



**Fourth Quarter 2009  
Financial and Operational Results**  
February 9, 2010



# Forward-Looking Statements



Statements that are not historical facts, including the projections of earnings per share, sales, population growth, market demand and conditions, product offerings, margin and productivity improvements, plant idling, inventory management, working capital, free cash flow, exchange rates, production volumes, general economic conditions, pricing increases, farm incomes, grain consumption, capital expenditures, pension and benefit plan costs, and engineering and restructuring expense, are forward-looking and subject to risks which could cause actual results to differ materially from those suggested by the statements. These forward-looking statements involve a number of risks and uncertainties. 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. Further information concerning these and other factors is included in AGCO's filings with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2008. AGCO disclaims any obligation to update any forward-looking statements except as required by law.

# Financial Summary



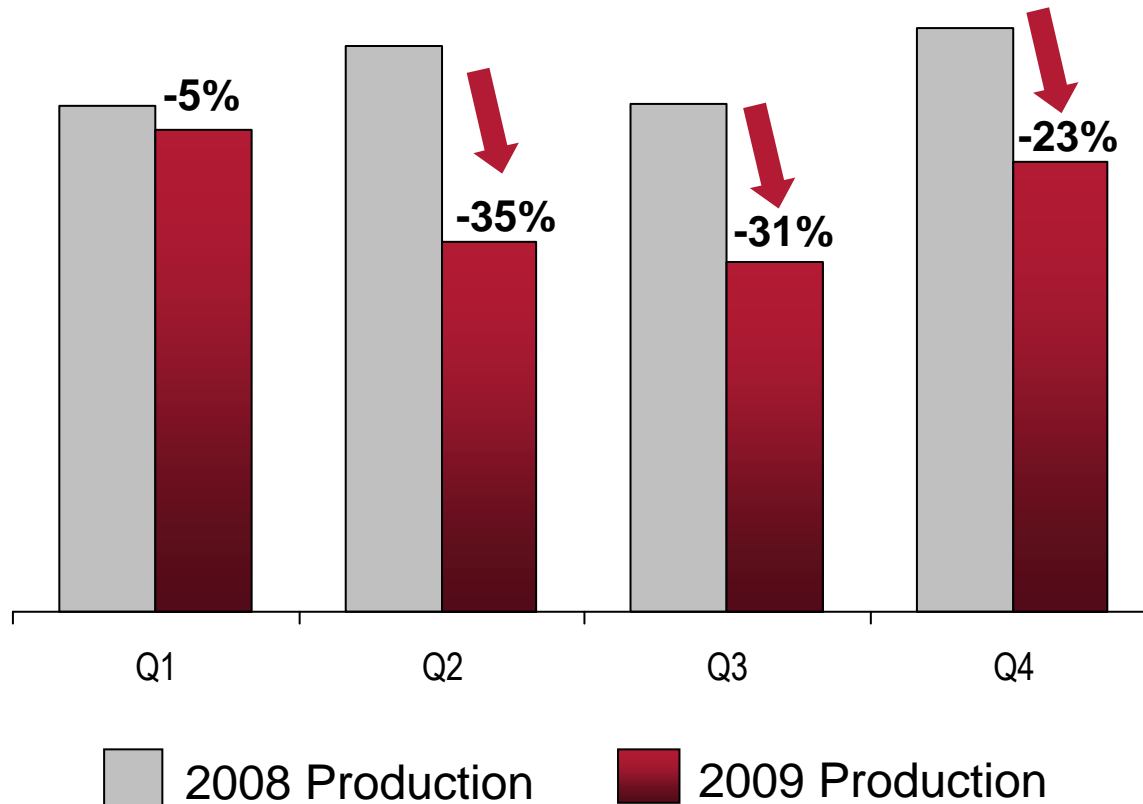
	<u>Q409</u>	<u>Q409 vs</u> <u>Q408</u>	<u>YTD</u> <u>2009</u>	<u>YTD09 vs</u> <u>YTD08</u>
Net Sales (\$Ms)	<b>1,852.5</b>	-14.1%	<b>6,630.4</b>	-21.3%
Gross Profit (\$Ms)	<b>267.3</b>	- 28.9%	<b>1,072.5</b>	-28.5%
Adj. Op. Inc.* (\$Ms)	<b>58.3</b>	-58.3%	<b>232.5</b>	-58.9%
Adj. Op. Margin*	<b>3.1%</b>	-334 bps	<b>3.5%</b>	-320 bps
Adj. Diluted EPS*	<b>\$0.42</b>	-\$0.63	<b>\$1.55</b>	-\$2.40

\*Reflects adjusted results, which exclude restructuring and other infrequent items. Please see reconciliations to GAAP metrics provided in the appendix to this presentation.

