




23rd Annual World Forum and Symposium

# Africa - Emerging Market Lessons for an Entire World

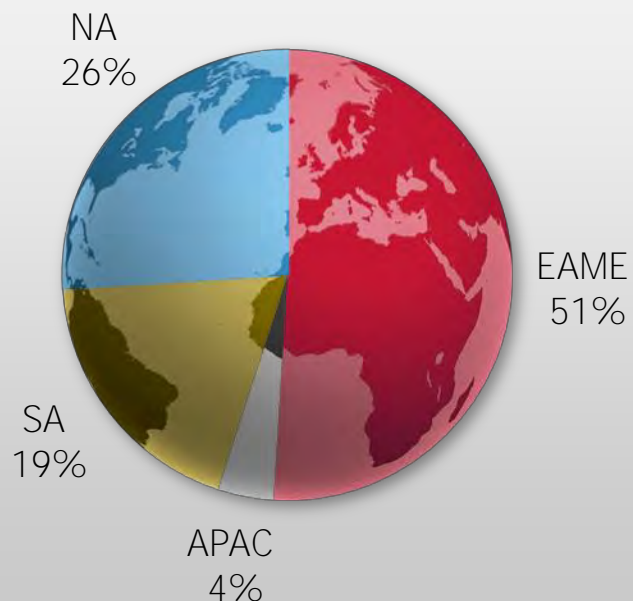
June 20, 2013



- 
- AGCO – who are we?
  - Challenge
  - Opportunity



## 2012 Sales = \$10B



## Valuable Global Platform

Range of products

**Full**

Brands

**Leading**

Markets

**Growing**

Dealers

**>3,100**

Countries

**>140**

Employees

**>21,000**

# Leading Brands

**FENDT**

Premium reputation  
for high tech  
solutions



Grain storage and  
protein production  
solutions



**MASSEY FERGUSON®**

One of the most  
widely distributed  
ag brands

*Challenger*

Serious machinery  
for professional  
producers



**VALTRA**

Completely customized  
performance





# Industry-Leading High Tech Solutions



**Best-in-Class Ag Equipment Solutions**

# "Connecting" AGCO Products



# Fleet and Asset Tracking and Data Management

- Location and asset management

## **AgCommand**

- Complete fleet management aimed at fleet owners
- Theft deterrence
- Machine performance reports
- Wireless communication
- Web-based application to view data
- Mobile App using Apple iOS Platform



**AGCOMMAND**

- Remote data access and transfer

## **Fendt VarioDoc**

- Complete field documentation system aimed at farmer/growers
- Wireless communication
- Export of data to 3rd party FMIS applications



