



Andy Beck

SVP & CFO

Key Messages Today

Executing successful strategy



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Focused on next generation farming solutions – FUSE™



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Aggressively managing through the downturn



Committed to delivering improved Shareholder returns



Agenda

Cost Savings

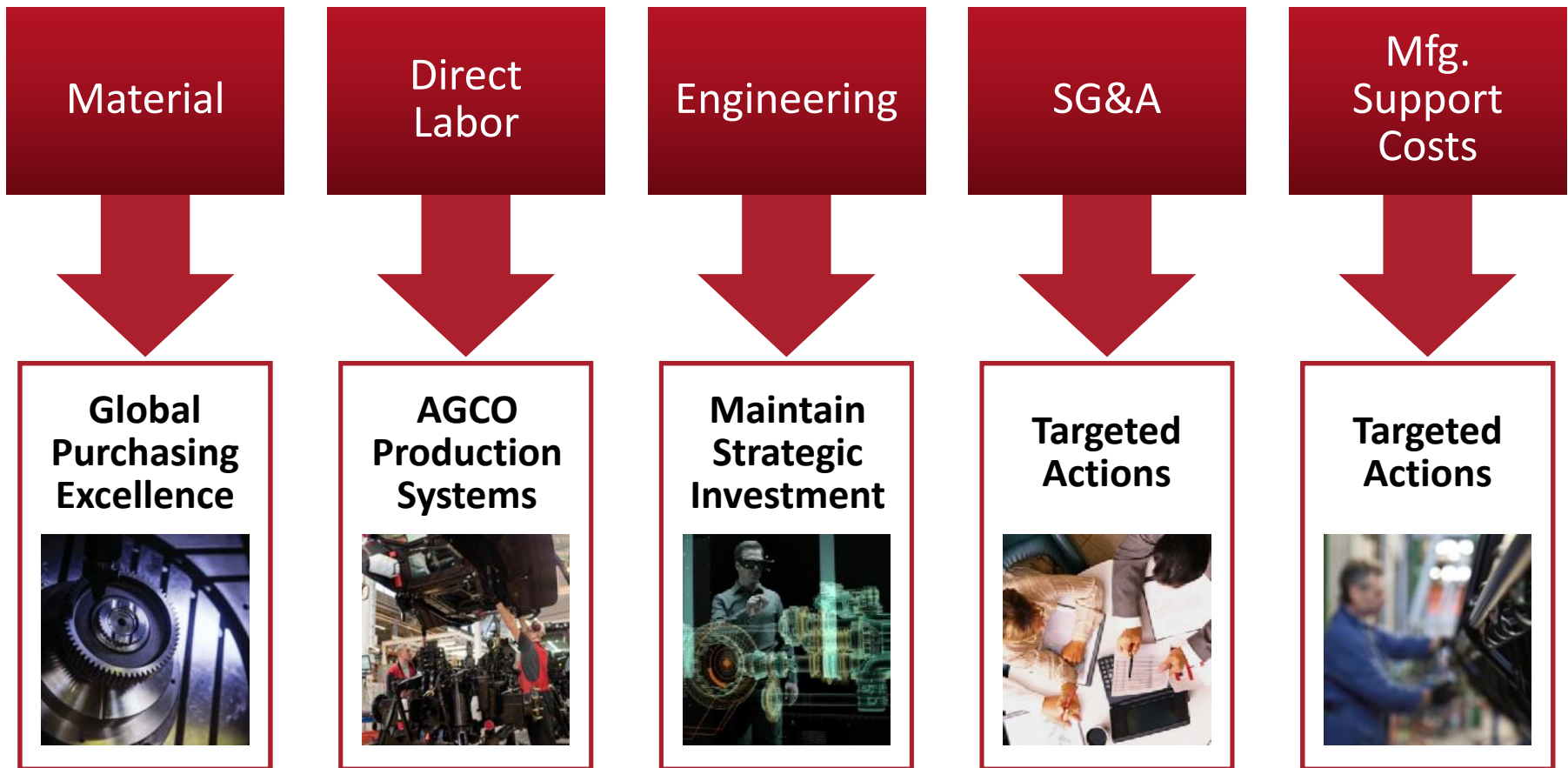
AGCO Finance Update

Capital Allocation Update

2015 Preliminary Outlook



Aggressive Cost Savings Actions



Material Cost Improvement: Global Purchasing Excellence + Best-Cost Country Sourcing

