

First Quarter 2019

Earnings Conference Call

April 26, 2019



Safe Harbor Statement

Some of our comments constitute forward-looking statements that reflect management's current views and estimates of future economic circumstances, industry conditions, Company performance and financial results.

These statements are based on many assumptions and factors that are subject to risk and uncertainties. ADM has provided additional information in its reports on file with the SEC concerning assumptions and factors that could cause actual results to differ materially from those in this presentation, and you should carefully review the assumptions and factors in our SEC reports.

To the extent permitted under applicable law, ADM assumes no obligation to update any forward-looking statements as a result of new information or future events.

First Quarter Accomplishments



OPTIMIZE The Core

- Peanut and tree nut footprint rationalization
- Closure of older wheat flour mills
- Continued optimization of U.S. Origination footprint



DRIVE Efficiencies

- Focus on simplification of business
- Expand Global Business Services



EXPAND Strategically

- Expansion of UK origination footprint
- Launch of GrainBridge
- Global citrus additions
- Launch of Bio-Kult Migrea
- Opening of Animal Nutrition facility
- Completion of Neovia acquisition



READINESS

Readiness Accelerates

Targets



650
Prioritized
Initiatives



\$1.2B
Run Rate



40,000
Participation in ADM
Ability to Execute Training

READINESS 

Q1 2019 Financial Highlights

(Amounts in millions except per share data and percentages)

	Quarter Ended Mar. 31		
	2019	2018	Change
Adjusted earnings per share ^{(1) (2)}	\$0.46	\$0.68	-\$0.22
Adjusted segment operating profit ^{(1) (3)}	\$608	\$717	-\$109
Trailing 4Q average adjusted ROIC ⁽¹⁾	7.8%	6.4%	+140bps
Annual adjusted EVA ⁽¹⁾	\$288	\$39	+\$249
Effective tax rate	26%	15%	

⁽¹⁾ Non-GAAP measures - see notes on page 22

⁽²⁾ See earnings per share, the most comparable GAAP measure, on page 18

⁽³⁾ See segment operating profit as reported on page 6

Segment Operating Profit and Corporate Results

(Amounts in millions)	Quarter Ended Mar. 31		
	2019	2018	Change
Total Segment Operating Profit⁽¹⁾	\$ 611	\$ 704	\$ (93)
Specified items: (Gains) loss on sales of assets and businesses	(12)	—	(12)
Impairment and restructuring charges	9	13	(4)
Adjusted Segment Operating Profit⁽¹⁾⁽²⁾	\$ 608	\$ 717	\$ (109)
Origination	\$ 76	\$ 46	\$ 30
Merchandising & Handling	61	43	18
Transportation	15	3	12
Oilseeds	\$ 341	\$ 349	\$ (8)
Crushing & Origination	211	60	151
Refining, Packaging, Biodiesel, and Other	76	180	(104)
Asia	54	109	(55)
Carbohydrate Solutions	\$ 96	\$ 213	\$ (117)
Starches & Sweeteners	170	216	(46)
Bioproducts	(74)	(3)	(71)
Nutrition	\$ 81	\$ 96	\$ (15)
Wild Flavors and Specialty Ingredients	88	73	15
Animal Nutrition	(7)	23	(30)
Other	\$ 14	\$ 13	\$ 1
Total Segment Operating Profit⁽¹⁾	\$ 611	\$ 704	\$ (93)
Corporate	\$ (296)	\$ (240)	\$ (56)
Interest expense – net	(90)	(83)	(7)
Unallocated corporate costs	(183)	(146)	(37)
Other charges	(6)	(16)	10
Specified items: LIFO credit (charge)	(1)	8	(9)
Expenses related to acquisitions	(14)	—	(14)
Impairment, restructuring, and settlement charges	(2)	(3)	1
Earnings Before Income Taxes	\$ 315	\$ 464	\$ (149)

⁽¹⁾ Non-GAAP measure - see notes on page 22; ⁽²⁾ Adjusted segment operating profit equals total segment operating profit excluding specified items and timing effects.

