



Fourth Quarter Earnings Call

February 17, 2021



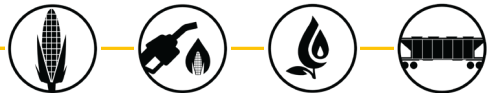
Safe Harbor and Non-GAAP Financial Measures



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, the COVID-19 pandemic, and additional factors that are described in the company's publicly-filed documents, including its '34 Act filings and the prospectuses prepared in connection with the company's offerings.

Today's call includes financial information which the company's independent auditors have not completely reviewed. 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. The company believes that adjusted pretax income, adjusted pretax income attributable to the company, adjusted net income attributable to the company, adjusted diluted EPS, earnings before interest, taxes, depreciation and amortization (or EBITDA), adjusted EBITDA and adjusted cash flow from operations before changes in working capital provide additional information to investors and others about its operations, allowing an evaluation of underlying operating performance and better period-to-period comparability. These measures do not and should not be considered as alternatives to net income, income before income taxes, net income per share and cash provided by (used in) operating activities as determined by generally accepted accounting principles. Reconciliations of the GAAP to non-GAAP measures may be found within the financial tables of our earnings release.





Pat Bowe

President and Chief Executive Officer

Brian Valentine

Executive Vice President and Chief Financial Officer

John Kraus

Director, Investor Relations



Fourth Quarter Highlights



Adjusted pretax income up more than 60 percent year over year on strong merchandising results and grain elevations, robust exports and trading volatility



Good performance on better income from coproducts and trading despite weaker board crush margins and non-cash mark-to-market adjustment



Completed best year since 2014 on strong demand



Remained profitable despite fewer car sales; prolonged decrease in rail traffic led to weak lease rates and fewer cars in service



Key Financial Data – Fourth Quarter 2020



\$ In millions except per share and ratio data

	Q4 '20	Q4 '19	VPY	YTD '20	YTD '19	VPY
Sales and merchandising revenues	\$2,542.9	\$1,885.6	\$657.3	\$8,208.4	\$8,170.2	\$38.2
Gross profit	133.7	138.4	(4.7)	404.9	517.9	(113.0)
Operating and general expenses	105.8	109.5	(3.7)	399.2	436.8	(37.6)
Income (loss) before income taxes attributable to The Andersons, Inc.	24.1	21.4	2.8	(2.5)	31.4	(33.9)
Adjusted income (loss) before income taxes attributable to The Andersons, Inc.	28.4	23.7	4.8	10.6	51.0	(40.4)
Net income (loss) attributable to The Andersons, Inc.	16.0	6.6	9.3	7.7	18.3	(10.6)
Adjusted net income (loss) attributable to The Andersons, Inc.	19.4	18.4	1.0	2.9	43.0	(40.1)
Diluted earnings per share (EPS)	0.48	0.19	0.29	0.23	0.55	(0.32)
Adjusted diluted earnings per share (EPS)	0.59	0.55	0.04	0.09	1.30	(1.21)
Depreciation and amortization	47.5	47.8	(0.3)	188.6	146.2	42.5
EBITDA	83.5	82.2	1.3	215.4	234.0	(18.5)
Adjusted EBITDA	85.0	84.5	0.5	225.7	253.6	(27.9)
Effective tax rate	35.7%	72.2%	(36.5)%	41.9%	46.4%	(4.5)%

Trade

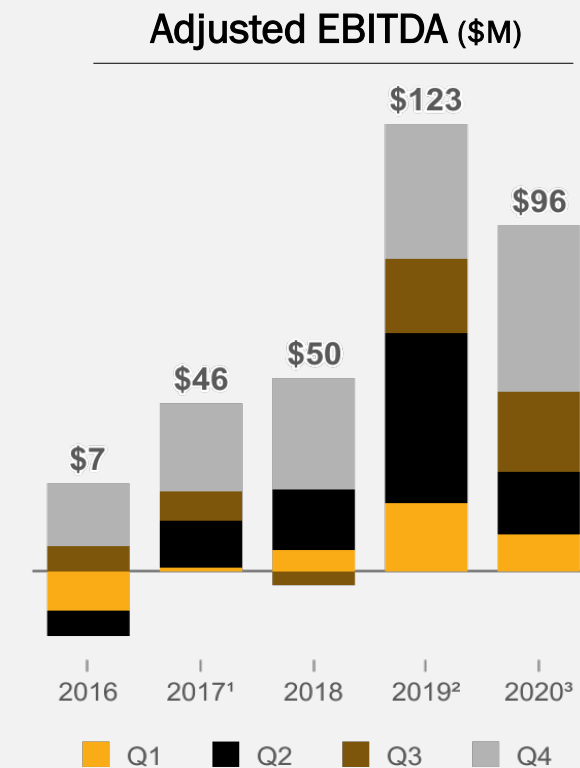


Q4 '20 Highlights

- Merchandising income strong across the broad commodity portfolio due to increased market volatility
- Strong export demand fueled higher elevation margins
- Propane distribution business continued to perform well



Unaudited in \$M	Q4 '20	Q4 '19	VPY	YTD '20	YTD '19	VPY
Revenues	\$1,979.3	\$1,391.2	\$588.1	\$6,141.4	\$6,144.5	\$(3.1)
Gross Profit	90.8	87.7	3.1	278.2	329.1	(50.9)
Pretax Income (loss)	28.3	(19.9)	48.2	24.7	(17.3)	42.0
Adjusted Pretax Income (loss)	29.3	17.6	11.7	28.9	37.6	(8.7)
EBITDA	44.8	(0.4)	45.2	91.3	68.5	22.8
Adjusted EBITDA	45.8	37.2	8.6	95.5	123.4	(27.9)



¹ Excludes asset impairment charges of \$10.9.

² Excludes acquisition costs of \$16.0, asset impairment charges of \$43.5, a loss on a pre-existing equity method investment of \$1.1 and a gain on the sale of assets of \$5.7.

³ Excludes acquisition costs of \$4.2.

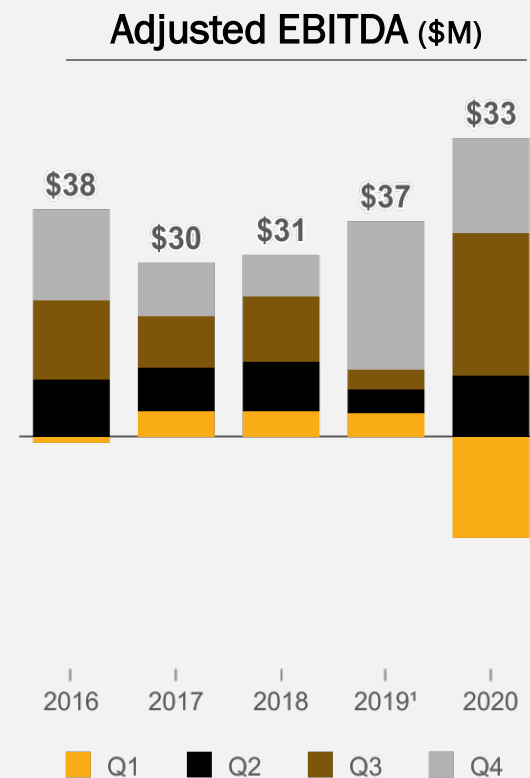
Ethanol



Q4 '20 Highlights

- Significantly lower board crush margins driven by higher corn costs
- Higher high-protein feed and corn oil sales; ethanol trading results also higher
- Results muted by a \$6.6 million non-cash mark-to-market adjustment

