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"Agribusiness will boost the recovery of the Brazilian economy in 2019", says AGCO's global CEO

During a visit to Brazil, Martin Richenhagen analyzes the agricultural market in South America, makes projections and reinforces the largest portfolio renewal in the company's history

São Paulo (Nov. 6, 2018) - Global Chairman, President and CEO of AGCO, a leading company in the design, manufacture and distribution of agricultural machinery and solutions, Martin Richenhagen, has reassured his level of confidence in the South America's agricultural scenario. The CEO visits Brazil this week. With global sales 12% higher in comparison to 2017, boosted by good crop yields in the region, AGCO's CEO predicts that 2019 will be a year of consistent growth.

"We are optimistic about the agricultural scenario in South America, especially in Brazil. Even with the uncertainties in the Brazilian economy and politics, we managed to achieve positive figures and grow in relation to the previous year. Expectations for the coming years are the best possible, so we have invested both in renewing our brands portfolio and in high-technology factories in the region, consolidating AGCO in the era of Industry 4.0", says Richenhagen.

In addition to the expected new record in soybean crops in Brazil, the most recent survey on farmers' habits, promoted by the Brazilian Association of Farming Marketing and Agribusiness (ABMRA), pointed out that 34.14% of farmers intend to purchase new machinery next year. The trade dispute between the USA and China should also favor the export of equipment produced in Brazil.

To meet this demand and the technological evolution of agricultural machinery, AGCO should complete in 2019 the process of renewing 100% of its portfolio. This process started in 2017. This is the biggest transformation of product portfolio throughout the company's history, with 159 new machines. Among the new products are the Massey Ferguson MF 4700 and MF 5700 tractors, which are developments of the country's best-known and best-selling tractor family, the MF 4200.

In 2018, AGCO invested R\$ 112 million, of which R\$ 60 million was only for the modernization and application of new technologies in the company's plant in Santa Rosa (RS), and quadrupled the training time of the company's employees to strengthen the concept of "Smart Factory" in its assembly lines. According to a study conducted by the Brazilian Industry Association in 2017, only 1.6% of the companies surveyed work with this concept.

"In addition to all the financial investments we've made in our factories, we are also world pioneers in using technologies such as Glass to manufacture our products. We are ready to meet the needs of the South American farmers, our main partners in our mission to feed the world", says Luís Felli, President of AGCO South America.

Brazil leads the exports of items such as soy, coffee, sugar, and beef and chicken. Even so, the country has about 219 million hectares of land free for agribusiness. This, combined with a favorable climate and the availability of water and fertile land, places Brazil as one of the countries with the greatest potential to meet the growing demands for food on the planet.

Richenhagen has also introduced product launches and strategies from the group's leading brands - such as Massey Ferguson, Valtra, Challenger and GSI - along with AGCO Americas Senior Vice President and General Manager, Bob Crain, AGCO's President for South America, Luís Felli, and AGCO's Global Head of Communications, Ulrich Stockheim.

High Technology and Precision Farming

Among the new AGCO products, the folding planter Momentum and the combine harvester IDEAL stand out. Momentum reaches the Brazilian market with Precision Planting technology, which improves seed distribution in the field. The product counts with 24, 30 and 40-row versions. In addition, the planter is 18 meters wide when open, which increases the planting speed, and 3.6 meters when closed, to facilitate transportation. Seed storage is also an advantage, with a capacity of up to 5,130 liters.

IDEAL is AGCO's new line of high performance axial combines. The main advantage of this new product is an intelligent processing system that preserves grain quality and offers better handling, energy efficiency and capacity in a wide range of soil conditions. The IDEAL combine features the latest technology innovations in Precision Farming, offering connected services such as field data and information management.

"The IDEAL combine is the result of many years of research and development, countless hours of engineering, teamwork and industry-leading experience", says AGCO's President and CEO. "It is another outcome of AGCO's tireless efforts to deliver innovative solutions to the world's farmers", he adds.

About AGCO

AGCO (NYSE: AGCO) is a global leader in the design, manufacture and distribution of agriculture equipment and solutions and supports more productive farming through its full line of equipment and related services. AGCO products are sold through five core brands, Challenger®, Fendt®, GSI®, Massey Ferguson® and Valtra®, supported by Fuse® precision technologies and farm optimization services. Founded in 1990, AGCO is headquartered in Duluth, GA, USA. In 2017, AGCO had net sales of \$8.3 billion. For more information, visit <http://www.AGCOcorp.com>. For company news, information and events, please follow us on Twitter: @AGCOcorp. For financial news on Twitter, please follow the hashtag #AGCOIR.

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