**VARIO  
DOC**



# Precision Guidance and Positioning



**AUTO-GUIDE<sup>®</sup>**  
3000



**VARIO**  
Guide



- AGCO leading in vehicle autonomy

## **Fendt GuideConnect**

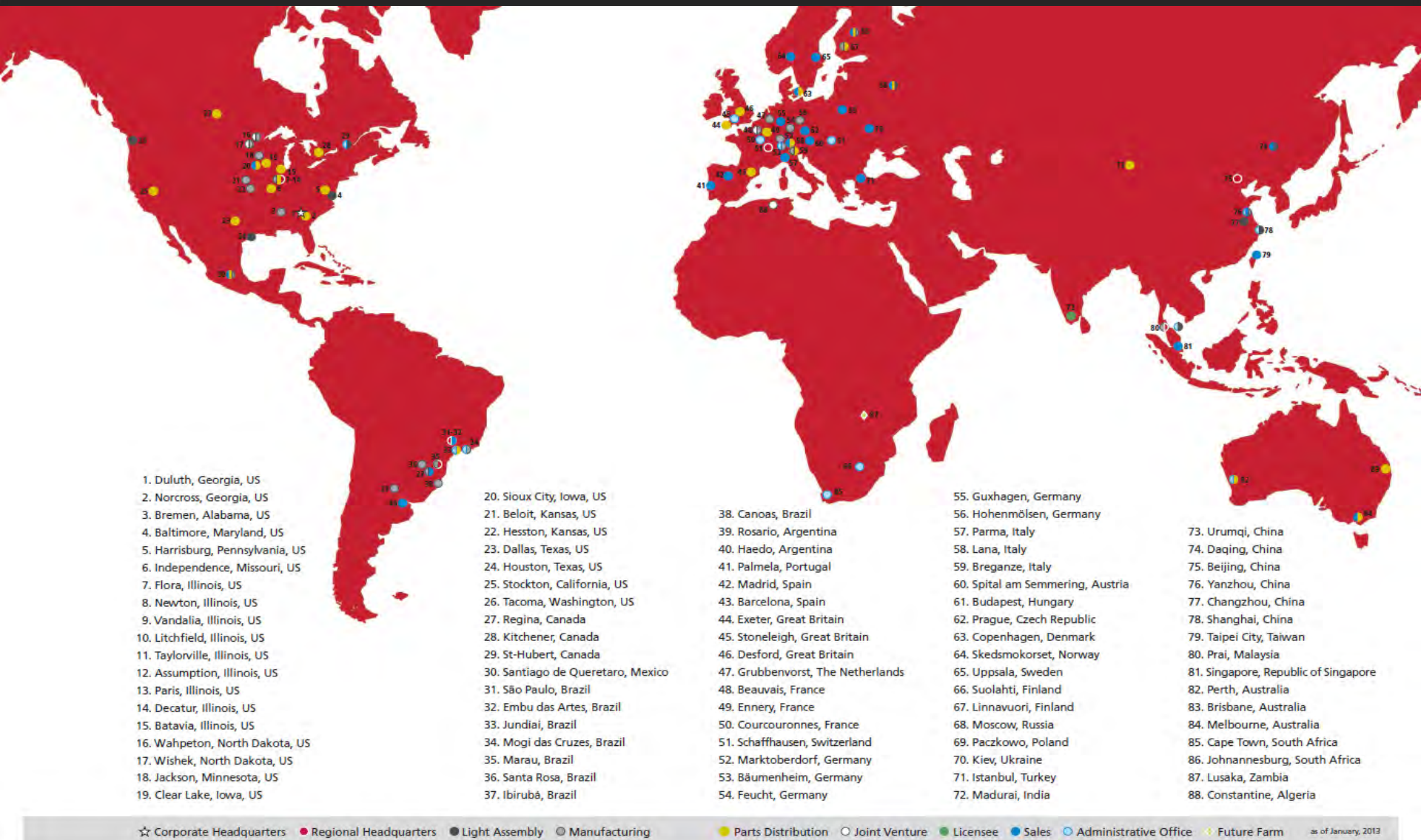
- Leader / follower unmanned tractor approach
- Gold Medal at Agritechnica 2011



# Service for Our Customers



# Global Presence



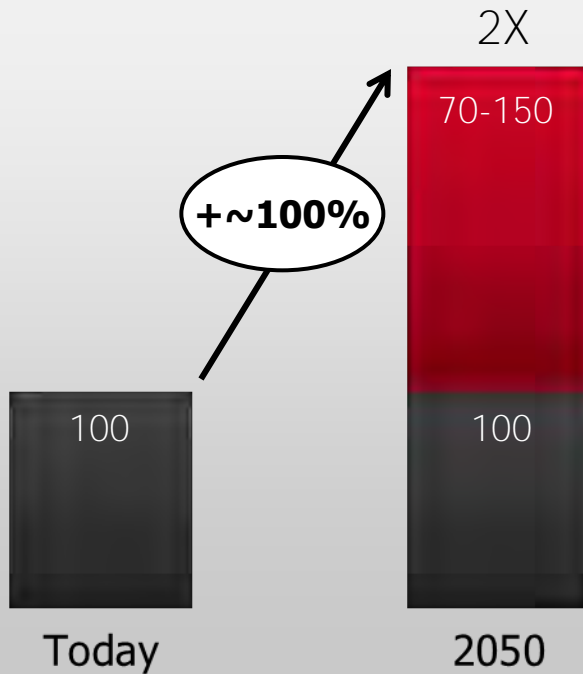
- AGCO – who are we?
- Challenge – people must eat!
- Opportunity



# Growing demand for food...

## Food Production

(Indexed)



## Population Growth

- Growing world population from 7 bn to 9 bn
- Increased consumption:
  - growing population
  - protein consumption

