



Third Quarter Earnings Call

November 7, 2017



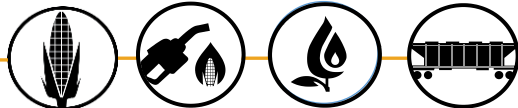
Forward Looking Statements



Certain information discussed today constitutes forward-looking statements. Actual results could differ materially from those presented in the forward looking statements as a result of many factors including general economic conditions, weather, competitive conditions in the Company's industries, both in the U.S. and internationally, and additional factors that are described in the Company's publically-filed documents, including its '34 Act filings and the prospectuses prepared in connection with the Company's offerings.

This Presentation includes financial information of which the Company's independent auditors have not completed their review. Although the Company believes that the assumptions upon which the financial information and its forward looking statements are based are reasonable, it can give no assurances that these assumptions will prove to be accurate.

This presentation and today's prepared remarks contain non-GAAP financial measures. Reconciliations of the GAAP to non-GAAP measures may be found within the financial tables of our earnings release and the appendix of this presentation. "Adjusted Pretax Income" is our primary measure of period-over-period comparisons, and we believe it is a meaningful measure for investors to compare our results from period to period. EBITDA, or earnings before interest, taxes, depreciation and amortization, is a measure we use to assess the cash flow generated by our operations. We have excluded the impairment charge related to our wholesale fertilizer business, as we believe it is not representative of our ongoing core operations when calculating Adjusted Pretax Income, Adjusted Net Income and Adjusted EBITDA.



Speakers



Pat Bowe

Chief Executive Officer

John Granato

Chief Financial Officer

John Kraus

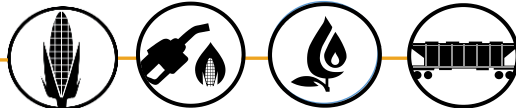
Director, Investor Relations



Q3 '17 Headlines



- **Grain:** Recorded better year-over-year results for the fourth consecutive quarter; 2017 harvest looks positive so far
- **Ethanol:** Softer margins continued due to higher industry production, which drove lower year-over-year results
- **Plant Nutrient:** Excess supply continues to cause compressed margins; volume somewhat improved over 2016 levels
- **Rail:** Recorded comparable base leasing income year-over-year as utilization crept higher and lease rates declined
- **Company:** Closed on the sale of two of four retail store properties; successfully launched a new company-wide procurement system



Key Financial Data

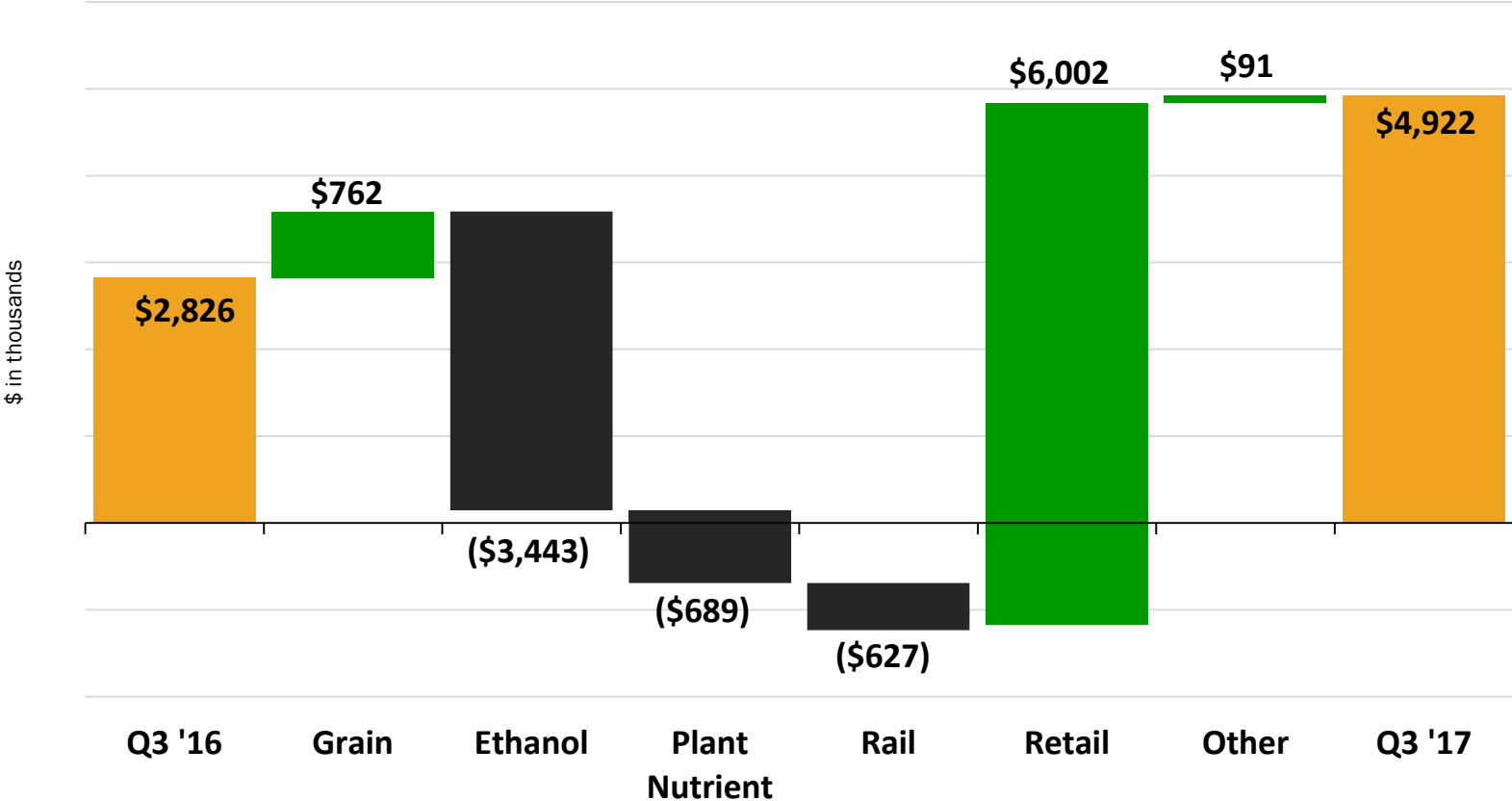


<i>Unaudited \$ in millions, except per share data</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
Net Sales	\$836.6	\$859.6	(\$23.0)	\$2,682.3	\$2,811.7	(\$129.4)
Gross Profit	\$69.7	\$77.0	(\$7.3)	\$234.0	\$241.8	(\$7.8)
Operating and general expenses	\$68.5	\$78.8	(\$10.3)	\$220.3	\$234.1	(\$13.8)
Equity in earnings (loss) of affiliates	\$3.6	\$8.4	(\$4.8)	\$8.1	\$3.8	\$4.3
Income (loss) before income taxes	\$5.0	\$4.4	\$0.6	(\$19.6)	\$4.6	(\$24.2)
Adjusted income before taxes	\$5.0	\$4.4	\$0.6	\$22.4	\$4.6	\$17.8
Net income (loss) attributable to The Andersons, Inc.	\$2.5	\$1.7	\$0.8	(\$27.2)	\$1.4	(\$28.6)
Adjusted net income attributable to The Andersons, Inc.	\$2.5	\$1.7	\$0.8	\$14.8	\$1.4	\$13.4
Diluted Earnings per share (EPS)	\$0.09	\$0.06	\$0.03	(\$0.96)	\$0.05	(\$1.01)
Adjusted diluted earnings per share (EPS)	\$0.09	\$0.06	\$0.03	\$0.52	\$0.05	\$0.47
Depreciation and amortization	\$21.7	\$20.9	\$0.8	\$64.5	\$62.2	\$2.3
EBITDA	\$32.0	\$28.1	\$3.9	\$62.3	\$83.1	(\$20.8)
Adjusted EBITDA	\$32.0	\$28.1	\$3.9	\$104.3	\$83.1	\$21.2
Corporate unallocated expenses	\$6.4	\$6.5	(\$0.1)	\$18.5	\$19.6	(\$1.1)
Long-term debt				\$371.3	\$395.6	(\$24.3)
Long-term debt-to-equity				0.50	0.51	(0.01)

