

AGCO Corporation (AGCO)

October 21, 2024

Industrials – Agricultural Machinery

Stock Rating

SELL

Investment Thesis

Target Price

\$85

We recommend a SELL rating for AGCO Corporation (AGCO) due to significant near-term risks and weak market conditions that outweigh growth prospects. The company faces pressures from declining farm income, lower commodity prices, and ongoing restructuring costs, limiting its ability to capitalize on future opportunities.

Drivers of Thesis

- The USDA projects a 4.4% drop in U.S. net farm income for 2024, limiting farmer spending and making it difficult for AGCO to sell its large inventories, further pressuring margins and cash flow.
- AGCO faces \$200 million in restructuring costs through mid-2025, compounded by a \$500 million loss from the sale of its Grain & Protein business, straining resources during a tough market period.
- The World Bank projects a 5% decline in commodity prices in 2025, while the USDA forecasts a drop in U.S. agricultural exports due to lower unit values for key crops. This weakness in commodity markets reduces farmers' profitability further decreasing demand for AGCO's machinery.

Risks to Thesis

- Improved market conditions, including rising commodity prices or better-than-expected farm income, could accelerate AGCO's recovery.
- Strong performance of AGCO's precision agriculture initiatives, including the PTx Trimble joint venture, could drive growth and margins.
- Successful implementation of cost-saving measures, expected to save \$100-\$125 million annually, may improve margins and operational efficiency.

Henry Fund DCF	\$85
Henry Fund DDM	\$110
Relative Multiple	\$105

Price Data

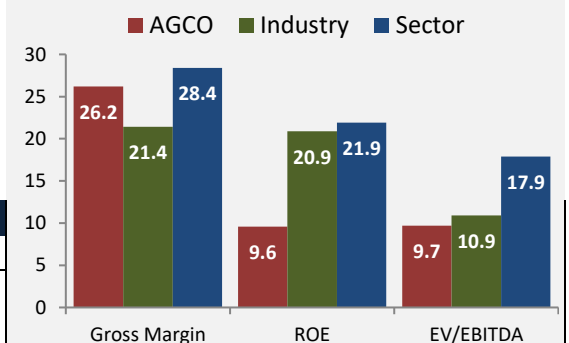
Current Price	\$98.6
52wk Range	\$84.3 – 130.2
Consensus 1yr Target	\$104.0

Key Statistics

Market Cap (B)	\$7.59
Shares Outstanding (M)	\$74.60
Institutional Ownership	81.22%
Beta	1.18
Dividend Yield	1.15%
Est. 5yr Growth	-17.30%
Price/Earnings (TTM)	6.62
Price/Earnings (FY1)	14.08
Price/Sales (TTM)	0.56
Price/Book (mrq)	1.82

Profitability

Operating Margin	4.86%
Profit Margin	1.35%
Return on Assets (TTM)	5.56%
Return on Equity (TTM)	3.78%



Earnings Estimates

Year	2021	2022	2023	2024E	2025E	2026E
EPS	\$11.93	\$11.92	\$15.66	\$-0.40	\$7.57	\$8.96
HF est.				\$-0.38	\$7.54	\$8.88
Growth		-0.08%	31.38%	-102.43%	654.5%	17.76%

12 Month Performance



Company Description

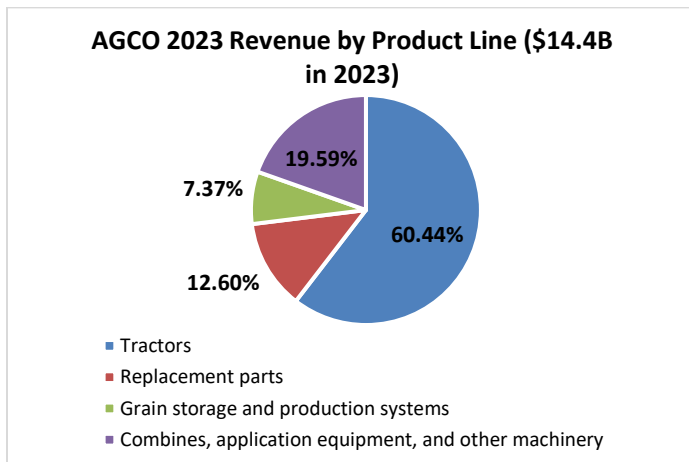
AGCO Corporation is a global leader in manufacturing agricultural equipment, offering tractors, combines, grain storage systems, and precision farming technologies. Its key brands include Massey Ferguson, Fendt, Valtra, and Challenger. With operations across North America, Europe, South America, and Asia-Pacific, AGCO serves farmers, contractors, cooperatives, and distributors. The company focuses on sustainable solutions through smart farming technologies, helping customers improve productivity while reducing environmental impact.

COMPANY DESCRIPTION

AGCO Corporation (AGCO) is a leading global manufacturer and distributor of agricultural equipment and solutions. The company offers a wide range of products, including tractors, combines, hay tools, and precision agriculture technologies. AGCO operates through well-known brands such as Massey Ferguson, Fendt, Valtra, and Challenger. Its operations span North America, Europe, South America, and Asia-Pacific, catering to independent farmers, contractors, cooperatives, and distributors.

In 2023, AGCO reported revenue of \$14.4 billion, up 13.9% from \$12.6 billion the previous year, driven by strong demand for smart farming solutions and increased market share across key regions. However, in the first half of 2024, AGCO experienced a decline in revenue. For the six months ended June 30, 2024, net sales were approximately \$6.2 billion, a 19% decrease compared to the same period in 2023. This downturn was attributed to factors such as lower commodity prices and reduced farm income, which negatively impacted farmer sentiment and global industry demand.

Although AGCO reports performance through geographic segments, our forecasts are based on the company's four main product lines, which will be discussed in the following section.



Source: AGCO 2023 10-K

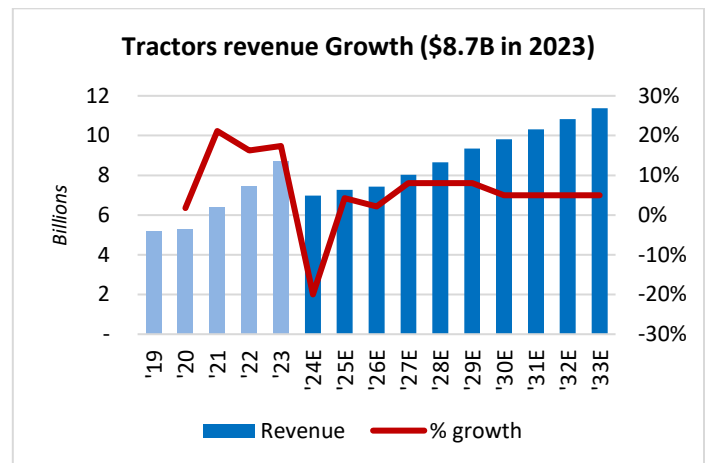
Tractors

AGCO's tractor segment offers a wide range of products from high-horsepower tractors for commercial farming to smaller models for specialized tasks. Key brands include

Fendt, known for premium technology and strong market share in Europe; Massey Ferguson, which provides reliable, cost-effective tractors across global markets; and Valtra, recognized for its customization and durability, especially in Scandinavia and South America¹. The segment benefits from PTx Trimble, a joint venture that enhances tractor performance with advanced Original Equipment Manufacturing (OEM) and retrofit solutions.

PTx Trimble

PTx Trimble is a strategic joint venture launched in 2023 that combines Trimble's expertise in precision technologies with AGCO's precision agriculture capabilities. In this partnership, AGCO holds an 85% stake, while Trimble retains a 15% stake. OEM solutions integrate smart technologies directly into new tractors at the manufacturing stage, enhancing features such as autonomy and data management. Retrofit technologies allow farmers to upgrade existing equipment with advanced precision tools, extending the life and functionality of older machinery. By offering both OEM and retrofit options, PTx Trimble enables farmers to optimize productivity and boost profitability, supporting AGCO's long-term growth strategy in the precision ag market.



Source: AGCO 10-K, Henry Fund Model

The Henry Fund projects AGCO's tractor segment will face a significant decline, with revenues expected to drop by -19.99% in 2024 due to ongoing market challenges and major production cuts. Slow growth is anticipated in 2025 and 2026, reflecting uncertainty around the pace of market recovery. This cautious outlook also accounts for high expectations tied to the PTx Trimble joint venture,

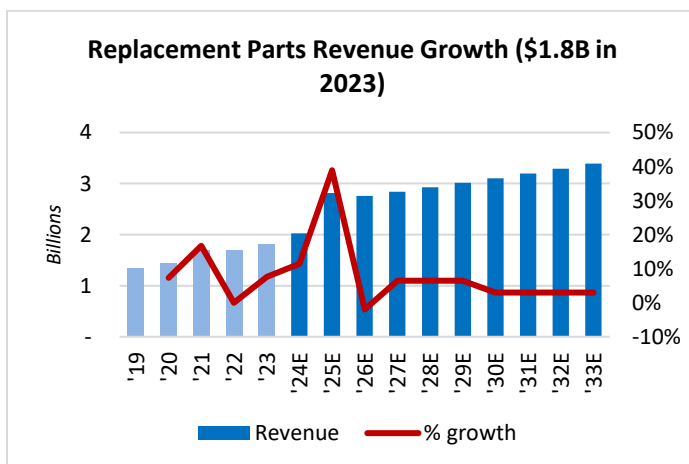
while recognizing the potential risks of integrating this new partnership.

Despite these concerns, a more optimistic view is held for the later years, as AGCO aims to achieve \$2 billion in revenue from PTx Trimble by 2028. Overall, a slower growth rate of 2.18% per year is projected over the 2024-2033 period, with contributions from precision agriculture supporting long-term gains.

Replacement Parts

The replacement parts segment supports equipment maintenance and repair, helping customers extend the lifespan of their machinery, especially during periods of tighter capital spending. In the Q2024 earnings call, management noted that this segment has been a strong performer, helping offset weaker tractor and equipment sales. With steady demand across regions, replacement parts provide a stable revenue stream as farmers focus on maintaining productivity through their existing equipment.

Despite the segment's strength, there is heightened competition from third-party suppliers, which could impact pricing and margins. Additionally, increased access to repair tools and information through "right to repair" policies may lead farmers to seek alternative parts, challenging AGCO's market share. Maintaining the superior quality and compatibility of genuine AGCO parts will be key to mitigating these risks.



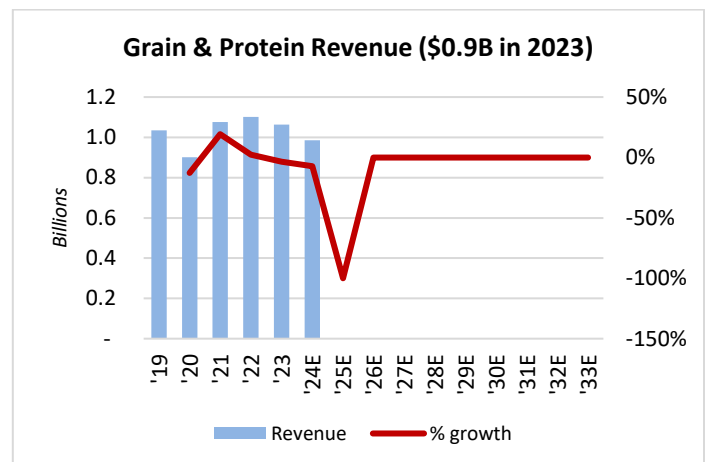
Source: AGCO 10-K, Henry Fund Model

We expect the replacement parts segment to grow by 11.49% in 2024. This positive outlook extends into 2025, as uncertain market conditions may lead farmers to focus

on repairing and maintaining existing equipment rather than investing in new machinery. While the segment benefits from a stable demand for parts and maintenance, we remain cautious in the longer term due to potential risks from "right to repair" regulations, which could introduce more competition. Consequently, we project a 3% perpetual growth rate and a 6.44% CAGR over the 2024-2033 period, reflecting a balanced view of its stable revenue contribution.

Grain Storage and Production Systems

AGCO's Grain Storage and Production Systems segment provided equipment for grain handling, drying, and protein production. While the business supported agricultural infrastructure, it has consistently delivered low margins, making it less aligned with AGCO's strategy of focusing on high-margin, growth-oriented segments such as tractors and precision agriculture.



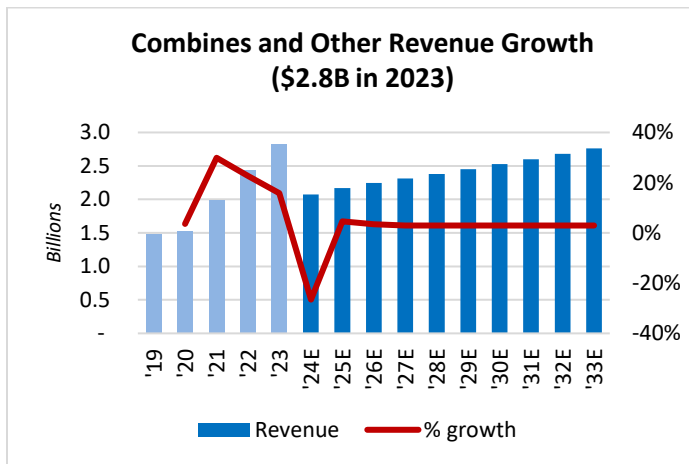
Source: AGCO 10-K, Henry Fund Model

In July 2023, AGCO announced the sale of its Grain & Protein business to American Industrial Partners (AIP) for approximately \$700 million, with the deal expected to close in November 2024. While this divestiture aligns with AGCO's strategy to focus on core agricultural machinery and precision ag technology, it is expected to result in a one-time loss of \$450 million to \$475 million, which will impact AGCO's earnings for 2024.

Proceeds from the sale will be directed towards debt repayment, investments in technology and organic growth initiatives, and potential returns to shareholders through increased dividends or share buybacks. AGCO considers this move an opportunity to strengthen its focus on higher-margin growth areas.

Combines, Application Equipment, and Other Machinery

This segment includes a diverse range of products designed to support various stages of agricultural operations. Combines play a critical role in harvesting, offering high-efficiency solutions to maximize crop yield. Application equipment includes machinery for spreading fertilizers, herbicides, and pesticides, helping farmers optimize crop health and productivity. This segment also features hay tools, tillage equipment, and seeding solutions, further broadening AGCO's portfolio to meet diverse agricultural needs.



Source: AGCO 10-K, Henry Fund Model

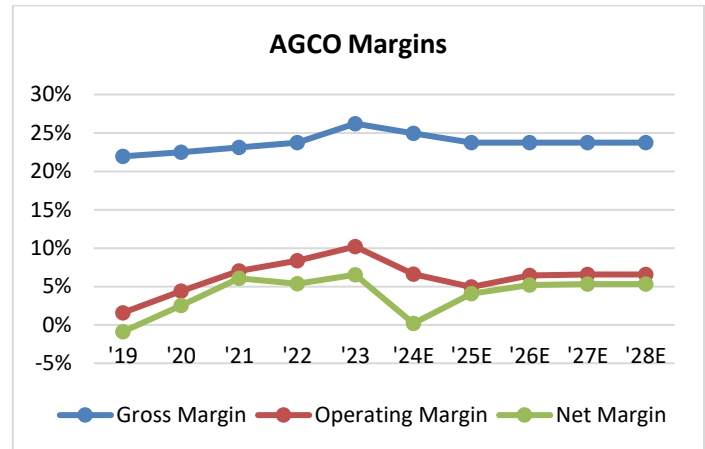
In 2024, this segment experienced a sharp revenue decline due to market saturation, as many farmers had recently upgraded their combines during prior periods of high commodity prices, reducing immediate demand. Additionally, economic pressures, including lower commodity prices and rising input costs, have constrained farmers' budgets, making them more cautious about large capital expenditures like combines, which are typically more expensive than tractors. Elevated dealer inventories have also prompted AGCO to cut production to better align supply with the softened demand, further impacting sales in the combines segment.

We expect this segment to decline by -26.55% in 2024 due to inventory buildup, market pressures, and the high cost of combines compared to tractors. Combines being more expensive makes them less attractive to farmers when market conditions are uncertain, and commodity prices are volatile. While we do see growth returning for this segment over the forecast period, it is likely to be slow as the market gradually recovers. Continued investment in

precision technology by AGCO should help support demand, but we anticipate overall growth to be modest due to these challenges.

Cost Structure Analysis

The chart below illustrates AGCO's margins, which have faced pressure in recent years due to fluctuating demand, rising costs, and production adjustments.



Source: AGCO 10-K, Henry Fund Model

AGCO's gross margins peaked in 2023 amid high demand but have since moderated due to inventory buildup, production cuts, and weaker demand. Consensus estimates for 2024 and 2025 are 25.19% and 24.95%, respectively, which are slightly higher than our projections of 23-24%. This variance reflects our more cautious outlook, factoring in potential market pressures and a slower pace of inventory adjustments. We expect margins to stabilize from 2025 onward, supported by improved inventory management and the completion of AGCO's restructuring initiatives.

Our operating margin estimates are 5.95% for 2024 and 5.55% for 2025, compared to consensus estimates of 6% and 8.09%, respectively. Our lower projections reflect the anticipated impact of \$200 million in restructuring expenses discussed in the Q2 earnings call, which are expected to be completed by mid-2025. We forecast operating margins to stabilize around 7% as AGCO benefits from cost savings and improved production efficiency.

