

AGCO Reports First Quarter Results

Full-year Outlook Increased

AGCO, Your Agriculture Company (NYSE:AGCO), a worldwide manufacturer and distributor of agricultural equipment and solutions, reported net sales of approximately \$2.0 billion for the first quarter of 2019, a decrease of approximately 0.6% compared to the first quarter of 2018. Reported net income was \$0.84 per share for the first quarter of 2019, and adjusted net income, excluding restructuring expenses, was \$0.86 per share. These results compare to a reported net income of \$0.30 per share and adjusted net income, excluding restructuring expenses, of \$0.35 per share for the first quarter of 2018. Excluding unfavorable currency translation impacts of approximately 7.1%, net sales in the first quarter of 2019 increased approximately 6.5% compared to the first quarter of 2018.

First Quarter Highlights

- Reported regional sales results⁽¹⁾: North America (1.3)%, Europe/Middle East ("EME") +4.0%, South America (14.3)%, Asia/Pacific/Africa ("APA") (16.3)%
- Constant currency regional sales results⁽¹⁾⁽²⁾: North America (0.6)%, EME +13.2%, South America (2.6)%, APA (9.6)%
- Operating margin improvement of 190 basis points vs. first quarter of 2018
- Regional operating margin performance: North America 6.2%, EME 10.5%, South America (5.4)%, APA 2.6%
- Share repurchase program reduced outstanding shares by approximately 0.4 million during the first three months of 2019
- Increased full-year outlook for net income per share

⁽¹⁾As compared to first quarter 2018

⁽²⁾Excludes currency translation impact. See reconciliation in appendix.

"Focused operational performance across our regional business units and supportive market conditions are driving sales and earnings growth," stated Martin Richenhagen, AGCO's Chairman, President and Chief Executive Officer. "AGCO's first quarter results demonstrated solid progress towards our margin improvement goals for 2019. Led by our Europe/Middle East region, AGCO's first quarter 2019 adjusted operating margins improved over 190 basis points compared to the first quarter of 2018. Our margin expansion resulted from organic sales growth, an improved pricing environment and initiatives aimed at lowering material costs and improving productivity. We have raised our outlook for the full year to reflect our confidence in our continued strong performance and in the market recovery."

Market Update

Industry Unit Retail Sales

	Tractors	Combines
Three months ended March 31, 2019	Change from Prior Year Period	Change from Prior Year Period
North America ⁽¹⁾	(3)%	28%
South America	(2)%	34%
Western Europe ⁽²⁾	2%	(11)%

⁽¹⁾Excludes compact tractors.

⁽²⁾Based on Company estimates.

"Farm economics remained challenged across many of the major crop-producing regions and global trade tensions continue to weigh on farmer sentiment," continued Mr. Richenhagen. "Global farm equipment demand continues on a slow recovery path following an extended period of decline. Planting across much of the U.S. farm belt is delayed due to cold, wet weather and flooding in portions of the Midwest. Farmer concerns over the lingering trade disputes with China and the resulting increase in soybean inventories has curtailed replacement demand from row crop farmers. North American industry retail sales decreased in the first three months of 2019 compared to the same period in 2018. We expect North American industry retail tractor sales to increase modestly in 2019 with improved retail sales in the row crop segment and flat retail sales of small tractors compared to last year. Relatively warm weather across much of Europe has been positive for the development of the winter wheat crop. Milk prices remain supportive of the dairy sector in Western Europe. Industry retail sales in Western Europe increased modestly in the first three months of 2019, following a year of mixed results in 2018 for the arable farming segment. Industry sales growth in France and Germany was partially offset by declines in the United Kingdom and Italy. For the full year of 2019, industry demand in Western Europe is expected to be flat compared to 2018. Industry retail sales in South America decreased during the first three months of 2019. Industry sales declined significantly in Argentina in response to lower crop production and farm income in 2018 while industry demand in Brazil improved modestly. Grain production in South America is ahead of last year's pace and industry demand is expected to increase modestly compared to 2018. Looking ahead, we are optimistic about the long-term outlook for the global agricultural equipment industry supported by healthy fundamentals for commodity prices and farm income."