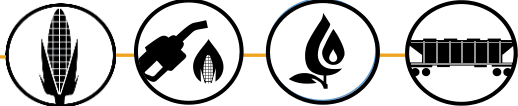
Pretax Income



Q3 '16 Pretax Income to Q3 '17 Pretax Income



Note: Amounts above exclude net income attributable to the non controlling interests

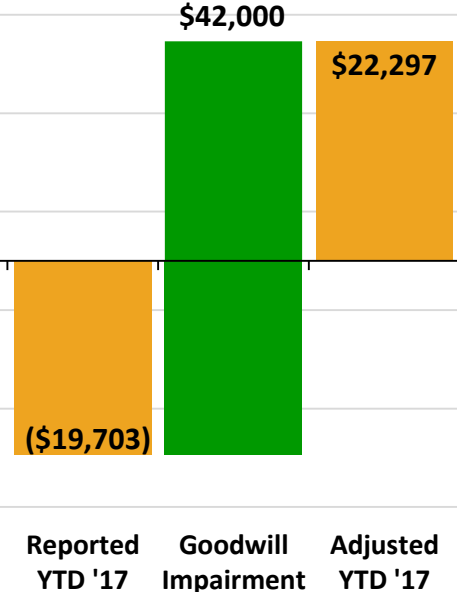
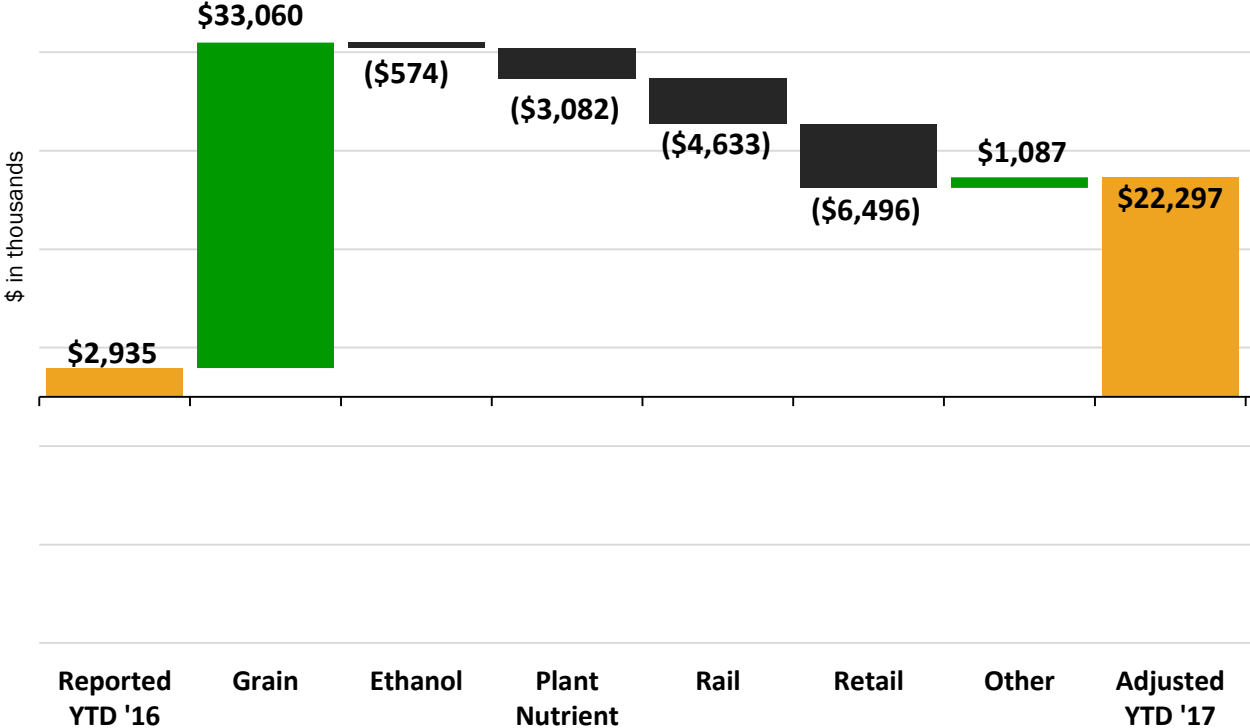


Pretax Income

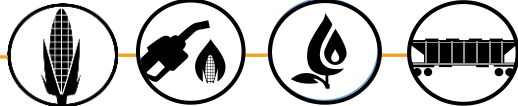


Reported YTD '16 Pretax Income to Adjusted YTD '17 Pretax Income

YTD '17 Reconciliation



Note: Amounts above exclude net income attributable to the non controlling interests



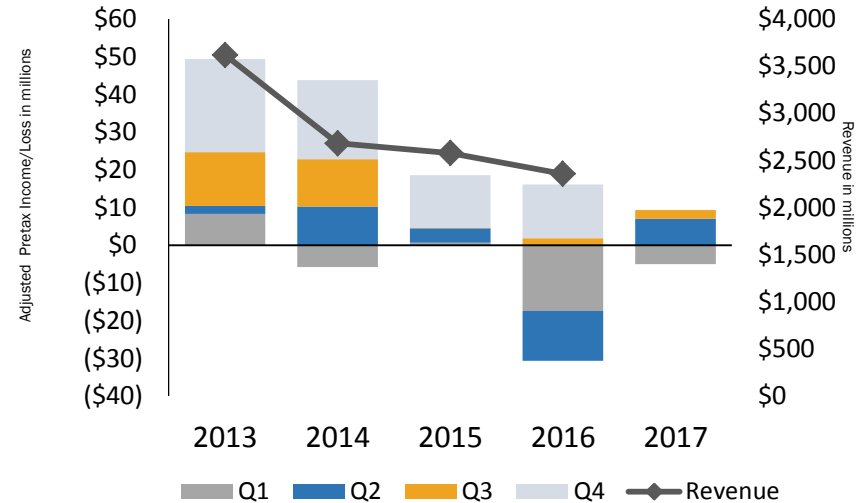
Grain Group



Q3 '17 Highlights

- Base Grain improvement of \$1.8 million driven by better storage income
- Merchandising, trading and risk management activities all posted better results
- Results of affiliates were down by \$1.1 million primarily due to lower results at Thompsons