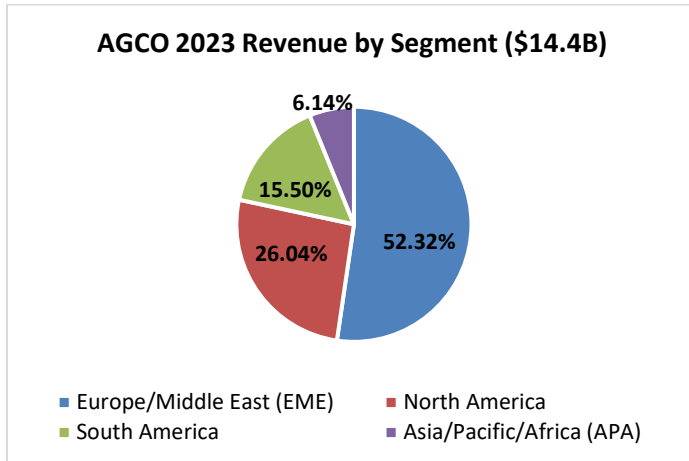
We project a net margin of -0.24% for 2024, compared to the consensus of 0.88%, primarily due to the expected loss from the sale of the Grain & Protein business. For 2025, we estimate a net margin of 4.52%, closely aligned with the

consensus of 4.55%, with stabilization around 5.3% from 2026 onwards as restructuring charges decrease and cash flows from core businesses improve.

Additional Company Analysis

Geographic Segments

As of December 31, 2023, AGCO employed approximately 27,900 people and operated through 3,100 independent dealer and distributor locations worldwide.



Source: AGCO 2023 10-K

As seen on the graph, the Europe/Middle East (EME) segment is the largest one. In 2023, it saw high net sales driven by favorable pricing, product mix, and increased replacement parts sales, though foreign currency translation impacted results. Income from operations rose by \$316.5 million, supported by strong sales of mid-range and high-horsepower tractors, offset by higher SG&A expenses related to compensation.¹ AGCO manufactures products for this region in major facilities located in Germany, France, and Finland, including the production of Fendt and Valtra tractors.

North America reported growth from high-horsepower tractors, application equipment, and combines, with Fendt's expansion playing a key role. Income from operations increased by \$180.5 million, driven by improved margins and product mix, despite higher warranty and SG&A costs.¹ Manufacturing operations in the U.S., such as facilities in Jackson, Minnesota, and

Hesston, Kansas, produce high-horsepower tractors, combines, balers, and hay tools for the region.

South America on its part, benefited from positive pricing, currency gains, and strong tractor sales, though grain and protein products saw declines. Income from operations rose by \$12.5 million, supported by high-horsepower equipment sales, though retail incentives and higher SG&A expenses limited further gains.¹ AGCO's key production facilities in Brazil support manufacturing in this region, focusing on market-specific tractors and combines.

Finally, the APA region saw declines due to unfavorable currency impacts and lower tractor and grain product sales, with stronger sales in Australia offset by weaker demand in Japan. Income from operations fell by \$39.6 million due to lower volumes and increased warranty and SG&A expenses, despite gains in precision agriculture sales.¹ AGCO's manufacturing footprint in the region includes facilities in China and Australia, which focus on producing market-specific machinery.

Currency Exposure

AGCO hedges its currency exposure through financial instruments like foreign currency forward contracts, options, and swaps to mitigate exchange rate risks. Additionally, it uses local borrowings for foreign operations as a natural hedge. However, AGCO generally does not hedge translation exposure, which affects consolidated financial statements but not earnings or cash flows. These strategies aim to manage currency risks and minimize financial impact.

Wholesale Financing, Sales Terms, and Accounts Receivable Sales Agreement

AGCO supports its dealers through wholesale financing, primarily via AGCO Finance joint ventures in the U.S., Canada, Europe, and Brazil. In North America, dealers receive extended payment terms with up to 12 months interest-free, with payments due upon retail sale. International sales have shorter terms, typically 30 to 180 days, often backed by letters of credit or credit insurance.¹ AGCO also sells certain receivables to AGCO Finance or third-party institutions through factoring arrangements,

managing these off-balance sheet to enhance cash flow and financial flexibility.

Seasonality

AGCO's business is highly seasonal, with retail sales peaking around planting and harvesting periods. To manage seasonal demand, the company aims to ship products evenly throughout the year, minimizing inventory buildup and stabilizing manufacturing operations. Financing needs also fluctuate, with working capital typically increasing in the first half of the year and decreasing in the second half. The fourth quarter often sees a surge in retail sales, driven by year-end tax planning, post-harvest funds, and dealer incentives. Historically, AGCO's net sales and income from operations are lowest in the first quarter, with growth in the following quarters.

Mid-Cycle

For AGCO, mid-cycle represents the average demand level for agricultural machinery over a typical industry cycle, often measured over several years to capture fluctuations in market activity, typically aligning with 100% of expected long-term market activity. This benchmark helps AGCO align its production, inventory, and capital investments with sustainable demand trends.

Currently, AGCO assesses 2024 as being around 90% of mid-cycle, reflecting weaker demand conditions compared to previous years. This decline has led AGCO to scale back production and focus on cost-saving initiatives to maintain profitability and prevent excess inventory buildup. During periods where demand exceeds 100% of mid-cycle, AGCO typically increases production to meet market needs. Understanding its relative position to mid-cycle helps AGCO navigate demand fluctuations, ensuring operational efficiency and strategic readiness for future growth opportunities.

Debt Maturity Analysis

AGCO's five-year debt maturity schedule includes significant payments of \$346.3 million in 2025 and \$698.4 million in 2028, with smaller obligations in 2026 and 2027. Our updated model forecasts negative operating cash flow of \$314.9 million in 2024, followed by \$770 million in 2025 and \$906.3 million in 2026. This suggests AGCO will generate enough cash flow to meet its 2025 payment, but

the negative cash flow in 2024 raises short-term liquidity concerns.

The 2028 payment of \$698.4 million is notably large and may require AGCO to secure additional financing or refinance its debt. With no specific guidance provided for 2024, uncertainty remains, but cash flows are expected to improve in the following years. Monitoring liquidity and refinancing efforts will be important as the company manages these obligations.

Five-year Debt Maturity Schedule

Fiscal Year	Payment (\$mil)
2025	\$346.3
2026	58.2
2027	0.2
2028	698.4
Thereafter	274.1
TOTAL	\$1,377.2

Source: AGCO 2023 10-K

The chart below compares AGCO's debt ratios with those of its peers.

Company	D/E ratio	Current Ratio	Quick Ratio	S&P Credit
AGCO Corp	0.33	1.46	0.67	BBB-
Deere & Co	1.76	1.26	1.07	A
CNH Industrial	1.97	2.02	1.70	BBB+
Alamo Group	0.24	3.76	1.99	-
Toro Company	0.76	1.90	0.75	BBB
Terex Corp	0.44	2.01	0.95	BB
Lindsay Corp	0.29	3.58	2.44	-
Oshkosh Corp	0.29	1.45	0.76	BBB

Source: FactSet

AGCO's debt-to-equity (D/E) ratio of 0.33 reflects a conservative approach to leverage compared to key competitors like Deere & Co and CNH Industrial. This lower leverage indicates that AGCO relies less on debt financing, which reduces financial risk and enhances its ability to weather market volatility. Its current ratio of 1.46 and

a quick ratio of 0.67 show that AGCO maintains adequate short-term liquidity.

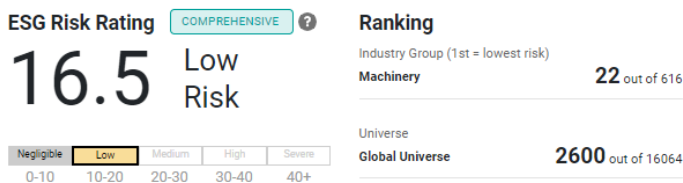
AGCO's BBB- credit rating from S&P reflects stable but moderate creditworthiness, positioning it below competitors like Deere & Co and CNH Industrial, but comparable to peers like Oshkosh and Toro. Despite having lower leverage and manageable liquidity, the company's rating suggests a need to continue strengthening its financial flexibility to close the gap with higher-rated competitors. AGCO's cautious use of debt provides a solid financial foundation, with potential to refine liquidity and credit standing over time.

ESG Analysis

On the environmental aspect, the company reduced Scope 1 and 2 emissions intensity by 15% in 2023 and aims for a 55% reduction by 2033.⁴ With 72% of its operations powered by renewable electricity, AGCO also promotes sustainable farming through precision agriculture technologies that minimize waste and resource use.⁴

In the social aspect, AGCO has faced challenges, including recent layoffs that raise concerns about workforce morale. However, the company improved safety with a 15% reduction in the Total Case Incident Rate (TCIR) and continues to promote diversity, with women holding 30% of board seats and 19% of leadership roles.⁴

On the governance side, AGCO maintains strong oversight, ensuring compliance and cybersecurity protections. While it has improved its ESG ratings, the company acknowledges areas for further growth, particularly in managing workforce changes and enhancing transparency. AGCO aims to continue balancing sustainability with operational performance as it navigates evolving market conditions.



Source: Morningstar Sustainalytics

As of June 21, 2024, AGCO has a low rating of 16.5, indicating solid management of environmental, social, and governance risks with minimal exposure to significant ESG-related issues.

Company	ESG Risk Rating	
AGCO Corporation (AGCO)	16.5	Low
Deere & Company (DE)	16.3	Low
CNH Industrial (CNH)	13.7	Low
Alamo Group (ALG)	22.4	Medium
Toro Company (TTC)	19.3	Low
Terex Corporation (TEX)	23.0	Medium
Lindsay Corporation (LNN)	22.5	Medium
Oshkosh Corporation (OSK)	20.8	Medium

Source: Morningstar Sustainalytics

AGCO's ESG risk rating places it in the low-risk category, comparable to Deere & Company and CNH Industrial. While AGCO outperforms peers like Alamo Group, Terex, and Oshkosh, which are categorized as medium risk, there is room for improvement to align more closely with CNH's stronger performance. Overall, AGCO demonstrates solid ESG management, maintaining a favorable position within the industry.

RECENT DEVELOPMENTS

Recent Earnings Announcement

AGCO announced its Q2 2024 earnings on July 30, 2024. Results came in below expectations, with revenue falling 15% year-over-year due to weaker demand and aggressive production cuts. South America was the hardest hit, with sales down 40% due to a combination of the Brazilian government funding shortfalls, the floods in Rio Grande do Sul, and a poor harvest in the Cerrado region. North American sales declined 18%, driven by weak demand for high-horsepower and mid-range tractors, while Western Europe saw a more modest 5% drop. Adjusted EPS for the quarter was \$1.05, below analyst expectations, as lower capacity utilization, higher discounts to increase sales, and increased warranty costs pressured margins. Operating margins fell to 9%, compared to 12% last year, reflecting both the slowdown in sales and higher costs associated with destocking dealer inventories.

Management attributed these challenges to cyclical downturns across key markets and took proactive steps by cutting production by 23% globally, with South America seeing a more drastic 57% reduction. Dealer inventories remain elevated, particularly in North America, where inventory levels rose to eight months of supply, above the target of four to six months. Currency headwinds, especially from a weakening euro, also negatively

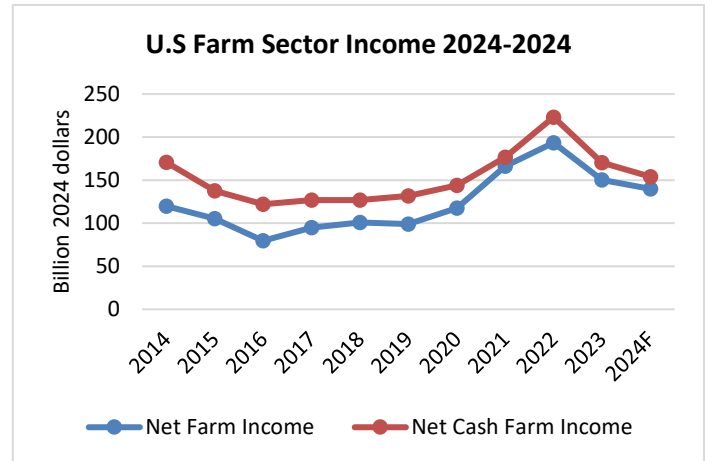
impacted results. AGCO continues to see bright spots in its precision agriculture and Fendt tractor segments, with market share gains in Europe and sustained demand for high-horsepower machinery, helping offset some of the broader market softness.

Looking ahead, management revised its full-year guidance, projecting revenue of \$12.5 billion and adjusted EPS of approximately \$8. Production is expected to be cut by 20-25% to align with softer retail demand, marking the largest reduction in over a decade. AGCO expects operating margins to stabilize at 9% for the year, with savings from its 6% workforce reduction beginning to materialize in 2025. AGCO anticipates long-term margin improvements following the planned sale of its Grain & Protein business, expected to close by the end of 2024, which will streamline operations and improve cash flow. While management remains optimistic about a recovery in 2025, our forecast is slightly more conservative, projecting \$12.3 billion in revenue and \$7.85 EPS, we are projecting revenues that align with management's guidance but expect a more conservative EPS of approximately \$7, reflecting continued pressure in South America, elevated discounting, and slower normalization of dealer inventories.

Agricultural Cycle Pressures and Restructuring

The agricultural industry is currently facing challenging conditions, with lower farm income, weaker commodity prices, and reduced financing availability, especially in emerging markets like South America. AGCO has labeled 2024 as a "correction year" following several years of above-average demand. Additionally, dealer inventories have stacked up, particularly in North America, with some categories holding up to eight months of supply (well above the targeted four to six months). These conditions have significantly pressured AGCO's sales, particularly in South America, where adverse weather and limited financing availability have contributed to a 40% decline in revenue.

Additionally, the USDA forecasts a decline in U.S. farm income for 2024, reflecting reduced commodity prices and rising input costs that are expected to squeeze farmer profitability. Lower net farm income signals potential challenges for the agricultural sector, with implications for machinery demand and capital investment decisions.



Source: USDA

In response to these challenges, AGCO has implemented an aggressive restructuring plan focused on reducing structural costs, streamlining the workforce, and improving global efficiencies. The company will reduce its salaried workforce by approximately 6%, incurring a one-time charge of \$150-\$200 million through 2024 and the first half of 2025 for termination benefits. Furthermore, the company has cut production by 20-25% globally, including a 57% reduction in South America, to align inventory with market demand.

Grain & Protein Segment Divestiture

On July 25, 2024, AGCO announced a definitive agreement to divest its Grain & Protein (G&P) business, with the transaction expected to close in the second half of 2024, subject to customary conditions. The decision to divest this segment reflects AGCO's strategy to sharpen its focus on its core portfolio of agricultural machinery and precision ag technology, areas that offer higher margins and stronger free cash flow generation.

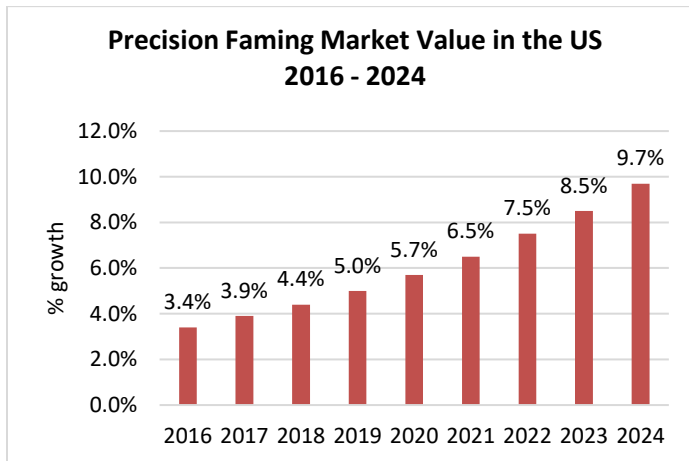
Management emphasized that this divestiture will better position AGCO for long-term growth by shifting resources toward more profitable businesses. Additionally, the sale aligns with efforts to raise profitability through the cycle, as the Grain & Protein business has historically delivered below-average margins. The company expects to receive proceeds of approximately \$700 million, with an anticipated loss in the sale between \$475 million and \$520 million.

INDUSTRY TRENDS

Shift to Precision Agriculture

The agriculture machinery industry is undergoing a significant shift toward automation and precision agriculture technologies, which is reshaping how companies like AGCO operate. The U.S. precision farming market size was estimated at \$8.5 billion in 2023 and is projected to grow at a CAGR of 11.9% from 2024 to 2030.⁵ This trend reflects farmers' increasing need for efficiency, sustainability, and productivity, as they face rising input costs, labor shortages, and unpredictable climate conditions. Advanced machinery, such as autonomous tractors, GPS-guided systems, drones, and IoT-enabled sensors, allows for real-time data collection and precise resource management, optimizing operations like planting, fertilization, and irrigation.

The PTx Trimble joint venture integrates AGCO's autonomous technologies with Trimble's expertise in precision farming, offering farmers smooth solutions across various equipment brands. PTx Trimble is expected to drive significant growth, with AGCO projecting over \$2 billion in precision agriculture revenue by 2028. This collaboration strengthens AGCO's product portfolio, enabling it to meet the rising demand for innovative, sustainable farming technologies while solidifying its competitive position in the global agricultural market.



Source: Statista

Shift Toward Eco-Friendly Machinery

The development of eco-friendly machinery is another key trend shaping the industry and it is being accelerated by government policies and regulations aimed at promoting

sustainable agricultural practices. In the U.S., farmers are offered incentives for adopting energy-efficient equipment, including tax credits and subsidies, which create opportunities for manufacturers to align their products with these policies. This push encourages innovation in areas such as electric and hybrid machinery and promotes the use of precision technologies that reduce waste and emissions.⁵

For AGCO, the ability to produce machines that meet these standards positions the company to benefit from both regulatory compliance and evolving market demands. AGCO's investments in sustainable technologies, including precision agriculture and alternative fuel capabilities, are essential for maintaining competitiveness as more farmers transition to eco-friendly solutions. This trend underscores the company's role in helping farmers adopt practices that meet environmental goals while enhancing operational efficiency.