Key Initiatives

The Global Purchasing Excellence (GPE) program

- Common components
- Common suppliers

Best-cost country sourcing

- China
- Eastern Europe
- India



Results

Incremental Annual Material Savings

~\$60M



2013



2014E



2015E

Productivity – Manufacturing Optimization

Key Initiatives

- Utilizing six sigma and lean manufacturing
- Implementing lean office for:
 - sales
 - administration
 - back office



Results

AGCO Production Systems Incremental Annual Savings



2013



2014E



2015E

~\$10M

Targeted Cost Savings Actions – SG&A and Mfg Support Costs

2014 SG&A + Mfg. Support Costs
~\$1.5B



Targeted Savings: ~\$150M

- Headcount reductions
 - organizational rightsizing
 - process streamlining
 - span of control optimization
- More targeted marketing and promotional campaigns
- Pre-tax restructuring charge of ~\$60M anticipated in 2014 and 2015



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Cost Savings

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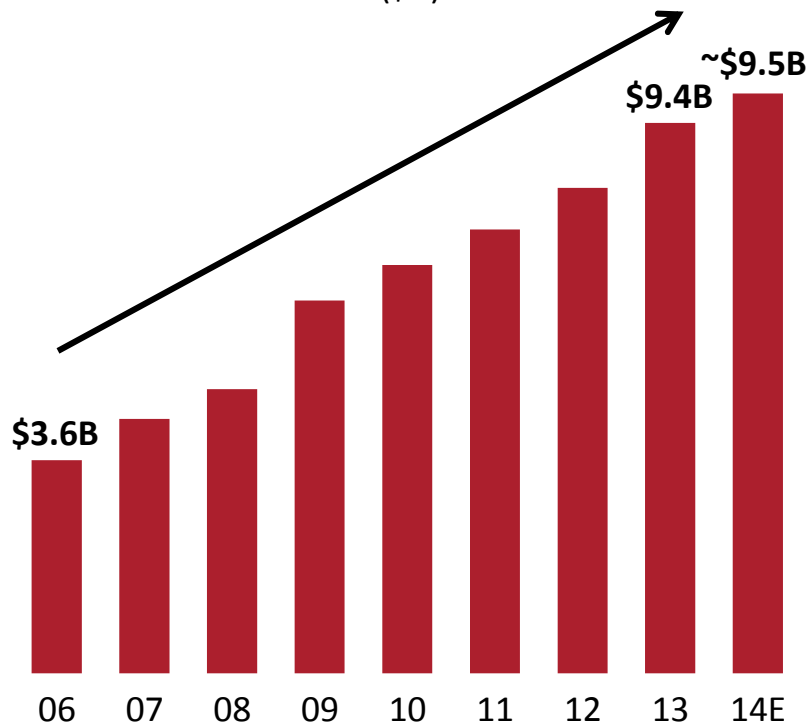
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Profitable, Stable Finance Business

Growing Portfolio
(\$B)



- JV with Rabobank
 - based in the Netherlands
 - among the world's highest rated banks
- 49% owned by AGCO
- Funded by Rabobank
- ~\$9.5 billion portfolio
- Growing market share
- Robust financial performance



AGCO Finance – A Closer Look

Y/E 2014E

By Product

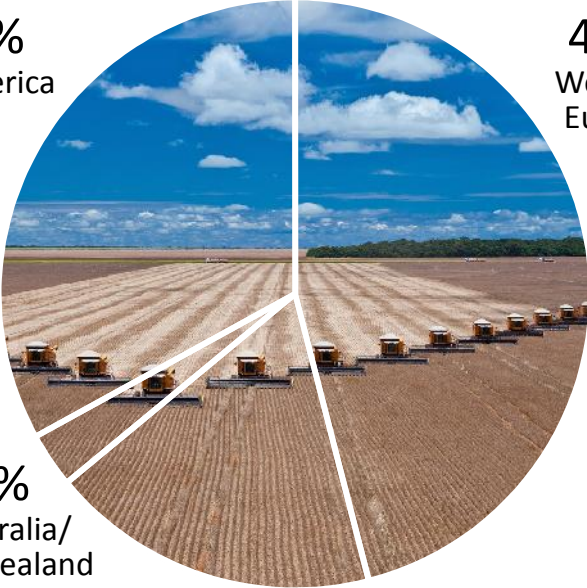
16%
Wholesale Floor-plan



84%
Retail Financing

By Region

33%
N. America



46%
Western Europe

3%
Australia/
New Zealand

18%
S. America



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Capital Deployment Priorities