Funded Significant Acquisitions in 2019

(Amounts in millions)

	Three Months Ended Mar. 31	
	2019	2018
Cash from operations before working capital changes	\$466	\$553
Changes in working capital ⁽¹⁾	(723)	(1,769)
Purchases of property, plant and equipment	(198)	(196)
Net assets of businesses acquired	(1,876)	—
Sub-total	(2,331)	(1,412)
Marketable securities investment	50	—
Other investing activities	(25)	18
Debt increase/(decrease)	1,305	1,473
Dividends	(198)	(190)
Other	(42)	(6)
Increase (decrease) in cash, cash equivalents, restricted cash, and restricted cash equivalents	(\$1,241)	(\$117)

⁽¹⁾ Includes the change in deferred consideration of (\$1,778 million) in 2019 and (\$2,450 million) in 2018 and the net proceeds from retained interest in securitized receivables of \$1,778 million in 2019 and \$2,358 million in 2018 which are presented separately as operating activities and investing activities, respectively, in the statement of cash flows as required by ASU 2016-15 which took effect 1/1/18.

Maintained Solid Balance Sheet

(Amounts in millions)

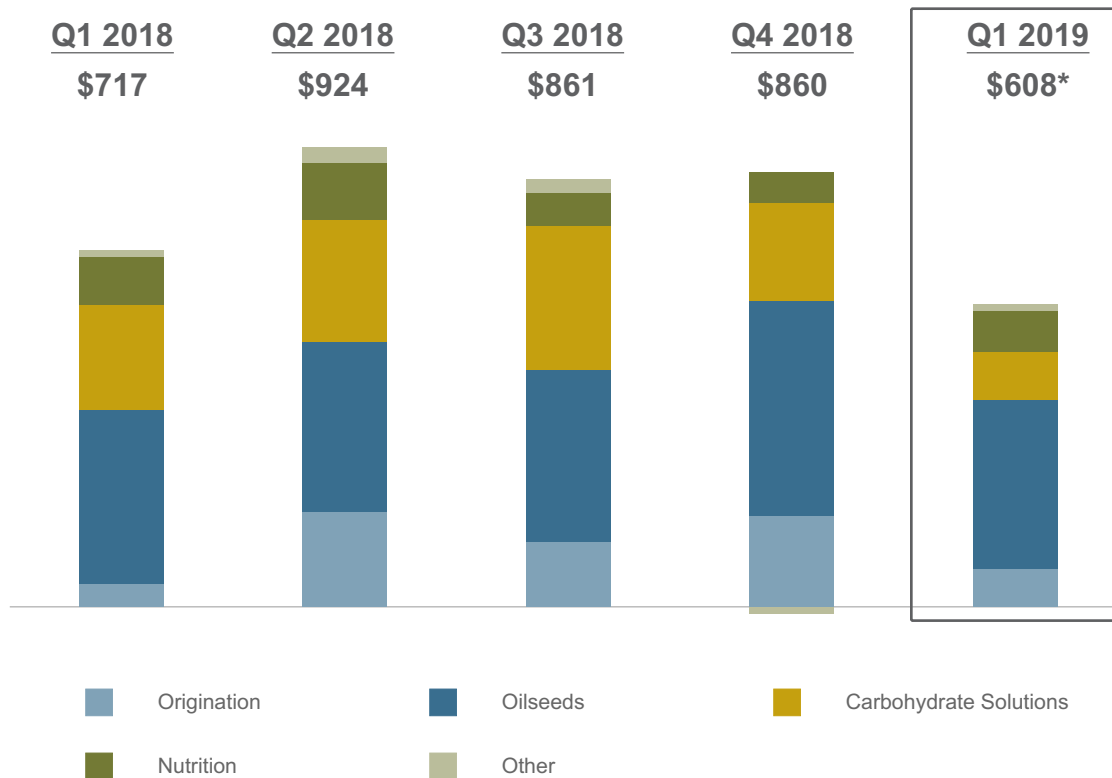
	Mar. 31, 2019	Mar. 31, 2018
Cash⁽¹⁾	\$935	\$797
Net property, plant, and equipment	10,299	10,123
Operating working capital⁽²⁾	8,175	9,167
- Total inventories	8,946	9,820
Total debt	9,884	9,000
- CP outstanding	1,350	1,400
Shareholders' Equity	18,910	18,737
Memos:		
Available credit capacity March 31		
- CP	\$3.6 bil	\$3.6 bil
- Other	\$2.6 bil	\$1.5 bil
Readily marketable inventory	\$5.5 bil	\$6.5 bil
Net Debt to Total Capital Ratio	32%	30%