# Tractor/Combine Production



## Production Units



- Production down 23% in Q409 vs Q408
- Full year 2009 production down 24% from 2008
- Large cuts in Q4 in EAME and NA – Small increases in SA and EAPAC

# Industry Overview



## December 2009 YTD Retail Units

### North America

### YTD09 vs YTD08

Tractors	– Industry	-21%
	– AGCO	↓
Combines	– Industry	+15%
	– AGCO	↓

### Europe

Tractors	– Industry	-18%
	– AGCO	↓

### South America

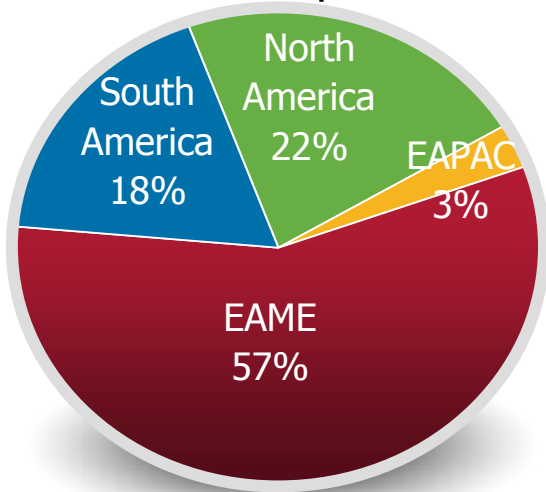
Tractors	– Industry	-17%
	– AGCO	↓
Combines	– Industry	-36%
	– AGCO	↓



