



2016 ANNUAL REPORT

ENGINEERING FOOD SECURITY



ENGINEERING FOOD SECURITY

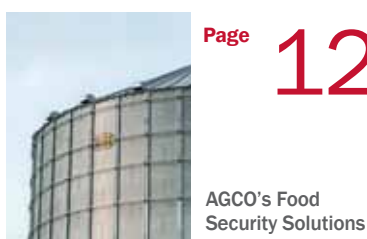
THE WORLD'S FUTURE DEPENDS ON FOOD SECURITY.
ENSURING WE HAVE SUFFICIENT FOOD TO MEET THE DEMAND OF
A GROWING POPULATION AND ITS CHANGING DIET WHILE ADDRESSING
RESOURCE AND ENVIRONMENTAL LIMITATIONS IS A GLOBAL CHALLENGE.
AGCO HAS THE SOLUTIONS TO HELP MEET THIS CHALLENGE.

Our solutions to engineer food security include supporting sustainable productivity through technology and innovation to grow more food with fewer resources and reduce post-harvest losses all along the supply chain. By leveraging our expertise, our resources, and our worldwide brand network, we are developing solutions that will help farmers feed the world's population – now and in the future.



FINANCIAL HIGHLIGHTS

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NET SALES

\$7.4^{BN}

FREE CASH FLOW*

\$169^M

ADJUSTED NET INCOME*

\$201.6^M

ADJUSTED EPS*

\$2.47

*Please see reconciliation of non-GAAP measures on page 20.

AGCO AT A GLANCE

AGCO HAS A LONG-STANDING HISTORY OF
DELIVERING LEADING AGRICULTURAL INNOVATIONS
AND SOLUTIONS ACROSS THE SUPPLY CHAIN

LEADING BRANDS

Innovative, powerful and recognizable brands like Challenger®, Fendt®, GSI®, Massey Ferguson®, and Valtra®.

AGCO's broad portfolio of brands empowers farmers and helps engineer food security sustainably and profitably.

Challenger



Challenger delivers a comprehensive range of high-performance machines built to maximize returns.

FENDT



From tractors to harvesters to balers, when it comes to Fendt, it's always high quality; it's always high-tech.



GSI offers world-class grain storage, material handling, conditioning, and structures, as well as seed-processing solutions and a full line of swine and poultry production equipment.



MASSEY FERGUSON



From straightforward performance to high-specification machines, Massey Ferguson is a force in global agriculture.

VALTRA



Valtra equipment is specifically designed for farmers and contractors who value close customer relationships, as well as solutions that handle demanding working conditions.



1. Tractors	57%
2. Replacement Parts	16%
3. Grain Handling, Seed-Processing, and Protein Production Equipment	12%
4. Combines	4%
5. Application Equipment	4%
6. Other Machinery	7%

FARMING EQUIPMENT



Global leadership in the design, manufacture and distribution of a full line of tractors, combines, hay and forage equipment, sprayers, seeding and tillage implements, and replacement parts.

PRECISION FARMING



High-tech agriculture solutions to help farmers reduce the use of inputs and increase yields by optimizing their fleets, fields, and farms with unparalleled flexibility using our Fuse[®] products and services.

3,050 DEALERS



Through AGCO's global network of 3,050 dealers and distributors in Asia/Pacific, Europe/Africa/Middle East, North America, and South America, our end-customers receive high quality aftersales service and support.

GRAIN HANDLING, SEED-PROCESSING, AND PROTEIN PRODUCTION SOLUTIONS



Leading grain handling, animal protein production technologies, and seed-processing system solutions to boost food security by maximizing production and minimizing post-harvest losses.

EMERGING MARKETS



Significant long-term investments in emerging markets like Africa, China, and Brazil, as well as Eastern and Central Europe.

GLOBAL NETWORK



Worldwide network of state-of-the-art manufacturing, assembly, distribution, sales and administration facilities supporting production of grains, oilseeds, forages, cotton, dairy, livestock, poultry, sugarcane, coffee, barley, rice, palm oil, and other specialty crops.

GLOBAL PRESENCE



- 📍 Global Corporate Headquarters
- 📍 Regional Corporate Headquarters
- Manufacturing/Assembly
- Manufacturing/Assembly (Joint Venture)
- ▲ Parts Distribution
- 🏠 Future Farm and Global Learning Centre

NORTH AMERICA

1,390
DEALERS



SOUTH AMERICA

290
DEALERS



AGCO HAS A LONG-STANDING REPUTATION AS A GLOBAL LEADER IN INNOVATIVE THINKING AND PRACTICAL, LEADING-EDGE AGRICULTURAL TECHNOLOGIES, AND OUR MULTI-BRAND STRATEGY MAKES US WELL POSITIONED TO LEAD THE WAY IN ENGINEERING FOOD SECURITY IN ALL PARTS OF THE WORLD.



EUROPE/AFRICA/MIDDLE EAST

ASIA/PACIFIC

930

DEALERS

440

DEALERS



A MESSAGE FROM MARTIN RICHENHAGEN
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

FOCUS **ON GROWTH**



Fellow shareholders, AGCO is dedicated to generating long-term shareholder value. Over the past three years, market conditions in our industry have weakened significantly providing a strong test of our ability to operate successfully throughout the business cycle.

In a year of challenging farm fundamentals and weak industry demand, I am pleased to tell you that 2016 was a year of significant progress on many fronts for AGCO. We met our financial goals, launched important new products, completed a strategic acquisition, expanded our Fuse technology capabilities, and continued to improve our production facilities. As you will read in the coming pages, our success is achieved through our operational excellence, project-execution capabilities, and the application of new technologies, supported by strong financial flexibility, investment discipline, and a world-class workforce. All of this lets AGCO do its part to meet the global challenge of food security, and support farmers and our global partners in profitable, sustainable food production, both now and in the future.

2016 FINANCIAL RECAP

Our industry and AGCO (the “Company”) experienced soft market demand last year. A record grain harvest in the U.S. combined with healthy crop production across Europe and Brazil resulted in increased grain inventories and lower soft commodity prices. Deteriorating farm economics negatively impacted farmer sentiment, and we experienced softer industry equipment demand in all major markets. We responded by cutting production and closely managing our Company and dealer inventories. AGCO’s 2016 results reflect the adverse impact of operating in the lower end of the agricultural equipment cycle, particularly in North and South America.