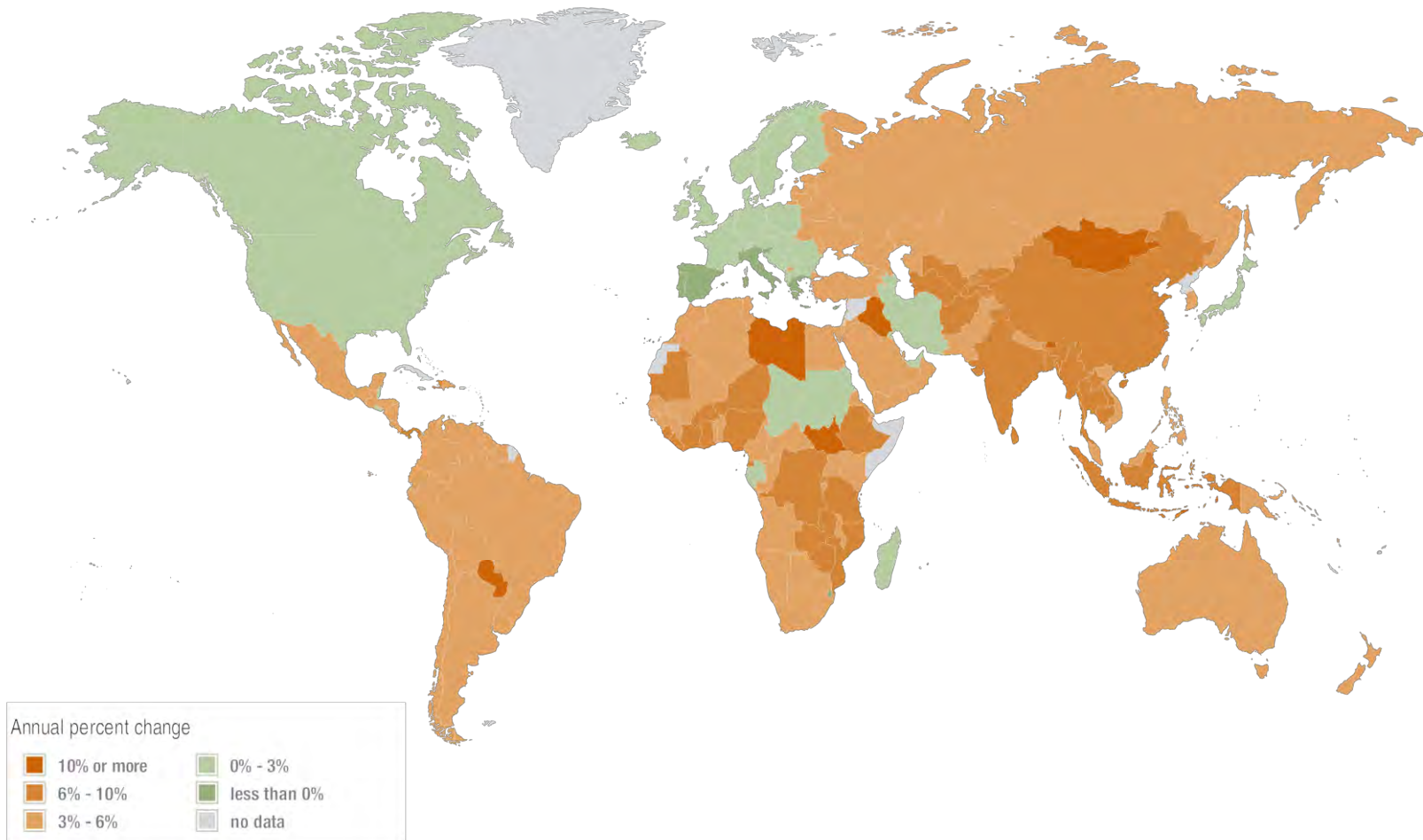




# ... but growing wealth to pay for it.

Real GDP growth (2013)

Source: World Economic Outlook (October 2012)



- AGCO – who are we?
- Challenge – people must eat!
- Opportunity – **let's focus on Africa...**