⁽¹⁾Cash = cash and cash equivalents and short-term marketable securities

⁽²⁾Current assets (excluding cash and cash equivalents and short-term marketable securities less current liabilities (excluding short-term debt and current maturities of long-term debt)

Q1 Adjusted Segment OP \$608 million

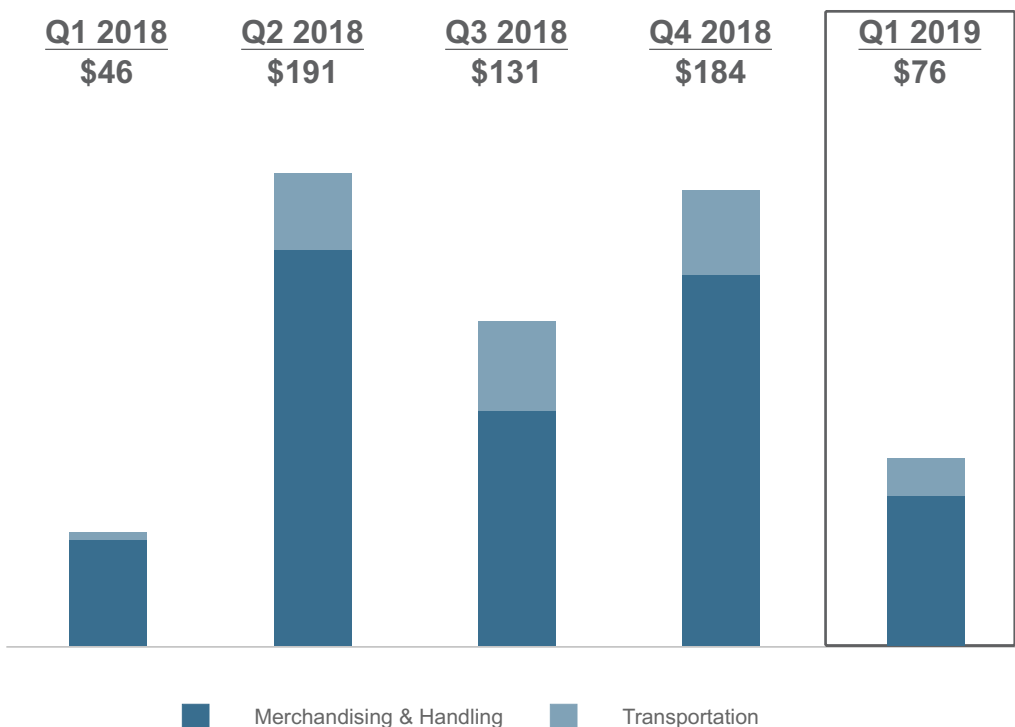
Adjusted segment operating profit (in millions)
Excludes specified items