AGCO’s 2016 net sales were \$7.4 billion, relatively flat compared to 2015 levels. Adjusted net income for 2016 was \$2.47 per share, excluding restructuring expenses of \$0.12 per share and a non-cash deferred income tax adjustment of \$0.39 per share. We generated approximately \$169 million in free cash flow after funding significant investments in new products and other long-term profitability improvement initiatives. Our free cash flow was largely used to support share repurchases of approximately \$213 million in 2016.

STRATEGY UPDATE

At AGCO, we are focused on consistent execution against strategic principles that are driven by our vision and mission. Our clear vision at AGCO is to provide high-tech solutions for professional farmers feeding the world. We accomplish this by supplying agricultural equipment that increases the efficiency and productivity of our customers. AGCO’s mission, with the shareholder in mind, is to achieve profitable growth through superior customer service, innovation, quality, and commitment.

For more than two decades, AGCO has been working to provide the right products and the right technology to compete effectively in our dynamic marketplace. We will continue to invest in new products, new technology, and improved distribution in order to expand our margins and produce higher returns on our invested capital. During the downturn we are working diligently on our cost reduction strategies targeted at purchasing actions, factory productivity, and new product development.



Please see reconciliation of non-GAAP measures on page 20.

A MESSAGE FROM MARTIN RICHENHAGEN CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Sales growth is another important element of our margin improvement roadmap. AGCO is focused on growing our business in the markets we currently serve and expanding into the developing areas of Eastern and Central Europe, China, and Africa. A key sales-growth initiative is our investment in product development. A great example of this is the Fendt 1000 tractor that launched during 2016. It delivers over 500 horsepower on an impressive conventional chassis, making it very efficient and more flexible to perform a wider variety of operations.

High horsepower tractors for the professional producer segment have always been a major strength and focus for AGCO. The launch of the Fendt 1000 marks an important beginning of our premium tractor platform consolidation. This new tractor range also introduced our Fendt technology for the North American market under the Challenger brand. The Challenger version of this tractor was designed specifically to meet North American row width standards, providing us with a new opportunity to increase our sales of premium tractors in North America.

Our research and development also includes investments in Fuse, AGCO's approach to precision agriculture that optimizes the farm by providing improved access to farm data and better connections to trusted service providers. These improvements allow farmers to make more informed business decisions, reduce input costs, and improve yields, and profitability.



You can view our latest video with Martin Richenhagen, CEO, where he discusses AGCO's successful year:

www.AGCOcorp.com/ar2016video

The two key components of our Fuse program are Fuse Technologies and Fuse Connected Services. Fuse Technologies is the portfolio of technology tools that are the foundation of the optimized farm, and we have solutions that address all elements of improving farm productivity and reducing farm waste. Fuse Connected Services builds on this by using data-transfer technologies and analytic insights combined with dealer capabilities to help customers optimize their fleet and farm, and maximize up-time throughout the year.

This past year was the biggest yet for our Fuse initiative. Along with new product introductions, we announced development partnerships with agricultural technology companies Aglytix and Farmobile to deliver farm-optimization services to AGCO customers. These partnerships will enable growers to reduce waste, increase yield, and improve profitability through actionable insights for their fleet, in their fields and across their farms. Fuse also continued to receive awards as the recipient of two 2016 Technology Innovator Awards by *Corporate Vision* magazine, including "Most Innovative Agricultural Platform."

Another important growth driver for AGCO is our GSI family of products and services. In our grain handling business, we are a global leader in storing, moving, and drying grains. We offer world-class solutions for on-farm storage and commercial applications, including river and rail terminals and sea ports. The acquisition of Cimbria in September brought us the leading position in the global seed-processing equipment market and together, GSI and Cimbria combine to extend our global leadership in grain handling.

While the low commodity prices have hurt demand for our grain handling products in 2016, demand has increased for our global animal protein businesses. For swine, poultry, and egg producers, we provide housing, climate control, feeding, and watering solutions. We are a global leader across these categories, and our recent entrance into the commercial egg market provides us significant growth opportunities. We are bringing new, best-in-class technologies for improving animal welfare, including being a leading provider of cage-free systems for commercial egg producers in North America.



OUR LONG-TERM VIEW REMAINS OPTIMISTIC FOR OUR INDUSTRY AND FOR AGCO, AND OUR STRATEGY IS AIMED AT GROWING OUR BUSINESS AND IMPROVING THE RETURNS FOR OUR SHAREHOLDERS AS WE CONTINUE TO PROVIDE SOLUTIONS THAT WILL HELP ENGINEER GLOBAL FOOD SECURITY.”

CAPITAL ALLOCATION

We intend to continue investing in our business to improve efficiency and maintain the pace of our new product introductions. Over the last decade, we have built a solid capital structure and keeping our investment grade credit rating is a priority. AGCO will remain opportunistic with regards to acquisitions in order to add new products and expand our geographic reach.

Our healthy balance sheet and strong cash generation has enabled us to return cash to shareholders and these distributions will remain an important component of our long-term capital allocation plan. Over the past three years, we executed share repurchases of \$1 billion which reduced our share count by approximately 20 percent. Our Board of Directors has approved a new \$300 million repurchase program which expires in December 2019 and is expected to be funded with operating cash flow.

In summary, we are taking aggressive actions to align our costs and working capital with the weaker market demand that we are facing today. However, our long-term view remains optimistic for our industry and for AGCO, and our strategy is aimed at growing our business and improving the returns for our shareholders as we continue to provide solutions that will help engineer global food security.

The AGCO team – approximately 20,000 strong – is energized and committed, and I am deeply appreciative of all their talent, efforts, and determination. Collectively, we are grateful for our customers, dealers, and partners who ultimately drive our success. And finally, we are thankful to our shareholders for your continued confidence across the business cycle. We look forward to working with all of you for many prosperous years ahead.