Regional Results

AGCO Regional Net Sales (in millions)

Three Months Ended March 31,	2019	2018	% change from 2018	% change from 2018 due to currency translation ⁽¹⁾	% change excluding currency translation
North America	\$ 496.2	\$ 502.9	(1.3)%	(0.8)%	(0.6)%
South America	156.1	182.1	(14.3)%	(11.6)%	(2.6)%
Europe/Middle East	1,210.6	1,163.7	4.0%	(9.1)%	13.2%
Asia/Pacific/Africa	132.9	158.8	(16.3)%	(6.7)%	(9.6)%
Total	\$ 1,995.8	\$ 2,007.5	(0.6)%	(7.1)%	6.5%

⁽¹⁾ See appendix for additional disclosures

North America

AGCO's North American net sales decreased 0.6% in the first three months of 2019 compared to the same period of 2018, excluding the negative impact of currency translation. Lower sales of tractors and grain and protein production equipment were mostly offset by growth in the sales of application equipment as well as hay and forage equipment. Income from operations for the first three months of 2019 improved approximately \$3.8 million compared to the same period in 2018. The benefit of improved pricing and sales mix contributed most of the increase.

South America

Net sales in the South American region decreased 2.6% in the first three months of 2019 compared to the first three months of 2018, excluding the impact of unfavorable currency translation. Income from operations improved approximately \$8.1 million in the first quarter compared to the same period in 2018. The South America results in the first quarter reflect seasonally low levels of industry demand and company production, as well as cost impacts associated with the transition of newer product technology into our Brazilian factories.

Europe/Middle East

Europe/Middle East net sales increased 13.2% in the first three months of 2019 compared to the same period in 2018, excluding unfavorable currency translation impacts. Sales growth was strongest in France, the United Kingdom and Spain. Income from operations improved approximately \$28.7 million for the first three months of 2019, compared to the same period in 2018, due to the benefit of higher sales and production, pricing and the timing of engineering costs compared to the prior year.

Asia/Pacific/Africa

Net sales in AGCO's Asia/Pacific/Africa region decreased 9.6%, excluding the negative impact of currency translation, in the first three months of 2019 compared to the same period in 2018. Lower sales in Asia and Australia produced most of the decrease. Income from operations declined approximately \$1.3 million in the first three months of 2019, compared to the same period in 2018, due to lower sales levels.

Outlook

Global industry demand is projected to improve modestly in 2019. AGCO's net sales for 2019 are expected to reach approximately \$9.5 billion reflecting improved sales volumes and positive pricing, offset by unfavorable foreign currency translation impacts. Gross and operating margins are expected to improve from 2018 levels, reflecting the positive impact of pricing and cost reduction efforts. Based on these assumptions, 2019 earnings per share are targeted at approximately \$4.88 on a reported basis, or approximately \$4.90 on an adjusted basis, which excludes restructuring expenses.

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AGCO will be hosting a conference call with respect to this earnings announcement at 10:00 a.m. Eastern Time on Thursday, May 2, 2019. The Company will refer to slides on its conference call. Interested persons can access the conference call and slide presentation via AGCO's website at www.agcocorp.com in the "Events" section on the "Company/Investors" page of our website. A replay of the conference call will be available approximately two hours after the conclusion of the conference call for twelve months following the call. A copy of this press release will be available on AGCO's website for at least twelve months following the call.

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Safe Harbor Statement

Statements that are not historical facts, including the projections of earnings per share, sales, industry demand, market conditions, commodity prices, currency translation, farm income levels, margin levels, investments in product and technology development, new product introductions, restructuring and other cost reduction initiatives, production volumes, tax rates and general economic conditions, are forward-looking and subject to risks that could cause actual results to differ materially from those suggested by the statements. The following are among the factors that could cause actual results to differ materially from the results discussed in or implied by the forward-looking statements.