Unaudited in \$M	Q4 '20	Q4 '19	VPY	YTD '20	YTD '19	VPY
Revenues	\$373.5	\$312.9	\$60.6	\$1,260.3	\$1,212.0	\$48.3
Gross Profit (Loss)	2.6	12.6	(10.0)	(18.3)	32.6	(50.9)
Pretax Income (Loss)	(4.8)	42.1	(46.9)	(47.3)	47.7	(95.0)
Pretax Income (Loss) Attributable to Noncontrolling Interest	(1.3)	(1.0)	(0.3)	(21.9)	(3.2)	(18.7)
Pretax Income Attributable to The Andersons, Inc.	(3.5)	43.1	(46.6)	(25.4)	50.9	(76.3)
EBITDA	16.2	60.9	(44.7)	33.3	72.3	(39.0)
Adjusted EBITDA	16.2	25.9	(9.7)	33.3	37.4	(4.1)



¹ Excludes pretax gain on pre-existing investments in three former entities of \$36.3 and acquisition costs of \$1.3.



Plant Nutrient



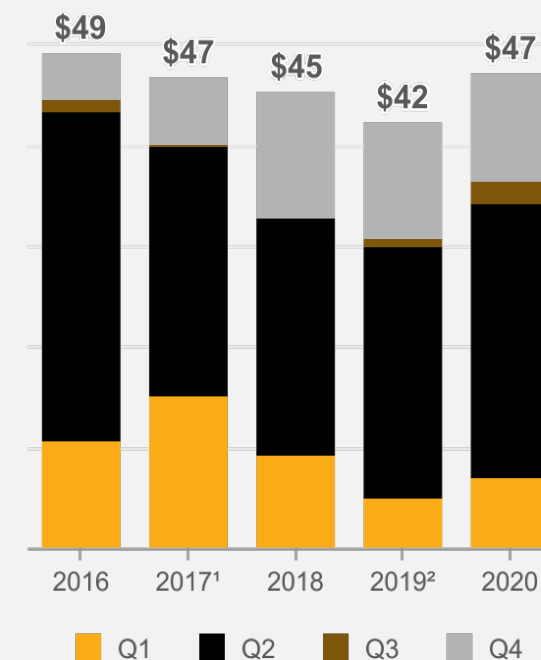
Q4 '20 Highlights

- Full-year results nearly double those of 2019
- Solid quarter driven by higher gross profit on substantially increased volumes



Unaudited in \$M	Q4 '20	Q4 '19	VPY	YTD '20	YTD '19	VPY
Revenues	\$155.5	\$138.2	\$17.3	\$663.0	\$646.7	\$16.3
Gross Profit	30.6	23.5	7.1	106.2	99.1	7.1
Pretax Income	3.2	4.6	(1.4)	16.0	9.2	6.8
Adjusted Pretax Income	3.2	3.9	(0.7)	16.0	8.4	7.6
EBITDA	10.8	12.3	(1.5)	47.2	43.1	4.1
Adjusted EBITDA	10.8	11.5	(0.7)	47.2	42.3	4.9

Adjusted EBITDA (\$M)



¹ Excludes goodwill impairment charges of \$59.1.

² Excludes asset impairment charges of \$2.2 and gain on the sale of a farm center for \$2.9.

Rail Group

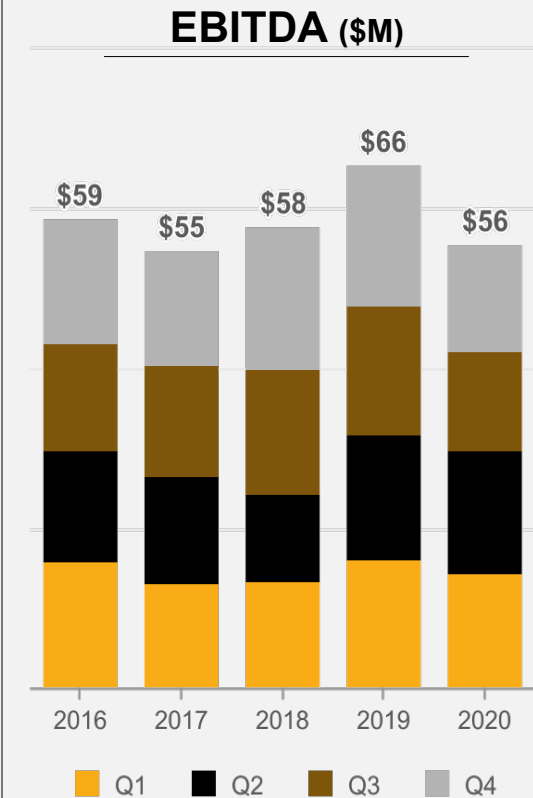


Q4 '20 Highlights

- Adjusted pretax income lower primarily due to fewer car sales
- Leasing and repair income down year-over-year on continued railcar traffic decline
- Adjusted result excluded \$2.8 million charge related to debt refinancing that will save money in future periods



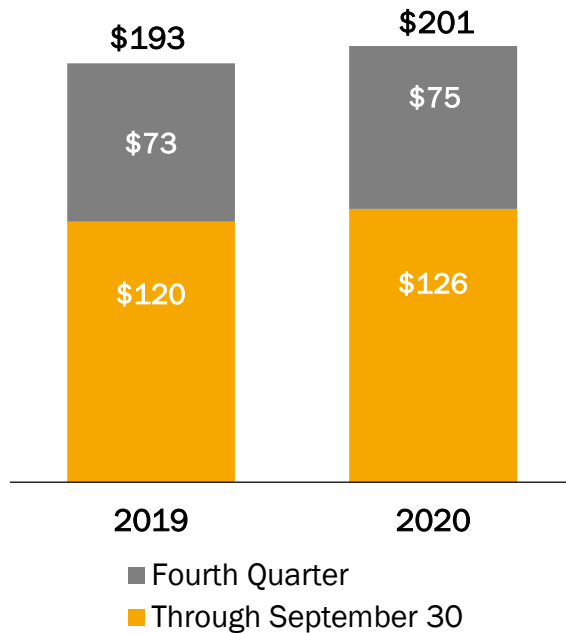
Unaudited in \$M	Q4 '20	Q3 '19	VPY	YTD '20	YTD '19	VPY
Revenues	\$34.6	\$43.4	\$(8.8)	\$143.8	\$166.9	\$(23.1)
Gross Profit	9.7	14.6	(4.9)	38.7	57.1	(18.4)
Lease Income	(1.9)	1.2	(3.1)	0.9	9.1	(8.2)
Railcar Sales Income (loss)	0.4	2.4	(2.0)	0.4	3.5	(3.1)
Service and Other Income	0.6	1.0	(0.4)	1.3	2.6	(1.3)
Pretax Income	(0.9)	4.6	(5.5)	2.6	15.2	(12.6)
Adjusted Pretax Income	2.0	4.6	(2.6)	5.5	15.2	(9.7)
EBITDA	13.5	17.6	(4.1)	55.7	65.7	(10.0)
Adjusted EBITDA	13.5	17.6	(4.1)	55.7	65.7	(10.0)