Five Year Performance



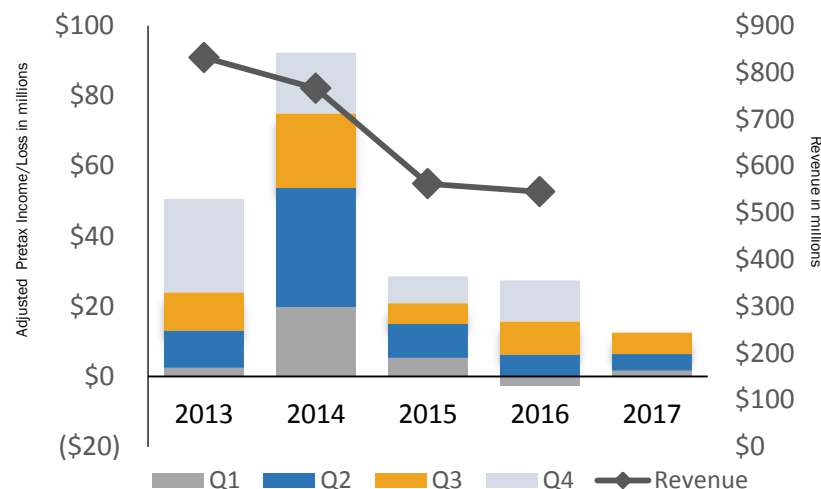
<i>\$ in millions, except margin</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
<u>Base Grain</u>						
Revenues	\$497.6	\$550.2	(\$52.6)	\$1,464.6	\$1,612.0	(\$147.4)
Gross Profit	\$32.3	\$30.5	\$1.8	\$86.4	\$64.2	\$22.2
Gross Profit Margin	6.5%	5.5%	1.0%	5.9%	4.0%	1.9%
Pretax Income	\$3.4	\$1.6	\$1.8	\$4.0	(\$21.5)	\$25.5
Affiliates Pretax Income	(\$0.8)	\$0.3	(\$1.1)	\$0.5	(\$7.1)	\$7.6
Group Pretax Income	\$2.6	\$1.9	\$0.7	\$4.5	(\$28.6)	\$33.1



Q3 '17 Highlights

- Pretax income decrease of \$3.4 million was driven by lower year-over-year margins
- DDG prices remained lower due to lower export demand and abating vomitoxin issues
- Group wrote off \$1.5 million when it canceled a potential capital project to add a new value-added coproduct at the Denison, Iowa plant

Five Year Performance



<i>\$ in millions</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
Revenues	\$191.5	\$139.4	\$52.1	\$533.5	\$396.6	\$136.9
Equity in Earnings of Affiliates	\$4.3	\$7.9	(\$3.6)	\$7.2	\$9.9	(\$2.7)
Consolidated Operations and Service Fees	\$1.8	\$1.6	\$0.2	\$5.3	\$3.1	\$2.2
Pretax Income Attributable to the Andersons, Inc.	\$6.1	\$9.5	(\$3.4)	\$12.5	\$13.0	(\$0.5)

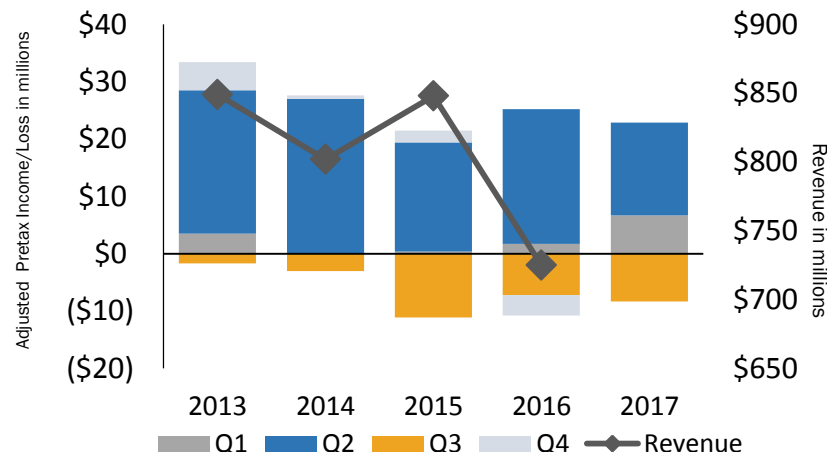
Plant Nutrient Group



Q3 '17 Highlights

- Volumes were higher for both base and value added nutrients
- Margins per ton were down sharply for base nutrients and somewhat for value added nutrients
- Group recorded a \$2.2 million charge for a legal settlement

Five Year Performance



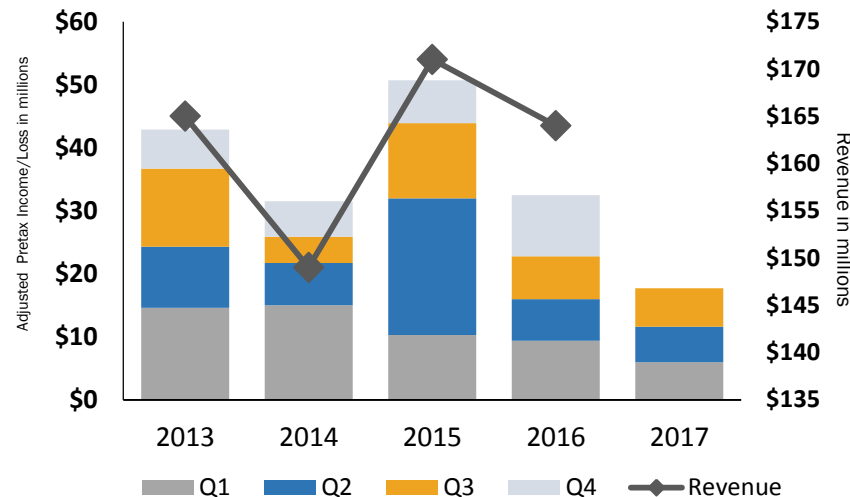
<i>tons in thousands</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
Basic Nutrient Tons	236	219	17	971	980	(9)
Value-Added Nutrient Tons	84	78	6	387	404	(17)
Other Tons (Lawn, Cob, Farm Centers)	58	73	(15)	334	398	(64)
<i>\$ in millions, except margin</i>						
Revenue	\$103.6	\$101.8	\$1.8	\$514.9	\$588.8	(\$73.9)
Gross Profit	\$17.3	\$19.4	(\$2.1)	\$83.1	\$95.7	(\$12.6)
Gross Profit Margin	16.7%	19.1%	(2.4%)	16.1%	16.3%	(0.2%)
Adjusted Pretax Income	(\$7.9)	(\$7.2)	(\$0.7)	\$14.9	\$18.0	(\$3.1)
Reported Pretax Income	(\$7.9)	(\$7.2)	(\$0.7)	(\$27.1)	\$18.0	(\$45.1)



Q3 '17 Highlights

- Lease income up slightly year-over-year primarily due to lower maintenance expenses
- Income from car sales up on higher outright and scrapped car sales
- Group recorded a \$750 thousand reserve for expenses due to a shop worker fatality

Five Year Performance



<i>\$ in millions, except margin</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
Revenues	\$43.1	\$38.2	\$4.9	\$121.6	\$118.2	\$3.4
Gross Profit	\$13.4	\$12.5	\$0.9	\$38.4	\$40.7	(\$2.3)
Gross Profit Margin	31.1%	32.7%	(1.6%)	31.6%	34.4%	(2.8%)
Lease Income	\$3.5	\$3.4	\$0.1	\$7.1	\$10.4	(\$3.3)
Railcar Sales Income	\$2.6	\$1.6	\$1.0	\$7.6	\$6.4	\$1.2
Service & Other Income	-	\$1.8	(\$1.8)	\$3.4	\$5.9	(\$2.5)
Pretax Income	\$6.1	\$6.8	(\$0.7)	\$18.1	\$22.7	(\$4.6)

Outlook



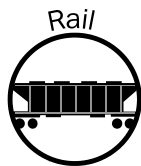
- Expect positive space income to continue
- Expect Base Grain's Q4 to be modestly better year-over-year



- Expect margins to continue to trail year-over-year levels into 2018
- Vomitoxin in the new crop appears to be less of an issue in our areas



- No significant margin improvement expected soon
- Stability in the supply chain and pricing is critical to margin improvement



- Expect continued modest improvement in utilization
- Expect headwinds from increased tank car recertification expense and accounting changes



- Continue to focus on productivity and managing costs
- Complete remaining retail properties sales in 2018



Q & A





Thank you for joining us.
Our next earnings call is scheduled for
Thursday, February 15 at 11:00 a.m.