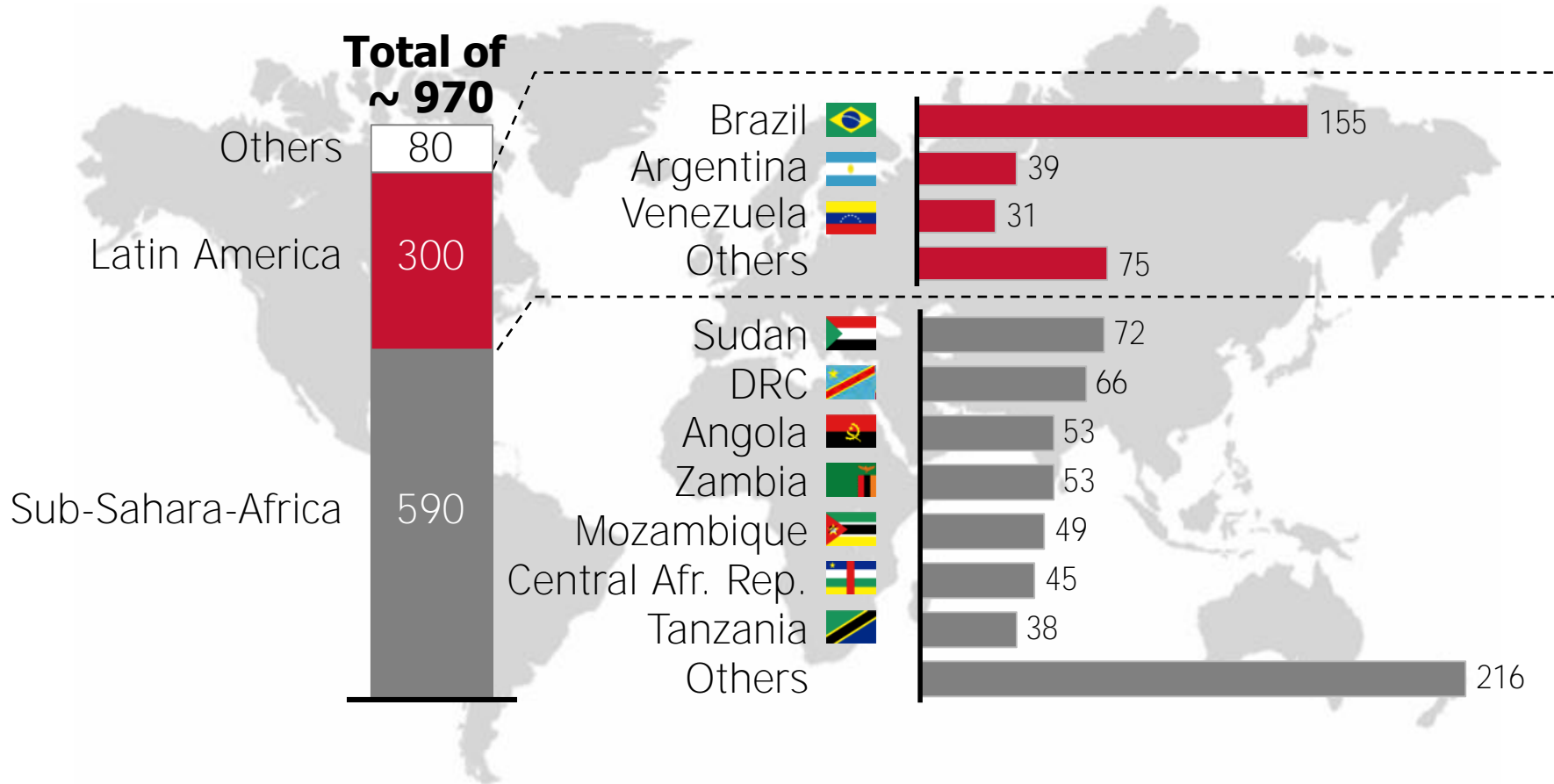
# Industry Growth Opportunity Developing Markets – Africa