Sincerely,

MARTIN RICHENHAGEN
CHAIRMAN, PRESIDENT
AND CHIEF EXECUTIVE OFFICER

OUR COMMITMENT TO ENGINEERING FOOD SECURITY

ENSURING THE WORLD HAS ENOUGH TO EAT IS NOT AN EASY TASK, BUT IT IS A KEY DRIVER BEHIND OUR BUSINESS – THE BUSINESS OF SUPPORTING FOOD PRODUCERS AROUND THE WORLD. THROUGH RESPONSIBLE MANAGEMENT OF ITS PORTFOLIO OF BRANDS, AGCO IS ONE OF THE WORLD'S LEADING AGRICULTURAL INDUSTRY INFLUENCERS AND IS ACTIVELY INVOLVED IN ALL STAGES OF THE AGRICULTURAL LIFE CYCLE.

AGCO is focused on delivering practical solutions to increase agricultural production with mechanization and boost productivity using precision farming technology. We also encourage healthy animal protein production with efficient and responsible solutions and support the delivery of more food to market by reducing post-harvest losses with better harvesting and grain handling.

Our global expertise and innovative technologies are focused on meeting the challenges that farmers face around the world. Through our development and innovation commitments, our goal is to empower farmers to find solutions to those

challenges. That empowerment will help us collectively engineer food security and ensure the sustainability of our business, our industry, and our planet.

As a global thought leader, AGCO supports the United Nations' Sustainable Development Goals and plays a critical role in notably addressing Goal 2* to end hunger, achieve food security, improve nutrition, and promote sustainable agriculture; and Goal 12* to ensure sustainable consumption and production patterns such as reducing post-harvest losses.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS*



* sustainabledevelopment.un.org/sdgs



Development and growth are integral to ensuring global food security while creating value for all our stakeholders. At AGCO, we continue to strengthen our business through acquisition, collaboration, and operational efficiency, and our multi-brand strategy helps us advance food security around the world.

WE ARE COMMITTED:

- To proactively grow our product offering and geographic reach to address food security and help reduce post-harvest losses
- To meet the growth in changing diets
- To develop our relationships with strategic partners
- To grow and develop our multi-brand strategy around the world
- To operate efficiently, drive ROI and create value for all stakeholders



Research and development are at the core of AGCO's innovation engine and drive our leadership in advancing agricultural technology.

Our ongoing strategic investments in R&D bring upgrades across all our brands, maintain a high rate of new product launches, and deliver innovative solutions to drive growth and maximize the value of our portfolio of world-leading brands.

WE ARE COMMITTED:

- To invest in R&D to drive leadership in advancing agricultural technologies
- To launch new and innovative products and upgrades across all brands
- To help farmers optimize their farms with Fuse Technologies
- To invest in state-of-the-art manufacturing
- To promote thought leadership in the emerging biomass sector

AGCO'S FOOD SECURITY SOLUTIONS



COMMITMENT TO REDUCING POST-HARVEST LOSSES

AGCO's commitment to post-harvest loss reduction is at the core of investments in its GSI business of cutting-edge, scalable technologies for grain and perishables storage.

The 2016 acquisition of Cimbria, a leading manufacturer of products and solutions for the processing, handling, and storage of seed and grain, has added global leadership in the seed-handling industry as well as new grain markets to the AGCO portfolio. This supports better inputs for farmers and helps reduce post-harvest losses.

With its strong GSI family of brands, which include grain handling and seed-processing, as well as poultry, egg, and swine production, AGCO is well positioned to meet future shifts in global dietary demands.



RESPONSIBLY MEETING THE CHALLENGE OF PROTEIN DEMAND

Global demand for high quality protein is increasing due to an expanding middle class and improving animal welfare is becoming more critical. Through GSI's animal protein production brands, we are meeting these challenges by providing the most efficient animal production systems. As a leader in commercial egg systems, GSI offers one of the most comprehensive global portfolios for commercial egg production. In Europe and North America, GSI is a leader in enriched and cage-free systems and will continue to lead the industry with its launch of next generation aviary solutions as well as through its continuous commitment to product innovation for developing leading products for the commercial egg production market worldwide.



PROMOTING INNOVATIVE SOLAR-POWERED COLD STORAGE SOLUTIONS

Food storage systems can be a critical way of boosting farm productivity and food security in Africa, where significant losses occur annually due to inadequate post-harvest infrastructure.

A promising innovation is a village-level, solar-powered cold storage for perishables. This will allow smallholder farmers to reduce post-harvest losses and improve their market access by extending the shelf life of perishables until they can be sold at a fair price.

AGCO'S FOOD SECURITY SOLUTIONS CONTINUED



INVESTING IN NEW PRODUCT LAUNCHES AND UPGRADES

We are committed to delivering innovative, practical solutions that empower farmers, shape the long-term sustainability of agriculture, and strengthen food security around the world. Our Global Series tractor platform, for example, represents the heart of AGCO and what we do – provide machinery to feed the world.

The Global Series is an investment in the future that addresses tractor production and development in the all-important low to medium horsepower sector. This platform expresses our commitment to brand-new designs, to delivering sustainable manufacturing in all parts of the world, and to transforming agriculture through the production of machines with appropriate technology to support a wide range of farming sectors.





CONTINUING INVESTMENT IN FUSE TECHNOLOGIES

We are continuing our investment in our Fuse initiative, developing precision farming solutions to drive productivity and increase yields.

The past year marked the most significant yet for Fuse Technologies. New development partnerships will allow AGCO to deliver farm optimization services to its customers and give farmers actionable insights into their fleets, fields, and farms to support waste reduction, yield increases, and improved profitability.



INVESTING IN STATE-OF- THE-ART MANUFACTURING

AGCO's manufacturing facilities are quality-driven and state-of-the-art, and we are constantly making investments to ensure we stay efficient, innovative, and on the cutting edge.

In 2016, our tractor manufacturing facility in Beauvais, France won the Factory of the Year 2016 award from *L'Usine Nouvelle*, France's leading industrial magazine. Some 14,500 Massey Ferguson tractors roll off the assembly lines each year at this site. An implementation of lean manufacturing standards has brought high levels of efficiency and agility that let us respond quickly to changing market demands.