Appendix



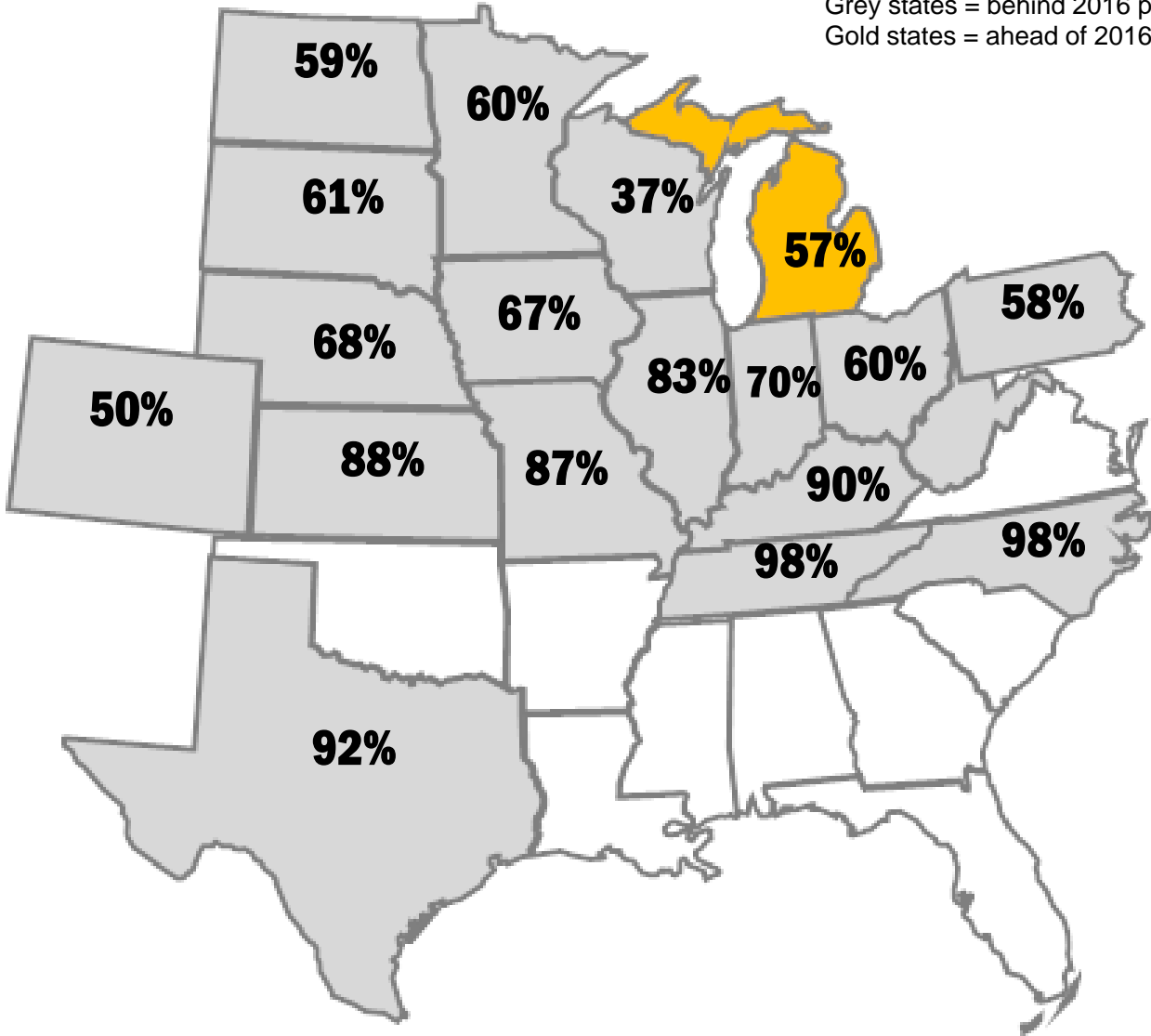
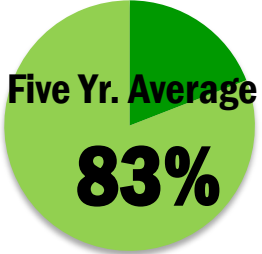
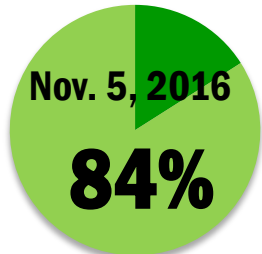
Reconciliation of EBITDA