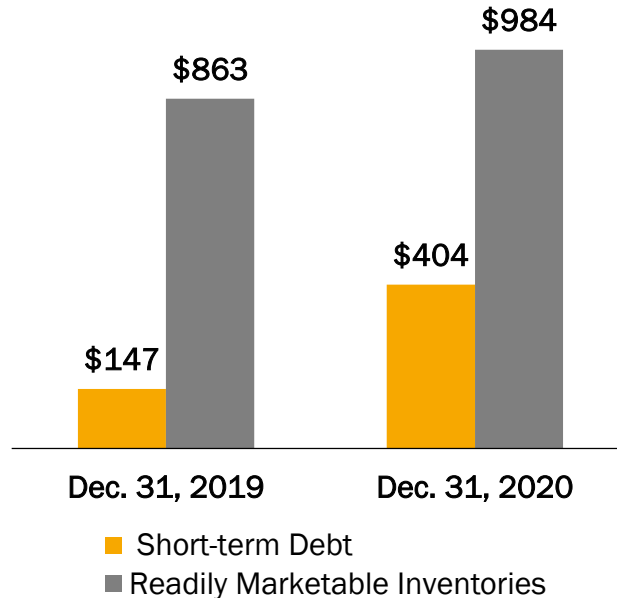
Cash, Liquidity and Long-term Debt



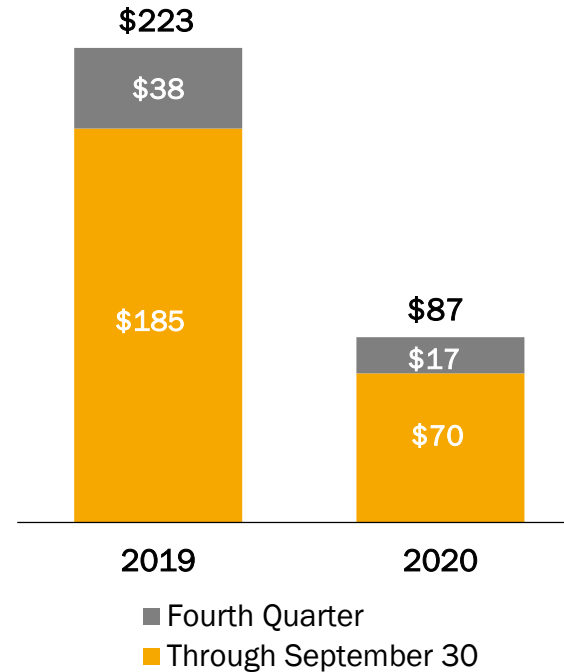
Cash from Operations before Working Capital Changes (\$M)



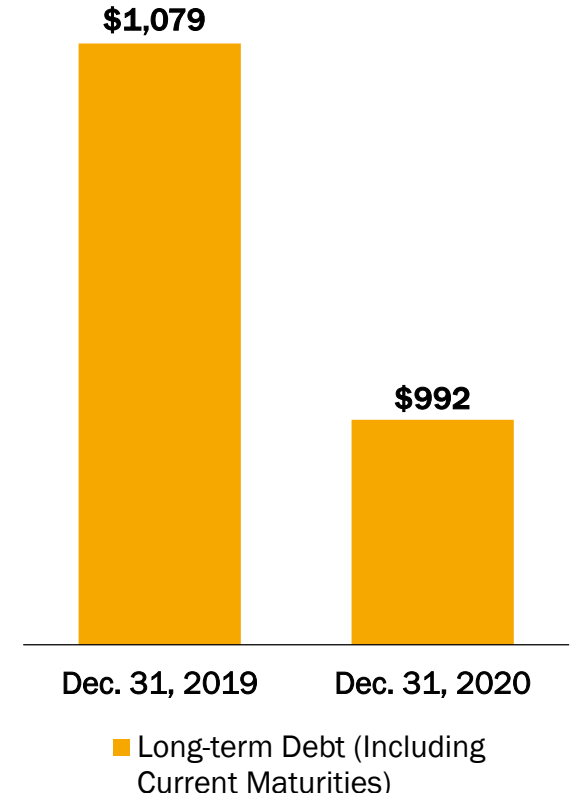
Readily Marketable Inventories vs. Short-term Debt (\$M)



Capital Spending Net of Sales Proceeds (\$M)



Long-term Debt (\$M)





Strong Cash Flows; Long-term Debt Reduction Remains a Priority




Early 2021 Market Outlook



 Expect strong global demand for U.S. ag products to drive strong elevation margins; anticipate continued volatility-driven merchandising opportunities

 Crush margins anticipated to remain challenged through the spring; expect protein values to support execution of our higher margin feed strategy

 Anticipate another strong year assuming higher corn acres and favorable spring and fall application seasons

 Expect flat demand throughout much of 2021





Q&A Session





Thank you for joining us.

**Our next earnings call is scheduled for
Wednesday, May 5, 2021 at 11 a.m. ET.**





Appendix



Definitions



EBITDA: Earnings before interest, taxes, depreciation and amortization; a non-GAAP measure. A primary measure of period-over-period comparisons, and we believe they are meaningful measures for investors to compare our results from period to period.

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

Ag Supply Chain: Primary nutrients sold by wholesale fertilizer distribution centers and farm centers

Specialty Liquids: Manufactured products intended for agricultural and industrial uses