AGCO'S FOOD SECURITY SOLUTIONS CONTINUED

MASSEY FERGUSON



DRIVING AGRICULTURAL MECHANIZATION IN AFRICA

Increasing farm productivity and food security is at the heart of AGCO's Africa strategy.

Our 150-hectare Future Farm in Zambia now features the full line of Fuse technologies. Its facilities, which also include crop demonstration plots and GSI grain storage and protein production units, provide training in agronomy and modern agricultural practices to farmers, equipment operators, and service people. Plans for a second Future Farm in French-speaking West Africa are underway.

AGCO's partnership with the international non-profit organization Cultivating New Frontiers in

Agriculture is part of our vision to transform African agriculture through inclusive, sustainable mechanization solutions. Our new Massey Ferguson Farm Mechanization Package, which consists of a tractor and multiple compatible implements, is aimed at farmers taking their first steps in mechanized agriculture.

Our annual Africa Summit brings together international leaders to share innovative approaches to further the development of the agricultural sector on the continent.



LEADING THE WAY IN THE EMERGING BIOMASS INDUSTRY

AGCO is involved with developing the emerging biomass industry. We are working with academia and leading businesses to perfect best practices, and developing the right equipment to get crops off the field and to market as quickly and efficiently as possible.



AGCO'S SOLUTIONS ARE DRIVING SHAREHOLDER RETURNS

Our global expertise and localized knowledge ensures we are supporting sustainable agricultural development while driving shareholder returns. Our focus remains on efficient operations, global purchasing excellence, research and development, and growth of our product offerings and geographic reach of our family of brands.

OFFICERS AND DIRECTORS



SENIOR MANAGEMENT

11 Martin H. Richenhagen

Chairman, President and Chief Executive Officer

9 Roger N. Batkin

Vice President, General Counsel and Corporate Secretary

20 Andrew H. Beck

Senior Vice President, Chief Financial Officer

15 Gary L. Collar

Senior Vice President, General Manager, Asia/Pacific and Africa

12 Robert B. Crain

Senior Vice President, General Manager, Americas

7 Ulrich Stockheim*

Global Head of Corporate Communications and Marketing

2 Helmut R. Endres

Senior Vice President, Engineering

6 Eric P. Hansotia

Senior Vice President, Global Crop Cycle and Fuse Connected Services

14 Lucinda B. Smith

Senior Vice President, Global Business Services

13 Rob Smith

Senior Vice President, General Manager, Europe and Middle East

21 Hans-Bernd Veltmaat

Senior Vice President, Chief Supply Chain Officer

17 Thomas F. Welke

Senior Vice President, Global Grain and Protein, GSI

BOARD OF DIRECTORS

11 Martin H. Richenhagen

Chairman, President and Chief Executive Officer
AGCO

16 Roy V. Armes

Former Executive Chairman, President and CEO
Cooper Tire and Rubber Company

19 Michael C. Arnold

Former President and CEO
Ryerson Inc.

3 P. George Benson

Professor of Decision Sciences and former President
College of Charleston

5 Wolfgang Deml

Former President and Chief Executive Officer
BayWa Corporation

*Not an Officer or Director.



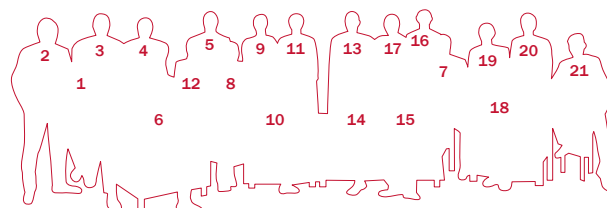
AGCO 2016 BOARD COMMITTEES

- 4 Luiz Fernando Furlan**
Former Minister of Development, Industry and Foreign Trade of Brazil
- 18 George E. Minnich**
Former Senior Vice President and CFO ITT Corporation
- 10 Gerald L. Shaheen**
Former Group President Caterpillar Inc.
- 8 Mallika Srinivasan**
Chairman and CEO Tractors and Farm Equipment Limited (TAFE)
- 1 Hendrikus Visser**
Former Chairman Royal Huisman Shipyards N.V.

- Executive Committee**
Martin H. Richenhagen, Chairman
P. George Benson
Wolfgang Deml
George E. Minnich
Gerald L. Shaheen
Hendrikus Visser
- Audit Committee**
George E. Minnich, Chairman
Michael C. Arnold
P. George Benson
Hendrikus Visser

- Compensation Committee**
Gerald L. Shaheen, Chairman
Roy V. Armes
Luiz Fernando Furlan
George E. Minnich
- Finance Committee**
Hendrikus Visser, Chairman
George E. Minnich
Gerald L. Shaheen

- Governance Committee**
P. George Benson, Chairman
Michael C. Arnold
Wolfgang Deml
Mallika Srinivasan (Guest)
Hendrikus Visser
- Succession Planning Committee**
Wolfgang Deml, Chairman
Roy V. Armes
Luiz Fernando Furlan
Martin H. Richenhagen
Gerald L. Shaheen
Mallika Srinivasan



SELECTED FINANCIAL DATA

Years Ended December 31,

(In millions, except per share amounts)

	2016	2015	2014	2013	2012
Operating Data:					
Net sales	\$ 7,410.5	\$ 7,467.3	\$ 9,723.7	\$ 10,786.9	\$ 9,962.2
Gross profit	1,515.5	1,560.6	2,066.3	2,390.6	2,123.2
Income from operations	288.4	361.1	646.5	900.7	693.2
Net income	160.2	264.0	404.2	592.3	516.4
Net (income) loss attributable to noncontrolling interests	(0.1)	2.4	6.2	4.9	5.7
Net income attributable to AGCO Corporation and subsidiaries	\$ 160.1	\$ 266.4	\$ 410.4	\$ 597.2	\$ 522.1
Net income per common share – diluted	\$ 1.96	\$ 3.06	\$ 4.36	\$ 6.01	\$ 5.30
Cash dividends declared and paid per common share	\$ 0.52	\$ 0.48	\$ 0.44	\$ 0.40	\$ –
Weighted average shares outstanding – diluted	81.7	87.1	94.2	99.4	98.6

As of December 31

(In millions, except number of employees)

	2016	2015	2014	2013	2012
Balance Sheet Data:					
Cash and cash equivalents	\$ 429.7	\$ 426.7	\$ 363.7	\$ 1,047.2	\$ 781.3
Total assets ⁽¹⁾	7,168.4	6,497.7	7,364.5	8,390.2	7,693.3
Total long-term debt, excluding current portion	1,610.0	925.2	993.3	932.9	1,028.7
Stockholders' equity	2,837.2	2,883.3	3,496.9	4,044.8	3,481.5
Other Data:					
Number of employees	19,795	19,588	20,828	22,111	20,320

(1) Total assets have been retroactively adjusted for December 31, 2015 and all prior year periods related to the adoption of the change in the presentation of debt issuance costs in the balance sheet as a direct deduction from the carrying amount of the related debt liability instead of a deferred charge (an asset). Refer to Note 1 of our Consolidated Financial Statements for further information.