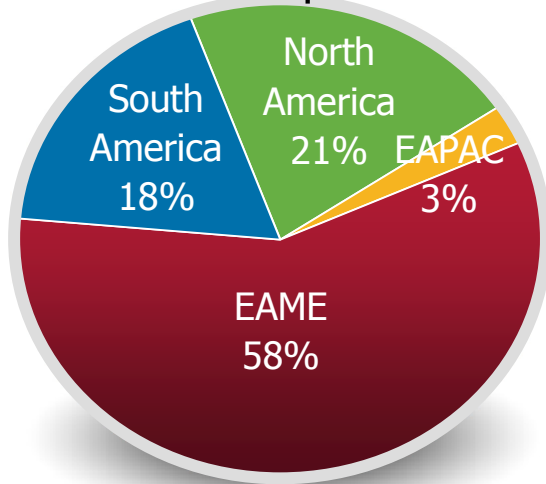
# Regional Net Sales Results



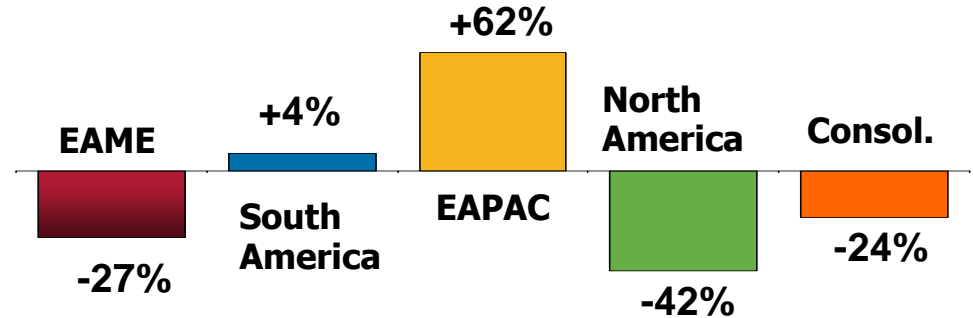
## YTD 2009 \$6.6 billion



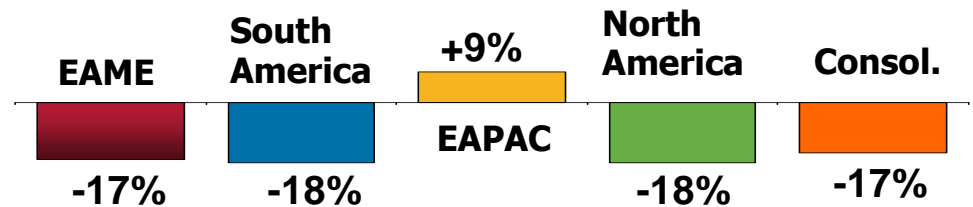
## YTD 2008 \$8.4 billion



## Q409 vs Q408 Net Sales Excl. Translation\*



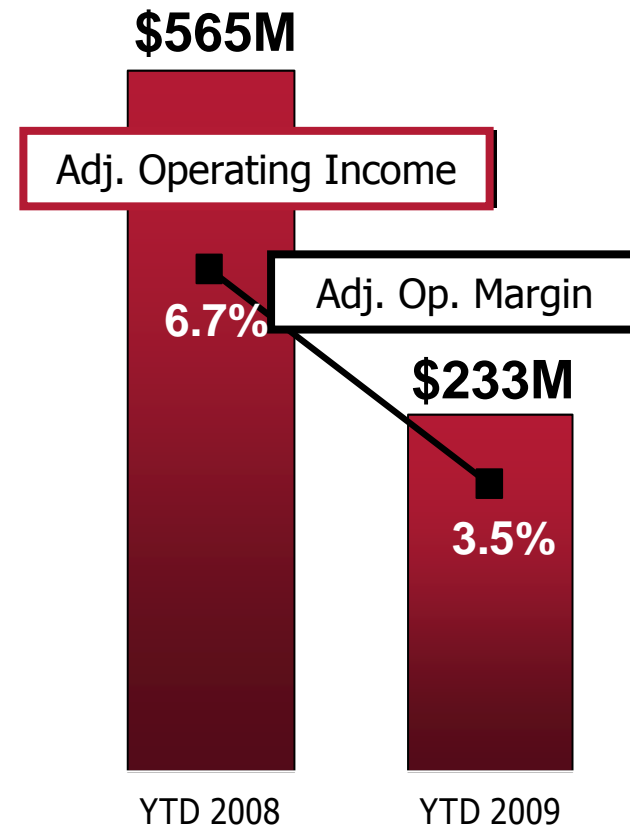
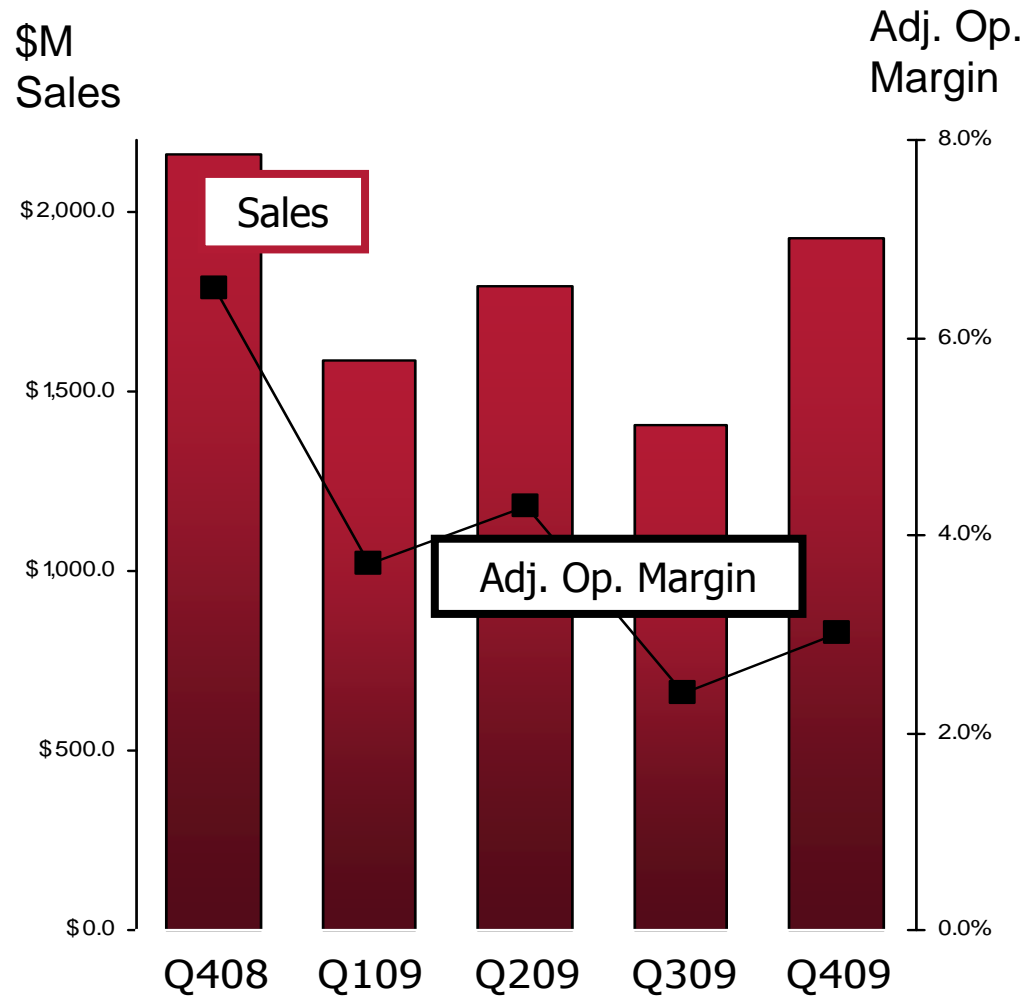
## YTD09 vs YTD08 Net Sales Excl. Translation\*