MARKETS AND COMPETITION

The global agricultural machinery market, valued at \$163.97 billion in 2023, is expected to grow at a CAGR of 5.3% through 2030. This growth is driven by the adoption of precision agriculture and automation, alongside government incentives promoting eco-friendly equipment. Expanding agricultural activities, especially in emerging markets, further fuel demand, positioning the industry for steady growth throughout the decade.

Peer Comparisons

The following chart shows FY2023 financial data on AGCO and its peers (\$ in millions).

Company	Mkt Cap	Revenue	Net Income
DE	111,828	61,221	10,166
CNH	13,992	24,694	2,371
TTC	8,608	4,540	329
AGCO	7,594	14,412	1,171
OSK	7,038	9,648	598
TEX	3,755	5,151	516
ALG	2,141	1,689	136
LNN	1,264	674	72

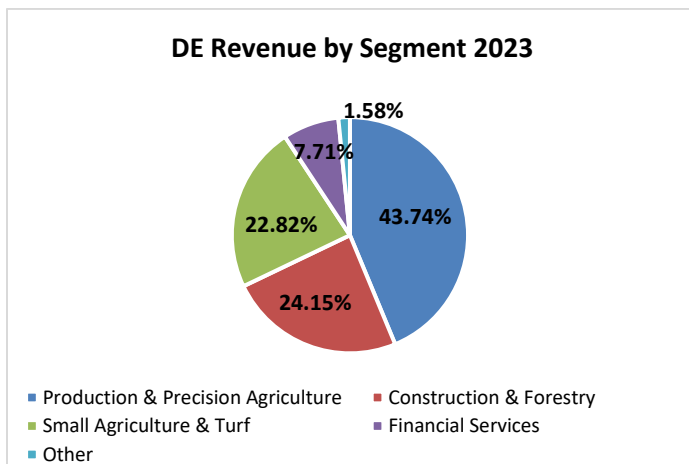
Source: FactSet

For this analysis, we selected the following peers: Deere & Company (DE), CNH Industrial NV (CNHI), Alamo Group Inc.

(ALG), Toro Company (TTC), Terex Corporation (TEX), Lindsay Corporation (LNN), and Oshkosh Corporation (OSK). These companies are key players in the agricultural and industrial machinery sectors, offering a range of products and services, including tractors, combines, construction equipment, irrigation systems, and precision agriculture technologies.

Deere & Company (DE)

Deere & Company, widely recognized as John Deere, is a leading global manufacturer of equipment for agriculture, construction, forestry, and turf care. The company operates through five segments: Production & Precision Agriculture, which focuses on large-scale farming machinery with advanced technologies; Small Agriculture & Turf, providing equipment for smaller farms and consumer landscaping needs; Construction & Forestry, offering machinery for infrastructure projects and forestry operations; Financial Services, providing equipment financing; and an Other segment, which includes miscellaneous revenues and operations outside of its primary business lines.

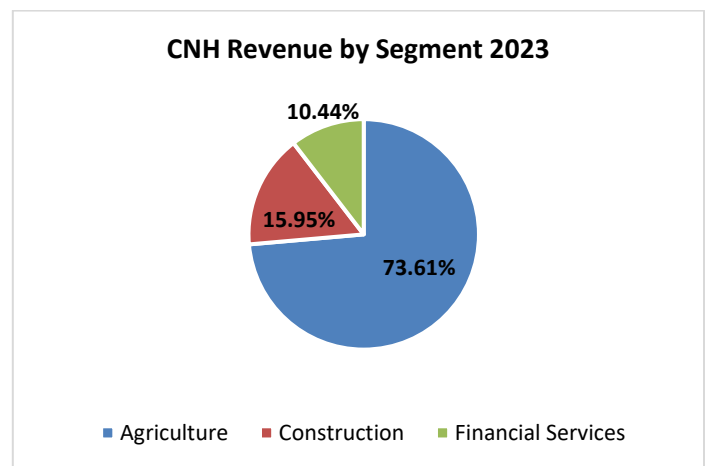


Source: FactSet

Deere directly competes with AGCO in the agricultural sector, particularly in the race to deliver precision agriculture tools that enhance farm productivity and sustainability. However, Deere's broader presence in construction and forestry diversifies its operations, allowing it to adapt to changes in agricultural markets better than AGCO. While both companies focus on helping farmers optimize production, Deere's larger market share and product range give it a competitive edge, making it a formidable rival in the agriculture technology space.

CNH Industrial NV (CNH)

CNH Industrial NV is a global equipment and services company specializing in machinery for agriculture and construction, with operations segmented into three segments. The Agriculture segment, offers machinery, including tractors, combines, harvesters, seeding and planting equipment, soil preparation tools, and material handling equipment. Its Construction segment provides equipment such as excavators, wheel loaders, backhoe loaders, and compact track loaders, catering to infrastructure and industrial projects. Through its Financial Services segment, CNH offers retail financing and leasing options for new and used equipment, supporting sales across its agricultural and construction divisions.



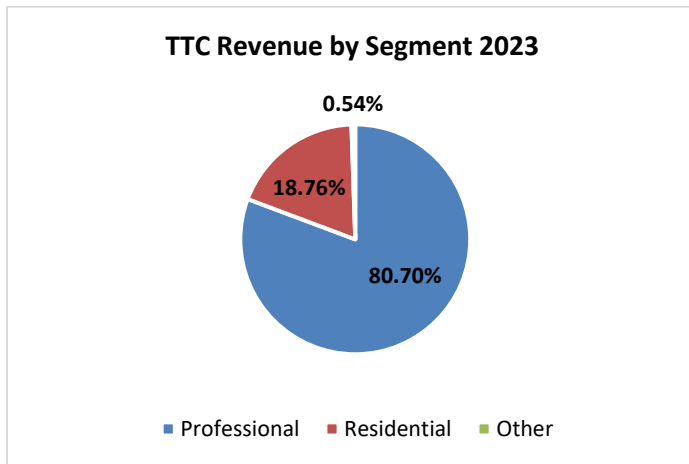
Source: FactSet

CNH competes directly with AGCO focusing on offering advanced technologies and sustainable farming solutions. However, its broader presence in the construction sector provides CNH with a diversified revenue stream, reducing its dependency on the agricultural market. CNH leverages its expanded portfolio to enhance market reach and resilience, making it a key competitor in both farming and construction sectors.

Toro Company (TTC)

The Toro Company provides innovative solutions for outdoor environments, focusing on turf and landscape maintenance, snow and ice management, underground utility construction, and irrigation systems. It operates through three primary segments. The Professional segment includes products for turf maintenance, landscape lighting, rental equipment, underground construction, and agricultural solutions. The Residential segment targets homeowners, offering lawnmowers and

snowblowers through various retail and direct-to-consumer channels. The Other segment covers corporate activities and a wholly owned distribution company, along with the elimination of intersegment revenues and expenses.



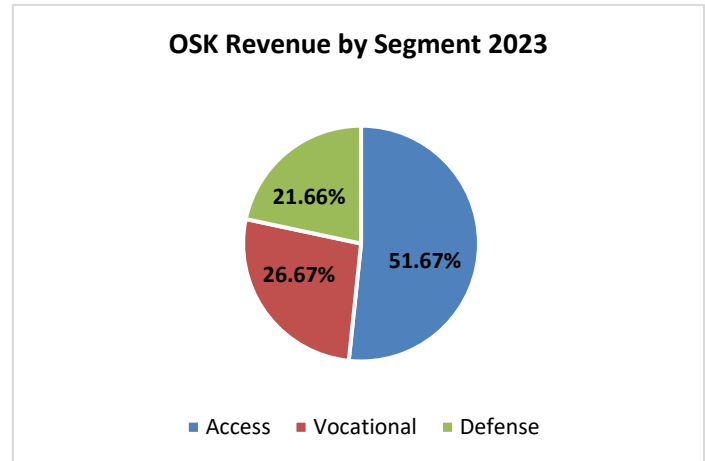
Source: FactSet

Toro competes indirectly with AGCO through its offerings in turf and agricultural equipment. While AGCO focuses heavily on large-scale farming solutions, Toro's strength lies in specialized landscaping and irrigation technologies, giving it an edge in niche markets. Toro's emphasis on both professional and residential products provides diversified revenue streams, balancing consumer demand with commercial projects and positioning the company as a leader in outdoor environmental solutions.

Oshkosh Corporation (OSK)

Oshkosh Corporation is an industrial company that specializes in the design, development, and manufacturing of purpose-built vehicles and equipment. It operates through three main segments. The Access segment focuses on material handling equipment, like aerial work platforms and telehandlers. The Defense segment designs and manufactures military vehicles and mobility systems for the U.S. Department of Defense and allied nations. The Vocational segment includes specialized businesses such as Pierce fire trucks, McNeilus refuse vehicles, and Frontline Communications emergency response units, catering to municipal and industrial needs.

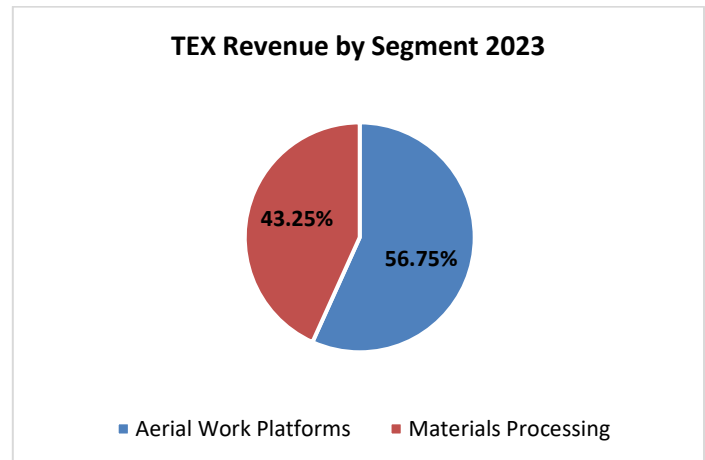
Oshkosh competes with AGCO only indirectly, particularly in its vocational and material handling equipment segments. Both companies share a focus on innovation and purpose-built solutions.



Source: FactSet

Terex Corporation (TEX)

Terex Corporation is a global manufacturer of aerial work platforms, cranes, and materials processing machinery, operating through two primary segments. The Material Processing segment designs, manufactures, and markets crushers, material handlers, pick-and-carry cranes, and recycling systems, serving industries like construction, mining, and waste management. The Aerial Work Platforms segment focuses on aerial work platforms, utility equipment, and telehandlers, catering to infrastructure, industrial, and maintenance projects.



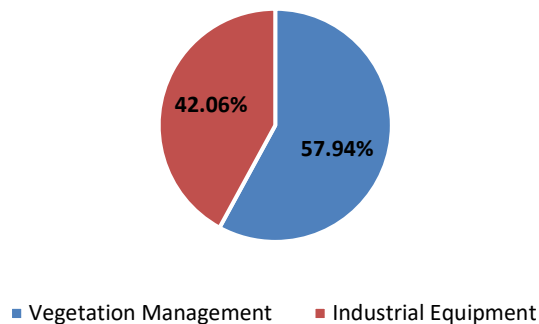
Source: FactSet

Terex competes indirectly with AGCO through its equipment offerings for material handling and infrastructure. While AGCO concentrates on agricultural machinery, Terex's expertise in aerial platforms and processing equipment positions it well in the construction and industrial sectors.

Alamo Group (ALG)

Alamo Group, Inc. designs and manufactures agricultural equipment and infrastructure maintenance machinery for both governmental and industrial markets. It operates through two segments. The Vegetation Management segment includes agricultural equipment, mowing systems, and tree care machinery, including tractor-mounted mowers and zero-turn-radius mowers. The Industrial Equipment segment focuses on street sweepers, excavators, vacuum trucks, and snow removal equipment, serving municipalities and other industrial clients.

ALG Revenue by Segment 2023



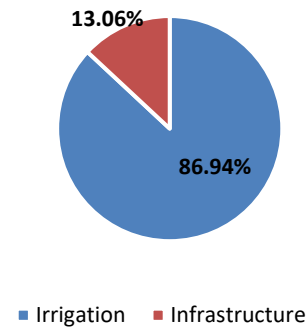
Source: FactSet

Alamo Group competes with AGCO through its mowing and maintenance products. However, Alamo distinguishes itself with a broader focus on infrastructure maintenance equipment, catering to municipal and industrial clients. While both companies share a focus on durable, high-performance equipment, AGCO's strength lies in precision agriculture and large-scale farming solutions, whereas Alamo Group's niche lies in vegetation management and specialized maintenance machinery.

Lindsay Corporation (LNN)

Lindsay Corporation manufactures and distributes irrigation and infrastructure products through two main segments. The Irrigation segment focuses on the production and marketing of center pivot, lateral move, and hose reel irrigation systems, helping farmers efficiently manage water usage and improve crop yields. The Infrastructure segment manufactures movable and specialty barriers, crash cushions, road safety equipment, and railroad signals, providing solutions for transportation safety and infrastructure projects.

LNN Revenue by Segment 2023



Source: FactSet

Lindsay competes with AGCO through its irrigation systems. While AGCO offers a broader portfolio of agricultural machinery, Lindsay's expertise in irrigation technologies positions it as a key player in sustainable farming practices. Both companies aim to support farmers in optimizing operations, but Lindsay's focus on water management solutions provides a unique competitive edge, particularly in regions where water conservation is critical for agricultural success.

Financial and Operating Metrics

Market Valuation

Company	Mkt Cap (B)	Trailing P/E	Forward P/E
AGCO	7.59	6.62	8.18
DE	111.82	11.21	15.20
CNH	13.99	5.89	6.78
ALG	2.14	15.39	16.06
TTC	8.60	37.84	17.04
TEX	3.75	7.25	7.84
LNN	1.26	18.37	16.75
OSK	7.03	10.35	8.95

Source: Yahoo Finance

This table provides a snapshot of AGCO's valuation and market positioning relative to its key competitors. With a market capitalization of \$7.59 billion, AGCO is smaller than major players like DE at \$111.82 billion and CNH at \$13.99 billion, reflecting AGCO's more focused presence in agricultural machinery compared to Deere's broader portfolio.

In terms of valuation metrics, AGCO's trailing P/E ratio and forward P/E ratio suggest it is trading at a relatively low multiple, indicating potential value. This positions AGCO as a more attractively priced option compared to higher multiples seen in TTC and LLN.

AGCO's forward P/E also suggests a more optimistic earnings outlook, though it remains below Deere's 15.20, highlighting that investors expect stronger growth or stability from DE's diversified operations. Overall, AGCO's relatively low valuation could reflect market skepticism about growth in the agricultural sector, though it may also present opportunities for investors seeking undervalued companies with solid fundamentals.

Profitability Ratios

Company	TTM Op Margin (%)	Net Margin	ROA (%)	ROE (%)
AGCO	8.81	8.13	10.88	27.44
DE	19.02	16.61	10.47	48.36
CNH	10.95	9.60	5.53	31.53
ALG	10.40	8.06	10.02	15.85
TTC	13.74	7.26	9.16	23.03
TEX	13.89	10.03	15.35	36.22
LNN	14.32	10.74	9.94	17.05
OSK	11.01	6.20	7.09	17.36

Source: FactSet, Yahoo Finance

Based on the profitability metrics, AGCO's operating margin is below major competitors like DE and TTC, indicating tighter margins, likely driven by pricing pressures or higher operating costs. Similarly, AGCO's net margin reflects solid profitability, though it trails DE's which benefits from its diversified operations. However, AGCO performs well in terms of return on assets, showing effective use of its asset base compared to CNH and OSK.

AGCO's return on equity demonstrates strong shareholder returns, though it lags behind DE and TEX, highlighting the advantages of their operational scale and leverage. While AGCO shows solid returns in ROA and ROE, it faces challenges in expanding its margins to match the industry leaders. Improving operational efficiency and scaling production will be critical for AGCO to close the profitability gap with larger competitors like Deere.

Operating Metrics

Company	R&D % Sales	CapEx % Sales
AGCO	3.81	3.59
DE	3.92	2.70
CNH	4.71	2.92
ALG	0.79	2.23
TTC	3.82	3.28
TEX	1.29	2.47
LNN	2.70	2.78
OSK	1.38	3.37

Source: FactSet

AGCO's R&D spend of 3.81% aligns closely with DE and TTC, indicating a consistent focus on developing innovative technologies like precision agriculture. However, CNH leads in R&D, indicating a stronger emphasis on innovation, particularly in automation and sustainable farming solutions. Companies like ALG and TEX allocate significantly less to R&D, reflecting a lower focus on product development in comparison.

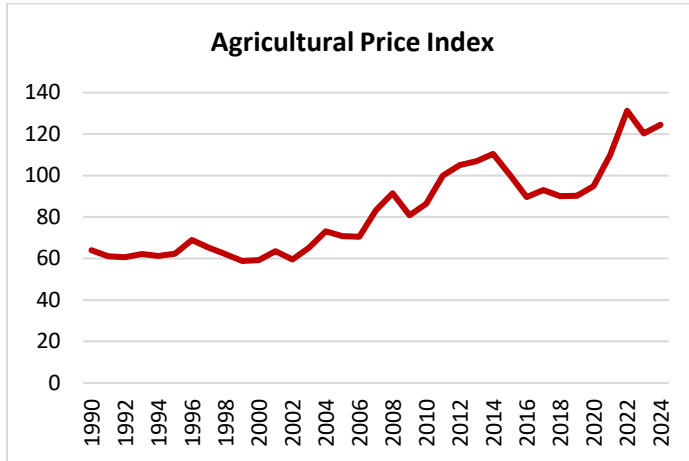
In terms of CapEx as a percentage of sales, AGCO shows a robust investment in infrastructure and production capacity. This is higher than DE and CNH, suggesting AGCO is making greater efforts toward expansion. OSK and TTC also show high CapEx, likely targeting operational efficiency improvements and scaling production. AGCO's balanced focus on both R&D and CapEx investments positions it well to drive innovation and scalability, ensuring long-term competitiveness in a rapidly evolving industry.