(2) The Company makes reference to adjusted earnings per share, as reconciled below:

	2016	2015	2014	2013	2012
Net income per common share – diluted	\$ 1.96	\$ 3.06	\$ 4.36	\$ 6.01	\$ 5.30
Restructuring expenses ⁽³⁾⁽⁴⁾	0.12	0.18	0.34	–	–
Tax adjustments ⁽⁵⁾⁽⁶⁾	0.39	–	–	–	(0.27)
Impairment charge ⁽³⁾⁽⁷⁾	–	–	–	–	0.22
Net income per common share – adjusted	\$ 2.47	\$ 3.24	\$ 4.70	\$ 6.01	\$ 5.25

The following is a reconciliation to net cash provided by operating activities to free cash flow for the year ended December 31, 2016 (in millions):

	2016
Net cash provided by operating activities	\$ 369.5
Less:	
Capital expenditures	(201.0)
Free cash flow	\$ 168.5

The following is a reconciliation of reported net income to adjusted net income for the year ended December 31, 2016 (in millions):

	2016 Net Income ⁽³⁾
As reported	\$ 160.1
Restructuring expenses ⁽³⁾⁽⁴⁾	9.9
Deferred income tax adjustment ⁽⁵⁾	31.6
As adjusted	\$ 201.6

(3) After tax.

(4) The restructuring expenses recorded during 2016, 2015 and 2014 related primarily to severance and other costs associated with the rationalization of the Company's operations in the United States, South America, Europe and China.

(5) During the second quarter of 2016, the Company recorded a non-cash adjustment to increase the valuation allowance against its U.S. net deferred income tax assets.

(6) During the fourth quarter of 2012, the Company recorded a non-cash tax gain associated with the recognition of certain U.S. deferred tax assets from the reversal of its U.S. deferred tax valuation allowance and the recognition of certain U.S. research and development tax credits.

(7) During the fourth quarter of 2012, the Company recorded an impairment charge of approximately \$22.4 million with respect to goodwill and certain other identifiable intangible assets associated with the Company's Chinese harvesting business.

The above notes are more fully described in the Company's audited Consolidated Financial Statements and Notes to its Consolidated Financial Statements, which are included in the Company's Annual Report on Form 10-K.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)

Years Ended December 31,	2016	2015	2014
Net sales	\$ 7,410.5	\$ 7,467.3	\$ 9,723.7
Cost of goods sold	5,895.0	5,906.7	7,657.4
Gross profit	1,515.5	1,560.6	2,066.3
Selling, general and administrative expenses	867.9	852.3	995.4
Engineering expenses	296.1	282.2	337.0
Restructuring expenses	11.9	22.3	46.4
Amortization of intangibles	51.2	42.7	41.0
Income from operations	288.4	361.1	646.5
Interest expense, net	52.1	45.4	58.4
Other expense, net	31.4	36.3	49.1
Income before income taxes and equity in net earnings of affiliates	204.9	279.4	539.0
Income tax provision	92.2	72.5	187.7
Income before equity in net earnings of affiliates	112.7	206.9	351.3
Equity in net earnings of affiliates	47.5	57.1	52.9
Net income	160.2	264.0	404.2
Net (income) loss attributable to noncontrolling interests	(0.1)	2.4	6.2
Net income attributable to AGCO Corporation and subsidiaries	\$ 160.1	\$ 266.4	\$ 410.4
Net income per common share attributable to AGCO Corporation and subsidiaries:			
Basic	\$ 1.97	\$ 3.06	\$ 4.39
Diluted	\$ 1.96	\$ 3.06	\$ 4.36
Cash dividends declared and paid per common share	\$ 0.52	\$ 0.48	\$ 0.44
Weighted average number of common and common equivalent shares outstanding:			
Basic	81.4	87.0	93.4
Diluted	81.7	87.1	94.2

The Consolidated Statements of Operations should be read in conjunction with the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations and the Company's audited Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements, which are included in the Company's Annual Report on Form 10-K.

CONSOLIDATED BALANCE SHEETS

(In millions, except share amounts)

December 31,	2016	2015
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 429.7	\$ 426.7
Accounts and notes receivable, net	890.4	836.8
Inventories, net	1,514.8	1,423.4
Other current assets	330.8	211.4
Total current assets	3,165.7	2,898.3
Property, plant and equipment, net	1,361.3	1,347.1
Investment in affiliates	414.9	392.9
Deferred tax assets	99.7	100.7
Other assets	143.1	136.5
Intangible assets, net	607.3	507.7
Goodwill	1,376.4	1,114.5
Total assets	\$ 7,168.4	\$ 6,497.7
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 85.4	\$ 89.0
Senior term loan	-	217.2
Accounts payable	722.6	625.6
Accrued expenses	1,160.8	1,106.9
Other current liabilities	176.1	146.7
Total current liabilities	2,144.9	2,185.4
Long-term debt, less current portion and debt issuance costs	1,610.0	925.2
Pensions and postretirement health care benefits	270.0	233.9
Deferred tax liabilities	112.4	86.4
Other noncurrent liabilities	193.9	183.5
Total liabilities	4,331.2	3,614.4
Commitments and contingencies		
STOCKHOLDERS' EQUITY:		
AGCO Corporation stockholders' equity:		
Preferred stock; \$0.01 par value, 1,000,000 shares authorized, no shares issued or outstanding in 2016 and 2015	-	-
Common stock; \$0.01 par value, 150,000,000 shares authorized, 79,465,393 and 83,814,809 shares issued and outstanding at December 31, 2016 and 2015, respectively	0.8	0.8
Additional paid-in capital	103.3	301.7
Retained earnings	4,113.6	3,996.0
Accumulated other comprehensive loss	(1,441.6)	(1,460.2)
Total AGCO Corporation stockholders' equity	2,776.1	2,838.3
Noncontrolling interests	61.1	45.0
Total stockholders' equity	2,837.2	2,883.3
Total liabilities and stockholders' equity	\$ 7,168.4	\$ 6,497.7