*Segment operating profit as reported was \$611M

Origination: Good Execution in Extreme Conditions

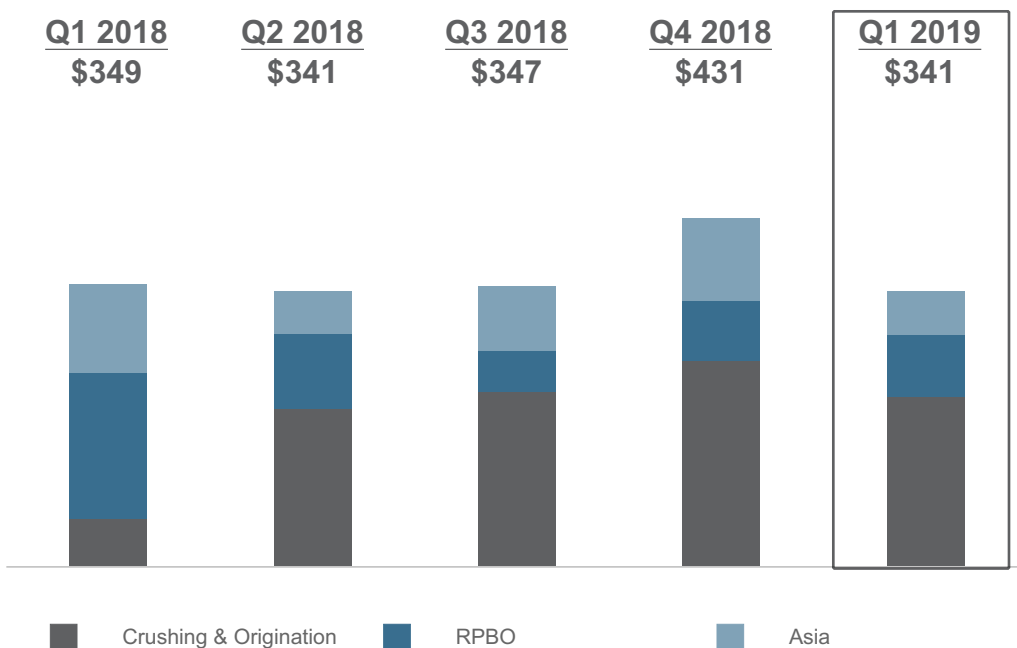
Segment operating profit (in millions)



- Approximately \$30M impact from severe weather
- Solid margins on NA corn and soybean exports
- Transportation: higher results despite high water conditions

Oilseeds: Solid Performance in Healthy Demand Environment

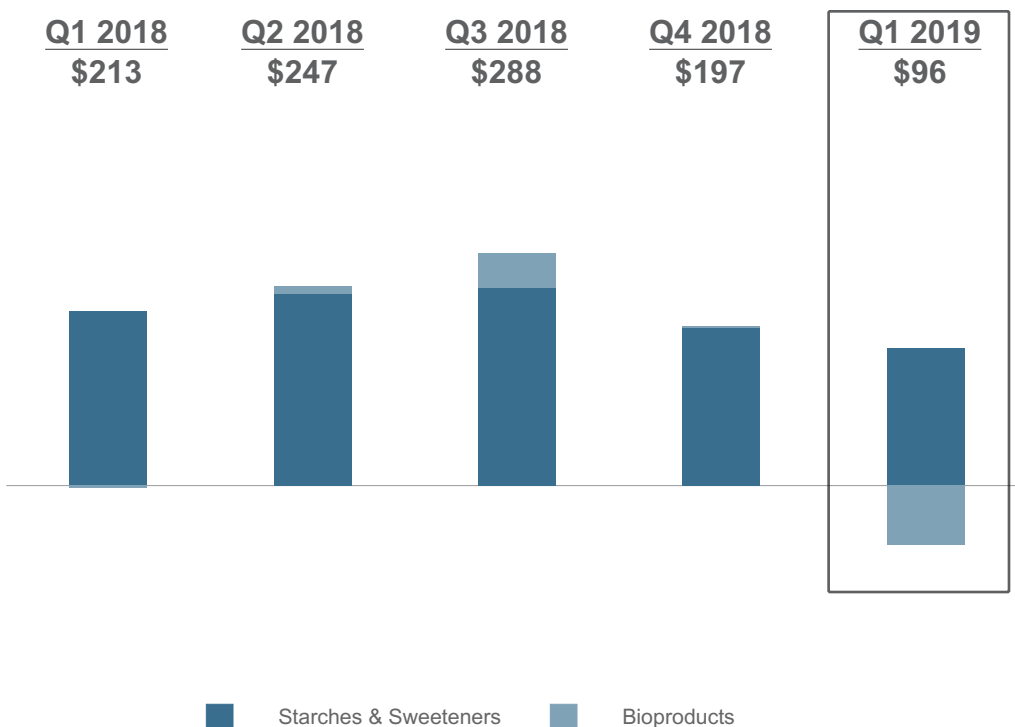
Segment operating profit (in millions)