ECONOMIC OUTLOOK

Agricultural Price Index

The agricultural price index plays a crucial role in determining industry trends, impacting both farmer profitability and equipment demand. According to the OECD-FAO Agricultural Outlook 2023-2032, agricultural commodity prices have seen fluctuations due to factors such as rising fertilizer and input costs, geopolitical tensions, and inflationary pressures. While prices surged in 2022 and early 2023, recent stabilization efforts, including improved supply chains and policy interventions, have eased some volatility. However, persistent uncertainties like energy price fluctuations remain a potential challenge for future stability.

Looking ahead, we expect a gradual stabilization in agricultural prices, with moderate growth expected over the next decade. This outlook aligns with increased global demand for food and feed, particularly from emerging markets, though we believe that demand growth will likely be slower compared to previous decades.



Source: IBISWorld

For AGCO, this macroeconomic factor is highly significant. Stable or rising agricultural commodity prices typically boost farmer incomes, increasing their ability to invest in new equipment. Conversely, if input costs like fertilizer rise faster than commodity prices, farmer profitability could be squeezed, leading to reduced capital expenditures on machinery. AGCO must monitor these trends closely, as the agricultural price index will directly influence demand for its products and financial performance.

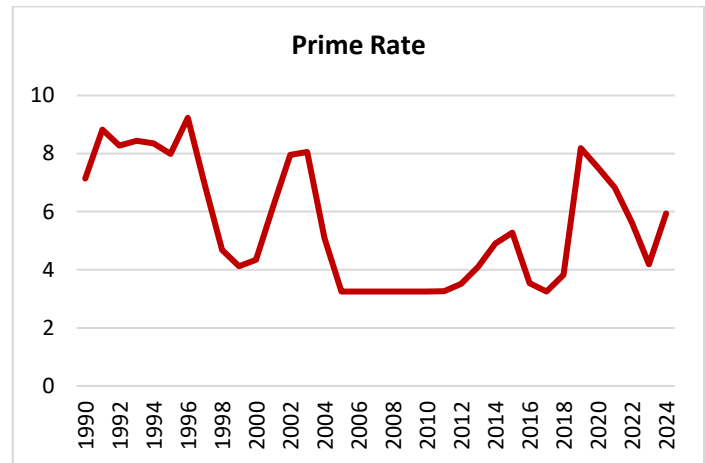
Prime Rate

The prime rate is the interest rate banks charge to their most creditworthy customers. It directly influences tractors and agricultural machinery manufacturers. Lower rates make financing more affordable, encouraging customers to invest in new equipment. High prime rates, however, increase the cost of financing, potentially discouraging purchases of tractors and agricultural machinery. This can inhibit industry sales and growth, posing a significant threat to the industry.

Typical terms for equipment finance loans in the agricultural sector can vary, but they generally range between 3 and 7 years, depending on the type of equipment and lender. For smaller machinery or less expensive equipment, 3 to 5-year terms are common, while larger, more costly assets like high-horsepower

tractors or combines may have longer terms, often stretching to 5 to 7 years.

The prime rate has risen significantly since late 2022, increasing borrowing costs for farmers and reducing demand for agricultural machinery. Looking forward, we expect rates to decline as 2024 ends and 2025 begins, which would boost AGCO's operations by making financing more accessible to farmers. This potential decrease in borrowing costs could revitalize equipment demand and support future sales growth.

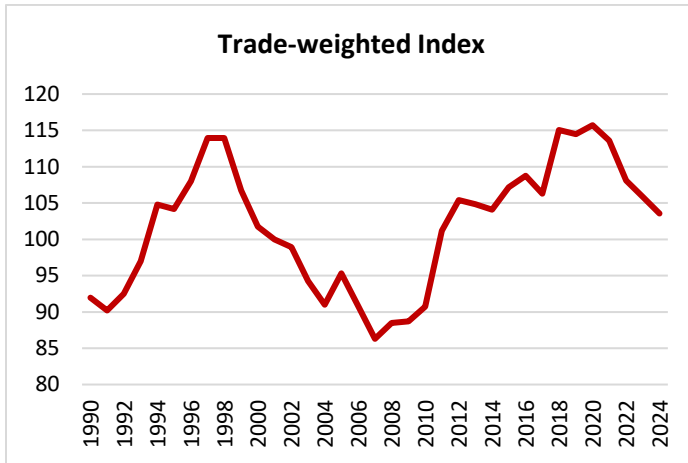


Source: IBISWorld

Trade-weighted Index

The trade-weighted index (TWI) measures the value of the U.S. dollar against a basket of foreign currencies, which plays a critical role in agricultural exports. A stronger TWI makes U.S. goods more expensive in international markets, potentially reducing exports by lowering competitiveness. Conversely, a weaker dollar can boost exports by making U.S. products more affordable abroad, supporting manufacturers like AGCO, which rely heavily on global demand.

Recent trends show that the dollar appreciated significantly in 2022, which constrained U.S. exports by increasing the cost of agricultural machinery and equipment overseas. However, the dollar has weakened slightly in 2023 from its peak, a trend expected to continue into 2024. If the dollar continues to depreciate, it could boost AGCO's export sales, particularly in key markets like South America and Asia, helping offset domestic pressures from high borrowing costs and other economic challenges.



Source: IBISWorld

Commodity prices

Commodity prices directly influence the purchasing power and profitability of farmers. When prices for major crops like corn, soybeans, and wheat rise, farmers typically enjoy increased revenues, enabling greater investment in new equipment and technology from AGCO. Conversely, declining commodity prices can tighten farmers' budgets, reducing demand for new machinery and shifting their focus to maintaining existing assets, which supports AGCO's parts and service segments.

The World Bank's Commodity Markets Outlook anticipates that global commodity prices will tumble to a five-year low in 2025 amid an oil glut¹⁰. Despite this decline, overall commodity prices are expected to remain 30% higher than they were in the five years before the COVID-19 pandemic.

VALUATION

Revenue Growth

The Henry Fund forecasts AGCO's revenue to decline by -17.95% in 2024, bringing total sales to approximately \$12.5 billion, which is below management guidance and reflects ongoing cycle pressures. We anticipate a slow recovery in 2025 and 2026 as market conditions gradually stabilize and demand normalizes. Over the forecasted period, we project a 2.0% CAGR, driven primarily by the tractors segment, which will benefit from redirected investments following the divestiture of the Grain & Protein business.

For the first three years of the forecasted period, we relied on quarterly data from Bloomberg, applying the

seasonality trends observed in AGCO's performance over the past five years. For the remaining years, our assumptions are based on a combination of historical trends and consensus estimates, ensuring a balanced and informed projection aligned with AGCO's strategic direction and market conditions.



Source: Henry Fund Model

Operating Expenses

Our model assumes SG&A and COGS as a higher percentage of sales compared to historical averages. This approach reflects current market conditions, including elevated production costs and increased operational expenses that AGCO faces amid cyclical pressures and market uncertainties. This higher allocation is in line with management's acknowledgment of cost pressures and aligns with conservative expectations for profitability recovery.

For restructuring expenses, we included \$200 million spread between the second half of 2024 and the first half of 2025, consistent with management's guidance from the Q2 earnings report. These one-time expenses, primarily for termination benefits and operational adjustments, are expected to contribute to annual cost savings of \$100-\$125 million starting in 2025. While these efforts may enhance cost efficiency, the impact will depend on successful implementation and sustained market improvements, leaving room for caution in expectations regarding long-term profitability gains.

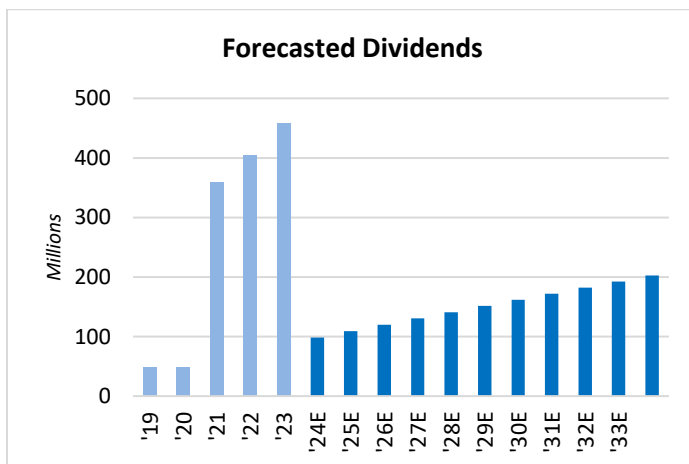
Earnings Estimates

Our 2024 earnings estimate is aligned with consensus projections, as we are accounting for the loss on the sale of the Grain & Protein (G&P) business, which has a significant impact on AGCO's earnings for this year. For 2025 and 2026, however, we have adopted more conservative estimates compared to consensus. This approach is based on the USDA's forecast for lower U.S. farm income in 2024, which may have negative effects on farmer purchasing power and investment.

Additionally, the World Bank's prediction of lower commodity prices in 2025 further supports our view that demand recovery will be gradual. Consequently, we project slower growth during this period, reflecting our expectations for a challenging market environment and potential pressure on AGCO's revenues and earnings growth.

Payout Policy Forecasts

Our model forecasts an average total payout ratio of 26.2% over the forecast period, reflecting AGCO's commitment to regular dividend payments. However, we have not included any special or variable dividends in our projections, resulting in a decrease in the payout ratio compared to the past three years, during which AGCO issued special dividends. This conservative approach aligns with AGCO's focus on restructuring efforts and reinvesting in high-margin segments such as tractors and precision agriculture, ensuring long-term sustainable growth while continuing to provide steady returns to shareholders.



Source: Henry Fund Model

Capital Expenditures

AGCO has not provided specific guidance on capital expenditures. For our forecast, we used a historical average of CapEx levels, reflecting the company's consistent investment in precision agriculture technologies, machinery upgrades, and production facilities. We forecasted \$533.6 million in CapEx for 2024 and \$549.7 million for 2035. A steady growth rate was applied to CapEx over the forecast period to account for inflation.

WACC Assumptions

Our calculated weighted average cost of capital (WACC) for AGCO was 8.81%. For this calculation, we made the following assumptions:

Risk-Free Rate: We used the 10-year Treasury bond yield as of October 21, 2024.

Beta: We obtained 1.18 beta from Bloomberg using the average 5-year weekly raw beta.

Equity Risk Premium: We used the Henry Fund consensus estimate of 5.00%

Pre-Tax Cost of Debt: We obtained 5.37% from Bloomberg as the yield to maturity for an AGCO 10-year corporate bond.

Tax Rate: We used an implied marginal tax rate of 22.63% based on AGCO's historical average.

Discounted Cash Flow Model (DCF)

The Henry Fund's Discounted Cash Flow (DCF) and Economic Profit (EP) models for AGCO resulted in an implied share price of \$85.24. We have a high level of confidence in these models, as they incorporate company-specific factors and allow us to apply growth assumptions for each business segment. The DCF and EP models account for non-operating assets, excess cash, debt, and non-controlling interests (NCI), providing a comprehensive view of AGCO's value.

Dividend Discount Model (DDM)

The DDM calculates the per-share value of equity by applying the cost of equity to future dividend payments to determine an appropriate share price. Our model resulted

in a DDM valuation of \$110.31. However, we assign less weight to this valuation due to uncertainty surrounding AGCO's future dividend policies. While AGCO has issued special dividends over the past three years, predicting the timing and magnitude of such dividends moving forward is challenging. Because the DDM relies solely on dividend payments, it can produce inconsistent or overly optimistic results, particularly when dividends are irregular or influenced by factors like restructuring expenses and other income that are difficult to forecast precisely.

Relative Valuation Model

We decided not to use relative P/E multiples for our target price because AGCO's negative net income in 2024, due to a one-time loss from selling the Grain & Protein business, makes it unreliable. Negative earnings distort P/E calculations and do not give an accurate picture of the company's value. Additionally, P/E ratios can change quickly with short-term shifts in earnings, making them less useful during periods of restructuring and market uncertainty. Additionally, the EV/EBITDA multiple offers a higher implied value of \$130.84. We approach this valuation with caution due to potential volatility and uncertainties around AGCO's short-term earnings and margins.

KEYS TO MONITOR

Drivers

Weak Market Conditions: AGCO's revenue is expected to decline significantly in 2024 due to ongoing market pressures, including high inventory levels, production cuts, and cyclical downturns in the agricultural sector. This weak demand environment may weigh heavily on margins and earnings in the near term.

Restructuring Costs: The ongoing restructuring expenses, estimated at \$200 million through mid-2025, will negatively impact earnings and create short-term uncertainty around cost management and operational efficiency.

Competition in Precision Agriculture: While AGCO is investing heavily in precision ag technology through the PTx Trimble joint venture, it faces stiff competition from established players like John Deere, potentially limiting its market share and growth prospects.

Right to Repair Movement: The "right to repair" legislation may reduce demand for AGCO's replacement parts, a critical profit center, as it allows farmers more freedom to source parts from third-party suppliers.

Risks

Stronger-than-Expected Recovery: If market conditions improve faster than expected, including higher commodity prices and increased farmer investment, AGCO's revenue and margins could outperform expectations.

Successful Integration of PTx Trimble: If AGCO successfully integrates and scales the PTx Trimble joint venture, it could capture significant market share in precision agriculture, driving higher margins and revenue growth.

Cost-Cutting Measures: AGCO's restructuring and cost-cutting initiatives are projected to save \$100-\$125 million annually starting in 2025. If these efforts are more effective than anticipated, they could significantly improve operating margins and cash flow.

Focus on High-Margin Segments: The divestiture of the Grain & Protein business allows AGCO to concentrate on its core, high-margin agricultural machinery and precision technology segments. This focus could enhance long-term profitability.

Favorable Regulatory or Policy Changes: Changes in government policies or subsidies supporting agriculture could provide a boost to demand for agricultural equipment, positively impacting AGCO's performance.

Conclusion

Our final rating for AGCO is a SELL, with a target price of \$85.24 based on our DCF and EP models.

In summary, AGCO's current challenges, including weak demand, high restructuring costs, and competitive pressures, make it a strong sell. While there is potential in its focus on high-margin precision agriculture, near-term risks and uncertainties, such as market volatility and regulatory changes, are likely to weigh heavily on performance. Selling now allows for avoiding potential downside as the company works through these headwinds.

REFERENCES

1. [AGCO 2023 10-K](#)
2. [AGCO Q2 2024 Earnings Call](#)
3. [AGCO Website](#)
4. [AGCO 2023 Sustainability Report](#)
5. [IBIS World Industry Report: Tractors and Agricultural Machinery Manufacturing in the US](#)
6. [Morningstar Sustainalytics](#)
7. [Statista](#)
8. [Yahoo Finance](#)
9. [USDA](#)
10. [WorldBank](#)
11. Bloomberg
12. FacSet

DISCLAIMER

Henry Fund reports are created by graduate students in the Applied Securities Management program at the University of Iowa's Tippie College of Business. These reports provide potential employers and other interested parties an example of the analytical skills, investment knowledge, and communication abilities of our students. Henry Fund analysts are not registered investment advisors, brokers or licensed financial professionals. The investment opinion contained in this report does not represent an offer or solicitation to buy or sell any of the aforementioned securities. Unless otherwise noted, facts and figures included in this report are from publicly available sources. This report is not a complete compilation of data, and its accuracy is not guaranteed. From time to time, the University of Iowa, its faculty, staff, students, or the Henry Fund may hold an investment position in the companies mentioned in this report.

