\$ 188.4</u>	<u>\$ 1.90</u>

(1) After tax

See accompanying notes in the Company's press release.

# Non-GAAP To GAAP Reconciliation

## *AGCO Regional Sales (in millions)*

	<u>Net sales</u>	<u>% change from 2008</u>	<u>% change from 2008 due to currency translation</u>
<b>Three months ended June 30, 2009</b>			
North America	\$ 445.8	-4.3%	- 3.8%
South America	226.9	- 40.5%	- 14.5%
Europe/Africa/Middle East	1,069.5	-28.0%	- 11.9%
Asia/Pacific	53.0	-16.8%	- 16.9%
<b>Total</b>	<u><u>\$1,795.2</u></u>	- 25.1%	-10.8%
<b>Six months ended June 30, 2009</b>			
North America	\$ 839.1	+ 0.7%	- 4.6%
South America	406.4	- 42.2%	- 15.9%
Europe/Africa/Middle East	2,035.4	- 19.6%	- 13.7%
Asia/Pacific	93.3	- 19.4%	- 18.6%
<b>Total</b>	<u><u>\$3,374.2</u></u>	- 19.3%	- 12.4%