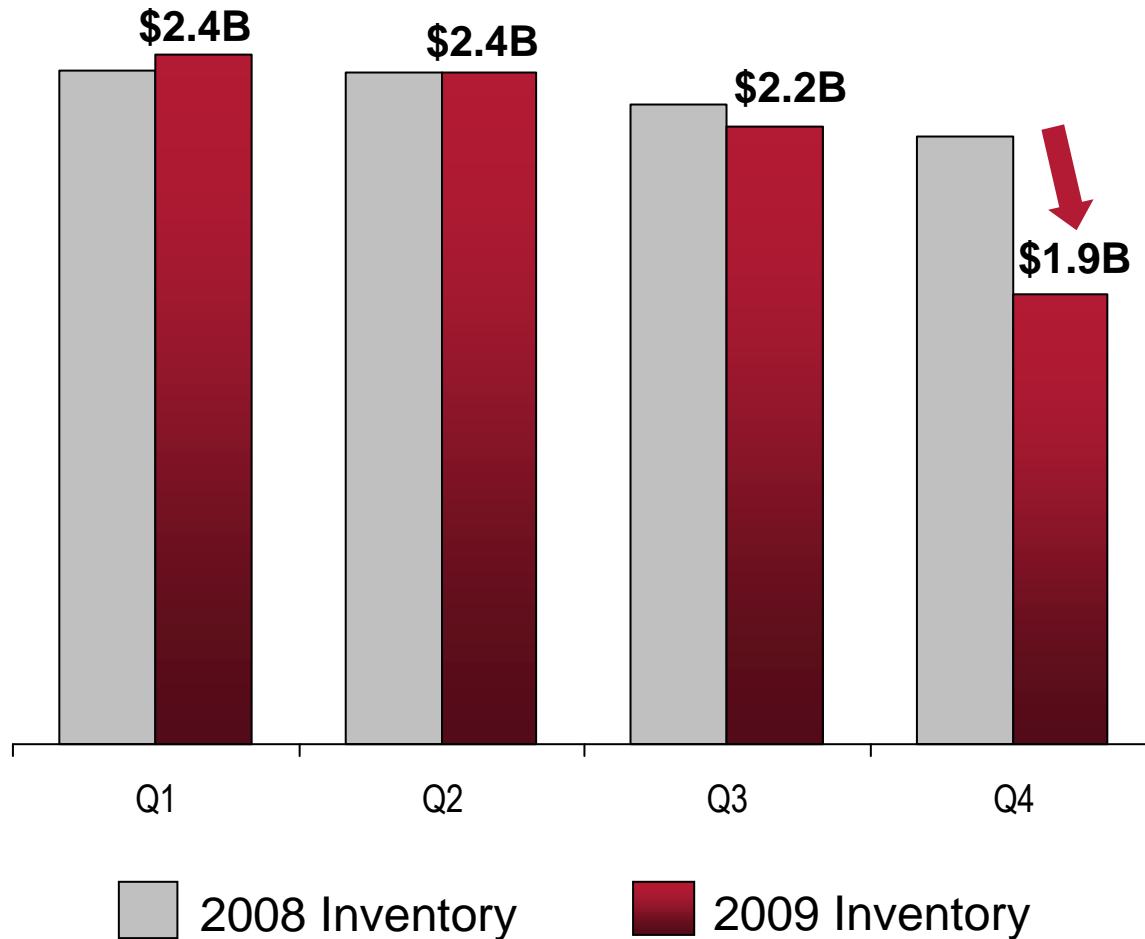
EAME – Europe/Africa/Middle East    EAPAC – Asia/Pacific