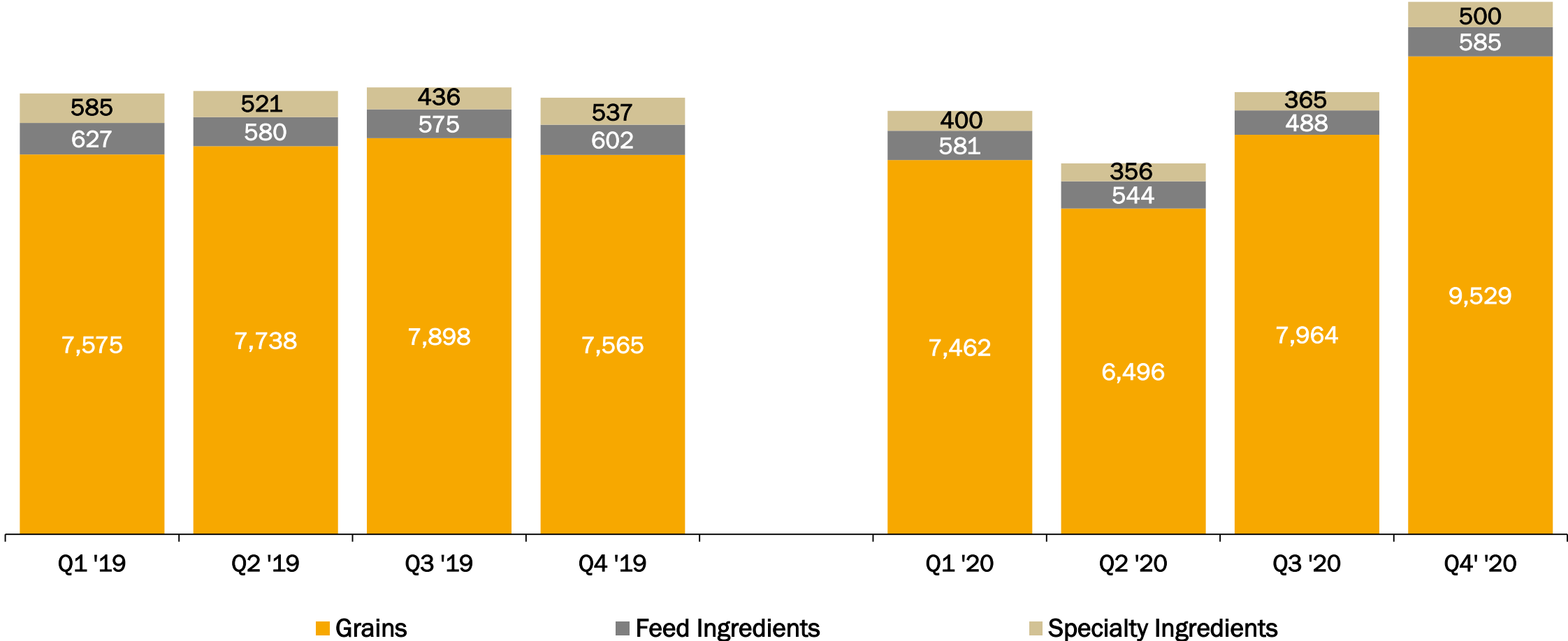
Engineered Granules: Granular products for turf and agricultural uses, contract manufacturing and cob products



Commodities Traded



(in thousands of tonnes)



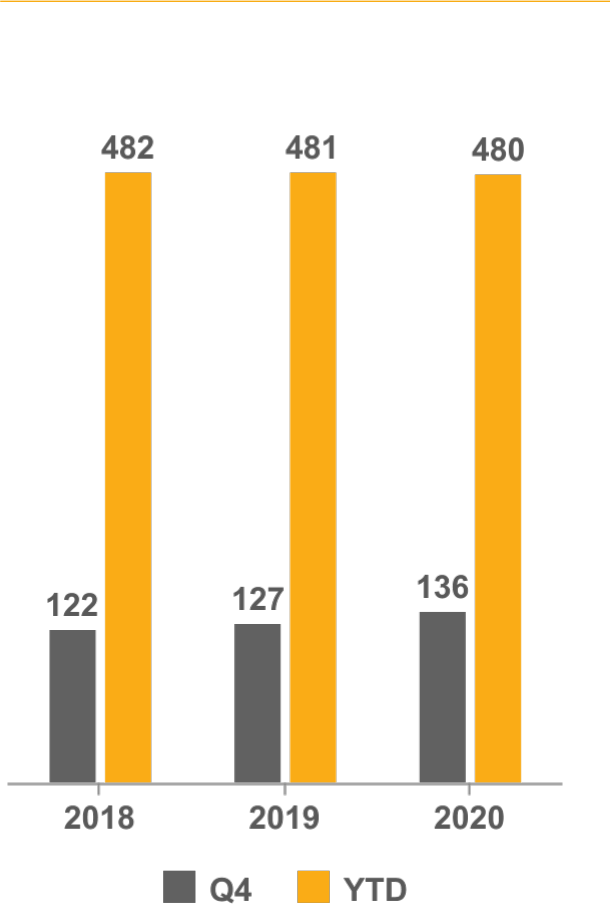
Grains Lower in Early 2020 and Higher in Q4 2020 Due to Comparatively Small 2019 Harvest