Reconciliation of EBITDA and Adjusted EBITDA

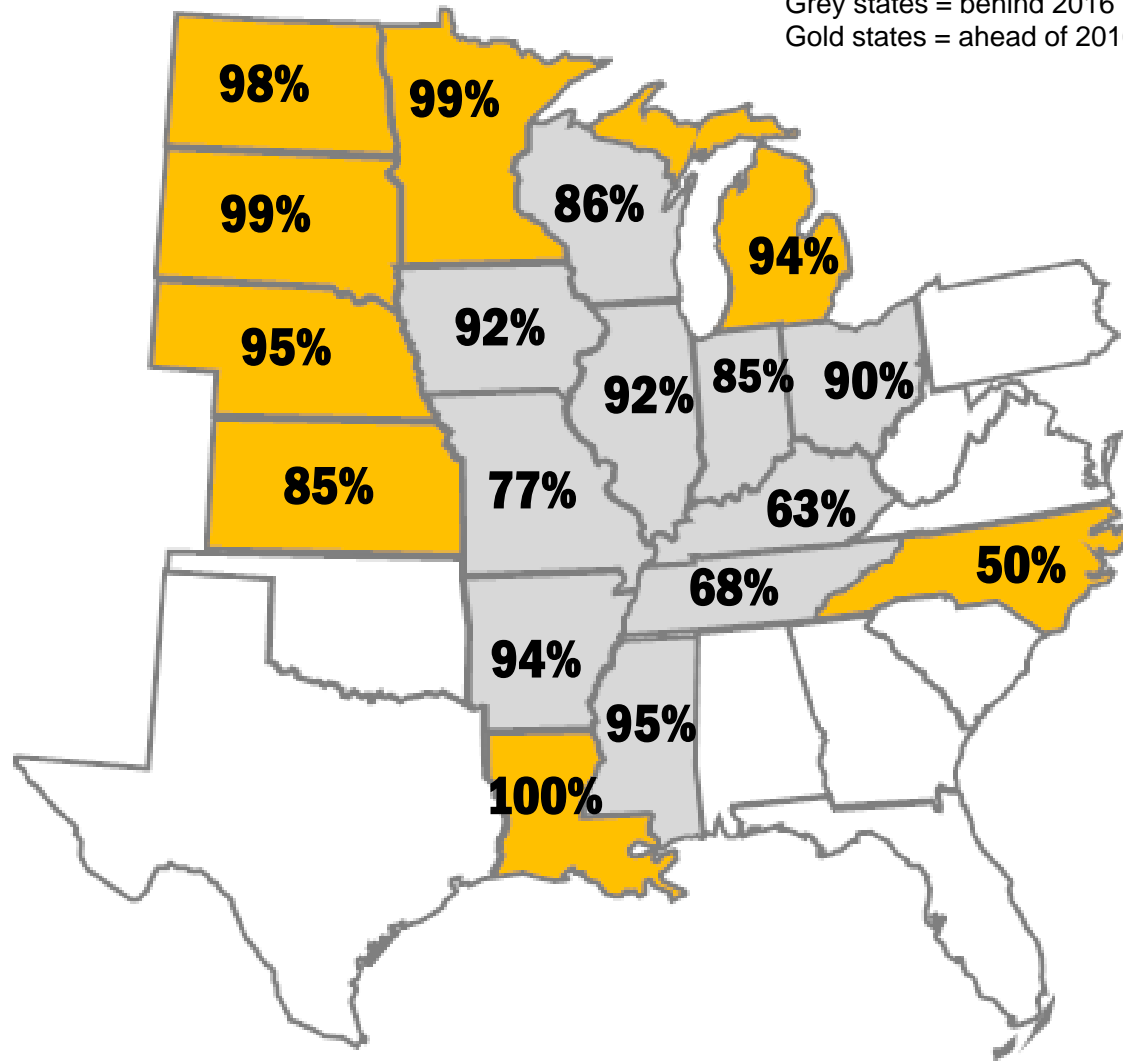
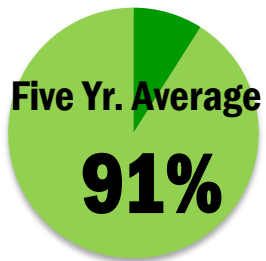
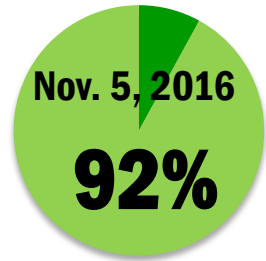
<i>Unaudited \$ in millions</i>	Q3 '17	Q3 '16	VPY	YTD '17	YTD '16	VPY
Net Income (loss) attributable to The Andersons, Inc.	\$2.5	\$1.7	\$0.8	(\$27.2)	\$1.4	(\$28.6)
Add:						
Provision for income taxes	\$2.4	\$1.1	\$1.3	\$7.5	\$1.5	\$6.0
Interest expense	\$5.4	\$4.4	\$1.0	\$17.5	\$18.0	(\$0.5)
Depreciation and amortization	\$21.7	\$20.9	\$0.8	\$64.5	\$62.2	\$2.3
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$32.0	\$28.1	\$3.9	\$62.3	\$83.1	(\$20.8)
Adjusting items impacting EBITDA:						
Goodwill impairment	-	-	-	\$42.0	-	\$42.0
Total adjusting items	-	-	-	\$42.0	-	\$42.0
Adjusted EBITDA	\$32.0	\$28.1	\$3.9	\$104.3	\$83.1	\$21.2

U.S. Corn Harvest



Source: USDA 11/6/17 Crop Progress

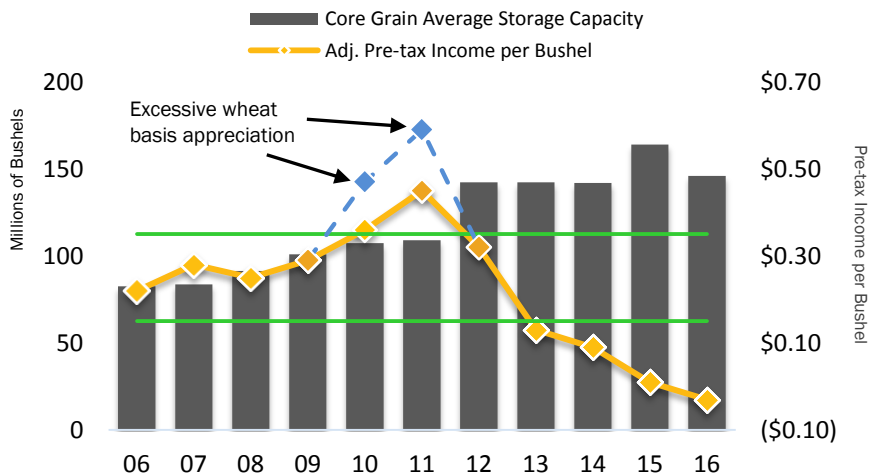
U.S. Soybean Harvest



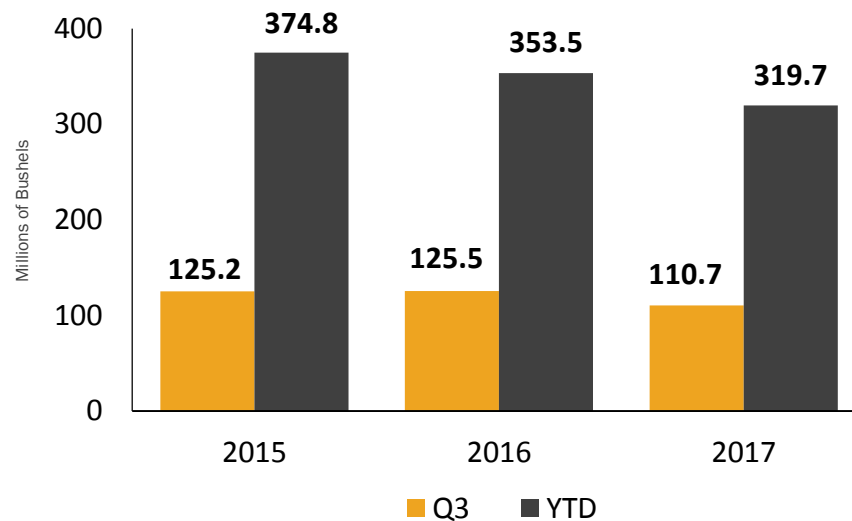
Grain Group



Grain Storage Capacity



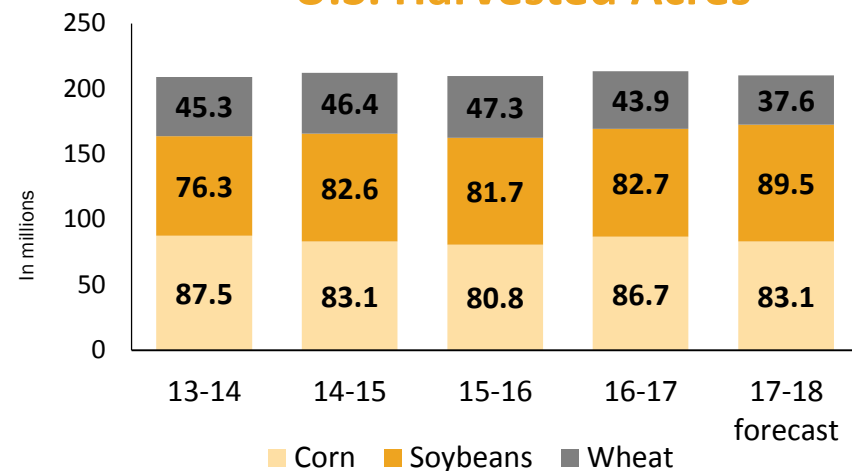
Bushels Sold



Grain Inventory

<i>In millions</i>	Q3 '15	Q3 '16	Q3 '17
Bushels owned	64.1	66.0	74.1
Bushels stored for others	3.2	1.0	1.0
Total bushel inventory	67.3	67.0	75.1