\* Reflects adjusted results. Please see the reconciliations to GAAP metrics in the appendix to this presentation

# Net Sales and Margins



# Progress in Reducing Dealer/Company Inventory



Note: Amounts consist of Inventory + Trade Receivables

- Company + Dealer inventory down over \$550M from Y/E 2008
- A/P also reduced due to lower production levels
- Will continue working capital focus in 2010



# Free Cash Flow\*

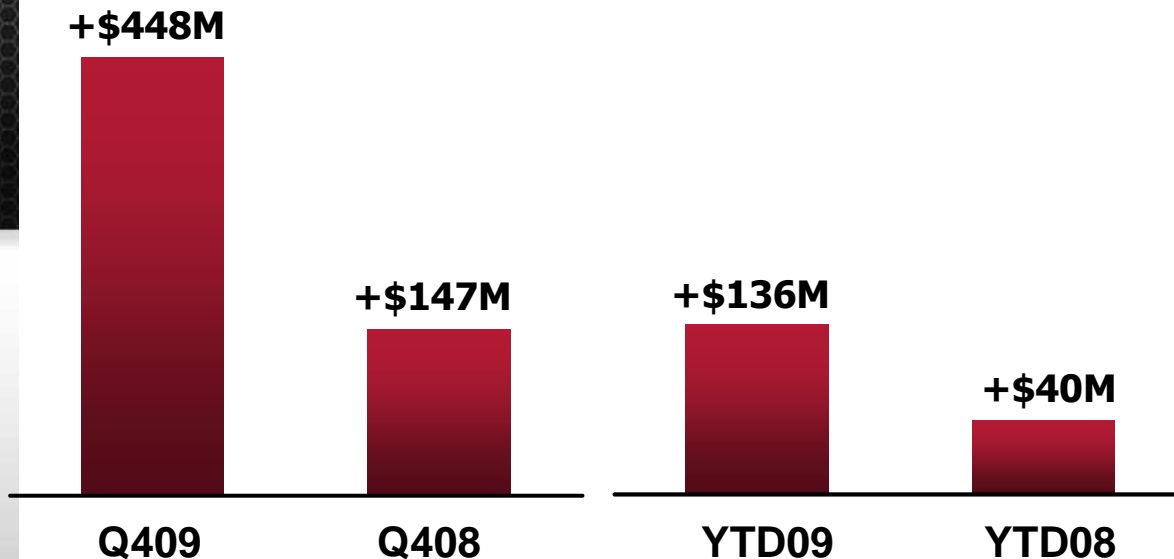


## Q4 Free Cash Flow

(3 Months Ended December 31 )

## YTD Free Cash Flow

(12 Months Ended December 31 )



- Production cuts and inventory reductions generated positive FCF in Q409
- Q409 FCF included \$41M positive impact of A/R transfer to AGCO Finance
- Targeting positive FCF for 2010

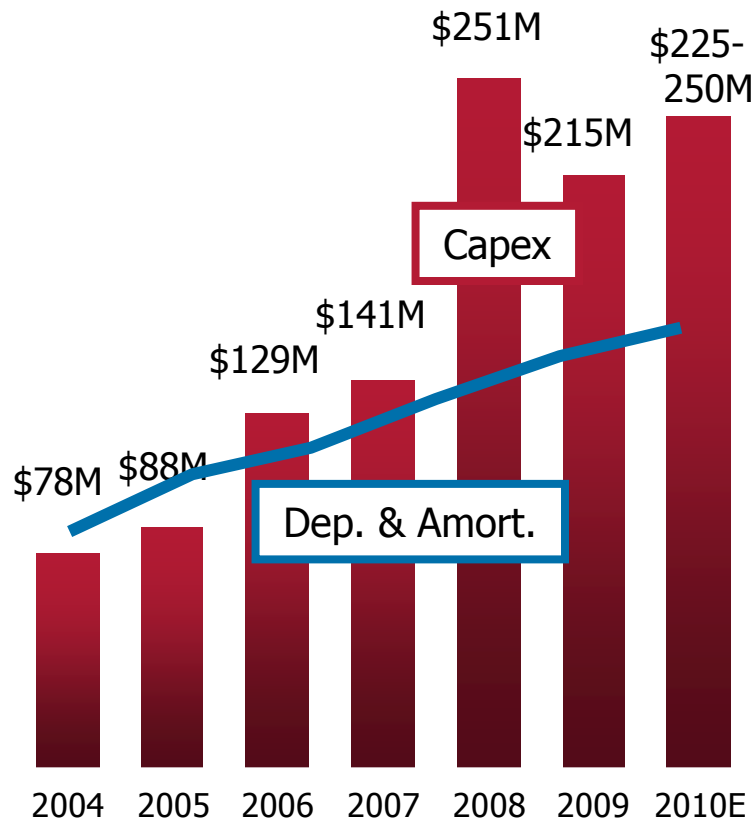
Note: Free cash flow is defined as net cash provided by operating activities less capital expenditures.