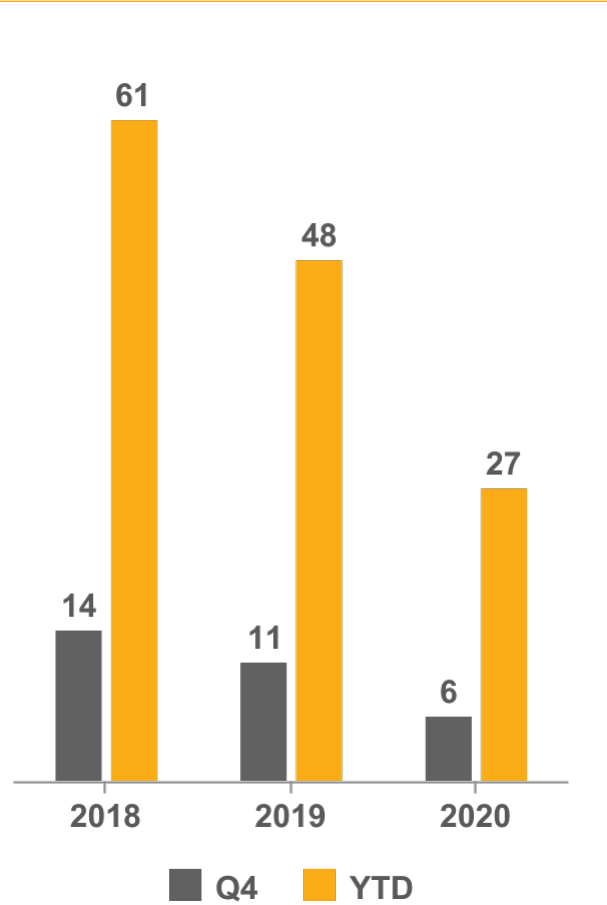
Ethanol Group Production



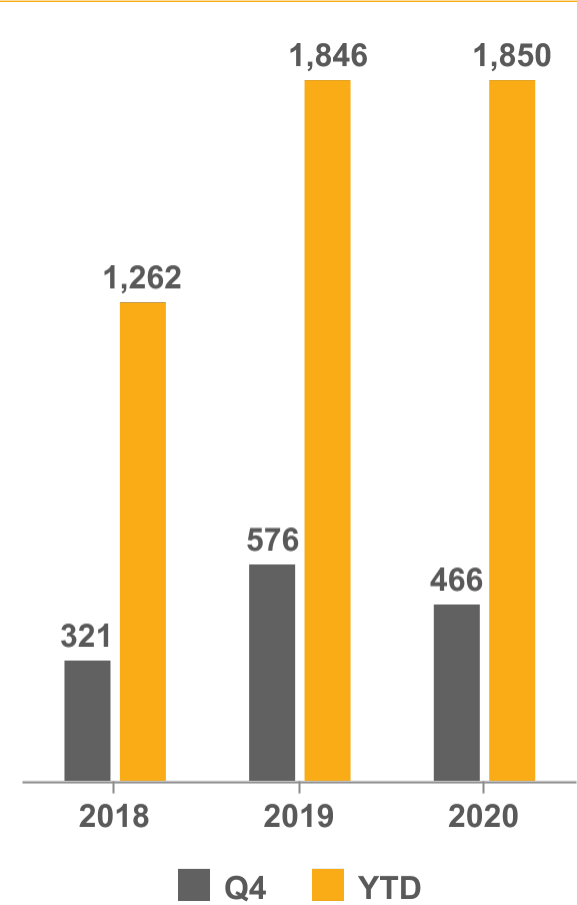
Ethanol Gallons Produced
in millions



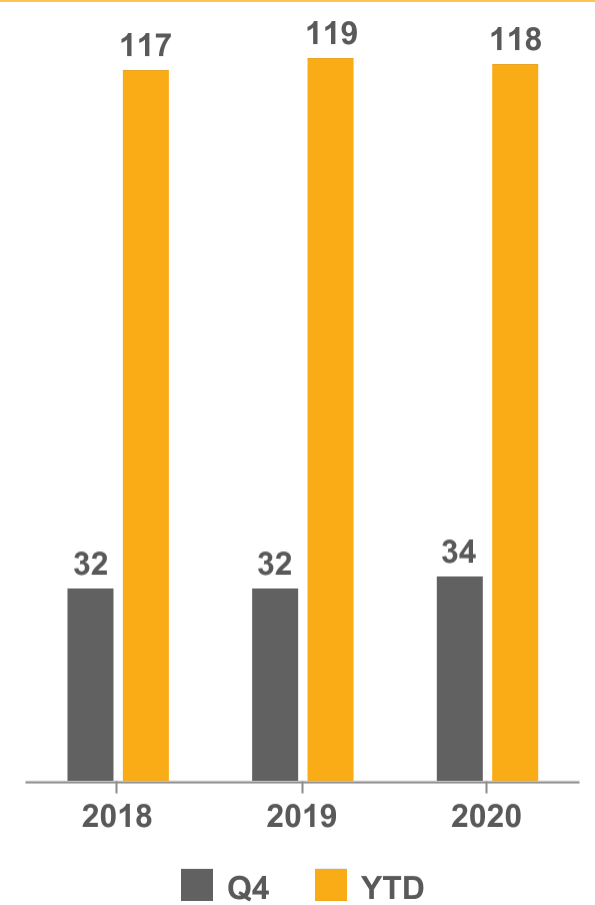
E-85 Gallons Shipped
in millions



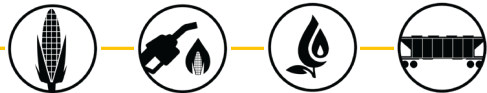
DDG Tons Sold
in thousands



Corn Oil Pounds Sold
in millions



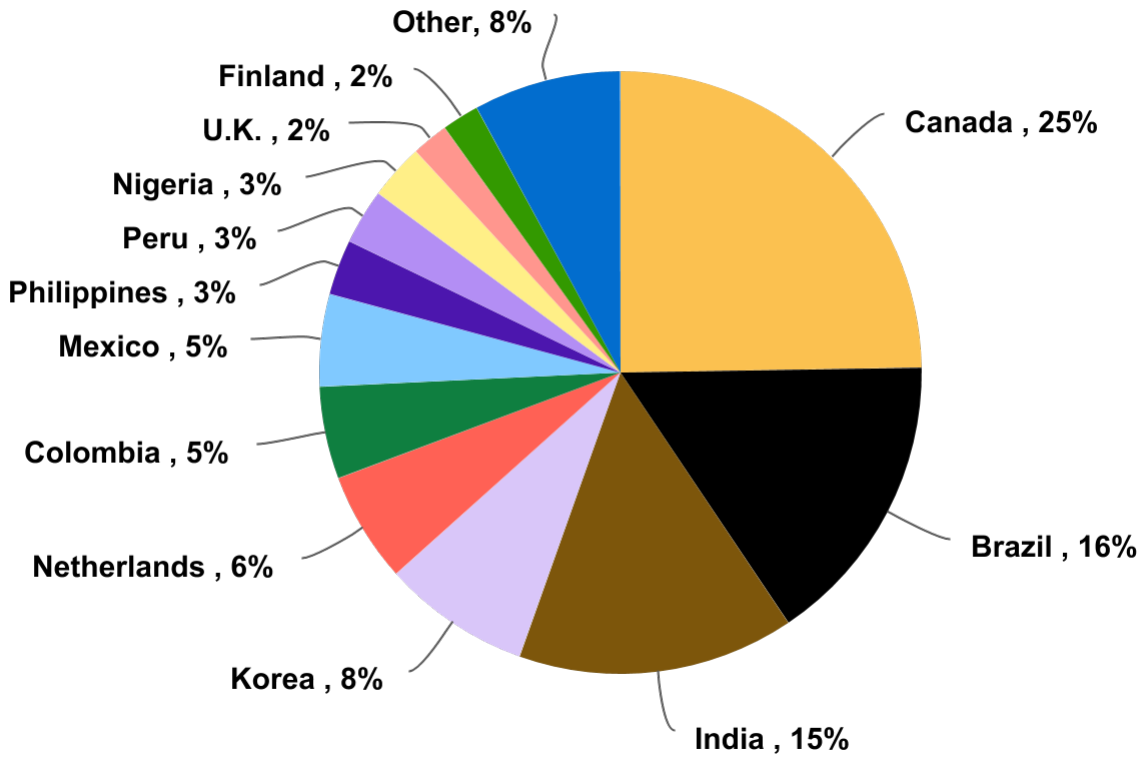
Charts include activity at nonconsolidated ethanol plants