Capital Deployment

Capex

- Invest in facilities
- Invest in new products



Maintain Balance Sheet

- Maintain investment grade credit rating



Acquisitions

- Opportunistic approach to add to product offerings or geographic reach



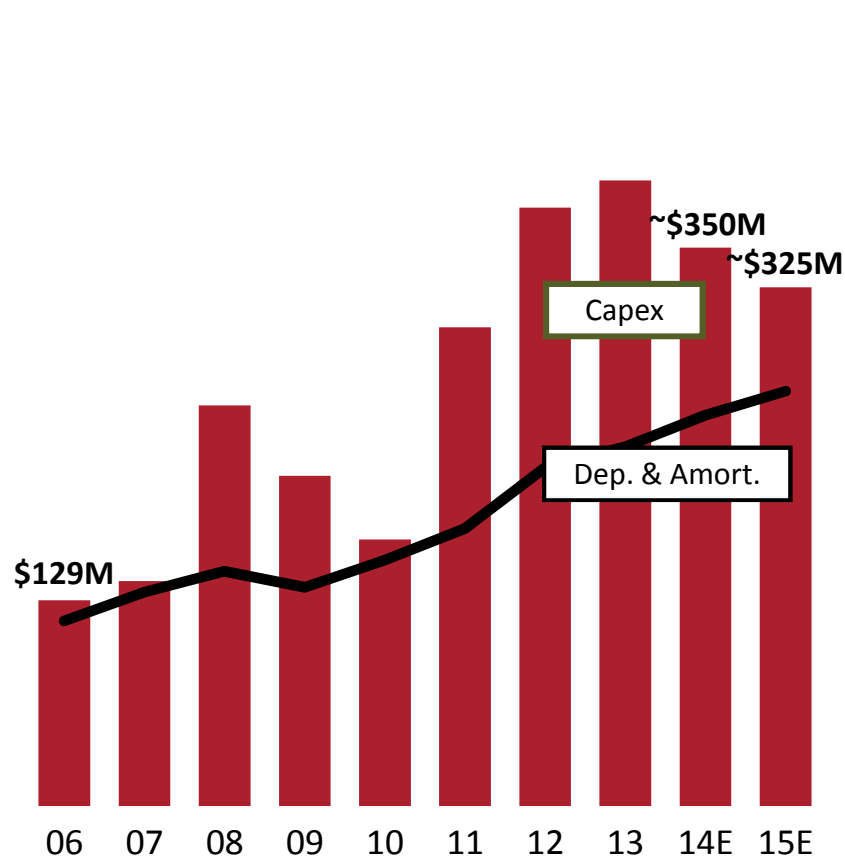
Return Cash to Shareholders

- Share repurchase
- Dividends

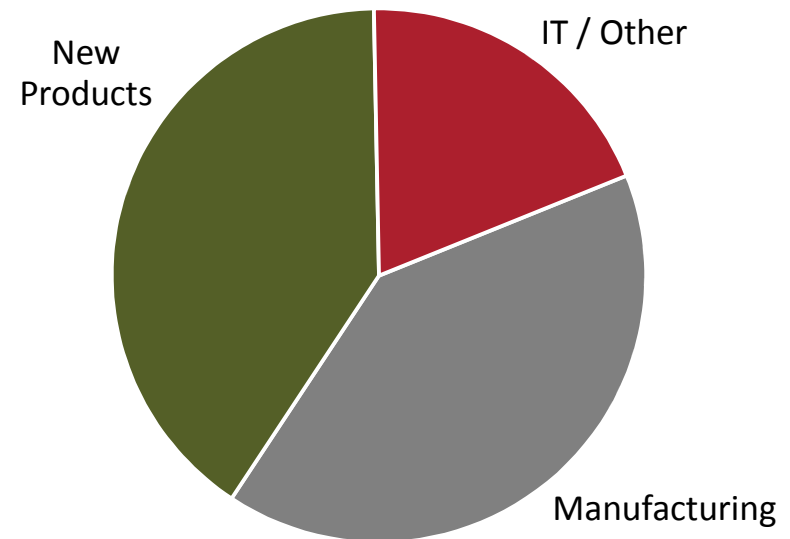


Capital Expenditures – Investing for Growth

Continuing to Invest



2015 Capex Components



Returning Cash to Shareholders

Cash to be Returned
to Shareholders

Dividend

- Initiated in 2013
- Ambition to grow



Share Repurchase

- New \$500M share repurchase program



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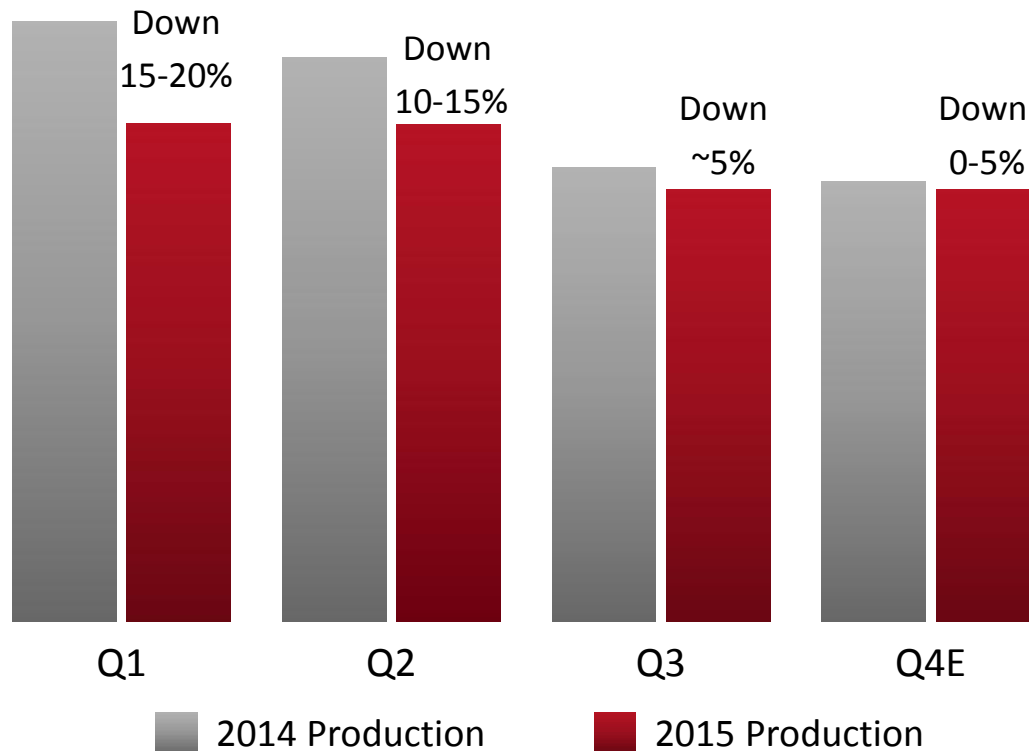
2015 Preliminary Assumptions – Summary

- Sales down 12-14%
 - softer end markets
 - ~2% pricing
 - impact of currency translation expected to be –5%
- Engineering ~3.6% of sales (down \$20M to \$25M vs '14)
- Operating margins of ~5.5%
- Pre-tax restructuring charges of ~\$60M in 2014 and 2015
- Effective tax rate 36-37%



2015 Production Decline is Front-End Loaded

AGCO Production Hours



- Q1 15 production expected to decrease 15-20% vs. Q1 14
- Full year 2015 production down 7-10% vs 2014