AGCO Corporation
Revenue Decomposition

Fiscal Years Ending Dec. 31	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Total Sales	9,041.4	9,149.7	11,138.3	12,651.4	14,412.4	11,824.9	12,250.1	12,425.7	13,169.7	13,965.7	14,817.7	15,449.3	16,109.2	16,798.7	17,519.2
% growth		1.20%	21.73%	13.58%	13.92%	-17.95%	3.60%	1.43%	5.99%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
Revenue by Product															
Tractors	5,182.7	5,272.2	6,386.9	7,424.1	8,711.0	6,970.1	7,267.6	7,424.6	8,018.6	8,660.0	9,352.9	9,820.5	10,311.5	10,827.1	11,368.4
% growth		1.73%	21.14%	16.24%	17.33%	-19.99%	4.27%	2.16%	8.00%	8.00%	8.00%	5.00%	5.00%	5.00%	5.00%
Replacement parts	1,347.8	1,445.7	1,087.9	1,087.2	1,816.0	2,024.6	2,112.6	2,757.3	2,840.0	2,925.2	3,013.0	3,103.3	3,196.4	3,292.3	3,391.1
% growth		7.28%	-16.73%	-0.04%	7.63%	11.49%	18.52%	-1.97%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Grain storage and production systems	1,034.8	902.0	1,076.1	1,101.9	1,062.6	756.8	-	-	-	-	-	-	-	-	-
% growth		-12.83%	19.30%	2.40%	-3.57%	-28.78%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Combines, application equipment, and other machinery	1,476.1	1,529.8	1,987.4	2,438.3	2,822.8	2,073.4	2,169.9	2,243.8	2,111.2	2,380.5	2,451.9	2,525.5	2,601.2	2,679.3	2,759.6
% growth		3.64%	29.91%	22.69%	15.77%	-26.55%	4.65%	3.41%	1.00%	1.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Total Revenue by Product	9,041.4	9,149.7	11,138.3	12,651.5	14,412.4	11,824.9	12,250.1	12,425.7	13,169.7	13,965.7	14,817.7	15,449.3	16,109.2	16,798.7	17,519.2
% growth		1.20%	21.73%	13.59%	13.92%	-17.95%	3.60%	1.43%	5.99%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
Revenue by Reported Geographic Segment															
Europe/Middle East (EME)	5,328.8	5,366.9	6,221.7	6,447.3	7,540.5	6,480.4	6,713.5	6,809.7	7,217.4	7,653.6	8,120.6	8,466.7	8,828.3	9,206.2	9,601.1
% growth		0.71%	15.93%	3.63%	16.96%	-14.06%	3.60%	1.43%	5.99%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
North America	2,191.8	2,175.0	2,659.2	3,175.1	3,752.7	2,925.9	3,031.1	3,074.6	3,258.7	3,455.6	3,666.5	3,822.7	3,986.0	4,156.6	4,334.9
% growth		-0.77%	22.26%	19.49%	16.19%	-22.02%	3.60%	1.40%	5.90%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
South America	802.2	873.8	1,307.7	1,221.6	2,234.2	1,539.0	1,594.3	1,637.2	1,714.0	1,817.6	1,928.5	2,050.7	2,096.6	2,186.3	2,280.1
% growth		8.93%	49.66%	-6.24%	5.31%	-31.12%	3.60%	1.43%	5.99%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
Asia/Pacific/Africa (APA)	718.6	734.0	949.7	907.4	885.0	879.6	911.2	924.3	979.6	1,038.8	1,102.2	1,149.2	1,198.3	1,249.5	1,303.1
% growth		2.14%	29.30%	-4.42%	-2.47%	-0.61%	3.60%	1.43%	5.99%	6.04%	6.10%	4.26%	4.27%	4.28%	4.29%
Total Revenue by Geographic Segment	9,041.4	9,149.7	11,138.3	12,651.4	14,412.4	11,824.9	12,250.1	12,425.7	13,169.7	13,965.7	14,817.7	15,449.3	16,109.2	16,798.7	17,519.2

Fiscal Quarters	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	
Total Sales	1,995.8	2,422.6	2,109.4	2,513.6	1,928.3	2,006.8	2,497.5	2,717.1	2,378.7	2,879.3	2,725.1	3,155.2	2,685.7	2,945.2	3,121.6	3,899.0	3,333.5	3,822.7	3,455.5	3,800.7	2,928.7	3,246.6	2,599.3	3,050.3	2,810.3	3,115.8	2,927.0	3,197.0	2,809.5	3,054.1	3,108.5	3,453.7	
% growth																																	
Revenue by Product																																	
Tractors	1,119.2	1,349.8	1,143.5	1,570.2	1,061.5	992.3	1,468.7	1,749.7	1,276.8	1,534.7	1,552.8	2,022.6	1,499.0	1,643.6	1,736.9	2,544.6	1,908.0	2,232.3	2,009.1	2,561.6	1,777.2	1,882.9	1,404.5	1,905.5	1,616.0	1,796.2	1,689.9	2,165.4	1,610.0	1,773.4	1,878.4	2,162.8	
% growth		20.60%	-15.28%	37.32%	-32.40%	-6.52%	48.01%	19.13%	-27.03%	20.20%	1.18%	30.26%	-25.89%	9.65%	5.68%	46.50%	-25.02%	17.00%	-10.00%	27.50%	-30.62%	5.95%	-25.41%	35.67%	-15.19%	11.15%	-5.92%	28.14%	-25.65%	10.15%	5.92%	15.14%	
Replacement parts	302.1	383.7	362.6	299.4	310.2	399.3	390.8	345.4	398.6	479.5	443.2	366.6	445.6	450.0	425.1	366.5	455.7	491.7	467.5	401.1	433.7	488.0	488.3	614.6	679.8	763.0	723.9	645.9	660.6	697.7	682.8	716.2	
% growth		27.01%	-5.50%	-17.43%	3.61%	20.72%	-2.13%	-11.62%	15.40%	20.30%	-7.57%	-17.28%	21.55%	0.99%	-5.53%	-13.78%	24.34%	7.90%	-4.92%	-14.20%	8.13%	12.52%	0.06%	25.87%	10.61%	12.24%	-5.13%	-10.78%	2.28%	5.61%	-2.13%	4.90%	
Grain storage and production systems	203.1	206.8	282.6	242.3	175.2	241.3	265.3	220.2	214.0	315.8	290.0	256.3	299.9	286.4	312.4	263.2	255.9	313.0	261.2	232.5	205.2	296.1	255.5	-	-	-	-	-	-	-	-	-	
% growth		51.00%	-7.89%	-14.26%	-27.69%	37.73%	9.95%	-17.00%	-2.82%	47.57%	-8.17%	-11.62%	-6.40%	19.38%	9.08%	-15.75%	-2.77%	22.31%	-16.55%	-10.99%	-11.74%	44.30%	-13.71%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Combines, application equipment, and other machinery	371.4	382.3	320.7	401.7	381.4	373.9	372.7	401.8	489.3	549.3	439.1	509.7	501.2	565.2	647.2	724.7	713.9	785.7	717.7	605.5	512.6	579.6	451.0	530.2	514.4	556.5	513.2	585.7	538.9	583.0	547.3	574.6	
% growth		2.93%	-16.11%	25.20%	-5.05%	-1.97%	-0.32%	7.81%	21.78%	12.26%	-20.00%	16.08%	-1.97%	12.77%	14.51%	11.97%	-1.49%	10.00%	-8.65%	-15.63%	-15.34%	13.07%	-22.19%	17.56%	-2.98%	8.19%	-7.78%	14.13%	-8.00%	8.19%	-6.13%	5.00%	
Total Revenue by Product	1,995.8	2,422.6	2,109.4	2,513.6	1,928.3	2,006.8	2,497.5	2,717.1	2,378.7	2,879.3	2,725.1	3,155.2	2,685.7	2,945.2	3,121.6	3,899.0	3,333.5	3,822.7	3,455.5	3,800.7	2,928.7	3,246.6	2,599.3	3,050.3	2,810.3	3,115.8	2,927.0	3,197.0	2,809.5	3,054.1	3,108.5	3,453.7	
Revenue by Reported Geographic Segment																																	
Europe/Middle East (EME)	1,210.6	1,457.2	1,145.7	1,515.3	1,113.3	1,125.0	1,405.9	1,722.7	1,327.2	1,635.2	1,462.4	1,796.9	1,403.1	1,467.6	1,390.1	2,186.5	1,703.8	1,990.8	1,586.9	2,259.0	1,729.0	1,902.9	1,434.8	1,683.7	1,551.2	1,719.9	1,615.7	1,875.1	1,550.8	1,685.8	1,715.8	1,906.4	
% growth		20.17%	-21.18%	32.26%	-26.53%	1.05%	24.97%	22.33%	-22.96%	23.21%	-10.57%	22.87%	-21.80%	4.60%	-5.29%	57.29%	22.08%	16.94%	-20.29%	41.30%	-23.68%	10.90%	-24.60%	17.35%	-7.87%	10.87%	-6.06%	16.90%	-17.30%	8.71%	1.79%	11.11%	
North America	496.2	618.9	536.2	540.5	551.9	555.8	582.2	485.1	611.1	734.7	687.7	747.1	703.9	910.5	827.3	921.1	996.8	941.1	891.7	729.6	837.8	644.8	756.7	697.1	772.9	726.1	875.1	696.9	757.6	771.1	856.7		
% growth		24.73%	-13.36%	0.80%	2.11%	0.71%	4.75%	-16.68%	25.97%	20.23%	-13.07%	5.64%	3.90%	5.55%	23.06%	-9.53%	12.07%	7.98%	-5.59%	-5.25%	-18.18%	14.83%	-23.04%	17.35%	-7.87%	10.87%	-6.06%	16.06%	-17.30%	8.71%	1.78%	11.11%	
South America	156.1	185.8	239.4	220.9	153.9	178.5	278.3	267.5	240.5	278.3	383.3	405.6	356.4	519.2	571.2	674.8	503.8	598.6	719.8	412.0	303.4	346.9	332.0	389.4	359.0	388.0	373.9	433.9	358.9	390.1	397.0	441.1	
% growth		19.00%	28.85%	-7.73%	-40.33%	15.98%	53.45%	-2.34%	-10.09%	15.71%	37.73%	5.85%	-12.11%	45.68%	10.02%	18.14%	-25.34%	18.92%	20.25%	-4.76%	-26.30%	15.00%	-4.84%	17.35%	-7.87%	10.87%	-6.06%	16.06%	-17.30%	8.71%	1.78%	11.11%	
Asia/Pacific/Africa (APA)	132.9	160.7	188.1	236.9	109.2	147.5	235.5	241.8	199.9	231.1	240.7	278.0	225.2	218.5	249.8	214.0	202.8	236.5	207.7	238.0	166.7	157.0	187.7	220.3	202.9	225.0	211.4	245.3	202.9	220.6	224.5	249.4	
% growth		20.92%	17.05%	25.94%	-53.90%	35.07%	59.66%	2.68%	-17.31%	15.61%	4.15%	15.50%	-18.99%	-2.98%	14.32%	-14.33%	-5.23%	16.62%	-12.18%	14.59%	-29.96%	-5.82%	19.56%	17.35%	-7.87%	10.87%	-6.06%	16.06%	-17.30%	8.71%	1.78%	11.11%	
Total Revenue by Geographic Segment	1,995.8	2,422.6	2,109.4	2,513.6	1,928.3	2,006.8	2,497.5	2,717.1	2,378.7	2,879.3	2,725.1	3,155.2	2,685.7	2,945.2	3,121.6	3,899.0	3,333.5	3,822.7	3,455.5	3,800.7	2,928.7	3,246.6	2,599.3	3,050.3	2,810.3	3,115.8	2,927.0	3,197.0	2,809.5	3,054.1	3,108.5	3,453.7	
% growth		11.38%	-12.93%	15.16%	-22.59%	4.07%	44.45%	6.79%	-12.63%	17.00%	-5.36%	17.78%	-14.88%	9.96%	5.99%	24.90%	-14.50%	14.68%	-9.61%	8.99%	-22.94%	10.95%	-19.84%	17.35%	-7.87%	10.87%	-6.06%	16.06%	-17.30%	8.71%	1.78%	11.11%	

Average growth by quarter	Q1	Q2	Q3	Q4	Total
Tractors	-8.10%	11.13%	5.92%	32.14%	5.22%
Replacement parts	14.61%	16.24%	-5.13%	-14.86%	2.71%
Grain storage and production systems	-10.28%	37.00%	-2.72%	-13.92%	2.53%
Combines, application equipment, and other machinery	-0.36%	8.10%	-6.13%	9.10%	2.70%
Average % growth per quarter	-6.08%	16.18%	-2.01%	3.11%	-
Total	-17.61%	13.62%	0.51%	15.73%	-

Average growth by quarter	Q1	Q2	Q3	Q4	Total
Europe/Middle East (EME)	-21.39%	12.69%	-6.51%	35.46%	4.56%
North America	5.17%	12.34%	-0.84%	-5.00%	2.92%
South America	-20.85%	21.70%	30.06%	-5.77%	6.28%
Asia/Pacific/Africa (APA)	-25.08%	13.24%	16.96%	8.97%	3.41%
Average % growth per quarter	-16.04%	14.95%	9.83%	8.39%	-
Total	-17.61%	13.62%	0.51%	15.73%	-

Avg Income	Q1
------------	----

AGCO Corporation
Quarterly Income Statement

Fiscal Years Ending Dec. 31																																								
Net sales	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	2027E	2028E	2029E	2030E	2031E	2032E						
1,995.8	2,422.6	2,109.4	2,513.6	1,928.3	2,000.8	2,497.5	2,177.1	2,378.7	2,879.3	2,725.1	3,135.2	2,685.7	2,950.2	3,121.6	3,898.9	3,383.5	3,622.7	3,455.9	3,620.7	4,268.7	3,496.6	2,999.3	3,090.3	2,310.3	3,113.8	2,527.0	2,997.0	2,809.5	3,094.1	3,108.5	3,453.7	13,889.7	14,817.7	15,490.8	16,299.2	16,798.7	17,519.2			
Cost of goods sold	1,539.1	1,868.7	1,603.2	2,000.1	1,477.8	1,574.1	1,918.8	2,121.5	1,898.2	2,098.4	2,472.5	2,054.4	2,254.7	2,382.7	2,958.3	2,478.6	2,817.0	2,521.5	2,817.9	2,158.9	2,409.1	1,982.2	2,328.2	2,143.1	2,376.1	2,222.1	2,590.6	2,142.5	2,329.0	2,170.5	2,633.8	10,043.2	10,650.3	11,300.0	11,781.6	12,284.8	12,810.7			
Gross Profit	456.7	553.9	450.2	513.5	450.5	432.7	578.7	556.6	579.5	682.4	626.7	682.7	631.3	695.5	738.9	940.6	854.9	1,005.7	934.0	982.8	769.8	837.5	617.1	724.1	667.2	739.7	694.9	806.5	667.0	725.0	738.0	810.9	3,126.5	3,315.5	3,517.7	3,667.7	3,824.3	3,988.0		
Depreciation	51.0	54.1	52.1	51.7	51.6	50.7	52.6	57.6	54.8	55.1	54.3	56.5	54.7	51.8	50.6	52.4	53.6	56.5	58.8	61.5	63.1	65.2	70.9	70.9	80.0	80.6	80.6	80.6	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0		
Selling expenses	262.2	260.7	245.0	272.4	247.6	213.5	251.3	281.1	260.6	278.3	266.1	285.2	271.1	302.5	287.5	325.1	330.3	349.3	353.6	416.8	300.4	379.8	268.3	314.8	290.0	321.6	302.1	350.6	290.0	315.2	320.8	356.5	1,359.2	1,441.4	1,529.3	1,594.5	1,662.6	1,731.8		
Engineering expenses	84.5	87.5	82.3	89.1	84.9	75.8	82.0	99.9	96.3	107.2	92.8	109.5	100.3	107.1	104.7	132.1	119.6	138.8	139.6	150.8	130.9	137.8	98.2	115.3	106.2	117.7	110.6	128.4	106.2	115.4	117.5	130.5	497.7	527.7	559.9	583.8	608.7	634.8		
Amortization of intangibles	15.3	15.4	14.9	15.5	15.0	14.9	14.8	14.8	17.5	14.2	14.1	15.3	15.3	15.4	14.7	14.7	14.8	14.1	14.4	14.4	13.9	11.7	6.0	6.0	13.4	13.4	13.4	13.4	6.2	6.2	6.2	28.7	15.4	15.4	15.4	15.4	15.4	15.4		
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Restructuring expenses	1.7	-	1.3	6.0	0.8	3.8	0.8	14.3	1.3	4.7	1.4	7.9	3.0	0.4	1.0	1.7	1.4	6.1	0.8	3.6	1.0	30.2	10.5	65.0	100.0	25.0	-	-	-	-	4.1	4.4	4.6	5.0	-	-	-	-	-	-
Income from operations	40.0	146.2	54.6	78.8	50.6	68.0	177.2	125.9	140.0	234.9	198.0	208.3	186.9	213.3	280.4	434.6	335.2	440.9	366.8	335.7	210.3	192.8	163.3	112.3	77.0	181.4	188.2	233.5	171.6	194.8	200.0	232.8	862.0	915.1	970.0	1,005.0	1,043.8	1,086.3	1,132.4	
Interest expense, net	3.5	6.0	6.4	4.0	3.4	6.1	3.6	1.9	3.4	2.2	1.2	(0.1)	0.4	5.9	2.3	4.4	0.5	5.8	5.5	(7.2)	1.9	29.9	3.7	3.7	5.0	5.0	5.0	5.0	5.5	5.5	5.5	5.5	19.2	18.9	27.6	22.2	22.9	23.7		
Other expense, net	14.6	11.6	20.8	20.1	12.5	10.0	15.3	(15.1)	11.5	14.6	14.1	10.2	17.5	21.7	33.1	72.9	50.4	78.0	84.2	149.7	50.8	65.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income before income taxes and equity in net earnings of affiliates	21.9	128.6	27.4	54.7	34.7	51.9	158.3	139.1	125.1	158.1	182.7	188.2	169.0	185.7	245.0	337.3	284.3	357.1	277.1	283.2	157.6	97.4	109.5	148.5	72.0	176.4	183.2	228.5	166.3	189.3	184.5	227.2	842.8	896.2	942.8	982.8	1,000.9	1,062.6		
Income tax provision	19.4	53.2	83.2	25.0	29.4	31.3	57.2	69.8	43.6	7.7	70.1	(13.0)	60.2	71.5	74.2	90.7	120.2	111.0	75.3	(76.1)	69.1	41.6	36.1	33.6	16.3	39.9	41.5	51.7	37.6	42.8	44.0	51.4	190.7	203.8	213.3	222.4	231.0	240.5		
Income before equity in net earnings of affiliates	2.5	75.4	(55.8)	29.7	5.3	20.6	101.1	69.3	81.5	210.4	112.6	211.2	108.8	114.2	170.8	246.6	164.1	246.1	201.8	289.3	88.5	56.0	123.4	114.9	55.7	136.5	141.8	176.8	128.5	146.5	150.5	175.8	652.1	693.4	729.1	760.4	789.8	822.1		
Equity in net earnings of affiliates	10.8	11.6	29.8	9.3	11.2	10.1	10.2	14.0	14.7	18.6	15.9	16.4	11.1	13.2	15.4	24.4	16.4	17.6	21.9	12.3	16.2	9.6	10.0	10.0	10.4	10.4	10.4	10.0	10.9	10.0	10.0	45.2	47.3	49.3	51.4	53.5	55.8			
Net income	13.3	87.0	(45.0)	39.0	16.5	30.7	111.3	83.3	96.2	229.0	128.5	227.6	119.9	127.4	186.2	271.0	180.5	263.7	223.7	281.6	104.7	65.6	133.4	124.9	66.1	146.9	152.2	187.3	139.4	157.3	161.3	180.7	697.4	740.6	778.4	811.7	843.3	877.9		
Net income/loss attributable to NCI	0.6	(0.4)	(1.3)	(1.3)	1.6	(9.7)	0.8	-	0.6	1.6	1.1	1.2	(4.8)	(0.1)	-	-	-	(0.1)	-	-	(1.8)	-	-	-	-	1.4	-	-	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.3		
Net income/loss attributable to AGCO Corporation and subsidiaries	13.5	86.4	(46.3)	37.7	18.1	21.8	112.1	83.3	96.8	228.6	128.6	228.8	116.1	127.5	188.2	271.0	180.5	263.7	223.6	281.6	106.7	65.8	133.4	124.9	66.1	148.3	152.2	187.3	138.4	155.0	161.5	180.7	698.2	742.5	780.4	813.8	845.6	880.1		
Total shares outstanding	76.74	76.31	75.92	75.47	74.86	74.90	74.90	74.96	75.33	75.39	74.83	74.44	74.54	74.60	74.60	74.60	74.85	74.88	74.88	74.62	74.63	73.76	73.76	73.07	73.07	73.07	73.07	72.43	72.43	72.43	72.43	71.84	71.31	70.81	70.36	69.94	69.56			
Weighted Average shares outstanding	76.60	76.60	76.10	75.60	75.30	74.90	74.90	74.90	75.30	75.50	75.20	74.70	74.60	74.60	74.60	74.90	74.90	74.70	74.60	74.60	74.14	74.14	73.41	73.41	73.41	73.41	72.75	72.75	72.75	72.75	72.14	71.58	71.06	70.59	70.15	69.75				
Basic EPS	0.85	1.84	0.10	(1.17)	0.86	0.93	2.10	1.81	2.00	3.74	2.41	3.77	2.03	2.38	3.19	4.32	3.11	4.26	3.75	4.54	2.25	(4.92)	4.96	4.96	1.89	1.89	1.89	1.89	2.22	2.22	2.22	2.22	9.69	10.37	10.98	11.53	12.05	12.62		
Dividends per share	0.15	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.20	0.30	0.20	0.20	0.24	0.24	0.24	0.24	0.29	0.29	0.29	0.29	0.29	0.29	0.33	0.33	0.33	0.33	0.37	0.37	0.37	1.64	1.80	1.96	2.12	2.28	2.44				