**Africa is truly a continent of enormous scope**



# The available cropland potential in Africa

## Potentially Available Cropland, 2009, in million hectares



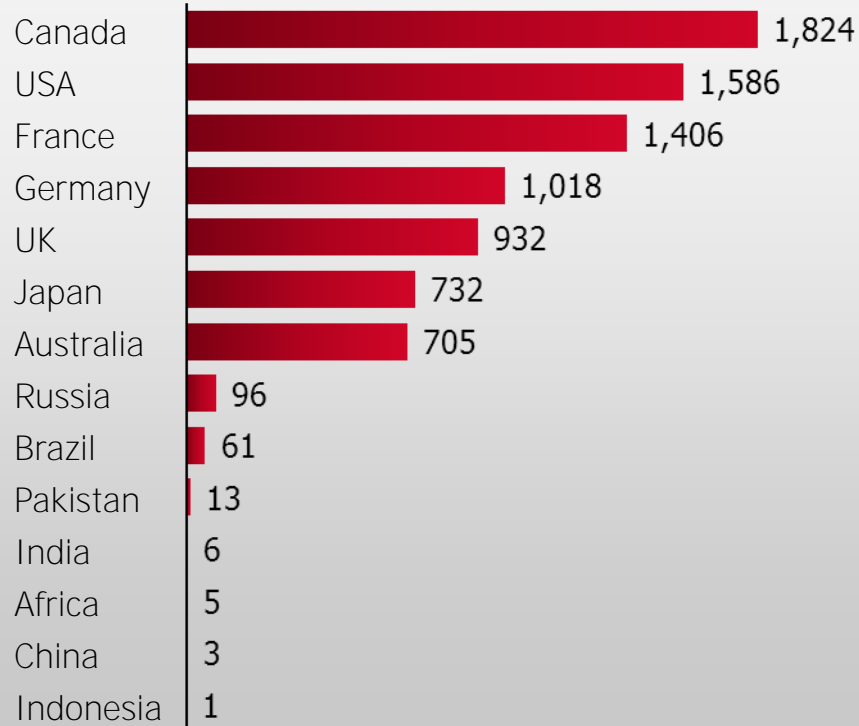
Source: World Bank/Food and Agriculture Organization, Awakening Africa's sleeping giant; McKinsey Global Institute



# Industry Growth Opportunity Developing Markets – Africa

## Mechanization Level Comparison

(unit of tractor/1,000 farmers & ag. industry workers)



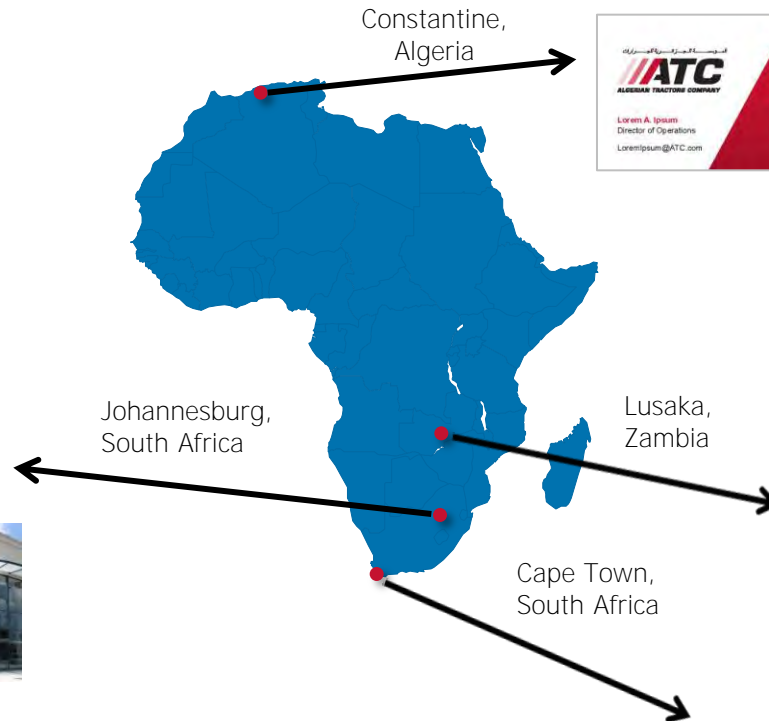
Farm power in African agriculture  
relies on manual labor, hand tools  
and animal power

# Increased Commitment to Africa



- Recognize
  - Africa can not only feed itself; it will be a net exporter of food
  - Africa is a continent, not a country
  - indigenous farmers and commercial operations must exist symbiotically
  - sustainability serves our environment and our businesses
  - **we must “live” in the market and not just “visit”**
  - Conversation without action is pointless