- C&O up significantly; strong performance on higher executed crush margins and record crush volumes
- RPBO: YOY variance impacted by prior year biodiesel tax credit; solid contributions from all regions

Carbohydrate Solutions: Weather Impacts, Weak Ethanol Environment

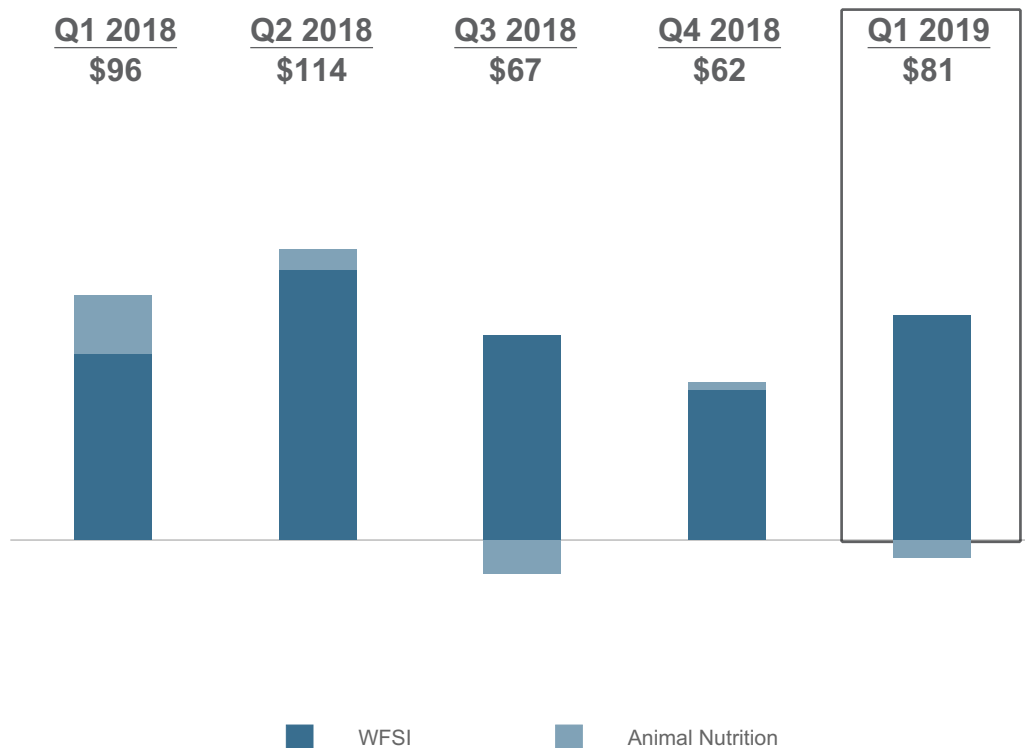
Segment operating profit (in millions)



- Approximately \$30M impact from severe weather
- EMEA industry conditions negatively impacting S&S
- Bioproducts down on weak ethanol industry environment and limited risk management opportunities

Nutrition: Continued Strong Growth in WFSI, Weaker Animal Nutrition

Segment operating profit (in millions)



- **WFSI:** profit growth in all three businesses; sales 11% higher YOY on constant currency basis; 21% OP growth
- **Animal Nutrition** down YOY due to normalized premix margins, Neovia purchase price adjustments, tail end of previous lysine issues