AGCO Corporation
Income Statement

Fiscal Years Ending Dec. 31	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Net sales	9,041.4	9,149.7	11,138.3	12,651.4	14,412.4	11,824.9	12,250.1	12,425.7	13,169.7	13,965.7	14,817.7	15,449.3	16,109.2	16,798.7	17,519.2
Cost of goods sold	7,057.1	7,092.2	8,566.0	9,650.1	10,635.0	8,876.4	9,341.9	9,475.8	10,043.2	10,650.3	11,300.0	11,781.6	12,284.8	12,810.7	13,360.1
Gross Profit	1,984.3	2,057.5	2,572.3	3,001.3	3,777.4	2,948.5	2,908.2	2,949.9	3,126.5	3,315.5	3,517.7	3,667.7	3,824.3	3,988.0	4,159.1
Depreciation	210.9	212.5	220.7	209.5	230.4	270.2	322.3	355.8	386.9	415.8	443.1	469.0	493.8	517.8	541.1
SG&A expenses	1,040.3	1,001.5	1,088.2	1,189.5	1,454.5	1,313.3	1,264.3	1,282.4	1,359.2	1,441.4	1,529.3	1,594.5	1,662.6	1,733.8	1,808.1
Engineering expenses	343.4	342.6	405.8	444.2	548.8	482.2	462.9	469.5	497.7	527.7	559.9	583.8	608.7	634.8	662.0
Amortization of intangibles	61.1	59.5	61.1	60.1	57.7	57.5	53.5	24.9	20.7	15.4	15.4	15.4	15.4	15.4	15.4
Impairment charges	176.6	20.0	-	36.0	4.1	5.1	-	-	-	-	-	-	-	-	-
Restructuring expenses	9.0	19.7	15.3	6.1	11.9	106.7	125.0	18.0	-	-	-	-	-	-	-
Income from operations	143.0	401.7	781.2	1,055.9	1,470.0	713.5	680.2	799.2	862.0	915.1	970.0	1,005.0	1,043.8	1,086.3	1,132.4
Interest expense, net	19.9	15.0	6.7	13.0	4.6	39.3	20.0	22.1	19.2	18.9	27.6	22.2	22.9	23.7	24.6
Other expense, net	67.1	22.7	50.4	145.2	362.3	116.1	-	-	-	-	-	-	-	-	-
Income before income taxes and equity in net earnings of affiliates	56.0	364.0	724.1	897.7	1,103.1	558.1	660.2	777.1	842.8	896.2	942.4	982.8	1,020.8	1,062.6	1,107.8
Income tax provision	180.8	187.7	108.4	296.6	230.4	180.4	149.4	175.9	190.7	202.8	213.3	222.4	231.0	240.5	250.7
Income before equity in net earnings of affiliates	(124.8)	176.3	615.7	601.1	872.7	377.7	510.8	601.2	652.1	693.4	729.1	760.4	789.8	822.1	857.1
Equity in net earnings of affiliates	42.5	45.5	65.6	64.1	68.2	45.8	41.7	43.5	45.3	47.3	49.3	51.4	53.5	55.8	58.2
Net income	(82.3)	221.8	681.3	665.2	940.9	423.5	552.5	644.7	697.4	740.6	778.4	811.7	843.3	877.9	915.3
Net income/loss attributable to NCI	2.4	7.3	(4.5)	14.9	0.1	(1.8)	1.4	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.3
Net loss from Grain & Protein sale	-	-	-	-	-	(450.0)	-	-	-	-	-	-	-	-	-
Net income/loss attributable to AGCO Corporation and subsidiaries	(79.9)	229.1	676.8	680.1	941.0	(28.3)	553.9	646.4	699.2	742.5	780.4	813.8	845.5	880.1	917.6
Total shares outstanding	75.47	74.96	74.44	74.60	74.52	73.76	73.07	72.43	71.84	71.31	70.81	70.36	69.94	69.56	69.21
Weighted Average shares outstanding	76.20	75.00	75.20	74.60	74.80	74.14	73.41	72.75	72.14	71.58	71.06	70.59	70.15	69.75	69.39
Basic EPS	1.64	5.69	11.93	11.92	15.66	-0.38	7.54	8.88	9.69	10.37	10.98	11.53	12.05	12.62	13.22
Dividends per share	0.63	0.64	0.76	0.92	1.11	1.16	1.32	1.48	1.64	1.80	1.96	2.12	2.28	2.44	2.60
Special variable dividend			4	4.5	5.0										
Total DPS	0.63	0.64	4.76	5.42	6.42										

AGCO Corporation
Balance Sheet

<i>Fiscal Years Ending Dec. 31</i>	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Assets															
<i>Current Assets:</i>															
Cash and cash equivalents	432.8	1,119.1	889.1	789.5	595.5	176.0	519.6	477.0	668.4	1,719.0	1,486.2	1,875.0	2,287.5	2,731.5	3,213.7
Accounts and notes receivable, net	800.5	856.0	991.5	1,221.3	1,605.3	1,132.9	1,173.6	1,190.5	1,261.7	1,338.0	1,419.6	1,480.1	1,543.3	1,609.4	1,678.4
Inventories, net	2,078.7	1,974.4	2,593.7	3,189.7	3,440.7	2,765.6	2,865.1	2,906.2	3,080.2	3,266.3	3,465.6	3,613.3	3,767.7	3,928.9	4,097.4
Other current assets	417.1	418.9	539.8	538.8	699.3	547.5	567.2	575.3	609.7	646.6	686.0	715.3	745.8	777.7	811.1
Total current assets	3,729.1	4,368.4	5,014.1	5,739.3	6,340.8	4,622.0	5,125.5	5,148.9	5,620.0	6,969.9	7,057.5	7,683.7	8,344.3	9,047.5	9,800.7
Property, plant and equipment, net	1,416.3	1,508.5	1,464.8	1,591.2	1,920.9	2,184.3	2,411.7	2,622.0	2,818.2	3,003.0	3,178.6	3,346.8	3,509.2	3,667.5	3,822.6
Right-of-use lease assets	187.3	165.1	154.1	163.9	176.2	200.4	221.2	240.5	258.5	275.5	291.6	307.0	321.9	336.4	350.6
Investment in affiliates	380.2	442.7	413.5	436.9	512.7	534.4	557.1	580.7	605.3	631.0	657.8	685.7	714.7	745.0	776.6
Deferred tax assets	93.8	77.6	169.3	228.5	481.6	574.4	651.3	741.7	839.9	944.2	1,053.9	1,168.3	1,287.2	1,410.9	1,539.9
Other assets	153.0	179.8	293.3	268.7	346.8	255.9	265.1	268.9	285.0	302.2	320.7	334.3	348.6	363.5	379.1
Intangible assets, net	501.7	455.6	392.2	364.4	308.8	251.3	197.8	172.9	152.2	136.8	121.4	106.0	90.6	75.2	59.8
Goodwill	1,298.3	1,306.5	1,280.8	1,310.8	1,333.4	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8	2,407.8
Total Assets	7,759.7	8,504.2	9,182.1	10,103.7	11,421.2	11,030.6	11,837.5	12,183.4	12,986.9	14,670.5	15,089.1	16,039.6	17,024.4	18,053.9	19,137.2
Liabilities															
<i>Current Liabilities:</i>															
Borrowings due within one year	153.4	359.7	92.9	196.0	15.0	197.4	346.3	58.2	0.2	698.4	54.8	54.8	54.8	54.8	54.8
Accounts payable	914.8	855.1	1,078.3	1,385.3	1,207.3	1,146.3	1,187.6	1,204.6	1,276.7	1,353.9	1,436.5	1,497.7	1,561.7	1,628.5	1,698.4
Accrued expenses	1,654.2	1,916.7	2,062.2	2,271.3	2,903.8	2,267.1	2,348.6	2,382.2	2,524.9	2,677.5	2,840.8	2,961.9	3,088.4	3,220.6	3,358.8
Other current liabilities	162.1	231.3	221.2	235.4	217.5	226.7	236.3	246.4	256.8	267.7	279.0	290.9	303.2	316.1	329.5
Total current liabilities	2,884.5	3,362.8	3,454.6	4,088.0	4,343.6	3,837.5	4,118.8	3,891.4	4,058.6	4,997.5	4,611.2	4,805.3	5,008.1	5,220.0	5,441.4
Long-term debt	1,191.8	1,256.7	1,411.2	1,264.8	1,377.2	1,662.9	1,712.5	1,727.1	1,761.7	1,870.9	2,011.9	2,080.0	2,150.8	2,231.4	2,327.3
Operating lease liabilities	148.6	125.9	115.5	125.4	134.4	153.6	169.6	184.4	198.2	211.2	223.5	235.4	246.8	257.9	268.8
Pensions and postretirement benefits	232.1	253.4	209.0	158.0	170.5	153.5	136.4	119.4	102.3	85.3	68.2	51.2	34.1	17.1	-
Deferred tax liabilities	107.0	112.4	116.9	112.0	122.6	127.1	130.8	135.2	140.0	145.0	150.3	155.9	161.7	167.7	173.9
Other noncurrent liabilities	288.7	375.0	431.1	472.9	616.1	642.2	669.5	697.8	727.4	758.3	790.4	823.9	858.9	895.3	933.2
Total Liabilities	4,852.7	5,486.2	5,738.3	6,221.1	6,764.4	6,576.8	6,937.5	6,755.3	6,988.2	8,068.1	7,855.6	8,151.6	8,460.4	8,789.3	9,144.7
Stockholders' Equity															
Common Equity	5.5	31.7	4.6	30.9	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Treasury Stock						(74.6)	(74.6)	(74.6)	(74.6)	(74.6)	(74.6)	(74.6)	(74.6)	(74.6)	(74.6)
Additional paid-in capital	4.7	30.9	3.9	30.2	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Retained earnings	4,443.5	4,759.1	5,182.2	5,654.6	6,360.0	6,233.4	6,678.1	7,204.6	7,773.5	8,375.2	9,004.4	9,656.8	10,330.6	11,028.9	11,754.5
Accumulated other comprehensive loss	(1,595.2)	(1,810.8)	(1,770.9)	(1,803.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)	(1,708.1)
Total stockholders' equity	2,853.8	2,980.0	3,415.9	3,882.4	4,656.7	4,455.5	4,900.2	5,426.7	5,995.6	6,597.3	7,226.5	7,878.9	8,552.7	9,251.0	9,976.6
Noncontrolling interests	53.2	38.0	27.9	0.2	0.1	(1.7)	(0.3)	1.4	3.2	5.1	7.1	9.1	11.3	13.6	15.9
Total stockholders' equity	2,907.0	3,018.0	3,443.8	3,882.6	4,656.8	4,453.8	4,899.9	5,428.1	5,998.8	6,602.4	7,233.6	7,888.0	8,564.0	9,264.5	9,992.5
Total liabilities and stockholders' equity	7,759.7	8,504.2	9,182.1	10,103.7	11,421.2	11,030.6	11,837.5	12,183.4	12,986.9	14,670.5	15,089.1	16,039.6	17,024.4	18,053.9	19,137.2

AGCO Corporation
Historical Cash Flow Statement

Fiscal Years Ending Dec. 31	2019	2020	2021	2022	2023
Cash Flows from Operating Activities					
Net Income	122.8	419.8	901.5	874.7	1171.3
Depreciation	210.9	212.5	220.7	209.5	230.4
Impairment charges	176.6	20	0	36	4.1
Amortization of intangibles	61.1	59.5	61.1	60.1	57.7
Stock compensation expense	41.3	37.6	27.4	34	46.4
Equity in net earnings of affiliates, net	0	-43.7	-1.9	-40.8	-36.4
Deferred income tax benefit	15.1	3.4	-117.9	-58	-264.4
Other	6.9	-7.4	20.5	16.2	6.7
Accounts and notes receivable, net	63.8	-90.5	-207.7	-306.1	-443.8
Inventories, net	-216.3	119.7	-762.6	-668.3	-164.4
Other current and noncurrent assets	-14.4	-49.8	-268	20.1	-243
Accounts payable	35.7	-59.1	292.2	322.1	-191.6
Accrued expenses	114.5	185.3	241.2	282.7	566.5
Other current and noncurrent liabilities	77.9	89.2	253.7	56	363.6
Total adjustments	573.1	476.7	-241.3	-36.5	-68.2
Net Cash from Operating Activities	695.9	896.5	660.2	838.2	1103.1
Cash Flows from Investing Activities					
Purchases of PPE	-273.4	-269.9	-269.8	-388.3	-518.1
Proceeds from sale of PPE	4.9	1.9	6.3	2.6	11.8
Purchases of businesses, net of cash acq	0	-2.8	-22.6	-111.3	-9.8
Sale of distributions from/investments in unc affl	-3.1	29.1	13.1	4	-21.6
Other	0	0	-15.4	-3.8	-8
Net Cash used in Investing Activities	-271.6	-241.7	-288.4	-496.8	-545.7
Cash Flows from Financing Activities					
Proceeds from indebtedness	2082.7	1195.6	2497.6	410.5	329.8
Repayments of indebtedness	-2191.1	-1045.6	-2501.4	-377.5	-458.6
Purchases and retirement of common stock	-130	-55	-135	0	-53
Payment of dividends to stockholders	-48	-48	-358.5	-404.3	-457.4
Payment of min tax withholdings on stock comp	-28.1	-19.8	-34.9	-20.6	-21.6
Payment of debt issuance costs	-0.5	-1.4	-3.8	-3.6	-10.9
Distributions to noncontrolling interests, net	1.6	-3.1	-3.5	-11.5	0
Net Cash used in Financing Activities	-313.4	22.7	-539.5	-407	-671.7
Effect of exchange rates on cash	-4.2	8.8	-62.3	-34	-79.7
Decrease in cash	106.7	686.3	-230	-99.6	-194
Total cash, beginning of year	326.1	432.8	1119.1	889.1	789.5
Total cash, end of year	432.8	1119.1	889.1	789.5	595.5