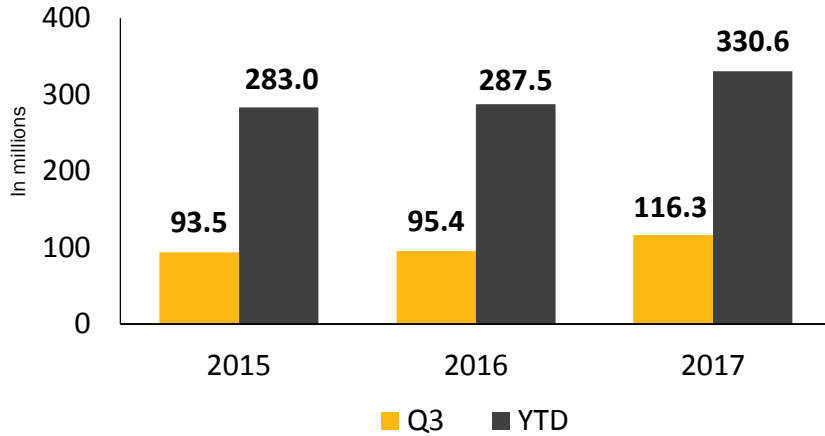
U.S. Harvested Acres



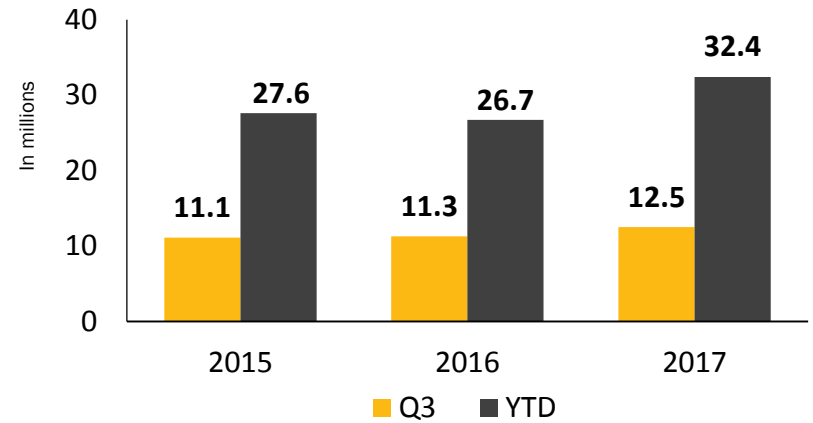
Ethanol Group



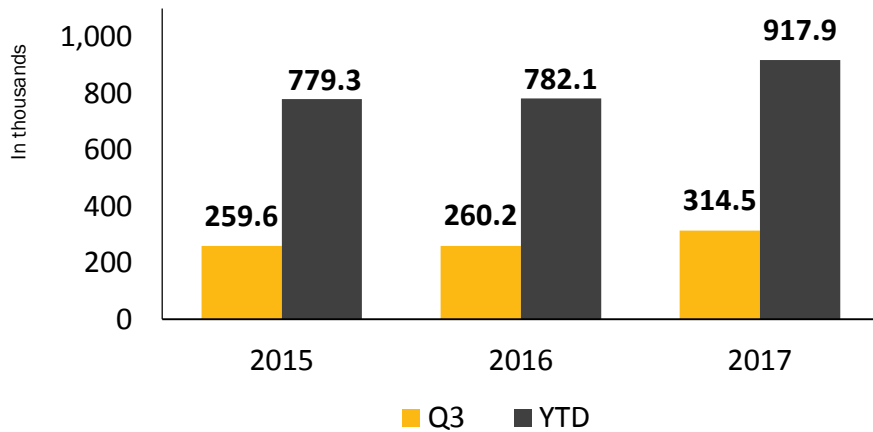
Ethanol Gallons Produced



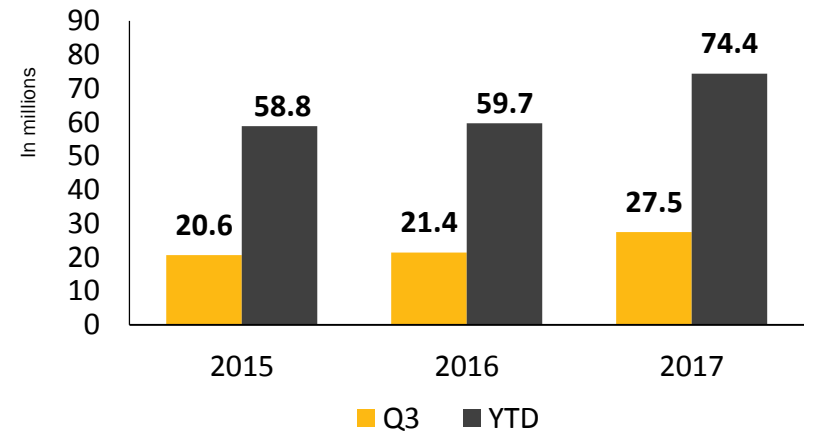
E-85 Gallons Shipped



DDG Tons Shipped



Corn Oil Pounds Shipped

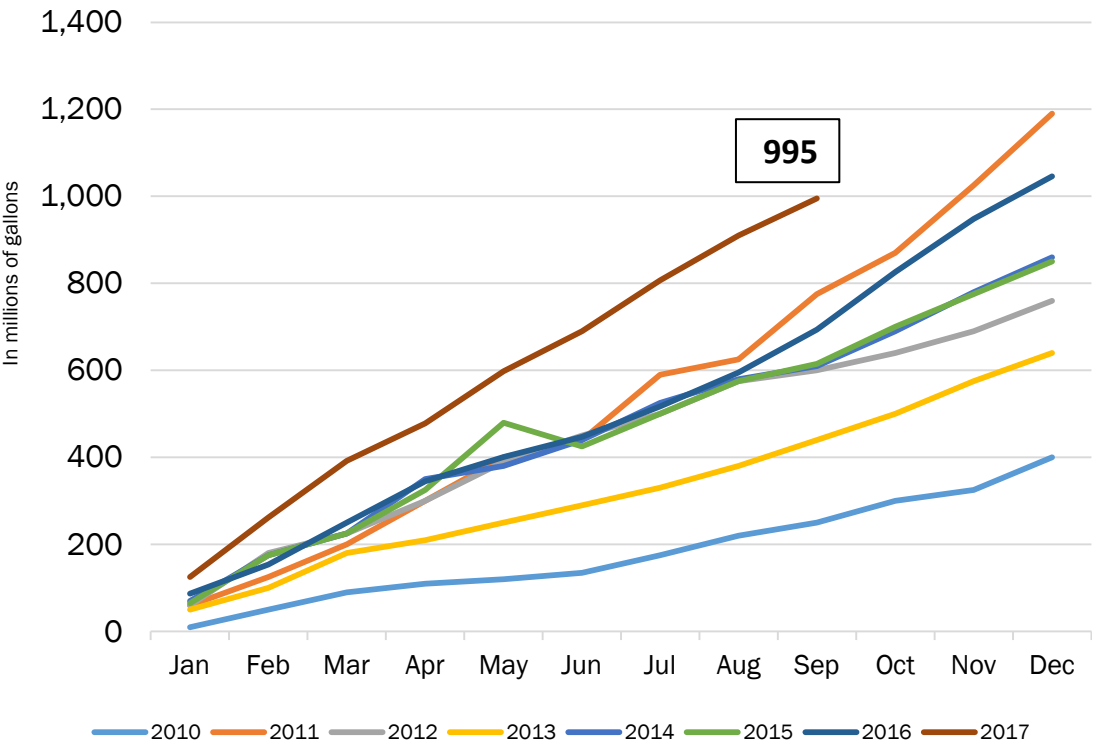


Charts include activity at nonconsolidated ethanol plants