- Our financial results depend entirely upon the agricultural industry, and factors that adversely affect the agricultural industry generally, including declines in the general economy, increases in farm input costs, lower commodity prices, lower farm income and changes in the availability of credit for our retail customers, will adversely affect us.
- A majority of our sales and manufacturing take place outside the United States, and, many of our sales involve products that are manufactured in one country and sold in a different country, and as a result, we are exposed to risks related to foreign laws, taxes and tariffs, trade restrictions, economic conditions, labor supply and relations, political conditions and governmental policies. These risks may delay or reduce our realization of value from our international operations. Among these risks are the uncertain consequences of Brexit, Russian sanctions and tariffs imposed on exports to and imports from China.
- Most retail sales of the products that we manufacture are financed, either by our joint ventures with Rabobank or by a bank or other private lender. Our joint ventures with Rabobank, which are controlled by Rabobank and are dependent upon Rabobank for financing as well, finance 40% to 50% of the retail sales of our tractors and combines in the markets where the joint ventures operate. Any difficulty by Rabobank to continue to provide that financing, or any business decision by Rabobank as the controlling member not to fund the business or particular aspects of it (for example, a particular country or region), would require the joint ventures to find other sources of financing (which may be difficult to obtain), or us to find another source of retail financing for our customers, or our customers would be required to utilize other retail financing providers. As a result of the recent economic downturn, financing for capital equipment purchases generally has become more difficult in certain regions and in some cases, can be expensive to obtain. To the extent that financing is not available or available only at unattractive prices, our sales would be negatively impacted.
- Both AGCO and our finance joint ventures have substantial account receivables from dealers and end customers, and we would be adversely impacted if the collectability of these receivables was not consistent with historical experience; this collectability is dependent upon the financial strength of the farm industry, which in turn is dependent upon the general economy and commodity prices, as well as several of the other factors listed in this section.
- We have experienced substantial and sustained volatility with respect to currency exchange rate and interest rate changes, which can adversely affect our reported results of operations and the competitiveness of our products.
- Our success depends on the introduction of new products, particularly engines that comply with emission requirements, which requires substantial expenditures.
- Our production levels and capacity constraints at our facilities, including those resulting from plant expansions and systems upgrades at our manufacturing facilities, could adversely affect our results.
- Our expansion plans in emerging markets, including establishing a greater manufacturing and marketing presence and growing our use of component suppliers, could entail significant risks.
- Our business increasingly is subject to regulations relating to privacy and data protection, and if we violate any of those regulations or otherwise are the victim of a cyber attack, we could incur significant losses and liability.
- We depend on suppliers for components, parts and raw materials for our products, and any failure by our suppliers to provide products as needed, or by us to promptly address supplier issues, will adversely impact our ability to timely and efficiently manufacture and sell products. We also are subject to raw material price fluctuations, which can adversely affect our manufacturing costs.
- We face significant competition, and if we are unable to compete successfully against other agricultural equipment manufacturers, we would lose customers and our net sales and profitability would decline.
- We have a substantial amount of indebtedness, and, as a result, we are subject to certain restrictive covenants and payment obligations that may adversely affect our ability to operate and expand our business.

Further information concerning these and other factors is included in AGCO's filings with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2018. AGCO disclaims any obligation to update any forward-looking statements except as required by law.

About AGCO

AGCO (NYSE:AGCO) is a global leader in the design, manufacture and distribution of agricultural solutions and delivers high-tech solutions for farmers feeding the world 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® smart farming solutions. Founded in 1990 and headquartered in Duluth, Georgia, USA, AGCO had net sales of \$9.4 billion in 2018. 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.

Please visit our website at www.agcocorp.com

AGCO CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited and in millions)

	March 31, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 292.8	\$ 326.1
Accounts and notes receivable, net	928.5	880.3
Inventories, net	2,307.6	1,908.7
Other current assets	432.4	422.3
Total current assets	3,961.3	3,537.4
Property, plant and equipment, net	1,363.3	1,373.1
Right-of-use lease assets	193.8	--
Investment in affiliates	393.2	400.0

Deferred tax assets	119.7	104.9
Other assets	132.1	142.4
Intangible assets, net	555.3	573.1
Goodwill	1,485.6	1,495.5
Total assets	\$ 8,204.3	\$ 7,626.4

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Current portion of long-term debt	\$ 68.4	\$ 72.6
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Short-term borrowings	181.5	138.0
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Senior term loan	224.7	--
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Accounts payable	964.3	865.9
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Accrued expenses	1,441.0	1,522.4
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Other current liabilities	174.8	167.8
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Total current liabilities	3,054.7	2,766.7
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Long-term debt, less current portion and debt issuance costs	1,404.3	1,275.3
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Operating lease liabilities	150.8	--
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Pensions and postretirement health care benefits	216.8		223.2	
Deferred tax liabilities	106.8		116.3	
Other noncurrent liabilities	251.9		251.4	
Total liabilities	5,185.3		4,632.9	
Stockholders' Equity:				
AGCO Corporation stockholders' equity:				
Common stock	0.8		0.8	
Additional paid-in capital	9.7		10.2	
Retained earnings	4,491.0		4,477.3	
Accumulated other comprehensive loss	(1,545.8	)	(1,555.4)
Total AGCO Corporation stockholders' equity	2,955.7		2,932.9	
Noncontrolling interests	63.3		60.6	
Total stockholders' equity	3,019.0		2,993.5	
Total liabilities and stockholders' equity	\$	8,204.3	\$	7,626.4