AGCO Corporation
Forecasted Cash Flow Statement

Fiscal Years Ending Dec. 31	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Operating Activities										
Net Income	(28.3)	553.9	646.4	699.2	742.5	780.4	813.8	845.5	880.1	917.6
Depreciation	270.2	322.3	355.8	386.9	415.8	443.1	469.0	493.8	517.8	541.1
Accounts and notes receivable	472.4	(40.7)	(16.8)	(71.3)	(76.3)	(81.6)	(60.5)	(63.2)	(66.1)	(69.0)
Inventories, net	675.1	(99.5)	(41.1)	(174.0)	(186.2)	(199.3)	(147.7)	(154.3)	(161.3)	(168.5)
Other current assets	151.8	(19.7)	(8.1)	(34.4)	(36.9)	(39.4)	(29.2)	(30.6)	(31.9)	(33.4)
Right-of-use lease assets	(24.2)	(20.9)	(19.3)	(18.0)	(17.0)	(16.1)	(15.4)	(14.9)	(14.5)	(14.2)
Deferred tax assets	(92.8)	(76.9)	(90.5)	(98.1)	(104.3)	(109.7)	(114.4)	(118.8)	(123.7)	(129.0)
Goodwill	(1,074.4)	-	-	-	-	-	-	-	-	-
Accounts payable	(61.0)	41.2	17.0	72.1	77.2	82.6	61.2	64.0	66.8	69.8
Accrued expenses	(636.7)	81.5	33.7	142.6	152.6	163.3	121.1	126.5	132.2	138.1
Other current liabilities	9.2	9.6	10.0	10.4	10.9	11.4	11.8	12.3	12.9	13.4
Operating lease liabilities	19.2	16.0	14.8	13.8	13.0	12.3	11.8	11.4	11.1	10.9
Deferred tax liabilities	4.5	3.7	4.4	4.8	5.1	5.3	5.5	5.8	6.0	6.3
Net Cash from Operating Activities	(314.9)	770.7	906.3	934.0	996.5	1,052.3	1,127.0	1,177.5	1,229.5	1,283.2
Investing Activities										
Capex	(533.6)	(549.7)	(566.1)	(583.1)	(600.6)	(618.6)	(637.2)	(656.3)	(676.0)	(696.3)
Investment in affiliates	(21.7)	(22.7)	(23.6)	(24.6)	(25.7)	(26.8)	(27.9)	(29.1)	(30.3)	(31.6)
Other assets	90.9	(9.2)	(3.8)	(16.1)	(17.2)	(18.4)	(13.7)	(14.3)	(14.9)	(15.6)
Intangible assets, net	57.5	53.5	24.9	20.7	15.4	15.4	15.4	15.4	15.4	15.4
Net Cash from Investing Activities	(407.0)	(528.0)	(568.7)	(603.1)	(628.1)	(648.4)	(663.4)	(684.3)	(705.8)	(728.1)
Financing Activities										
Borrowings due within one year	182.4	148.9	(288.1)	(58.0)	698.2	(643.6)	-	-	-	-
Long-term debt	285.7	49.6	14.6	34.6	109.2	141.0	68.1	70.9	80.6	95.9
Pensions and postretirement benefits	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)
Other noncurrent liabilities	26.1	27.2	28.4	29.6	30.8	32.2	33.5	34.9	36.4	38.0
Common Equity	-	-	-	-	-	-	-	-	-	-
Common stock	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital	-	-	-	-	-	-	-	-	-	-
Share Repurchases	(74.6)	-	-	-	-	-	-	-	-	-
Dividends paid	(98.4)	(109.2)	(119.8)	(130.4)	(140.8)	(151.2)	(161.5)	(171.7)	(181.9)	(192.0)
Non-controlling interests	(1.8)	1.4	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.3
Net Cash from Financing Activities	302.4	100.9	(380.3)	(139.5)	682.3	(636.6)	(74.8)	(80.8)	(79.6)	(72.9)
Net Cash	(419.5)	343.6	(42.7)	191.4	1,050.7	(232.8)	388.8	412.4	444.0	482.3
Beginning Cash	595.5	176.0	519.6	477.0	668.4	1,719.0	1,486.2	1,875.0	2,287.5	2,731.5
Ending Cash	176.0	519.6	477.0	668.4	1,719.0	1,486.2	1,875.0	2,287.5	2,731.5	3,213.7

AGCO Corporation
Common Size Income Statement

Accol Ventures Ending Dec. 31	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	2027E	2028E	2029E	2030E	2031E	2032E	2033E	
Net sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of goods sold	77.62%	76.27%	78.66%	79.57%	76.64%	78.43%	78.83%	78.08%	76.02%	75.93%	77.00%	78.36%	76.49%	76.56%	76.31%	75.88%	74.33%	73.69%	72.97%	74.14%	73.72%	74.44%	73.22%	74.48%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%	76.26%
Depreciation	2.26%	2.23%	2.44%	2.56%	2.17%	2.24%	2.38%	2.41%	2.15%	2.17%	2.24%	2.36%	2.24%	2.24%	2.24%	2.24%	1.62%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%	2.01%
S&BA expenses	13.14%	13.76%	11.61%	10.84%	12.84%	10.94%	10.42%	10.42%	9.60%	9.76%	9.04%	10.09%	10.27%	9.21%	8.34%	9.91%	9.14%	10.23%	10.97%	11.00%	11.70%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%	10.32%
Amortization	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
Amortization of intangibles	0.77%	0.64%	0.71%	0.62%	0.78%	0.74%	0.59%	0.54%	0.74%	0.49%	0.52%	0.48%	0.57%	0.52%	0.47%	0.38%	0.44%	0.37%	0.42%	0.38%	0.47%	0.38%	0.42%	0.48%	0.43%	0.46%	0.39%	0.22%	0.00%	0.18%	0.16%	0.11%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%		
Impairment charges	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Restructuring expenses	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Interest expense	2.00%	2.00%	1.99%	1.81%	2.62%	1.39%	1.70%	4.63%	1.00%	1.18%	7.27%	6.40%	9.60%	8.88%	8.88%	8.88%	8.88%	7.18%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	
Other expense, net	0.18%	0.25%	0.30%	0.16%	0.18%	0.30%	0.14%	0.07%	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Income before taxes and equity in net earnings of affiliates	0.73%	0.48%	0.99%	0.80%	0.65%	0.50%	0.61%	0.56%	0.48%	0.51%	0.52%	0.32%	0.60%	0.74%	1.06%	1.87%	1.51%	2.04%	2.44%	1.73%	2.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Income tax provision	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%		
Income before equity in net earnings of affiliates	0.97%	2.20%	3.94%	0.99%	1.52%	1.66%	2.29%	2.57%	1.83%	2.27%	2.57%	0.41%	2.24%	2.43%	2.24%	2.33%	2.61%	2.90%	2.18%	2.00%	2.36%	1.88%	1.19%	0.88%	1.28%	1.42%	1.52%	1.42%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	
Income before equity in net earnings of affiliates	0.13%	1.11%	-2.60%	1.18%	0.77%	1.03%	4.02%	2.53%	1.43%	7.31%	4.13%	6.69%	4.05%	3.88%	5.47%	6.32%	4.52%	6.44%	5.84%	7.09%	3.02%	1.72%	4.75%	3.77%	1.98%	4.38%	4.42%	5.21%	4.57%	4.40%	4.84%	5.09%	4.50%	4.90%	4.92%	4.92%	4.90%	4.89%	4.88%	
Equity in net earnings of affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Net income	0.67%	3.59%	-2.13%	1.55%	0.88%	1.53%	4.46%	3.07%	4.04%	7.95%	4.72%	7.21%	4.46%	4.33%	5.90%	6.95%	5.41%	6.90%	6.47%	7.41%	3.57%	2.02%	5.11%	4.09%	2.33%	4.72%	5.20%	5.51%	4.96%	5.13%	5.41%	5.80%	5.20%	5.25%	5.25%	5.25%	5.22%	5.22%	5.22%	
Net income/loss attributable to NCI	0.00%	0.00%	-0.08%	-0.02%	0.08%	-0.48%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Net income/loss attributable to ACCO Corporation and subsidiaries	0.67%	3.59%	-2.13%	1.55%	0.88%	1.53%	4.46%	3.07%	4.04%	7.95%	4.72%	7.21%	4.46%	4.33%	5.90%	6.95%	5.41%	6.90%	6.47%	7.41%	3.57%	2.02%	5.11%	4.09%	2.33%	4.72%	5.20%	5.51%	4.96%	5.13%	5.41%	5.80%	5.20%	5.25%	5.25%	5.25%	5.22%	5.22%	5.22%	

AGCO Corporation
Common Size Balance Sheet

<i>Fiscal Years Ending Dec. 31</i>	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Assets															
<i>Current Assets:</i>															
Cash and cash equivalents	4.79%	12.23%	7.98%	6.24%	4.13%	1.49%	4.24%	3.84%	5.07%	12.31%	10.03%	12.14%	14.20%	16.26%	18.34%
Accounts and notes receivable, net	8.85%	9.36%	8.90%	9.65%	11.14%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%
Inventories, net	22.99%	21.58%	23.29%	25.21%	23.87%	23.39%	23.39%	23.39%	23.39%	23.39%	23.39%	23.39%	23.39%	23.39%	23.39%
Other current assets	4.61%	4.58%	4.85%	4.26%	4.85%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%
Total current assets	41.24%	47.74%	45.02%	45.36%	44.00%	39.09%	41.84%	41.44%	42.67%	49.91%	47.63%	49.74%	51.80%	53.86%	55.94%
Property, plant and equipment, net	15.66%	16.49%	13.15%	12.58%	13.33%	18.47%	19.69%	21.10%	21.40%	21.50%	21.45%	21.66%	21.78%	21.83%	21.82%
Right-of-use lease assets	2.07%	1.80%	1.38%	1.30%	1.22%	1.69%	1.81%	1.94%	1.96%	1.97%	1.97%	1.99%	2.00%	2.00%	2.00%
Investment in affiliates	4.21%	4.84%	3.71%	3.45%	3.56%	4.52%	4.55%	4.67%	4.60%	4.52%	4.44%	4.44%	4.44%	4.44%	4.43%
Deferred tax assets	1.04%	0.85%	1.52%	1.81%	3.34%	4.86%	5.32%	5.97%	6.38%	6.76%	7.11%	7.56%	7.99%	8.40%	8.79%
Other assets	1.69%	1.97%	2.63%	2.12%	2.41%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%
Intangible assets, net	5.55%	4.98%	3.52%	2.88%	2.14%	2.13%	1.61%	1.39%	1.16%	0.98%	0.82%	0.69%	0.56%	0.45%	0.34%
Goodwill	14.36%	14.28%	11.50%	10.36%	9.25%	20.36%	19.66%	19.38%	18.28%	17.24%	16.25%	15.59%	14.95%	14.33%	13.74%
Total Assets	85.82%	92.95%	82.44%	79.86%	79.25%	93.28%	96.63%	98.05%	98.61%	105.05%	101.83%	103.82%	105.68%	107.47%	109.24%
Liabilities															
<i>Current Liabilities:</i>															
Borrowings due within one year	1.70%	3.93%	0.83%	1.55%	0.10%	1.67%	2.83%	0.47%	0.00%	5.00%	0.37%	0.35%	0.34%	0.33%	0.31%
Accounts payable	10.12%	9.35%	9.68%	10.95%	8.38%	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%
Accrued expenses	18.30%	20.95%	18.51%	17.95%	20.15%	19.17%	19.17%	19.17%	19.17%	19.17%	19.17%	19.17%	19.17%	19.17%	19.17%
Other current liabilities	1.79%	2.53%	1.99%	1.86%	1.51%	1.92%	1.93%	1.98%	1.95%	1.92%	1.88%	1.88%	1.88%	1.88%	1.88%
Total current liabilities	31.90%	36.75%	31.02%	32.31%	30.14%	32.45%	33.62%	31.32%	30.82%	35.78%	31.12%	31.10%	31.09%	31.07%	31.06%
Long-term debt	13.18%	13.73%	12.67%	10.00%	9.56%	14.06%	13.98%	13.90%	13.38%	13.40%	13.58%	13.46%	13.35%	13.28%	13.28%
Operating lease liabilities	1.64%	1.38%	1.04%	0.99%	0.93%	1.30%	1.38%	1.48%	1.50%	1.51%	1.51%	1.52%	1.53%	1.54%	1.53%
Pensions and postretirement benefits	2.57%	2.77%	1.88%	1.25%	1.18%	1.30%	1.11%	0.96%	0.78%	0.61%	0.46%	0.33%	0.21%	0.10%	0.00%
Deferred tax liabilities	1.18%	1.23%	1.05%	0.89%	0.85%	1.07%	1.07%	1.09%	1.06%	1.04%	1.01%	1.01%	1.00%	1.00%	0.99%
Other noncurrent liabilities	3.19%	4.10%	3.87%	3.74%	4.27%	5.43%	5.46%	5.62%	5.52%	5.43%	5.33%	5.33%	5.33%	5.33%	5.33%
Total Liabilities	53.67%	59.96%	51.52%	49.17%	46.93%	55.62%	56.63%	54.37%	53.06%	57.77%	53.01%	52.76%	52.52%	52.32%	52.20%
Stockholders' Equity															
Common Equity	0.06%	0.35%	0.04%	0.24%	0.03%	0.04%	0.04%	0.04%	0.04%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%
Preferred stock	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Common stock	0.01%	0.01%	0.01%	0.01%	0.00%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Treasury Stock	0.00%	0.00%	0.00%	0.00%	0.00%	-0.63%	-0.61%	-0.60%	-0.57%	-0.53%	-0.50%	-0.48%	-0.46%	-0.44%	-0.43%
Additional paid-in capital	0.05%	0.34%	0.04%	0.24%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.02%	0.02%
Retained earnings	49.15%	52.01%	46.53%	44.70%	44.13%	52.71%	54.51%	57.98%	59.03%	59.97%	60.77%	62.51%	64.13%	65.65%	67.09%
Accumulated other comprehensive loss	-17.64%	-19.79%	-15.90%	-14.25%	-11.85%	-14.44%	-13.94%	-13.75%	-12.97%	-12.23%	-11.53%	-11.06%	-10.60%	-10.17%	-9.75%
Total stockholders' equity	31.56%	32.57%	30.67%	30.69%	32.31%	37.68%	40.00%	43.67%	45.53%	47.24%	48.77%	51.00%	53.09%	55.07%	56.95%
Noncontrolling interests	0.59%	0.42%	0.25%	0.00%	0.00%	-0.01%	0.00%	0.01%	0.02%	0.04%	0.05%	0.06%	0.07%	0.08%	0.09%
Total stockholders' equity	32.15%	32.98%	30.92%	30.69%	32.31%	37.66%	40.00%	43.68%	45.55%	47.28%	48.82%	51.06%	53.16%	55.15%	57.04%
Total liabilities and stockholders' equity	85.82%	92.95%	82.44%	79.86%	79.25%	93.28%	96.63%	98.05%	98.61%	105.05%	101.83%	103.82%	105.68%	107.47%	109.24%

AGCO Corporation
Key Management Ratios

Fiscal Years Ending Dec. 31	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Liquidity Ratios:															
Current Ratio (Current Assets/Current Liabilities)	1.29	1.30	1.45	1.40	1.46	1.20	1.24	1.32	1.38	1.39	1.53	1.60	1.67	1.73	1.80
Quick Ratio ((Current Assets-Inventories)/Current Liabilities)	0.57	0.71	0.70	0.62	0.67	0.48	0.55	0.58	0.63	0.74	0.78	0.85	0.91	0.98	1.05
Cash Ratio (Cash & Cash Equivalents/Current Liabilities)	0.15	0.33	0.26	0.19	0.14	0.05	0.13	0.12	0.16	0.34	0.32	0.39	0.46	0.52	0.59
Asset-Management Ratios:															
Total Asset Turnover (Sales/Avg Total Assets)		1.13	1.26	1.31	1.34	1.05	1.07	1.03	1.05	1.01	1.00	0.99	0.97	0.96	0.94
Inventory Turnover (COGS/Avg Inventory)		3.50	3.75	3.34	3.21	2.86	3.32	3.28	3.36	3.36	3.36	3.33	3.33	3.33	3.33
Payables Turnover (COGS/Avg Accounts Payable)		8.01	8.86	7.83	8.20	7.54	8.01	7.92	8.10	8.10	8.10	8.03	8.03	8.03	8.03
Financial Leverage Ratios:															
Debt-to-Assets (Total Debt/Total Assets)	0.19	0.20	0.18	0.16	0.13	0.18	0.19	0.16	0.15	0.19	0.15	0.15	0.14	0.14	0.14
Debt-to-Equity (Total Debt/Total Equity)	0.51	0.58	0.47	0.41	0.33	0.45	0.45	0.36	0.33	0.42	0.32	0.30	0.29	0.27	0.27
Capitalization Ratio (Total Debt/(TotalDebt + Total Equity))	0.34	0.37	0.32	0.29	0.25	0.31	0.31	0.27	0.25	0.30	0.24	0.23	0.22	0.22	0.21
Profitability Ratios:															
Return on Equity (NI/Beg TSE)		7.88%	22.43%	19.75%	24.24%	-0.61%	12.44%	13.19%	12.88%	12.38%	11.82%	11.25%	10.72%	10.28%	9.90%
Return on Assets (NI/Total Assets)	-1.03%	2.69%	7.37%	6.73%	8.24%	-0.26%	4.68%	5.31%	5.38%	5.06%	5.17%	5.07%	4.97%	4.88%	4.79%
Margins															
Gross Margin (Gross Profit/Sales)	21.95%	22.49%	23.09%	23.72%	26.21%	24.93%	23.74%	23.74%	23.74%	23.74%	23.74%	23.74%	23.74%	23.74%	23.74%
Operating Margin (EBIT/Sales)	1.58%	4.39%	7.01%	8.35%	10.20%	6.03%	5.55%	6.43%	6.55%	6.55%	6.55%	6.50%	6.48%	6.47%	6.46%
Net Margin (NI/Sales)	-0.88%	2.50%	6.08%	5.38%	6.53%	-0.24%	4.52%	5.20%	5.31%	5.32%	5.27%	5.27%	5.25%	5.24%	5.24%
Payout Policy Ratios:															
Dividend Payout Ratio (Dividend/EPS)	0.38	0.11	0.40	0.45	0.41	-3.04	0.17	0.17	0.17	0.17	0.18	0.18	0.19	0.19	0.20
Total Payout Ratio ((Divs. + Repurchases)/NI)	-222.78%	44.96%	72.92%	59.45%	54.24%	-612.19%	33.18%	30.08%	29.31%	29.01%	28.93%	29.01%	29.13%	29.14%	29.05%