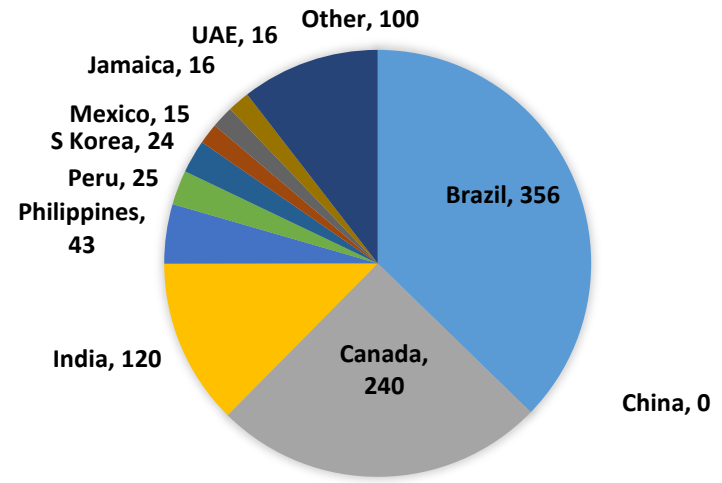
U.S. Ethanol Exports



Cumulative US ethanol exports



2017 ethanol exports by destination (million gallons)



2016 ethanol exports by destination (million gallons)

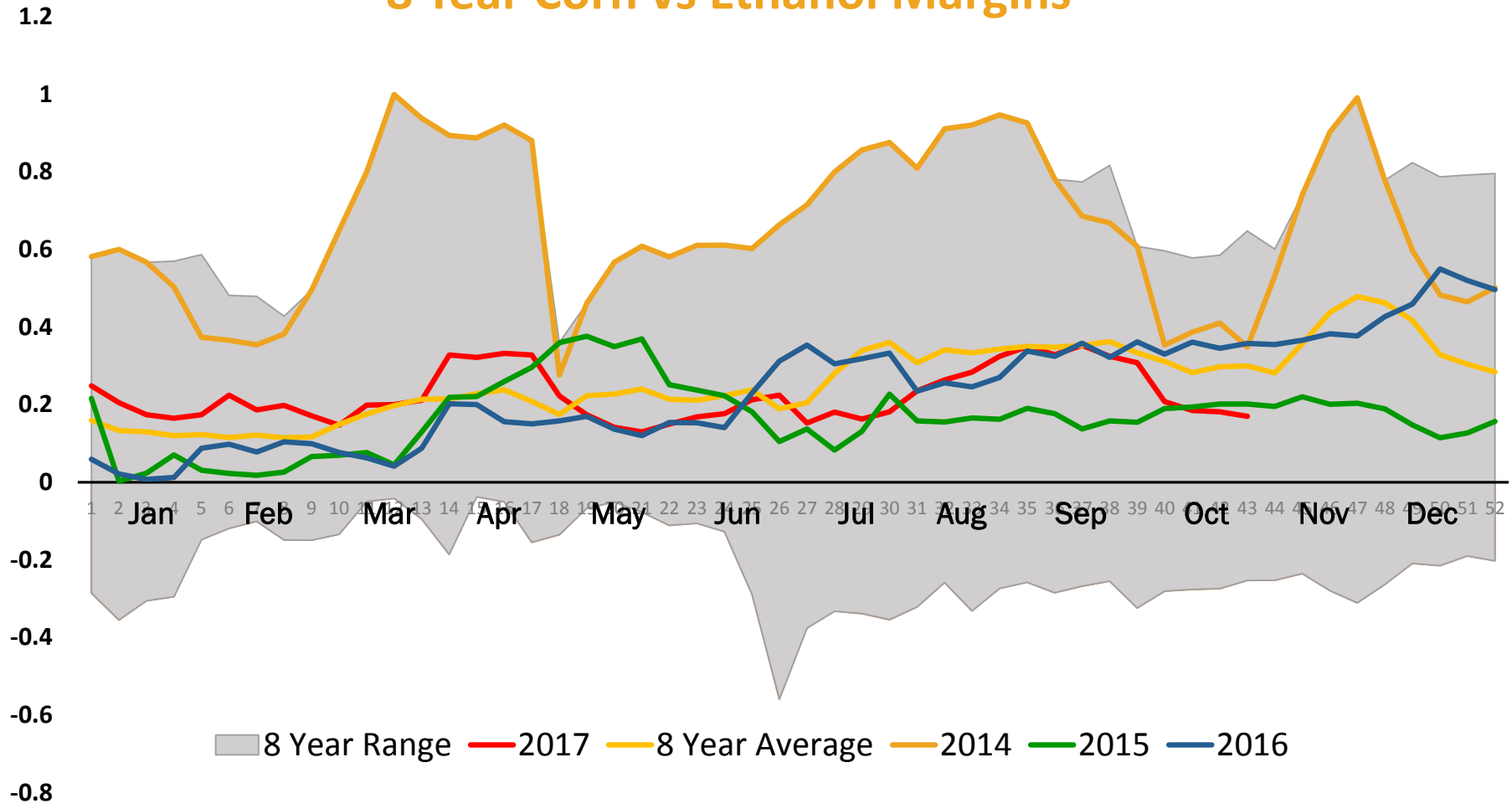
Brazil	267	Korea	40
Canada	259	Other	58
China	179	Mexico	29
India	84	UAE	20
Philippines	54	Jamaica	14
Peru	42	Total	1,046