Advancing Growth and Driving Returns



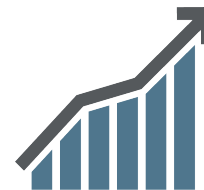
Business Turnarounds

Marshall
Repurposing
Ethanol
Subsidiary



READINESS

Increasing
Targets for
2019-20
CapEx Efficiency



Harvesting Growth Investments

Accelerating,
Increasing
Neovia
Synergies

Strong Back Half, Solid Full Year For 2019

Upcoming Investor Events

BMO Farm to Market Conference

May 15-16

New York, NY

Stifel Cross Sector Insight Conference

June 10-12

Boston, MA



Appendix

GAAP Statement of Earnings Summary

(Amounts in millions except per share data)

	Quarter Ended Mar. 31		
	2019	2018	Change
Revenues	\$15,304	\$15,526	(\$222)
Gross profit	928	889	39
Selling, general and administrative expenses	659	513	146
Asset impairment, exit, and restructuring charges	11	16	(5)
Equity in (earnings) losses of unconsolidated affiliates	(101)	(147)	46
Interest income	(49)	(33)	(16)
Interest expense	101	91	10
Other (income) expense – net	(8)	(15)	7
Earnings before income taxes	315	464	(149)
Income tax expense (benefit)	81	68	13
Net earnings including noncontrolling interests	234	396	(162)
Less: Net earnings (losses) attributable to noncontrolling interests	1	3	(2)
Net earnings attributable to ADM	\$ 233	\$ 393	\$ (160)
Earnings per share (fully diluted)	\$ 0.41	\$ 0.70	\$ (0.29)

Adjusted Earnings Per Share (EPS)

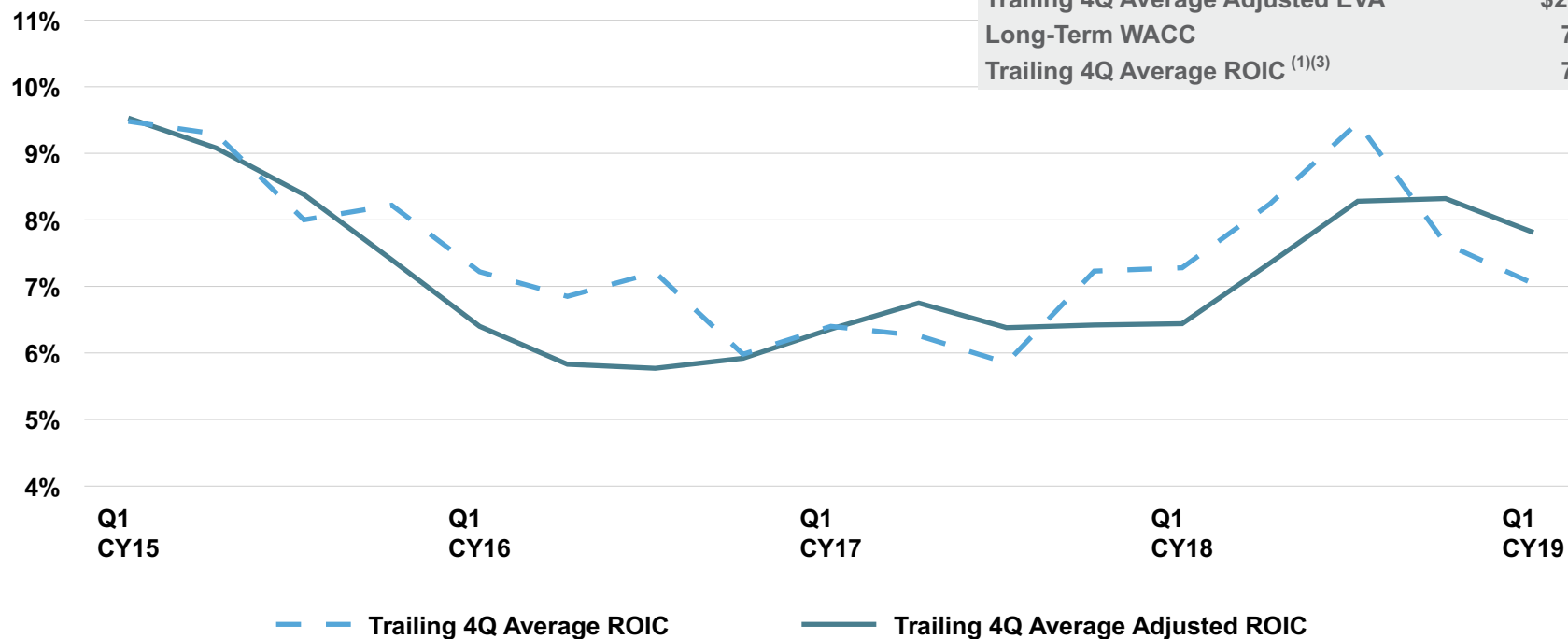
(Amounts in millions except per share data)

