

## **AGCO Announces New Organization Structure as Part of Succession Planning**

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DULUTH, Ga., Feb. 11 /PRNewswire-FirstCall/ -- AGCO Corporation (NYSE: AG), a worldwide designer, manufacturer and distributor of agricultural equipment, announced that in recent weeks it had instituted a new matrix management structure within the company that is designed to improve operating focus and procedural control and to identify and develop candidates for succession requirements. The approach provides for both operating control of sales, manufacturing, and engineering by geographical brand, and functional supervisory responsibility on a worldwide basis. The dual management system is expected to provide increased focus on a given brand in a specific regional market, while the functional management provides expertise and coordination of specific technical responsibilities such as manufacturing, engineering, material management, product development, sales and marketing, and finance on a global basis.

This organization provides more specific authority and responsibility to enhance control procedures, brand market development and cooperation in coordinating the various worldwide assets of the company. In addition, the arrangement provides the opportunity for human resource development with hands on experience in an operating environment.

To facilitate this change, the company announced that James Seaver, previously Senior VP Sales & Marketing Worldwide, would reduce the focus of his responsibility to Senior VP and General Manager, Americas, which would include North America, South America and the East Asia & Pacific regions. In a similar position, the company named Gary Collar, Senior VP and General Manager of the Europe, Africa & Mid East region (EAME). Mr. Collar previously served as VP of Market Development in the Challenger group. Also, Randy Hoffman was named Senior VP and General Manager of the Challenger Division, as a worldwide responsibility, which includes the Challenger brand, Applications Equipment, and the Jackson factory. These individuals report to the President & CEO.

Regionally, Normelio Ravanello was named VP, Managing Director of Massey- Ferguson, South America, which includes the Canoas and Santa Rosa factories, and Jouko Tommila was named VP, Managing Director of Valtra, South America, which includes the Mogi das Cruzes factory. Mr. Ron Hess was named VP, General Manager of North America, which includes all brands in that region including the Hesston factory. Mr. Warwick McCormick remains Managing Director of the East Asia & Pacific region, which is a distribution responsibility for all brands, except Challenger. All of these individuals report to Mr. Seaver.

In Europe, Steve Wood was named VP, Managing Director of Massey-Ferguson, EAME, which includes the Randers and Beauvais factories; Hermann Merschroth was named VP, Managing Director of Fendt, EAME, which includes the Marktoberdorf and Baumenheim factories; and Ilkka Hakala was named VP, Managing Director of Valtra, EAME, which includes the Suolahti factory and the Sisu Diesel business. These individuals report to Mr. Collar.

Concurrently, the Application Equipment Division (the sprayer business) was merged into the Challenger Division with Alistair McLelland assuming a new position as Vice President, Challenger Business Development, replacing Gary Collar; and, Richard Rose was named Vice President, General Manager of the Applications Group, replacing Alistair McLelland. These individuals report to Mr. Hoffman.

From a functional point of view the senior staff will continue with Garry Ball as Senior VP Engineering, Frank Lukacs as Senior VP Manufacturing & Quality, David Caplan as Senior VP Materials Management and Dexter Schaible as Senior VP Product Development. These individuals also report to the President & CEO.

Mr. Robert Ratliff, Chairman, President & CEO commented, "The new structure has been planned for implementation with the conclusion of the Valtra acquisition, and represents a new approach to successfully developing the multiple brand strategy, globally. In addition, the structure provides increased emphasis and assurance that procedural control is maintained, while it also provides for the training and development of senior management requirements in the future."

The Board of Directors has been developing a long-term succession plan since the tragic loss of two executives in a plane

crash in 2002. The addition of a Senior VP of Materials Management last fall and this organizational change are all part of the succession plan which will be fully implemented in 2004.

AGCO Corporation, headquartered in Duluth, Georgia, is a global designer, manufacturer and distributor of agricultural equipment and related replacement parts. AGCO products are distributed in over 140 countries. AGCO offers a full product line including tractors, combines, hay tools, sprayers, forage, tillage equipment and implements through more than 8,600 independent dealers and distributors around the world. AGCO products are distributed under the brand names AGCO(R), Agco Allis(R), AgcoStar(R), Challenger(R), Farmhand(R), Fendt(R), Fieldstar(R), Gleaner(R), Glencoe(R), Hesston(R), LOR\*AL(R), Massey- Ferguson(R), New Idea(R), Rogator(R), SISU(TM) Diesel, Soilteq(TM), Spra-Coupe(R), Sunflower(R), Terra-Gator(R), Tye(R), Valtra(R), White(TM), and Willmar(R). AGCO provides retail financing through AGCO Finance in North America and through Agricredit in the United Kingdom, France, Germany, Ireland, Spain and Brazil. In 2003, AGCO had net sales of \$3.5 billion.

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