The Consolidated Balance Sheets should be read in conjunction with the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations and the Company's audited Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements, which are included in the Company's Annual Report on Form 10-K.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

Years Ended December 31,	2016	2015	2014
Cash flows from operating activities:			
Net income	\$ 160.2	\$ 264.0	\$ 404.2
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	223.4	217.4	239.4
Deferred debt issuance cost amortization	1.0	2.0	2.7
Amortization of intangibles	51.2	42.7	41.0
Stock compensation expense (credit)	18.1	12.2	(10.8)
Proceeds from termination of hedging instrument	7.3	-	-
Equity in net earnings of affiliates, net of cash received	(1.4)	(19.0)	(25.4)
Deferred income tax provision (benefit)	2.1	(26.8)	3.6
Other	1.3	(0.1)	2.5
Changes in operating assets and liabilities, net of effects from purchase of businesses:			
Accounts and notes receivable, net	(4.5)	3.8	(103.9)
Inventories, net	(33.1)	117.6	111.4
Other current and noncurrent assets	(98.7)	(49.3)	29.1
Accounts payable	62.8	37.3	(219.4)
Accrued expenses	47.0	(34.8)	(71.2)
Other current and noncurrent liabilities	(67.2)	(42.8)	35.2
Total adjustments	209.3	260.2	34.2
Net cash provided by operating activities	369.5	524.2	438.4
Cash flows from investing activities:			
Purchases of property, plant and equipment	(201.0)	(211.4)	(301.5)
Proceeds from sale of property, plant and equipment	2.4	1.5	2.8
Purchase of businesses, net of cash acquired	(383.8)	(25.4)	(130.3)
Investment in consolidated affiliates, net of cash acquired	(11.8)	-	-
Investments in unconsolidated affiliates	(4.5)	(3.8)	(3.9)
Restricted cash and other	0.4	(1.7)	-
Net cash used in investing activities	(598.3)	(240.8)	(432.9)
Cash flows from financing activities:			
Proceeds from debt obligations	3,117.9	1,951.9	1,689.4
Repayment of debt obligations	(2,622.4)	(1,769.5)	(1,588.8)
Purchases and retirement of common stock	(212.5)	(287.5)	(499.7)
Repurchase or conversion of convertible senior subordinated notes	-	-	(201.2)
Payment of dividends to stockholders	(42.5)	(42.0)	(40.8)
Payment of minimum tax withholdings on stock compensation	(2.0)	(6.3)	(13.2)
Payment of debt issuance costs	(2.5)	(0.7)	(1.4)
Excess tax benefit related to stock compensation	-	0.7	-
Purchase of or distribution to noncontrolling interests	0.4	-	(6.1)
Other	-	-	(0.2)
Net cash provided by (used in) financing activities	236.4	(153.4)	(662.0)
Effects of exchange rate changes on cash and cash equivalents	(4.6)	(67.0)	(27.0)
Increase (decrease) in cash and cash equivalents	3.0	63.0	(683.5)
Cash and cash equivalents, beginning of year	426.7	363.7	1,047.2
Cash and cash equivalents, end of year	\$ 429.7	\$ 426.7	\$ 363.7

The Consolidated Statements of Cash Flows should be read in conjunction with the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations and the Company's audited Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements, which are included in the Company's Annual Report on Form 10-K.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In millions, except share amounts)

	Common Stock	
	Shares	Amount
Balance, December 31, 2013	97,362,466	\$ 1.0
Net income (loss)	-	-
Payment of dividends to shareholders	-	-
Issuance of restricted stock	14,907	-
Issuance of stock awards	367,100	-
SSARs exercised	30,477	-
Stock compensation	-	-
Shortfall in tax benefit of stock awards	-	-
Conversion of 1 ³ / ₄ % convertible senior subordinated notes	1,437,465	-
Investment by noncontrolling interest	-	-
Distribution to noncontrolling interest	-	-
Changes in noncontrolling interest	-	-
Purchases and retirement of common stock	(10,066,322)	(0.1)
Defined benefit pension plans, net of taxes:		
Net loss recognized due to settlement	-	-
Net gain recognized due to curtailment	-	-
Net actuarial loss arising during year	-	-
Amortization of prior service cost included in net periodic pension cost	-	-
Amortization of net actuarial losses included in net periodic pension cost	-	-
Deferred gains and losses on derivatives, net	-	-
Change in cumulative translation adjustment	-	-
Balance, December 31, 2014	89,146,093	0.9
Net income (loss)	-	-
Payment of dividends to shareholders	-	-
Issuance of restricted stock	15,711	-
Issuance of stock awards	172,759	-
SSARs exercised	22,176	-
Stock compensation	-	-
Excess tax benefit of stock awards	-	-
Changes in noncontrolling interest	-	-
Purchases and retirement of common stock	(5,541,930)	(0.1)
Defined benefit pension plans, net of taxes:		
Prior service cost arising during year	-	-
Net loss recognized due to settlement	-	-
Net actuarial gain arising during year	-	-
Amortization of prior service cost included in net periodic pension cost	-	-
Amortization of net actuarial losses included in net periodic pension cost	-	-
Deferred gains and losses on derivatives, net	-	-
Change in cumulative translation adjustment	-	-
Balance, December 31, 2015	83,814,809	0.8
Net income	-	-
Payment of dividends to shareholders	-	-
Issuance of restricted stock	15,395	-
Issuance of stock awards	27,333	-
SSARs exercised	21,106	-
Stock compensation	-	-
Investment by noncontrolling interests	-	-
Changes in noncontrolling interest	-	-
Purchases and retirement of common stock	(4,413,250)	-
Defined benefit pension plans, net of taxes:		
Prior service cost arising during year	-	-
Net loss recognized due to settlement	-	-
Net gain recognized due to curtailment	-	-
Net actuarial loss arising during year	-	-
Amortization of prior service cost included in net periodic pension cost	-	-
Amortization of net actuarial losses included in net periodic pension cost	-	-
Deferred gains and losses on derivatives, net	-	-
Change in cumulative translation adjustment	-	-
Balance, December 31, 2016	79,465,393	\$ 0.8

The Consolidated Statements of Stockholders' Equity should be read in conjunction with the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations and the Company's audited Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements, which are included in the Company's Annual Report on Form 10-K.

Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss				Noncontrolling Interests	Total Stockholders' Equity	Temporary Equity
		Defined Benefit Pension Plans	Cumulative Translation Adjustment	Deferred (Losses) Gains on Derivatives	Accumulated Other Comprehensive Loss			
\$ 1,117.9	\$ 3,402.0	\$ (206.4)	\$ (304.1)	\$ (0.2)	\$ (510.7)	\$ 34.6	\$ 4,044.8	\$ -
-	410.4	-	-	-	-	0.1	410.5	(6.3)
-	(40.8)	-	-	-	-	-	(40.8)	-
0.9	-	-	-	-	-	-	0.9	-
(11.8)	-	-	-	-	-	-	(11.8)	-
(1.2)	-	-	-	-	-	-	(1.2)	-
(11.7)	-	-	-	-	-	-	(11.7)	-
(0.2)	-	-	-	-	-	-	(0.2)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	16.1	16.1	-
-	-	-	-	-	-	(2.4)	(2.4)	-
(11.8)	-	-	-	-	-	-	(11.8)	6.6
(499.6)	-	-	-	-	-	-	(499.7)	-
-	-	0.4	-	-	0.4	-	0.4	-
-	-	(0.4)	-	-	(0.4)	-	(0.4)	-
-	-	(54.8)	-	-	(54.8)	-	(54.8)	-
-	-	0.6	-	-	0.6	-	0.6	-
-	-	7.3	-	-	7.3	-	7.3	-
-	-	-	-	0.1	0.1	-	0.1	-
-	-	-	(349.0)	-	(349.0)	-	(349.0)	(0.3)
582.5	3,771.6	(253.3)	(653.1)	(0.1)	(906.5)	48.4	3,496.9	-
-	266.4	-	-	-	-	(2.4)	264.0	-
-	(42.0)	-	-	-	-	-	(42.0)	-
0.8	-	-	-	-	-	-	0.8	-
(5.6)	-	-	-	-	-	-	(5.6)	-
(0.7)	-	-	-	-	-	-	(0.7)	-
11.4	-	-	-	-	-	-	11.4	-
0.7	-	-	-	-	-	-	0.7	-
-	-	-	-	-	-	1.1	1.1	-
(287.4)	-	-	-	-	-	-	(287.5)	-
-	-	(4.7)	-	-	(4.7)	-	(4.7)	-
-	-	0.2	-	-	0.2	-	0.2	-
-	-	2.1	-	-	2.1	-	2.1	-
-	-	0.4	-	-	0.4	-	0.4	-
-	-	6.3	-	-	6.3	-	6.3	-
-	-	-	-	(1.9)	(1.9)	-	(1.9)	-
-	-	-	(556.1)	-	(556.1)	(2.1)	(558.2)	-
301.7	3,996.0	(249.0)	(1,209.2)	(2.0)	(1,460.2)	45.0	2,883.3	-
-	160.1	-	-	-	-	0.1	160.2	-
-	(42.5)	-	-	-	-	-	(42.5)	-
0.8	-	-	-	-	-	-	0.8	-
(0.9)	-	-	-	-	-	-	(0.9)	-
(0.9)	-	-	-	-	-	-	(0.9)	-
17.3	-	-	-	-	-	-	17.3	-
-	-	-	-	-	-	12.2	12.2	-
(2.2)	-	-	-	-	-	2.2	-	-
(212.5)	-	-	-	-	-	-	(212.5)	-
-	-	(2.6)	-	-	(2.6)	-	(2.6)	-
-	-	0.4	-	-	0.4	-	0.4	-
-	-	(0.1)	-	-	(0.1)	-	(0.1)	-
-	-	(62.9)	-	-	(62.9)	-	(62.9)	-
-	-	1.1	-	-	1.1	-	1.1	-
-	-	8.6	-	-	8.6	-	8.6	-
-	-	-	-	(6.7)	(6.7)	-	(6.7)	-
-	-	-	80.8	-	80.8	1.6	82.4	-
\$ 103.3	\$ 4,113.6	\$ (304.5)	\$ (1,128.4)	\$ (8.7)	\$ (1,441.6)	\$ 61.1	\$ 2,837.2	\$ -

FORWARD-LOOKING STATEMENTS

This annual report includes forward-looking statements, including the statements in the Chairman's Message and other statements in this report regarding market demand, strategic initiatives, commitments and their effects, and general economic conditions. These statements are subject to risks that could cause actual results to differ materially from those suggested by the statements, including:

Our financial results depend entirely upon the agricultural industry, and factors that adversely affect the agricultural industry generally, including declines in the general economy, increases in farm input costs, lower commodity prices and changes in the availability of credit for our retail customers, will adversely affect us. The poor performance of the general economy has adversely impacted our sales and may continue to have an adverse impact on our sales in the future, the extent of which we are unable to predict, and there can be no assurance that our results will not continue to be affected by the weakness in global economic conditions. Our success depends on the introduction of new products, which requires substantial expenditures and may not be well received in the marketplace.

We face significant competition, and if we are unable to compete successfully against other agricultural equipment manufacturers, we would lose customers and our revenues and profitability would decline.

Most of our sales depend on the retail customers obtaining financing, and any disruption in their ability to obtain financing, whether due to economic downturns or otherwise, will result

in the sale of fewer products by us. A large portion of the retail sales of our products is financed by our retail finance joint ventures with Rabobank, and any difficulty on Rabobank's part to fund the venture would adversely impact sales if our customers would be required to utilize other retail financing providers. We depend on suppliers for raw materials, components, and parts for our products, and any failure by our suppliers to provide products as needed, or by us to promptly address supplier issues, will adversely impact our ability to timely and efficiently manufacture and sell products.