	Quarter Ended Mar. 31					
	2019		Per share	2018		Per share
	Pre-tax	After-tax		Pre-tax	After-tax	
Earnings and EPS (fully diluted) as reported	\$ 315	\$ 233	\$ 0.41	\$ 464	\$ 393	\$ 0.70
<u>Adjustments</u>						
LIFO (credit)/charge	1	1	—	(8)	(6)	(0.01)
(Gains) loss on sales of assets	(12)	(9)	(0.02)	—	—	—
Impairment, restructuring, and settlement charges	11	10	0.02	16	12	0.02
Expenses related to acquisitions	14	9	0.02	—	—	—
Tax adjustment	17	17	0.03	(14)	(14)	(0.03)
Adjusted Earnings and adjusted EPS (non-GAAP) ⁽¹⁾	\$ 346	\$ 261	\$ 0.46	\$ 458	\$ 385	\$ 0.68

⁽¹⁾ Non-GAAP measure - see notes on page 22

ROIC versus WACC

LT ROIC Objective: 10%



	Q1 CY19
Trailing 4Q Average Adjusted ROIC ⁽¹⁾⁽²⁾	7.8%
Annual WACC	6.75%
Trailing 4Q Average Adjusted EVA	\$288M
Long-Term WACC	7.0%
Trailing 4Q Average ROIC ⁽¹⁾⁽³⁾	7.0%

⁽¹⁾ Non-GAAP measure - see notes on page 22

⁽²⁾ Adjusted for LIFO and specified items - see notes on page 22

⁽³⁾ Adjusted for LIFO - see notes on page 22

Return on Invested Capital

Adjusted ROIC Earnings⁽¹⁾

(Amounts in millions)

	Quarter Ended				Four Quarters Ended
	June 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Mar. 31, 2019
Net earnings attributable to ADM	\$ 566	\$ 536	\$ 315	\$ 233	\$ 1,650
Adjustments					
Interest expense	89	87	97	101	374
LIFO charge (credit)	(13)	7	(4)	1	(9)
Other adjustments	31	(20)	241	30	282
Total adjustments	107	74	334	132	647
Tax on adjustments	(26)	(21)	(80)	(28)	(155)
Net adjustments	81	53	254	104	492
Total Adjusted ROIC Earnings	\$ 647	\$ 589	\$ 569	\$ 337	\$ 2,142

Adjusted Invested Capital⁽¹⁾

(Amounts in millions)

	Quarter Ended				Trailing Four Quarter Average
	June 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	
Equity ⁽²⁾	\$ 18,710	\$ 18,987	\$ 18,981	\$ 18,895	\$ 18,893
+ Interest-bearing liabilities ⁽³⁾	7,630	7,857	8,392	9,887	8,442
+ LIFO adjustment (net of tax)	39	44	41	42	42
+ Other adjustments (net of tax)	23	(18)	183	27	54
Total Adjusted Invested Capital	\$ 26,402	\$ 26,870	\$ 27,597	\$ 28,851	\$ 27,431

⁽¹⁾ Non-GAAP measure – see notes on page 22

⁽²⁾ Excludes noncontrolling interests

⁽³⁾ Includes short-term debt, current maturities of long-term debt, finance lease obligations, and long-term debt

Processed Volumes (by commodity)

Metric Tons Processed (000s)