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited and in millions, except per share data)

	Three Months Ended March 31,	
	2019	2018
Net sales	\$ 1,995.8	\$ 2,007.5
Cost of goods sold	1,539.1	1,579.5
Gross profit	456.7	428.0
Selling, general and administrative expenses	262.2	264.6
Engineering expenses	84.5	90.9
Restructuring expenses	1.7	5.9
Amortization of intangibles	15.3	15.7
Bad debt expense	0.6	0.4
Income from operations	92.4	50.5
Interest expense, net	3.5	10.3
Other expense, net	14.6	11.5
Income before income taxes and equity in net earnings of affiliates	74.3	28.7

Income tax provision	19.4		11.4	
Income before equity in net earnings of affiliates	54.9		17.3	
Equity in net earnings of affiliates	10.8		7.7	
Net income	65.7		25.0	
Net income attributable to noncontrolling interests	(0.6	)	(0.7)
Net income attributable to AGCO Corporation and subsidiaries	\$	65.1	\$	24.3
Net income per common share attributable to AGCO Corporation and subsidiaries:				
Basic	\$	0.85	\$	0.31
Diluted	\$	0.84	\$	0.30
Cash dividends declared and paid per common share	\$	0.15	\$	0.15
Weighted average number of common and common equivalent shares outstanding:				
Basic	76.6		79.6	
Diluted	77.5		80.5	

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited and in millions)

Three Months Ended March 31,

2019

2018

	2019		2018
Cash flows from operating activities:			
Net income	\$ 65.7		\$ 25.0
Adjustments to reconcile net income to net cash used in operating activities:			
Depreciation	53.0		59.2
Amortization of intangibles	15.3		15.7
Stock compensation expense	12.5		9.2
Equity in net earnings of affiliates, net of cash received	(10.1)		(4.3)
Deferred income tax benefit	(8.6)		(7.0)

Other	0.8		0.1	
Changes in operating assets and liabilities, net of effects from purchase of businesses:				
Accounts and notes receivable, net	(65.7	)	6.2	
Inventories, net	(418.6	)	(398.2)
Other current and noncurrent assets	(4.9	)	(36.2)
Accounts payable	127.5		66.4	
Accrued expenses	(107.7	)	(108.4)
Other current and noncurrent liabilities	10.9		11.0	
Total adjustments	(395.6	)	(386.3)
Net cash used in operating activities	(329.9	)	(361.3)
Cash flows from investing activities:				
Purchases of property, plant and equipment	(60.9	)	(46.1)
Proceeds from sale of property, plant and equipment	--		1.5	

Other	--		0.4	
Net cash used in investing activities	(60.9	)	(44.2)
Cash flows from financing activities:				
Proceeds from indebtedness, net	423.1		401.5	
Purchases and retirement of common stock	(30.0	)	(7.1)
Payment of dividends to stockholders	(11.5	)	(11.9)
Payment of minimum tax withholdings on stock compensation	(23.0	)	(3.2)
Payment of debt issuance costs	(0.5)	--	
Investment by noncontrolling interests	0.6		--	
Net cash provided by financing activities	358.7		379.3	
Effects of exchange rate changes on cash and cash equivalents	(1.2	)	6.7	
Decrease in cash and cash equivalents	(33.3	)	(19.5)

Cash and cash equivalents, beginning of period	326.1	367.7
Cash and cash equivalents, end of period	\$ 292.8	\$ 348.2

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in millions, except share amounts, per share data and employees)

1. STOCK COMPENSATION EXPENSE

The Company recorded stock compensation expense as follows:

	Three Months Ended March 31,	
	2019	2018
Cost of goods sold	\$ 0.5	\$ 0.8
Selling, general and administrative expenses	12.0	8.4
Total stock compensation expense	\$ 12.5	\$ 9.2