AGCO Corporation
Value Driver Estimation

<i>Fiscal Years Ending Dec. 31</i>	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
NOPLAT:															
Revenues	9,041.4	9,149.7	11,138.3	12,651.4	14,412.4	11,824.9	12,250.1	12,425.7	13,169.7	13,965.7	14,817.7	15,449.3	16,109.2	16,798.7	17,519.2
Less: Cost of goods sold	7,057.1	7,092.2	8,566.0	9,650.1	10,635.0	8,876.4	9,341.9	9,475.8	10,043.2	10,650.3	11,300.0	11,781.6	12,284.8	12,810.7	13,360.1
Less: Depreciation	210.9	212.5	220.7	209.5	230.4	270.2	322.3	355.8	386.9	415.8	443.1	469.0	493.8	517.8	541.1
Less: SG&A expenses	1,040.3	1,001.5	1,088.2	1,189.5	1,454.5	1,313.3	1,264.3	1,282.4	1,359.2	1,441.4	1,529.3	1,594.5	1,662.6	1,733.8	1,808.1
Less: Engineering expenses	343.4	342.6	405.8	444.2	548.8	482.2	462.9	469.5	497.7	527.7	559.9	583.8	608.7	634.8	662.0
Less: Amortization of intangibles	61.1	59.5	61.1	60.1	57.7	57.5	53.5	24.9	20.7	15.4	15.4	15.4	15.4	15.4	15.4
Less: Impairment charges	176.6	20.0	-	36.0	4.1	5.1	-	-	-	-	-	-	-	-	-
Less: Restructuring expenses	9.0	19.7	15.3	6.1	11.9	106.7	125.0	18.0	-	-	-	-	-	-	-
Add: Implied interest on operating leases	10.1	8.9	8.3	8.8	9.5	10.8	11.9	12.9	13.9	14.8	15.7	16.5	17.3	18.1	18.8
EBITA	153.1	410.6	789.5	1,064.7	1,479.5	724.3	692.1	812.1	875.9	929.9	985.7	1,021.5	1,061.1	1,104.3	1,151.2
Less: Adjusted Taxes															
Income Tax Provision	180.8	187.7	108.4	296.6	230.4	180.4	149.4	175.9	190.7	202.8	213.3	222.4	231.0	240.5	250.7
Add: Tax shield on operating lease interest	10.6	3.1	2.5	2.7	0.7	2.4	2.7	2.9	3.1	3.4	3.5	3.7	3.9	4.1	4.3
Add: Tax shield on interest expense	21.0	5.3	2.0	4.0	0.3	8.9	4.5	5.0	4.3	4.3	6.2	5.0	5.2	5.4	5.6
Add: Tax shield on other expense	70.7	8.0	15.1	44.2	27.3	26.3	-	-	-	-	-	-	-	-	-
Total Adjusted Taxes	283.1	204.1	128.0	347.4	258.8	218.0	156.6	183.8	198.2	210.5	223.1	231.2	240.1	249.9	260.5
Change in deferred taxes	1.8	21.6	(87.2)	(64.1)	(242.5)	(88.3)	(73.1)	(86.1)	(93.4)	(99.3)	(104.4)	(108.9)	(113.1)	(117.7)	(122.7)
NOPLAT	(128.2)	228.0	574.3	653.2	978.2	418.0	462.3	542.2	584.3	620.2	658.2	681.4	707.9	736.7	768.0
Invested Capital (IC):															
Normal Cash	373.6	378.1	460.2	522.7	595.5	488.6	506.2	513.4	544.2	577.0	612.2	638.3	665.6	694.1	723.9
Add: Accounts and notes receivable	800.5	856.0	991.5	1,221.3	1,605.3	1,132.9	1,173.6	1,190.5	1,261.7	1,338.0	1,419.6	1,480.1	1,543.3	1,609.4	1,678.4
Add: Inventories	2,078.7	1,974.4	2,593.7	3,189.7	3,440.7	2,765.6	2,865.1	2,906.2	3,080.2	3,266.3	3,465.6	3,613.3	3,767.7	3,928.9	4,097.4
Add: Other current assets	417.1	418.9	539.8	538.8	699.3	547.5	567.2	575.3	609.7	646.6	686.0	715.3	745.8	777.7	811.1
Less: Accounts payable	914.8	855.1	1,078.3	1,385.3	1,207.3	1,146.3	1,187.6	1,204.6	1,276.7	1,353.9	1,436.5	1,497.7	1,561.7	1,628.5	1,698.4
Less: Accrued expenses	1,654.2	1,916.7	2,062.2	2,271.3	2,903.8	2,267.1	2,348.6	2,382.2	2,524.9	2,677.5	2,840.8	2,961.9	3,088.4	3,220.6	3,358.8
Less: Other current liabilities	162.1	231.3	221.2	235.4	217.5	226.7	236.3	246.4	256.8	267.7	279.0	290.9	303.2	316.1	329.5
Net Operating Working Capital	938.8	624.3	1,223.5	1,580.5	2,012.2	1,294.5	1,339.6	1,352.1	1,437.4	1,528.9	1,627.2	1,696.6	1,769.1	1,845.0	1,924.3
Add: Net PPE	1,416.3	1,508.5	1,464.8	1,591.2	1,920.9	2,184.3	2,411.7	2,622.0	2,818.2	3,003.0	3,178.6	3,346.8	3,509.2	3,667.5	3,822.6
Add: PV of operating leases	187.3	165.1	154.1	163.9	176.2	200.4	221.2	240.5	258.5	275.5	291.6	307.0	321.9	336.4	350.6
Add: Intangible assets	501.7	455.6	392.2	364.4	308.8	251.3	197.8	172.9	152.2	136.8	121.4	106.0	90.6	75.2	59.8
Add: Other assets	153.0	179.8	293.3	268.7	346.8	255.9	265.1	268.9	285.0	302.2	320.7	334.3	348.6	363.5	379.1
Less: Other noncurrent liabilities	288.7	375.0	431.1	472.9	616.1	642.2	669.5	697.8	727.4	758.3	790.4	823.9	858.9	895.3	933.2
IC	2,908.4	2,558.3	3,096.8	3,495.8	4,148.8	3,544.1	3,765.9	3,958.6	4,223.9	4,488.1	4,748.9	4,966.7	5,180.6	5,392.3	5,603.2
Free Cash Flow (FCF):															
NOPLAT	(128.2)	228.0	574.3	653.2	978.2	418.0	462.3	542.2	584.3	620.2	658.2	681.4	707.9	736.7	768.0
Change in IC	(350.1)	538.6	399.0	653.0	653.0	(604.7)	221.8	192.7	265.3	264.2	260.8	217.8	213.9	211.7	210.9
FCF	578.2	35.7	254.2	325.3	325.3	1,022.6	240.5	349.6	319.0	356.0	397.4	463.6	493.9	525.0	557.1
Return on Invested Capital (ROIC):															
NOPLAT	(128.2)	228.0	574.3	653.2	978.2	418.0	462.3	542.2	584.3	620.2	658.2	681.4	707.9	736.7	768.0
Beginning IC	2,908.4	2,558.3	3,096.8	3,495.8	4,148.8	3,544.1	3,765.9	3,958.6	4,223.9	4,488.1	4,748.9	4,966.7	5,180.6	5,392.3	5,603.2
ROIC	7.84%	22.45%	21.09%	27.98%	10.07%	13.04%	14.40%	14.76%	14.68%	14.67%	14.35%	14.25%	14.22%	14.24%	
Economic Profit (EP):															
Beginning IC		2,908.4	2,558.3	3,096.8	3,495.8	4,148.8	3,544.1	3,765.9	3,958.6	4,223.9	4,488.1	4,748.9	4,966.7	5,180.6	5,392.3
x (ROIC - WACC)	-8.81%	-0.97%	13.64%	12.28%	19.17%	1.26%	4.23%	5.58%	5.95%	5.87%	5.85%	5.54%	5.44%	5.41%	5.43%
EP		(28.30)	348.83	380.23	670.09	52.29	149.92	210.31	235.42	247.90	262.61	262.86	270.09	280.09	292.69

AGCO Corporation*Relative Valuation Models*

Ticker	Company	Price	EPS 2024E	EPS 2025E	P/E 24	P/E 25	EV 2024E	EBITDA 2024E	Multiples 2024E
DE	Deere & Company	\$411.08	\$25.02	\$23.01	16.43	17.87	173,312.56	10,005.20	17.32
CNH	CNH Industrial NV	\$11.25	\$1.40	\$1.45	8.04	7.76	39,260.44	2,349.27	16.71
ALG	Alamo Group Inc	\$177.01	\$10.08	\$11.95	17.56	14.81	2,319.80	232.30	9.99
TTC	Toro Company	\$83.57	\$4.11	\$4.97	20.33	16.81	9,643.56	699.35	13.79
TEX	Terex Corporation	\$56.14	\$6.04	\$5.44	9.29	10.32	4,162.42	653.48	6.37
LNN	Lindsay Corporation	\$116.14	\$5.94	\$5.62	19.55	20.67	1353.81	100.5	13.47
OSK	Oshkosh Corporation	\$108.14	\$10.48	\$11.01	10.32	9.82	8630.91	1296.16	6.66
Average					14.50	14.01		2,787.92	12.04

AGCO	AGCO Corporation	\$98.62	(\$0.38)	\$7.54	(258.8)	13.1	11,334.90	1,041.2	10.9
------	------------------	---------	----------	--------	---------	------	-----------	---------	------

Implied Relative Value:

P/E (EPS24)	\$	(5.53)
P/E (EPS25)	\$	105.69
EV/EBITDA 2024	\$	130.84

AGCO Corporation

Weighted Average Cost of Capital (WACC) Estimation

Cost of Equity:

Risk-Free Rate	4.19%
Beta	1.18
Equity Risk Premium	5.00%
Cost of Equity	10.09%

ASSUMPTIONS:

10-year Treasury bond as of 10/21/24

5-year weekly beta as of 10/21/24

Henry Fund consensus

Cost of Debt:

Risk-Free Rate	4.19%
Implied Default Premium	1.18%
Pre-Tax Cost of Debt	5.37%
Marginal Tax Rate	22.63%
After-Tax Cost of Debt	4.16%

YTM on a 10-year AGCO corporate bond as of 10/21/24

Market Value of Common Equity:

Total Shares Outstanding	74.52
Current Stock Price	\$98.62
MV of Equity	7,348.96

MV Weights

78.49%

Market Value of Debt:

Short-Term Debt	197.37
Long-Term Debt	1,662.93
PV of Operating Leases	153.61
MV of Total Debt	2,013.91

21.51%

Market Value of the Firm

9,362.87

100.00%

Estimated WACC

8.81%

AGCO Corporation
Discounted Cash Flow (DCF) and Economic Profit (EP) Valuation Models
Key Inputs:

CV Growth of NOPLAT	2.50%
CV Year ROIC	14.24%
WACC	8.81%
Cost of Equity	10.09%

Fiscal Years Ending Dec. 31	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
------------------------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

DCF Model:

Free Cash Flow (FCF)	1022.6	240.5	349.6	319.0	356.0	397.4	463.6	493.9	525.0	557.1
Continuing Value (CV)										10027.9
PV of FCF	939.8	203.1	271.3	227.5	233.3	239.4	256.7	251.3	245.5	4688.6

Value of Operating Assets:	7556.6
Non-Operating Adjustments	
Add: Excess Cash	-312.6
Add: Investments in affiliates	534.4
Add: Other assets	255.9
Less: PV operating leases	-153.6
Less: Pensions and postretirement	-153.5
Less: Short-term debt	-197.4
Less: Long-term debt	-1662.9
Less: NCI	1.7
Value of Equity	5868.7
Shares Outstanding	73.8
Intrinsic Value of Last FYE	\$ 79.56
Implied Price as of Today	\$ 85.24

EP Model:

Economic Profit (EP)	52.3	149.9	210.3	235.4	247.9	262.6	262.9	270.1	280.1	292.7
Continuing Value (CV)										4635.574
PV of EP	48.1	126.6	163.2	167.9	162.5	158.2	145.5	137.4	131.0	2167.4

Total PV of EP	3407.8
Invested Capital (last FYE)	4148.8
Value of Operating Assets:	7556.6
Non-Operating Adjustments	
Add: Excess Cash	-312.6
Add: Investments in affiliates	534.4
Add: Other assets	255.9
Less: PV operating leases	-153.6
Less: Pensions and postretirement	-153.5
Less: Short-term debt	-197.4
Less: Long-term debt	-1662.9
Less: NCI	1.7
Value of Equity	5868.7
Shares Outstanding	73.8
Intrinsic Value of Last FYE	\$ 79.56
Implied Price as of Today	\$ 85.24

AGCO Corporation*Dividend Discount Model (DDM) or Fundamental P/E Valuation Model*

<i>Fiscal Years Ending</i>	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
----------------------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------

EPS	\$	(0.38)	\$	7.54	\$	8.88	\$	9.69	\$	10.37	\$	10.98	\$	11.53	\$	12.05	\$	12.62	\$	13.22
-----	----	--------	----	------	----	------	----	------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Key Assumptions

CV growth of EPS	2.50%
CV Year ROE	9.90%
Cost of Equity	10.09%

Future Cash Flows

P/E Multiple (CV Year)																				9.85
EPS (CV Year)																				\$ 13.22
Future Stock Price																				\$ 130.26
Dividends Per Share	1.16	1.32	1.48	1.64	1.8	1.96	2.12	2.28	2.44											
Discounted Cash Flows	1.11	1.22	1.31	1.39	1.47	1.53	1.59	1.64	1.69											90.03

Intrinsic Value as of Last FYE	\$	102.97
Implied Price as of Today	\$	110.31

AGCO Corporation*Effects of Share Repurchases on Common Stock Account and Number of Shares Outstanding*

Cost of Equity: 10.09%

Current Stock Price: \$98.62

<i>Fiscal Years Ending Dec. 31</i>	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Share Repurchases (\$)	74.60	74.60	74.60	74.60	74.60	74.60	74.60	74.60	74.60	74.60
Expected Price of Repurchased Shares:	\$ 98.62	\$ 107.42	\$ 117.00	\$ 127.43	\$ 138.80	\$ 151.18	\$ 164.67	\$ 179.36	\$ 195.36	\$ 212.78
Number of Shares Repurchased:	0.76	0.69	0.64	0.59	0.54	0.49	0.45	0.42	0.38	0.35
Shares Outstanding (beginning of the year)	74.52	73.76	73.07	72.43	71.84	71.31	70.81	70.36	69.94	69.56
Less: Shares Repurchased in Treasury	0.76	0.69	0.64	0.59	0.54	0.49	0.45	0.42	0.38	0.35
Shares Outstanding (end of the year)	73.76	73.07	72.43	71.84	71.31	70.81	70.36	69.94	69.56	69.21

AGCO Corporation
Sensitivity Tables

Pre-tax Cost of Debt	Cost of Equity							
	85.24	7.09%	8.09%	9.09%	10.09%	11.09%	12.09%	13.09%
	2.37%	172.89	136.46	111.44	93.22	79.36	68.46	59.67
	3.37%	164.54	130.99	107.62	90.41	77.22	66.80	58.34
	4.37%	156.92	125.92	104.03	87.76	75.20	65.21	57.07
	5.37%	149.93	121.19	100.64	85.24	73.26	63.68	55.85
	6.37%	143.55	116.82	97.49	82.86	71.42	62.23	54.67
	7.37%	137.65	112.72	94.49	80.60	69.66	60.83	53.54
	8.37%	132.19	108.88	91.67	78.45	67.98	59.49	52.45

Tax Rate	Equity Risk Premium							
	85.24	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%
	19.63%	97.87	93.10	88.70	84.62	80.82	77.29	73.99
	20.63%	98.13	93.34	88.92	84.82	81.02	77.47	74.16
	21.63%	98.39	93.58	89.14	85.03	81.21	77.65	74.33
	22.63%	98.65	93.82	89.37	85.24	81.40	77.83	74.50
	23.63%	98.91	94.07	89.59	85.44	81.59	78.01	74.67
	24.63%	99.18	94.31	89.81	85.65	81.79	78.19	74.84
	25.63%	99.44	94.55	90.04	85.86	81.98	78.37	75.01

COGS % of Sales	CV Growth of NOPLAT							
	85.24	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
	73.26%	139.38	141.64	144.08	146.71	149.55	152.64	156.01
	74.26%	120.21	122.07	124.06	126.21	128.54	131.07	133.83
	75.26%	101.05	102.49	104.05	105.72	107.53	109.50	111.65
	76.26%	81.89	82.93	84.04	85.24	86.53	87.94	89.48
	77.26%	62.74	63.36	64.03	64.75	65.53	66.38	67.31
	78.26%	43.58	43.79	44.02	44.27	44.54	44.83	45.14
	79.26%	24.43	24.23	24.02	23.79	23.55	23.28	22.98

Beta	Normal Cash %							
	85.24	1.13%	2.13%	3.13%	4.13%	5.13%	6.13%	7.13%
	1.03	103.42	101.08	98.74	96.39	94.06	91.72	89.38
	1.08	99.37	97.06	94.74	92.43	90.12	87.80	85.49
	1.13	95.59	93.30	91.01	88.72	86.43	84.14	81.85
	1.18	92.05	89.78	87.51	85.24	82.97	80.70	78.43
	1.23	88.72	86.47	84.22	81.97	79.72	77.47	75.23
	1.28	85.59	83.36	81.13	78.89	76.67	74.44	72.21
	1.33	82.64	80.42	78.21	75.99	73.79	71.57	69.36

WACC	SG&A % of Sales							
	85.24	7.32%	8.32%	9.32%	10.32%	11.32%	12.32%	13.32%
	5.81%	308.84	269.05	229.27	189.44	149.69	109.91	70.12
	6.81%	229.50	199.14	168.79	138.41	108.08	77.73	47.37
	7.81%	180.26	155.77	131.29	106.78	82.31	57.82	33.34
	8.81%	146.68	126.21	105.73	85.24	64.78	44.30	23.83
	9.81%	122.62	105.03	87.43	69.82	52.24	34.65	17.06
	10.81%	104.37	88.96	73.56	58.15	42.76	27.36	11.96
	11.81%	90.12	76.43	62.75	49.05	35.38	21.70	8.01

ROI	R&D (Engineering) Expenses % of Sales							
	85.24	3.18%	3.38%	3.58%	3.78%	3.98%	4.18%	4.38%
	3.64%	96.68	92.59	88.49	84.42	80.30	76.20	72.10
	3.84%	96.95	92.86	88.76	84.69	80.57	76.47	72.37
	4.04%	97.23	93.13	89.03	84.96	80.84	76.74	72.64
	4.24%	97.50	93.41	89.31	85.24	81.11	77.02	72.92
	4.44%	97.78	93.69	89.59	85.52	81.39	77.30	73.20
	4.64%	98.07	93.97	89.87	85.80	81.68	77.58	73.48
	4.84%	98.35	94.26	90.16	86.09	81.96	77.87	73.77