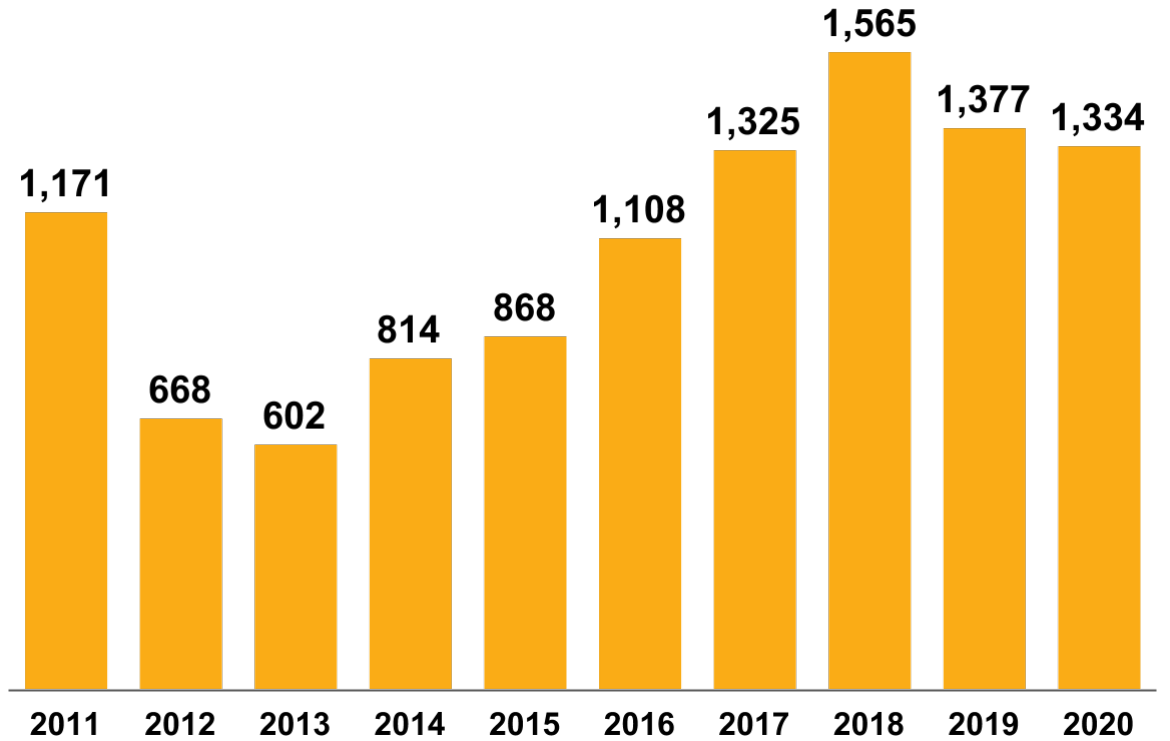
U.S. Ethanol Exports



Through November 2020 (MGY)



Source: EIA, 1/29/21



Source: USDA Foreign Agricultural Service, 2/5/21

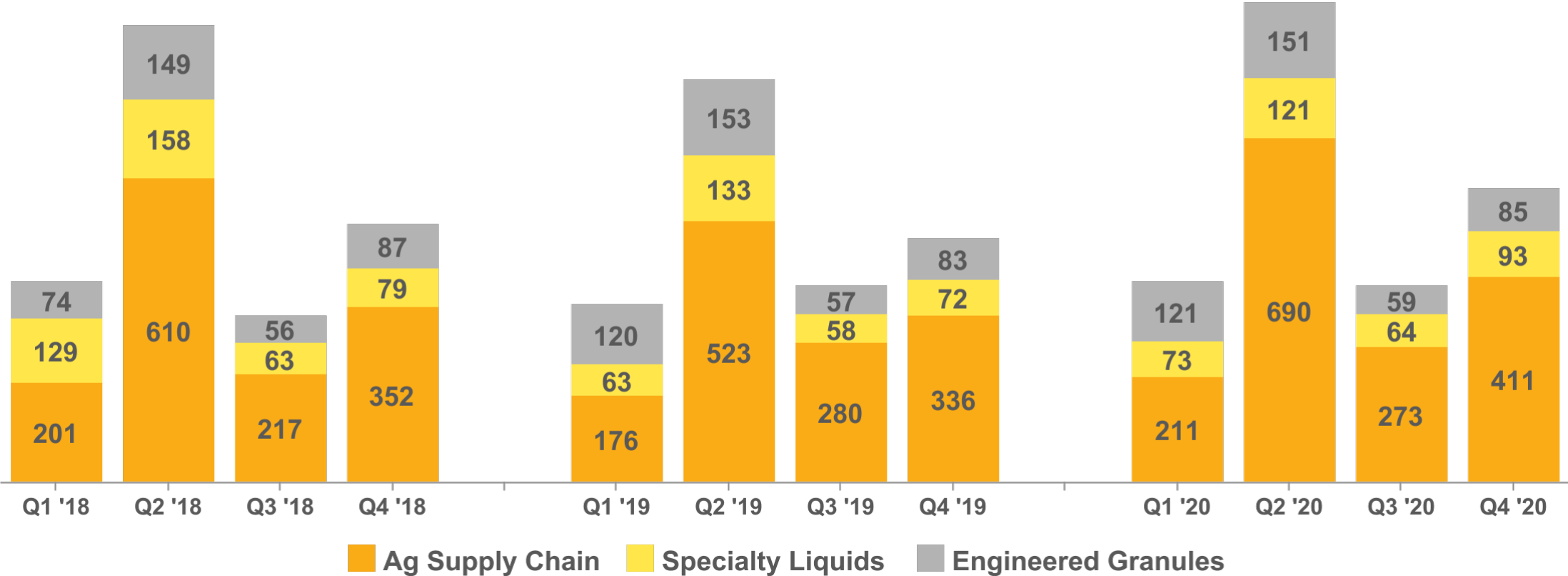
2020 Exports Finished Better than Expected Considering COVID-19 Demand Destruction



Plant Nutrient Tons Sold



Historical Seasonality in Volume (000's)