2. RESTRUCTURING EXPENSES

From 2014 through 2019, the Company announced and initiated several actions to rationalize employee headcount at various manufacturing facilities and administrative offices located in Europe, South America, China and the United States in order to reduce costs in response to softening global market demand and lower production volumes. The aggregate headcount reduction was approximately 3,890 employees between 2014 and 2018. The Company had approximately \$7.1 million of severance and related costs accrued as of December 31, 2018. During the three months ended March 31, 2019, the Company recorded an additional \$1.7 million of severance and related costs associated with further rationalizations associated with the termination of approximately 30 employees, and paid approximately \$2.6 million of severance and associated costs. The \$1.7 million of costs incurred during the three months ended March 31, 2019 included a \$0.3 million write-down of property, plant and equipment. The remaining \$5.8 million of accrued severance and other related costs as of March 31, 2019, inclusive of approximately \$ 0.1 million of negative foreign currency translation impacts, are expected to be paid primarily during 2019.

3. INDEBTEDNESS

Long-term debt at March 31, 2019 and December 31, 2018 consisted of the following:

March 31, 2019

December 31, 2018

1.056% Senior term loan due 2020	\$ 224.7		\$ 228.7	
Senior term loan due 2022	168.5		171.5	
Credit facility, expires 2023	207.9		114.4	
1.002% Senior term loan due 2025	280.9		--	
Senior term loans due between 2019 and 2028	801.1		815.3	
Other long-term debt	17.1		20.6	
Debt issuance costs	(2.8	)	(2.6)
	1,697.4		1,347.9	
Less:				
1.056% Senior term loan due 2020	(224.7)	--	
Senior term loans due 2019	(62.9	)	(63.8)
Current portion of other long-term debt	(5.5	)	(8.8)
Total long-debt, less current portion	\$ 1,404.3		\$ 1,275.3	

As of March 31, 2019 and December 31, 2018, the Company had short-term borrowings due within one year of approximately \$181.5 million and \$138.0 million, respectively.

4. INVENTORIES

Inventories at March 31, 2019 and December 31, 2018 were as follows:

	March 31, 2019		December 31, 2018
Finished goods	\$ 841.3		\$ 660.4
Repair and replacement parts	629.8		587.3
Work in process	289.6		217.5
Raw materials	546.9		443.5
Inventories, net	\$ 2,307.6		\$ 1,908.7

5. ACCOUNTS RECEIVABLE SALES AGREEMENTS

The Company has accounts receivable sales agreements that permit the sale, on an ongoing basis, of a majority of its wholesale receivables in North America, Europe and Brazil to its U.S., Canadian, European and Brazilian finance joint ventures. As of both March 31, 2019 and December 31, 2018, the cash received from receivables sold under the U.S., Canadian, European and Brazilian accounts receivable sales agreements was approximately \$1.4 billion.

Losses on sales of receivables associated with the accounts receivable financing facilities discussed above, reflected within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations, were approximately \$8.7 million and \$7.8 million, respectively, during the three months ended March 31, 2019 and 2018, respectively.

The Company's finance joint ventures in Europe, Brazil and Australia also provide wholesale financing directly to the Company's dealers. As of March 31, 2019 and December 31, 2018, these finance joint ventures had approximately \$88.1 million and \$82.5 million, respectively, of outstanding accounts receivable associated with these arrangements. In addition, the Company sells certain trade receivables under factoring arrangements to other financial institutions around the world.

6. NET INCOME PER SHARE

A reconciliation of net income attributable to AGCO Corporation and subsidiaries and weighted average common shares outstanding for purposes of calculating basic and diluted net income per share for the three months ended March 31, 2019 and 2018 is as follows:

	Three Months Ended March 31,	
	2019	2018
Basic net income per share:		
Net income attributable to AGCO Corporation and subsidiaries	\$ 65.1	\$ 24.3

Weighted average number of common shares outstanding	76.6		79.6	
Basic net income per share attributable to AGCO Corporation and subsidiaries	\$	0.85	\$	0.31
Diluted net income per share:				
Net income attributable to AGCO Corporation and subsidiaries	\$	65.1	\$	24.3
Weighted average number of common shares outstanding	76.6		79.6	
Dilutive stock-settled appreciation rights, performance share awards and restricted stock units	0.9		0.9	
Weighted average number of common shares and common share equivalents outstanding for purposes of computing diluted net income per share	77.5		80.5	