\* Please see reconciliations to GAAP metrics provided in the appendix to this presentation.

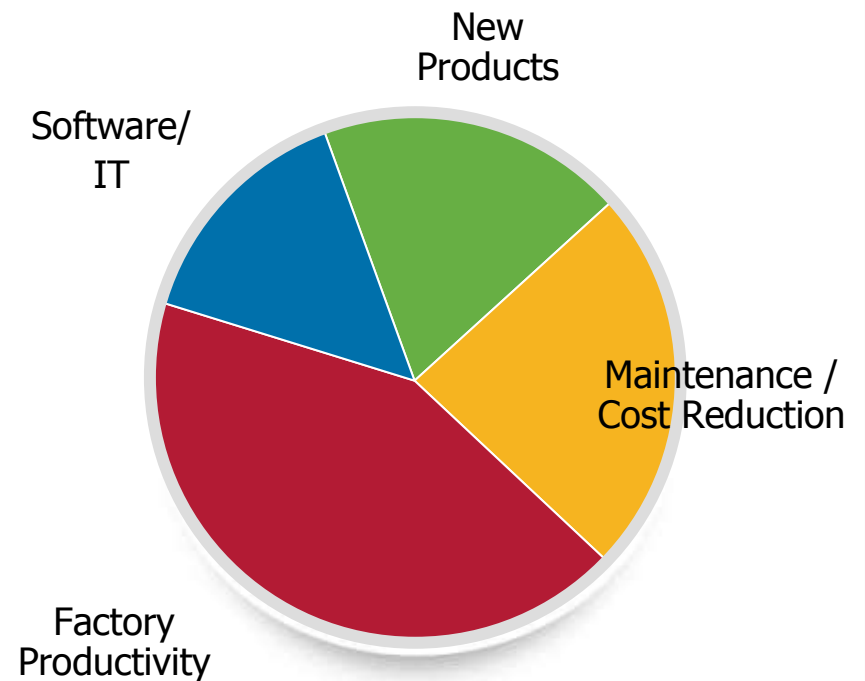
# Capital Expenditures – Investing for Growth



## Continuing to Invest



## 2009 Capex Components



# 2010 Assumptions – Summary



- Limited visibility due to reduced order boards
- Agricultural industry sales
  - NA down approximately 5-10% vs. 2009
  - SA approximately flat to up 5% vs. 2009
  - Western Europe down approximately 10% vs. 2009
- 2.5-3% pricing
- 20% increase in engineering expense for new product development and tier 4 emission requirements
- Gross margin improvement
- Pension and OPEB expense increases by approximately \$9M
- First half weakness compared to 2009 sales levels
  - Loss expected in Q1 2010



# 2010 Targets



Total sales

**\$6.6-\$6.8B**

Diluted EPS

**\$1.55-\$1.65**

Capital expenditures

**\$225-\$250M**

Free cash flow\*

**\$75-\$100M**



\* Free cash flow is defined as net cash from operating activities less capital expenditures. Please see reconciliations to GAAP metrics provided in the appendix to this presentation.