Committed to Growth of Value-added Nutrients



Rail Group Fleet



Key Metrics

~24,000 Railcars

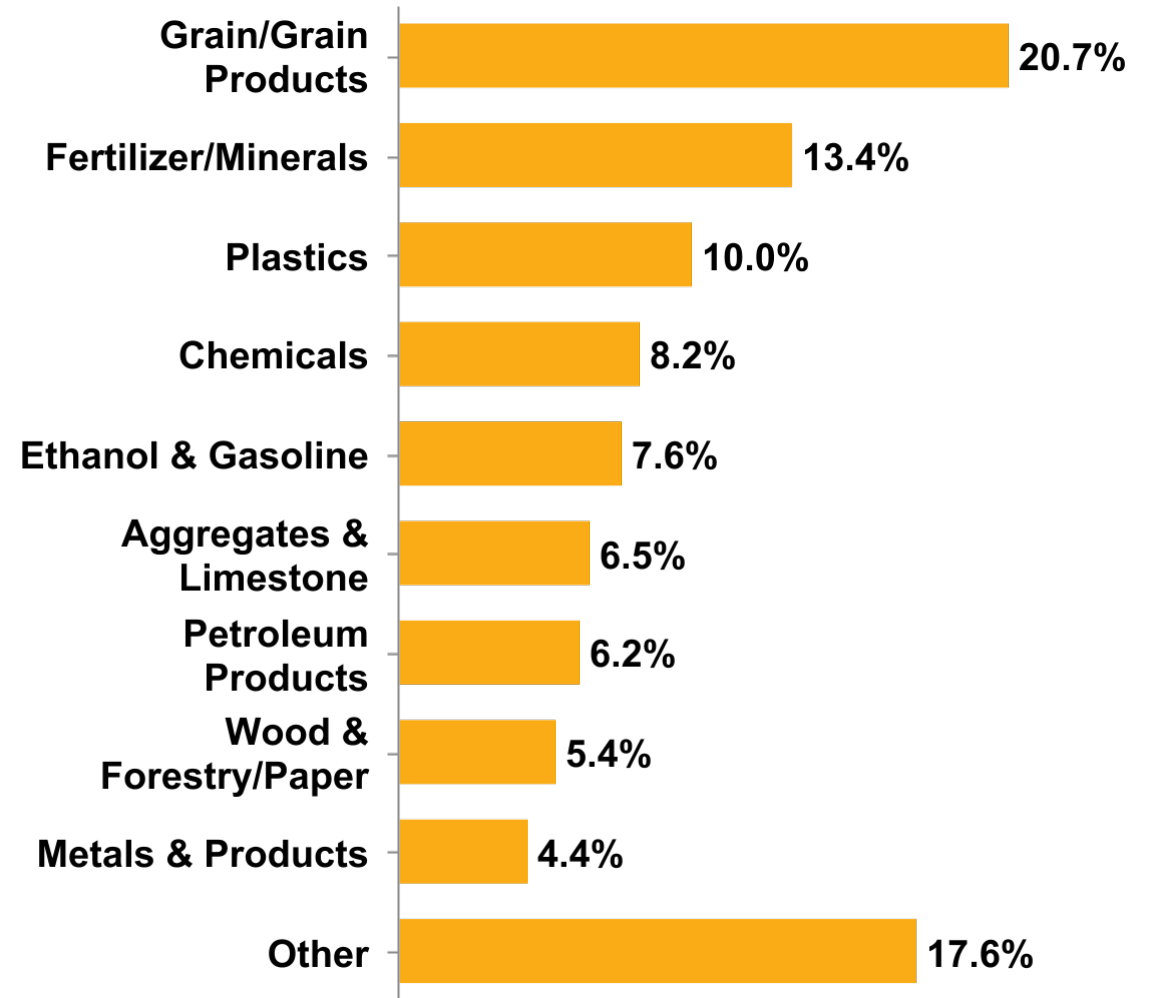
88.3% Average Utilization Rate¹

20,322 Cars on Lease²

28 Railcar Repair Facilities²

~150 Commodities Handled

Railcar Fleet by Commodity²



Rail Group Earning Power



Sources of Income

- Generates lease income from long-lived assets
- Maximizes value by remarketing assets opportunistically
- Provides repair services embedded in leases and to third parties

\$ in millions	YE 2016	YE 2017	YE 2018	YE 2019	YE 2020
Average # of Railcars YTD	23,057	23,314	22,899	24,250	23,910
Beg. \$ on Bal. Sheet	\$338.1	\$327.2	\$423.4	\$521.8	\$584.3
Average % Utilization YTD	87.8 %	85.0 %	90.8 %	92.4 %	88.3 %

Income

\$ in millions	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Lease Income	\$13.2	\$8.9	\$8.1	\$9.1	\$0.9
Railcar Sale Income	\$11.0	\$11.0	\$2.4	\$3.5	\$0.4
Services & Other Income	\$8.2	\$4.9	\$6.9	\$2.6	\$1.3

Total Rail

\$ in millions	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue	\$163.7	\$172.1	\$174.2	\$166.9	\$143.8
Gross Profit	\$55.9	\$52.5	\$54.8	\$57.1	\$38.7
Gross Profit %	34.1 %	30.5 %	31.5 %	34.2 %	26.9 %
Pretax Income	\$32.4	\$24.8	\$17.4	\$15.1	\$2.6

Non-GAAP Reconciliation - Adjusted net income (loss) attributable to The Andersons, Inc.



(in thousands, except per share data)	Three months ended December 31,		Twelve months ended December 31,	
	2020	2019	2020	2019
Net income (loss) attributable to The Andersons, Inc.	\$ 15,991	\$ 6,649	\$ 7,710	\$ 18,307
Items impacting other income, net of tax:				
One time acquisition costs	—	2,158	—	8,007
Transaction related stock compensation	946	1,998	4,206	9,337
Asset impairment	—	43,097	—	46,178
Loss from remeasurement of equity method investments	—	(36,287)	—	(35,214)
Gain on sales of assets	—	(8,646)	—	(8,646)
Severance costs	528	—	6,091	—
Termination of interest rate derivatives and debt fees	2,849	—	2,849	—
Income tax impact of adjustments (a)	(962)	9,386	(17,924)	5,051
Total adjusting items, net of tax	3,361	11,706	(4,778)	24,713
Adjusted net income (loss) attributable to The Andersons, Inc.	\$ 19,352	\$ 18,355	\$ 2,932	\$ 43,020
Diluted earnings (loss) attributable to The Andersons, Inc. common shareholders	\$ 0.48	\$ 0.19	\$ 0.23	\$ 0.55
Impact on diluted earnings (loss) per share	\$ 0.11	\$ 0.36	\$ (0.14)	\$ 0.75
Adjusted diluted earnings (loss) per share	\$ 0.59	\$ 0.55	\$ 0.09	\$ 1.30

(a) Income tax adjustments include \$(4.5) million and \$(14.8) million due to CARES Act benefits and certain discrete items in the current quarter and year to date.

Non-GAAP Reconciliation - Quarter to Date EBITDA and Adjusted EBITDA



(in thousands)	Trade	Ethanol	Plant Nutrient	Rail	Other	Total
Three months ended December 31, 2020						
Net Income (Loss)	\$ 28,337	\$ (4,795)	\$ 3,187	\$ (867)	\$ (11,213)	\$ 14,649
Interest expense (income)	5,350	1,553	1,270	5,459	(340)	13,292
Income tax provision (benefit)	—	—	—	—	8,119	8,119
Depreciation and amortization	11,149	19,438	6,386	8,903	1,595	47,471
Earnings before interest, taxes, depreciation and amortization (EBITDA)	44,836	16,196	10,843	13,495	(1,839)	83,531
Adjusting items impacting EBITDA:						
Transaction related stock compensation	946	—	—	—	—	946
Severance Costs	—	—	—	—	528	528
Total adjusting items	946	—	—	—	528	1,474
Adjusted EBITDA	\$ 45,782	\$ 16,196	\$ 10,843	\$ 13,495	\$ (1,311)	\$ 85,005
Three months ended December 31, 2019						
Net Income (Loss)	\$ (19,938)	\$ 42,098	\$ 4,625	\$ 4,461	\$ (25,579)	\$ 5,667
Interest expense (income)	6,103	2,175	1,476	4,415	(91)	14,078
Income tax provision (benefit)	—	—	—	—	14,708	14,708
Depreciation and amortization	13,450	16,633	6,207	8,745	2,735	47,770
Earnings before interest, taxes, depreciation and amortization (EBITDA)	(385)	60,906	12,308	17,621	(8,227)	82,223
Adjusting items impacting EBITDA:						
One time acquisition costs	833	1,325	—	—	—	2,158
Transaction related stock compensation	1,998	—	—	—	—	1,998
Asset impairment	40,420	—	2,175	—	502	43,097
(Gain) Loss on pre-existing equity method investment	—	(36,287)	—	—	—	(36,287)
Gain on sales of assets	(5,702)	—	(2,944)	—	—	(8,646)
Total adjusting items	37,549	(34,962)	(769)	—	502	2,320
Adjusted EBITDA	\$ 37,164	\$ 25,944	\$ 11,539	\$ 17,621	\$ (7,725)	\$ 84,543