Diluted net
income per
share
attributable
to AGCO
Corporation
and
subsidiaries

\$ 0.84

\$ 0.30

7. SEGMENT REPORTING

The Company's four reportable segments distribute a full range of agricultural equipment and related replacement parts. The Company evaluates segment performance primarily based on income from operations. Sales for each segment are based on the location of the third-party customer. The Company's selling, general and administrative expenses and engineering expenses are charged to each segment based on the region and division where the expenses are incurred. As a result, the components of income from operations for one segment may not be comparable to another segment. Segment results for the three months ended March 31, 2019 and 2018 are as follows:

Three Months Ended March 31,	North America	South America	Europe/ Middle East	Asia/ Pacific/Africa	Consolidated
2019					
Net sales	\$ 496.2	\$ 156.1	\$ 1,210.6	\$ 132.9	\$ 1,995.8
Income from operations	30.6	(8.5)	127.7	3.4	153.2
2018					
Net sales	\$ 502.9	\$ 182.1	\$ 1,163.7	\$ 158.8	\$ 2,007.5
Income from operations	26.8	(16.6)	99.0	4.7	113.9

A reconciliation from the segment information to the consolidated balances for income from operations is set forth below:

	Three Months Ended March 31,	
	2019	2018
Segment income from operations	\$ 153.2	\$ 113.9
Corporate expenses	(31.8)	(33.4)
Stock compensation expense	(12.0)	(8.4)

Restructuring expenses	(1.7)	)	(5.9))
Amortization of intangibles	(15.3)	)	(15.7))
Consolidated income from operations	\$	92.4	\$	50.5

RECONCILIATION OF NON-GAAP MEASURES

This earnings release discloses adjusted income from operations, adjusted net income and adjusted net income per share, each of which exclude amounts that are typically included in the most directly comparable measure calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). A reconciliation of each of those measures to the most directly comparable GAAP measure is included below.

The following is a reconciliation of reported income from operations, net income and net income per share to adjusted income from operations, net income and net income per share for the three months ended March 31, 2019 and 2018 (in millions, except per share data):

Three Months Ended March 31,

	2019			2018		
	Income From Operations	Net Income ⁽¹⁾	Net Income Per Share ⁽¹⁾	Income From Operations	Net Income ⁽¹⁾	Net Income Per Share ⁽¹⁾
As reported	\$ 92.4	\$ 65.1	\$ 0.84	\$ 50.5	\$ 24.3	\$ 0.30
Restructuring expenses ⁽²⁾	1.7	1.4	0.02	5.9	4.2	0.05
As adjusted	\$ 94.1	\$ 66.5	\$ 0.86	\$ 56.4	\$ 28.5	\$ 0.35

(1) Net income and net income per share amounts are after tax.

(2) The restructuring expenses recorded during the three months ended March 31, 2019 and 2018 related primarily to severance costs associated with the Company's rationalization of certain U.S., European and South American manufacturing operations and various administrative offices.

The following is a reconciliation of targeted net income per share to adjusted targeted net income per share for the year ended December 31, 2019:

	Net Income Per Share ⁽¹⁾
As targeted	\$ 4.88
Restructuring expenses	0.02
As adjusted targeted ⁽²⁾	\$ 4.90

(1) Net income per share amount is after tax.

(2)

The above reconciliation reflects adjustments to full year 2019 targeted net income per share based upon restructuring expenses and other adjustments incurred during the three months ended March 31, 2019. Full year restructuring expenses could differ based on future restructuring activity.

The following tables set forth, for the three months ended March 31, 2019, the impact to net sales of currency translation by geographical segment (in millions, except percentages):

	Three Months Ended March 31,			Change due to currency translation	
	2019	2018	% change from 2018	\$	%
North America	\$ 496.2	\$ 502.9	(1.3)%	\$ (3.8)	(0.8)%
South America	156.1	182.1	(14.3)%	(21.2)	(11.6)%
Europe/Middle East	1,210.6	1,163.7	4.0 %	(106.3)	(9.1)%
Asia/Pacific/Other	132.9	158.8	(16.3)%	(10.6)	(6.7)%
	\$ 1,995.8	\$ 2,007.5	(0.6)%	\$ (141.9)	(7.1)%

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