# Non-GAAP To GAAP Reconciliation



## Free Cash Flow

\$M

	3 months ended December 31, 2009	3 months ended December 31, 2008
Net cash provided by operating activities	\$ 513.8	\$ 243.3
Less:		
Capital expenditures	(66.0)	(95.8)
Free cash flow	<u>\$ 447.8</u>	<u>\$ 147.5</u>

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

# Non-GAAP To GAAP Reconciliation



## Free Cash Flow

\$M

	Year ended December 31, 2009	Year ended December 31, 2008
	<u>                    </u>	<u>                    </u>
Net cash provided by operating activities	\$ 351.7	\$ 291.3
Less:		
Capital expenditures	<u>(215.3)</u>	<u>(251.3)</u>
Free cash flow	<u><u>\$ 136.4</u></u>	<u><u>\$ 40.0</u></u>

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



# Non-GAAP To GAAP Reconciliation



## Free Cash Flow

\$M

	Estimated Year ended December 31, 2010	Year ended December 31, 2009
	<hr/>	<hr/>
Net cash provided by operating activities	\$ 300-350	\$ 351.7
Less:		
Capital expenditures	(225-250)	(215.3)
Free cash flow	<u><u>\$ 75-100</u></u>	<u><u>\$ 136.4</u></u>

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

# Non-GAAP To GAAP Reconciliation



\$M  
(except per share amts)

Three months ended December 31,

	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	\$ 58.3	\$ 40.3	\$ 0.42	\$ 139.9	\$ 98.5	\$ 1.05
Restructuring and other infrequent expenses (income)	9.4	6.8	0.07	(0.1)	—	—
As reported	<u>\$ 48.9</u>	<u>\$ 33.5</u>	<u>\$ 0.35</u>	<u>\$ 140.0</u>	<u>\$ 98.5</u>	<u>\$ 1.05</u>

<sup>(1)</sup> After tax.

See accompanying notes in the Company's press release

# Non-GAAP To GAAP Reconciliation



\$M  
(except per share amts)

Years ended December 31,

	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	\$ 232.5	\$ 145.5	\$ 1.55	\$ 565.2	\$ 386.1	\$ 3.95
Restructuring and other infrequent expenses	13.2	9.8	0.11	0.2	0.2	—
As reported	\$ 219.3	\$ 135.7	\$ 1.44	\$ 565.0	\$ 385.9	\$ 3.95

(1) After tax

See accompanying notes in the Company's press release

# Non-GAAP To GAAP Reconciliation



## *AGCO Regional Net Sales (in millions)*

	<u>Three Months Ended December 31,</u>		<u>% change from 2008</u>	<u>% change from 2008 due to currency translation (1)</u>
	<u>2009</u>	<u>2008</u>		
North America	\$ 311.5	\$ 520.5	- 40.2%	+ 1.9%
South America	429.1	327.4	+ 31.0%	+ 27.4%
EAME	1,026.6	1,266.3	- 18.9%	+ 8.1%
Asia/Pacific	85.3	43.0	+ 98.5%	+ 36.4%
<b>Total</b>	<u>\$ 1,852.5</u>	<u>\$ 2,157.2</u>	- 14.1%	+ 10.1%
	<u>Years Ended December 31,</u>			
	<u>2009</u>	<u>2008</u>		
North America	\$ 1,442.7	\$ 1,794.3	- 19.6%	- 2.1%
South America	1,167.1	1,496.5	- 22.0%	- 4.1%
EAME	3,782.1	4,905.4	- 22.9%	- 6.1%
Asia/Pacific	238.5	228.4	+ 4.5%	- 4.2 %
<b>Total</b>	<u>\$ 6,630.4</u>	<u>\$ 8,424.6</u>	- 21.3%	- 4.8%

(1) See disclosure of constant currency calculation on slide 19

# Non-GAAP To GAAP Reconciliation



## Three Months Ended December 31,

	2009 at Actual Exchange Rates	2009 at Adjusted Exchange Rates <sup>(1)</sup>	% change from 2008 due to currency translation
North America	\$ 311.5	\$ 301.7	+ 1.9%
South America	429.1	339.2	+ 27.4%
EAME	1,026.6	924.2	+ 8.1%
Asia/Pacific	85.3	69.7	+ 36.4%
<b>Total</b>	<u>\$ 1,852.5</u>	<u>\$ 1,634.8</u>	+ 10.1%

## Year Ended December 31,

	2009 at Actual Rates	2009 at Adjusted Rates <sup>(1)</sup>	
North America	\$ 1,442.7	\$ 1,479.7	- 2.1%
South America	1,167.1	1,228.2	- 4.1%
EAME	3,782.1	4,078.8	- 6.1%
Asia/Pacific	238.5	248.1	- 4.2 %
<b>Total</b>	<u>\$ 6,630.4</u>	<u>\$ 7,034.8</u>	- 4.8%

1) Adjusted exchange rates are 2008 exchange rates.