A majority of our sales and manufacturing takes place outside the United States, and, as a result, we are exposed to risks related to foreign laws, taxes, economic conditions, labor supply and relations, political conditions, and governmental policies. These risks may delay or reduce our realization of value from our international operations.

Volatility with respect to currency exchange rates and interest rates can adversely affect our reported results of operations and the competitiveness of our products. We are subject to extensive environmental laws and regulations, and our compliance with, or our failure to comply with, existing or future laws and regulations could delay production of our products or otherwise adversely affect our business.

We are subject to raw material price fluctuations, which can adversely affect our manufacturing costs.

We disclaim any obligation to update forward-looking statements except as required by law.

SHAREHOLDER INFORMATION

Corporate Headquarters

4205 River Green Parkway
Duluth, Georgia 30096 U.S.
+1-770-813-9200

Transfer Agent & Registrar

Computershare Trust Company, N.A.
211 Quality Circle, Suite 210
College Station, Texas 77845 U.S.
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Stock Exchange

AGCO Corporation common stock (trading symbol is "AGCO") is traded on the New York Stock Exchange.

Independent Registered Public Accounting Firm

KPMG LLP
Atlanta, Georgia U.S.

Form 10-K

The Form 10-K Annual Report filed with the Securities and Exchange Commission is available in the "Investors" Section of our corporate website (www.AGCOcorp.com), under the heading "SEC Filings," or upon request from the Investor Relations Department at our corporate headquarters.

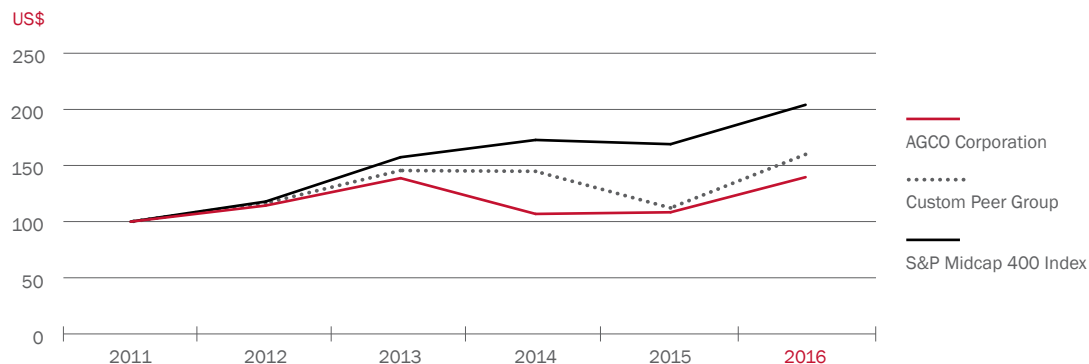
Annual Meeting

The annual meeting of the Company's stockholders will be held at 9:00a.m. ET on April 27, 2017 at the offices of AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia 30096 U.S.



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Comparison of Cumulative Total Return



Performance Graph

The graph shown above is a line graph presentation of the Company's cumulative stockholder returns on an indexed basis as compared to the S&P Mid-Cap 400 Index and a self-constructed peer group of the companies listed in footnote 1 to the performance graph ("Peer Group"). Returns for the Company in the graph are not necessarily indicative of future performance.

Assumes \$100 invested on January 1, 2011. Assumes dividends reinvested. Year ending December 31, 2016.

(1) Based on information for a self-constructed peer group of companies that includes: Caterpillar Inc., CNH Industrial NV, Cummins Inc., Deere & Company, Eaton Corporation Plc., Ingersoll-Rand Plc., Navistar International Corporation, PACCAR Inc., Parker-Hannifin Corporation, and Terex Corporation.



GLOBAL RECOGNITION

IN 2016, AGCO'S INNOVATIVE
LEADERSHIP WAS RECOGNIZED INTERNATIONALLY
WITH GLOBAL INDUSTRY AWARDS



RED DOT DESIGN AWARD 2016, EAME*

The Fendt 1000 Vario and the Valtra T234 were both recognized in the Red Dot Award category "Product Design." It is one of the largest and most respected design competitions in the world, attracting more than 5,200 products from 57 countries last year.

iF DESIGN AWARD 2016, EAME

The Fendt 1000 Vario tractor's contemporary design was recognized with the iF Design Award Gold. The competition, organized by iF International Forum Design GmbH, is one of the world's most celebrated and valued design competitions that welcomes over 5,000 submissions from 70 countries every year.

SECURE SUPPLY CHAIN CERTIFICATE, EAME

AGCO was awarded the newly introduced "Secure Supply Chain" benchmark certificate by the Association for Supply Chain Management, Procurement and Logistics (BME), Europe's leading supply chain association.

EXPORT GRAND PRIX AWARDS, EAME

The Beauvais, France tractor manufacturing facility won the Foreign Exporter Award (Le prix de L'Exportateur Etranger) at the Export Grand Prix Awards given by BFM Business, France's Economics TV and Radio news channel. The award recognizes the plant's major contribution to the country's economy.

FACTORY OF THE YEAR, EAME

The Beauvais, France tractor manufacturing facility won the Factory of the Year 2016 award from *L'Usine Nouvelle*, the leading industrial magazine in France, over a wide range of other industries from within France.



MANUFACTURING LEADERSHIP AWARDS, NA**

AGCO was presented with the 2016 "Internet of Things in Manufacturing Leadership" award by Frost & Sullivan's Manufacturing Leadership Council. The Manufacturing Leadership Awards honor organizations and individuals that are shaping the future of global manufacturing.



GOOD DESIGN AWARD, EAME

The Valtra T Series won the GOOD DESIGN™ Award for new consumer products globally for design, functionality and innovativeness by The Chicago Athenaeum Museum of Architecture and Design in cooperation with the European Centre for Design and Architecture.

*EAME = Europe/Africa/Middle East **NA = North America



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please view our annual report at:
ar2016.AGCOcorp.com