2015 Preliminary Outlook

	2015 Estimates
Sales	~\$8.5B
Adjusted EPS	~\$3.00
CAPEX	~\$325M
Free Cash Flow*	~\$300M



* Free cash flow is defined as net cash from operations less capital expenditures. See reconciliation to GAAP metrics in the appendix of this presentation

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Appendix

Non-GAAP To GAAP Reconciliation

\$M (except per share amts)	2005	2014E	2015E
	Earnings Per Share ⁽¹⁾	Earnings Per Share ⁽¹⁾	Earnings Per Share ⁽¹⁾
As adjusted	\$1.46	\$4.10 to \$4.30	~\$3.00
Restructuring and other infrequent expenses/Adjustments	1.10	\$0.30 to \$0.45	\$0.00 to \$0.15
As reported	\$0.35	\$3.65 to \$4.00	\$2.85 to \$3.00

(1) After tax. Rounding may impact summation of amounts.
See accompanying notes in the Company's press release.



Non-GAAP To GAAP Reconciliation

Free Cash Flow \$M	Projected Year Ended December 31, 2015
Net cash provided by operating activities	~\$625
Less: Capital expenditures	~(325)
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Net cash provided by operating activities	~\$ 300
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Note: Free cash flow is defined as net cash provided by operating activities less capital expenditures.