	2014	2015	2016	2017	2018
Oilseeds	32,208	33,817	33,788	34,733	36,308
Corn	23,668	23,126	22,273	22,700	22,343
	55,876	56,943	56,061	57,433	58,651

	CY17				CY18				CY19
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Oilseeds	8,818	8,519	8,265	9,131	9,047	9,075	9,181	9,005	9,167
Corn	5,619	5,765	5,467	5,849	5,591	5,518	5,599	5,635	5,132
	14,437	14,284	13,732	14,980	14,638	14,593	14,780	14,640	14,299

Notes: Non-GAAP Reconciliation

The Company uses certain “Non-GAAP” financial measures as defined by the Securities and Exchange Commission. These are measures of performance not defined by accounting principles generally accepted in the United States, and should be considered in addition to, not in lieu of, GAAP reported measures.

(1) Adjusted net earnings and Adjusted earnings per share (EPS)

Adjusted net earnings reflects ADM's reported net earnings after removal of the effect on net earnings of specified items as more fully described above. Adjusted EPS reflects ADM's fully diluted EPS after removal of the effect on EPS as reported of specified items as more fully described above. Management believes that Adjusted net earnings and Adjusted EPS are useful measures of ADM's performance because they provide investors additional information about ADM's operations allowing better evaluation of underlying business performance and better period-to-period comparability. These non-GAAP financial measures are not intended to replace or be alternatives to net earnings and EPS as reported, the most directly comparable GAAP financial measures, or any other measures of operating results under GAAP. Earnings amounts described above have been divided by the company's diluted shares outstanding for each respective period in order to arrive at an adjusted EPS amount for each specified item.

(2) Segment operating profit and adjusted segment operating profit

Segment operating profit is ADM's consolidated income from operations before income tax excluding corporate items. Adjusted segment operating profit, a non-GAAP measure, is segment operating profit excluding specified items. Management believes that segment operating profit and adjusted segment operating profit are useful measures of ADM's performance because they provide investors information about ADM's business unit performance excluding corporate overhead costs as well as specified items. Segment operating profit and adjusted segment operating profit are not measures of consolidated operating results under U.S. GAAP and should not be considered alternatives to income before income taxes, the most directly comparable GAAP financial measure, or any other measure of consolidated operating results under U.S. GAAP.

(3) Adjusted Return on Invested Capital (ROIC)

Adjusted ROIC is Adjusted ROIC earnings divided by adjusted invested capital. Adjusted ROIC earnings is ADM's net earnings adjusted for the after tax effects of interest expense, changes in the LIFO reserve and other specified items. Adjusted invested capital is the sum of ADM's equity (excluding noncontrolling interests) and interest-bearing liabilities adjusted for the after tax effect of the LIFO reserve, and other specified items. Management believes Adjusted ROIC is a useful financial measure because it provides investors information about ADM's returns excluding the impacts of LIFO inventory reserves and other specified items and increases period-to-period comparability of underlying business performance. Management uses Adjusted ROIC to measure ADM's performance by comparing Adjusted ROIC to its weighted average cost of capital (WACC). Adjusted ROIC, Adjusted ROIC earnings and Adjusted invested capital are non-GAAP financial measures and are not intended to replace or be alternatives to GAAP financial measures.

(4) Average ROIC

Average ROIC is ADM's trailing 4-quarter net earnings adjusted for the after-tax effects of interest expense and changes in the LIFO reserve divided by the sum of ADM's equity (excluding non-controlling interests) and interest-bearing liabilities adjusted for the after-tax effect of the LIFO reserve. Management uses average ROIC for investors as additional information about ADM's returns. Average ROIC is a non-GAAP financial measure and is not intended to replace or be an alternative to GAAP financial measures.

(5) Adjusted Economic Value Added

Adjusted economic value added is ADM's trailing 4-quarter economic value added adjusted for LIFO and other specified items. The Company calculates economic value added by comparing ADM's trailing 4-quarter adjusted returns to its Annual WACC multiplied by adjusted invested capital. Adjusted economic value added is a non-GAAP financial measure and is not intended to replace or be an alternative to GAAP financial measures.