# Increased Commitment to Africa



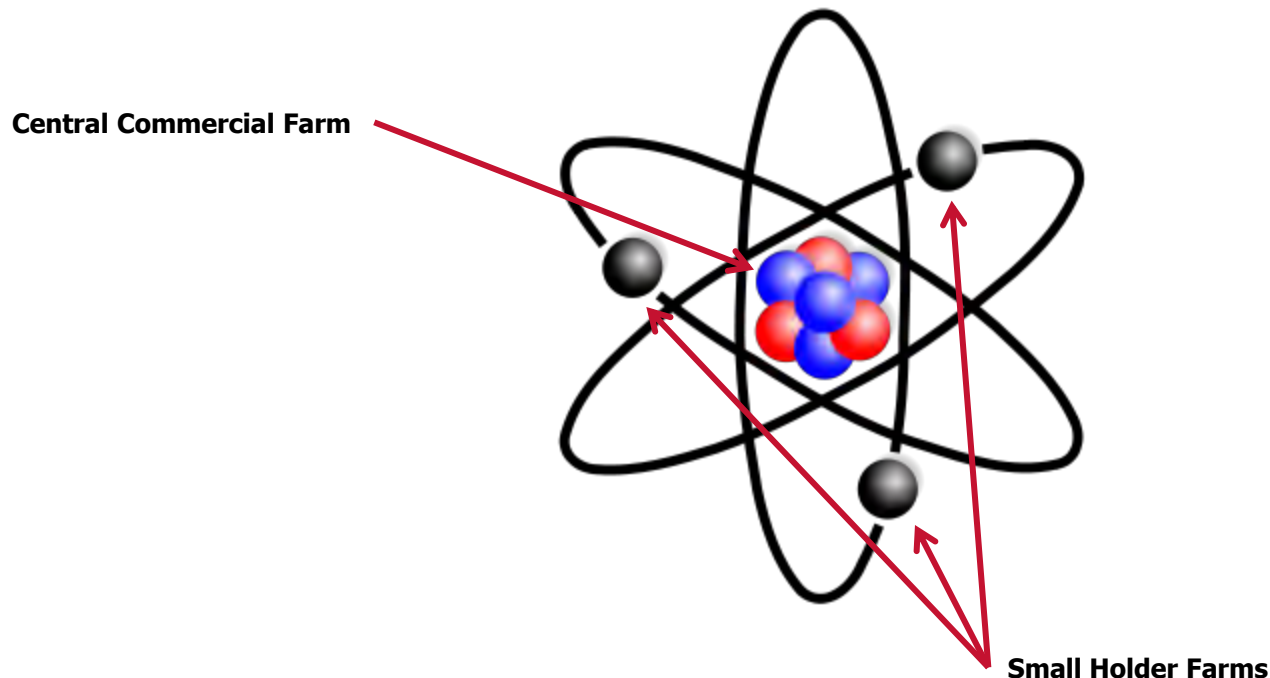
- Hosted inaugural Africa Summit in Berlin, January 2012
- Established Future Farm in Zambia
- Opened Technology Training Centre
- Established tractor assembly venture in Algeria
- Opened new parts warehouse in Johannesburg

- AGCO Zambia Model Farm – YouTube





# Increased Commitment to Africa




- Atomic Farm Model
  - Addresses need to increase rural wealth for Africans via Small holders
  - Addresses the need to rapidly advance mechanization via Corporate farms
  - Creates a symbiotic relationship that fosters growth, routes to markets and profit

- AGCO – who are we?
- Challenge – people must eat!
- Opportunity – **let's focus on Africa...**
- Finally – how about you?



# Opportunities abound in agriculture

- Agriculture – **youth can be “out standing” in their field**
  - Agriculture – more disciplines can be utilized than most any other sector
  - Agriculture – not a dirty word (or job)!
  - Agriculture – noble, sustainable, exciting, GLOBAL!
- 
- **Even with today’s sporadic economy and variable employment levels, people** have not and will not stop eating and therefore, agriculture leads the way in career opportunities for the graduates of today and tomorrow.
  - Our collective challenge is engaging effectively and consistently with our youth at every possible opportunity – today and tomorrow
  - Market Agriculture – feeds, fulfills, future

Thank You.