2017 gross exports expected to be 1.2 to 1.3 billion gallons

Source: EIA



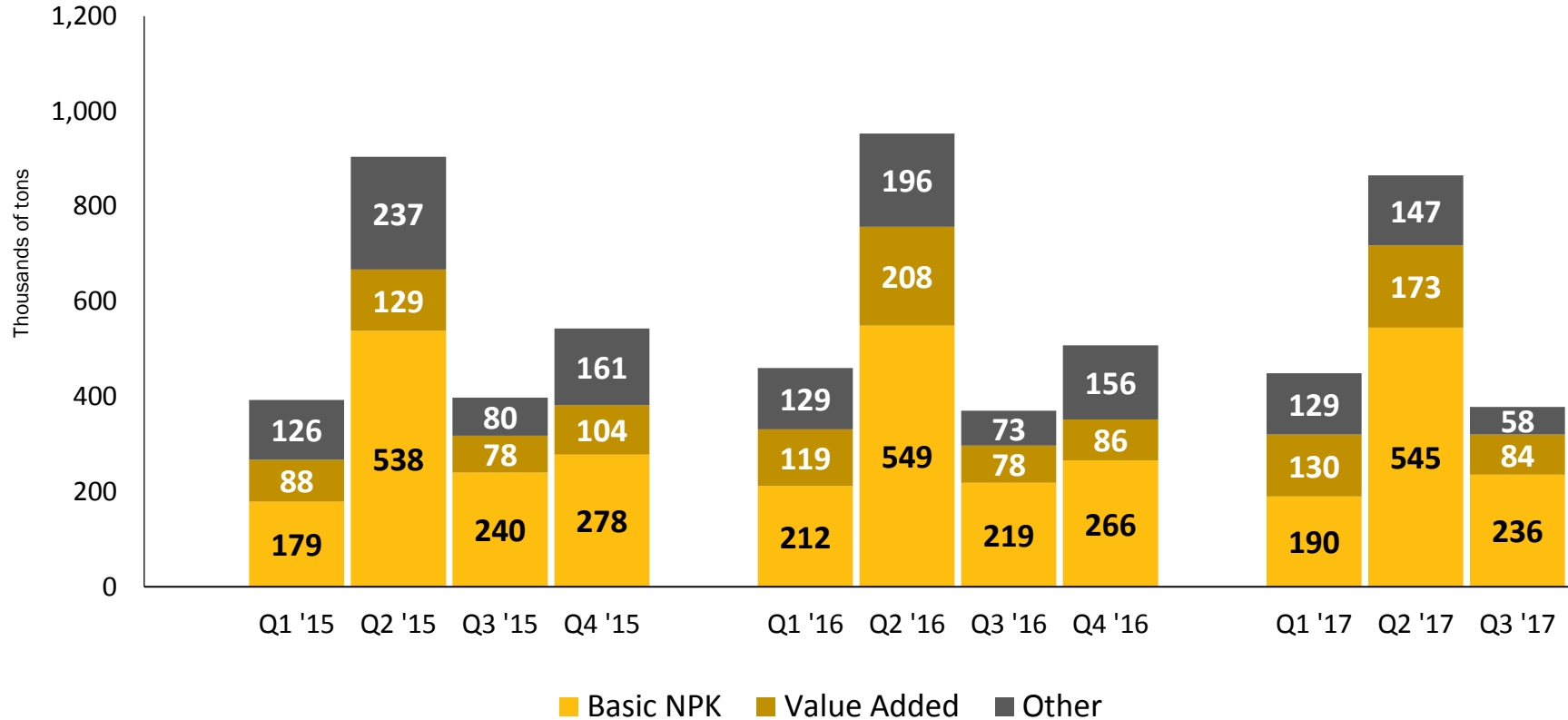
8 Year Corn vs Ethanol Margins



Plant Nutrient Group



Historical Seasonality



Committed to Growth of Value Added Nutrients

Wholesale nutrients - base NPK = nitrogen, phosphorous, potassium

Wholesale nutrients - value added products = low-salt liquid starter fertilizers, micro-nutrients

Other = other farm centers, lawn, cob

Rail Group



Lease Income

\$ in millions	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17
Average # of Assets	22,879	22,972	23,301	22,916	23,026	23,242	23,185	22,935	23,237	23,565	23,299
Beg. \$ on Bal. Sheet	\$297.7	\$313.1	\$330.8	\$347.1	\$338.1	\$334.7	\$340.1	\$334.4	\$327.2	\$342.9	\$375.1
Average % Utilization	91.8%	93.5%	91.6%	92.7%	91.5%	88.6%	86.2%	84.8%	83.6%	84.4%	85.8%
Lease Income	\$5.0	\$15.6	\$6.4	\$4.5	\$4.3	\$2.7	\$3.4	\$2.9	\$0.7	\$2.9	\$3.5

Remarketing Income

\$ in millions	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17
Asset Sale Income	\$4.5	\$4.7	\$3.2	\$0.8	\$2.4	\$2.3	\$1.6	\$4.7	\$3.6	\$1.4	\$2.6

Service & Other Income

\$ in millions	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17
Pretax Income	\$0.8	\$1.4	\$2.3	\$1.5	\$2.7	\$1.6	\$1.7	\$2.1	\$1.8	\$1.6	-

Total Rail Income

\$ in millions	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17
Revenue	\$44.2	\$45.5	\$44.8	\$36.4	\$39.6	\$40.3	\$38.2	\$45.5	\$40.4	\$38.1	\$43.1
Gross Profit	\$17.3	\$18.2	\$17.5	\$14.6	\$14.6	\$13.6	\$12.5	\$15.2	\$12.3	\$12.7	\$13.4
Gross Profit Margin	39.2%	40.1%	39.1%	40.1%	36.8%	33.7%	32.7%	33.5%	30.5%	33.3%	31.1%
Pretax Income	\$10.3	\$21.7	\$11.9	\$6.8	\$9.4	\$6.6	\$6.8	\$9.7	\$6.1	\$5.9	\$6.1

Rail Group Earning Power



Lease Income

\$ in millions	2012	2013	2014	2015	2016
Average # of Assets	23,019	22,990	22,199	23,017	23,057
Beg. \$ on Bal. Sheet	\$197.1	\$228.3	\$240.6	\$297.7	\$338.1
Average % Utilization	84.6%	86.1%	89.5%	92.4%	87.8%
Lease Income	\$13.4	\$18.9	\$13.6	\$31.5	\$13.2

Sources of Income

- Generates lease income from long-lived assets

Remarketing Income

\$ in millions	2012	2013	2014	2015	2016
Asset Sale Income	\$23.7	\$19.4	\$15.8	\$13.3	\$11.0

- Maximizes value by remarketing assets opportunistically

Service & Other Income

\$ in millions	2012	2013	2014	2015	2016
Rail Services & Other	\$5.7	\$4.5	\$2.0	\$5.9	\$8.2

- Provides repair services embedded in leases and to third parties

Total Rail Income

\$ in millions	2012	2013	2014	2015	2016
Revenue	\$156.4	\$164.8	\$149.0	\$170.8	\$163.7
Gross Profit	\$56.7	\$58.9	\$59.8	\$67.7	\$55.9
Gross Profit %	36.3%	35.7%	40.1%	39.6%	34.1%
Pretax Income	\$42.8	\$42.8	\$31.4	\$50.7	\$32.4

Definitions



EBITDA: Earnings before interest, taxes, depreciation and amortization; a non-GAAP measure. It is one of the measures the Company uses to evaluate liquidity and leverage

Base Grain: Grain operations owned and operated by The Andersons (does not include affiliates)

Ethanol Margin Hedging: From time to time we establish hedge positions with futures and derivative contracts that lock in prices for sales of ethanol and purchases of corn and natural gas with the intent of securing portions our future sales margins

Grain Bushels Shipped: Includes shipments from our facilities, farm-to-market (F2M) and origination services for corn, soybeans, wheat and oats

F2M: Bushels that The Andersons purchases from the farm that are delivered directly to an Andersons customer. The bushels are never delivered to an Andersons facility

Bushels Owned: Bushels delivered to an Andersons elevator or storage facility rented by The Andersons for which title to the grain is transferred to The Andersons

Bushels Stored for Others: Bushels stored by The Andersons for the owner of the grain for which the company charges a storage fee

Railcar Fleet Utilization: Percentage of railcars in leased service divided by total railcars controlled by company

Basic NPK Nutrients: Nitrogen, phosphorous, potassium

Value Added Nutrients: Low-salt liquid starter fertilizers, micro-nutrients

Other Nutrient Group: Other Farm Center fertilizers, lawn fertilizers, corn-cob products

