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Senior Vice President and General Manager
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25 June, 2007

To: All AGCO EAME and EAPAC Distributors and Dealers

Subject: AGCO Expansion in the Harvesting Business

Good news for AGCO's harvesting business

I have great pleasure in announcing a major step forward in the expansion of AGCO's harvesting business.

In a new agreement, subject to the approval of the E.U. competition authorities, AGCO has acquired a 50% stake in Laverda S.p.A from the Italian ARGO group. This is tremendous news for our harvesting operation and a significant investment towards securing our mutual growth in this vital sector of the farm machinery market.

Two years ago, Martin Richenhagen, AGCO's Chairman, President and CEO, pledged that the company would deploy all the resources necessary to become a world leader in harvesting technology. This latest move is yet further proof that we are delivering on that promise and establishing a world-class harvesting machinery offer that will see customers turning more and more to AGCO brands for their harvesting needs.

Based in Breganze, Northern Italy, where it has produced combine harvesters for over 50 years, today ARGO operates one of the most modern and efficient harvesting machinery production sites in Europe.

As you are aware, AGCO already has a strong partnership with the Breganze plant which has been manufacturing mid-range combines for our Massey Ferguson, Fendt and Challenger brands since 2004. The great success of this venture has provided the basis for a new broader agreement.

The new joint venture also includes Fella-Werke GMBH, a German manufacturer of grass and hay machinery and a 50 % stake in Gallignani S.p.A, an Italian manufacturer of balers. In particular, the integration of Fella and Gallignani provides AGCO with direct access to key remaining products to enhance our harvesting offer.

The last two years have seen us take an increasingly determined focus in this sector with multi-million dollar investments in new product development and manufacturing facilities, including the development of AGCO's Randers

Combine assembly plant in Denmark. This is now paying dividends with customers, resulting in boosted sales and a rising tide of confidence.

As one of our valued business partners, I am sure you will agree that this new agreement with ARGO reinforces our commitment to provide customers with the very best choice of equipment and technology to support their growing needs. There is much to look forward to - here's to our joint future success.

Best regards,

A handwritten signature in black ink, appearing to read "R. Green", with a horizontal line extending from the end of the signature.