

Investment Banking for Agribusiness Companies

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Investment Banking Services

- **Mergers and Acquisitions**
- **Debt and Equity Financings**
- **Financial Consulting**



Agribusiness in the Early '80s

- **Soaring interest rates**
- **Plunging land prices**
- **Foretold major changes in production and financing foretold**



AgriCapital Corporation

Established in 1981

- **Assist agribusiness companies in meeting challenges of accelerating pace of change**
- **Offer benefits of a firm specializing in agribusiness**



Benefits of Specialization

- **Strategic understanding of agribusiness**
- **Abreast of rapidly changing industry**
- **Extensive contact with industry participants**

Our Business Philosophy

- **Understand clients' needs**
- **Clients needs first!**

Agribusiness Industries Served

Animal Genetic	Animal Health	Aquaculture
Beef	Biotechnology	Crop Protection
Dairy Equipment	Farm Finance	Farm Mgmt.
Feed	Food Products	Food Safety
Grain	Horticulture	Nutrition
Packaging	Pet Products	Pork
Poultry	Rendering	Seed & Plant Genetics
Technology	Vineyards & Wineries	

Our Role in a Typical Project

- **Evaluating the need**
- **Formulating a strategy**
- **Implementing a plan**
- **Following through to completion**

Evaluating the Need

- **Client faces a “fork in the road”**
- **Thorough study of business**
- **Independent evaluation of options**

Formulating a Strategy

- **Client needs first!**
- **Develop multiple options**
- **Utilization of financial modeling**

Implementing a Plan

- **Attention to detail**
- **Use of proprietary database**
- **Continual realistic assessments**
- **Keep client informed**

Follow-through to Completion

- **Negotiation**
- **Due diligence**
- **Work with other advisors**

Mergers & Acquisitions

- **Change ownership to compete more effectively**
- **Preserve or monetize owners' capital**
- **Manage capital by divesting non-core businesses**
- **Accelerate growth through acquisition**

Capital Raising

- **Shortage of capital aggravated by change**
- **Fresh capital needed to implement growth plans**
- **Need to reduce leverage**

Assignments

- **In 21 years, ### assignments for ### companies**
- **Three examples**
 - **Acquisition: xxxx company**
 - **Capital Raising: xxx company**
 - **Consulting: xxx company**

More Change Ahead

- **Shrinking distance between producer and consumer**
- **Technology**
- **Globalization**
- **Greater access to capital**
- **Re-entrepreneuring**
- **World population growth**

Shrinking Distance

- **Integration of steps in food production system**
- **Market driven needs**

Technology

- **Reduced input costs**
- **Improved efficiency**
- **More rapid response**

Globalization

- **Inexorable Trend**
- **Likely to escalate**

Capital Access

- **Agricultural credit more plentiful**
- **Two-tiered environment**

Re-entrepreneuring

- **Pendulum swinging away from consolidation in certain agribusinesses**
- **Getting back in touch with customers**
- **Greater employee motivation**

World Population Growth

- **Agribusiness will be strained to meet needs of spiraling population**
- **Pressure to improve productivity**

Meeting the Challenges: Our Strengths

- **Integrity**
- **Expertise**
- **Ability to customize**
- **People**