Non-GAAP Reconciliation - Year to Date EBITDA and Adjusted EBITDA



(in thousands)	Trade	Ethanol	Plant Nutrient	Rail	Other	Total
Twelve months ended December 31, 2020						
Net Income (Loss)	\$ 24,687	\$ (47,338)	\$ 16,015	\$ 2,607	\$ (10,186)	\$ (14,215)
Interest expense (income)	21,974	7,461	5,805	17,491	(1,456)	51,275
Income tax provision (benefit)	—	—	—	—	(10,259)	(10,259)
Depreciation and amortization	44,627	73,224	25,407	35,573	9,807	188,638
Earnings before interest, taxes, depreciation and amortization (EBITDA)	91,288	33,347	47,227	55,671	(12,094)	215,439
Adjusting items impacting EBITDA:						
Transaction related stock compensation	4,206	—	—	—	—	4,206
Severance Costs	—	—	—	—	6,091	6,091
Total adjusting items	4,206	—	—	—	6,091	10,297
Adjusted EBITDA	\$ 95,494	\$ 33,347	\$ 47,227	\$ 55,671	\$ (6,003)	\$ 225,736
Twelve months ended December 31, 2019						
Net Income (Loss)	\$ (17,328)	\$ 47,660	\$ 9,159	\$ 15,090	\$ (39,521)	\$ 15,060
Interest expense (income)	34,843	943	7,954	16,486	(535)	59,691
Income tax provision (benefit)	—	—	—	—	13,051	13,051
Depreciation and amortization	50,973	23,727	25,985	34,122	11,359	146,166
Earnings before interest, taxes, depreciation and amortization (EBITDA)	68,488	72,330	43,098	65,698	(15,646)	233,968
Adjusting items impacting EBITDA:						
One time acquisition costs	6,682	1,325	—	—	—	8,007
Transaction related stock compensation	9,337	—	—	—	—	9,337
Asset impairment	43,501	—	2,175	—	502	46,178
(Gain) Loss on pre-existing equity method investment	1,073	(36,287)	—	—	—	(35,214)
Gain on sales of assets	(5,702)	—	(2,944)	—	—	(8,646)
Total adjusting items	54,891	(34,962)	(769)	—	502	19,662
Adjusted EBITDA	\$ 123,379	\$ 37,368	\$ 42,329	\$ 65,698	\$ (15,144)	\$ 253,630

Non-GAAP Reconciliation - Quarter to Date Segment Data



(in thousands)

Three months ended December 31, 2020

	Trade	Ethanol	Plant Nutrient	Rail	Other	Total
Revenues from external customers	\$ 1,979,272	\$ 373,517	\$ 155,514	\$ 34,614	\$ —	\$ 2,542,917
Gross profit	90,796	2,562	30,623	9,710	—	133,691
Equity in earnings (losses) of affiliates	410	—	—	—	—	410
Other income (expense), net	5,089	1,330	339	342	651	7,751
Income (loss) before income taxes	28,337	(4,795)	3,187	(867)	(3,094)	22,768
Income (loss) attributable to the noncontrolling interests	—	(1,342)	—	—	—	(1,342)
Income (loss) before income taxes attributable to The Andersons, Inc. (a)	28,337	(3,453)	3,187	(867)	(3,094)	24,110
Adjustments to income (loss) before income taxes (b)	946	—	—	2,849	528	4,323
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. (a)	\$ 29,283	\$ (3,453)	\$ 3,187	\$ 1,982	\$ (2,566)	\$ 28,433

Three months ended December 31, 2019

Revenues from external customers	\$ 1,391,151	\$ 312,860	\$ 138,182	\$ 43,410	\$ —	\$ 1,885,603
Gross profit	87,652	12,594	23,521	14,592	—	138,359
Equity in earnings of affiliates	(4,992)	—	—	—	—	(4,992)
Other income, net	8,365	36,503	3,256	191	359	48,674
Income (loss) before income taxes	(19,938)	42,098	4,625	4,461	(10,871)	20,375
Income (loss) attributable to the noncontrolling interests	—	(982)	—	—	—	(982)
Income (loss) before income taxes attributable to The Andersons, Inc. (a)	(19,938)	43,080	4,625	4,461	(10,871)	21,357
Adjustments to income (loss) before income taxes (b)	37,549	(34,962)	(769)	—	502	2,320
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. (a)	\$ 17,611	\$ 8,118	\$ 3,856	\$ 4,461	\$ (10,369)	\$ 23,677

(a) Income (loss) before income taxes attributable to The Andersons, Inc. for each operating segment is defined as net sales and merchandising revenues plus identifiable other income less all identifiable operating expenses, including interest expense for carrying working capital and long-term assets and is reported net of the noncontrolling interest share of income.

(b) Additional information on the individual adjustments that are included in the adjustments to income (loss) before income taxes can be found in the Reconciliation to EBITDA and Adjusted EBITDA table.

Non-GAAP Reconciliation - Year to Date Segment Data



(in thousands)	Trade	Ethanol	Plant Nutrient	Rail	Other	Total
Twelve months ended December 31, 2020						
Revenues from external customers	\$ 6,141,402	\$ 1,260,259	\$ 662,959	\$ 143,816	\$ —	\$ 8,208,436
Gross profit	278,216	(18,267)	106,248	38,725	—	404,922
Equity in earnings (losses) of affiliates	638	—	—	—	—	638
Other income, net	11,954	2,795	1,274	2,885	1,540	20,448
Income (loss) before income taxes	24,687	(47,338)	16,015	2,607	(20,445)	(24,474)
Income (loss) attributable to the noncontrolling interests	—	(21,925)	—	—	—	(21,925)
Income (loss) before income taxes attributable to The Andersons, Inc. (a)	24,687	(25,413)	16,015	2,607	(20,445)	(2,549)
Adjustments to income (loss) before income taxes (b)	4,206	—	—	2,849	6,091	13,146
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. (a)	\$ 28,893	\$ (25,413)	\$ 16,015	\$ 5,456	\$ (14,354)	\$ 10,597
Twelve months ended December 31, 2019						
Revenues from external customers	\$ 6,144,526	\$ 1,211,997	\$ 646,730	\$ 166,938	\$ —	\$ 8,170,191
Gross profit	329,096	32,567	99,104	57,125	—	517,892
Equity in earnings of affiliates	(6,835)	(524)	—	—	—	(7,359)
Other income, net	10,070	37,199	4,903	1,583	1,568	55,323
Income (loss) before income taxes	(17,328)	47,660	9,159	15,090	(26,470)	28,111
Income (loss) attributable to the noncontrolling interest	—	(3,247)	—	—	—	(3,247)
Income (loss) before income taxes attributable to The Andersons, Inc. (a)	(17,328)	50,907	9,159	15,090	(26,470)	31,358
Adjustments to income (loss) before income taxes (b)	54,891	(34,962)	(769)	—	502	19,662
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. (a)	\$ 37,563	\$ 15,945	\$ 8,390	\$ 15,090	\$ (25,968)	\$ 51,020

(a) Income (loss) before income taxes attributable to The Andersons, Inc. for each operating segment is defined as net sales and merchandising revenues plus identifiable other income less all identifiable operating expenses, including interest expense for carrying working capital and long-term assets and is reported net of the noncontrolling interest share of income.

(b) Additional information on the individual adjustments that are included in the adjustments to income (loss) before income taxes can be found in the Reconciliation to EBITDA and Adjusted EBITDA table.