



Acquisition of Lansing Trade Group, LLC

To strengthen our grain business,
extend our specialty products offerings
and further diversify our portfolio

October 16, 2018

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, 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.

Although the Company believes that the assumptions upon which the financial information in this presentation and its forward-looking statements are based are reasonable, it can give no assurances that these assumptions will prove to be accurate.

This presentation contains references to EBITDA and Adjusted EBITDA. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before the Company's impairment charges and eliminations of equity earnings from to-be-acquired entities. Although EBITDA and Adjusted EBITDA are not measures of performance calculated in accordance with GAAP, we believe they are useful to an investor in evaluating the transactions discussed in this presentation. Reconciliations of the GAAP to non-GAAP measures may be found in the appendix of this presentation.

Transaction Highlights



Transaction Details

- Acquiring remaining 67.5% of Lansing equity not currently owned for approximately \$305M, subject to customary post-closing adjustments
- Transaction values equity at approximately \$450M; estimate a purchase price multiple of 8.7 times EBITDA⁽¹⁾ for the twelve months ended August 31, 2018
- Expected to close before January 31, 2019, subject to Lansing shareholder and regulatory approvals



Expected Results

- EPS-accretive within a year after close
- Annual run-rate cost synergies of at least \$10M achieved by year-end 2020
- Increases combined trailing twelve month gross profit by 65% and EBITDA⁽¹⁾ by 47%



Financial Details

- \$130M of newly issued shares priced at closing based on 90% of the volume-weighted average price
- Projected transaction costs of approximately \$8M to be incurred in 2H 2018
- Company to assume a total of approximately \$166 million of Lansing and Thompsons long-term debt

(1) Non-GAAP measure. See reconciliation tables in Appendix.

Lansing Trade Group at a Glance



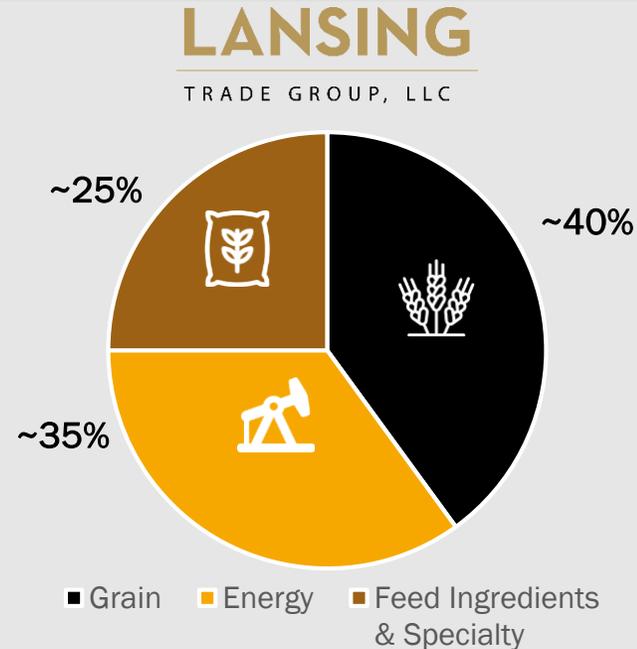
- ▶ Focused on the trading and movement of physical commodities including grains, feed ingredients, energy products, and freight within North America and internationally



Key Highlights

Gross Profit^{(1),(2)}	\$162M
EBITDA^{(1),(2)}	\$66M
Employees⁽³⁾	~550
The Andersons' Initial Investment	2003
JV Ownership in Thompsons Limited	50%

Gross Profit Mix⁽¹⁾



Commodities Traded

- **Grain & Oilseeds:** diverse range of corn, wheat, soybeans and various oilseeds across North America and internationally
- **Energy Products:** logistics and transload services for ethanol, NGLs and frac sand
- **Feed Ingredients:** cottonseed, wheat middlings, distillers grains (DDGs), protein meals and other feed ingredients

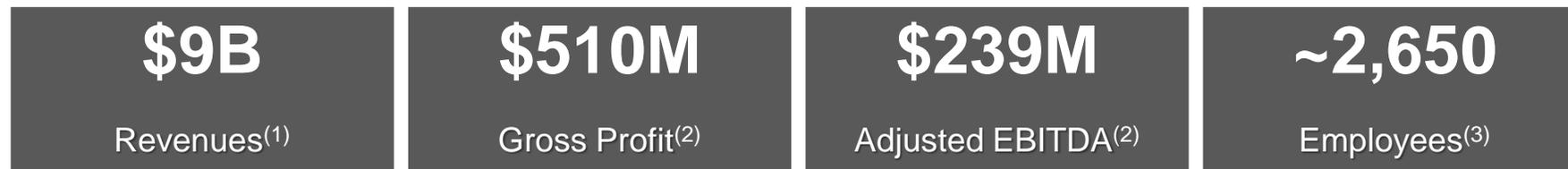


(1) For twelve months ended August 31, 2018; (2) Non-GAAP measure. See reconciliation tables in Appendix. (3) as of September 30, 2018

Combined Company Creates More Formidable Business



Key Highlights



Benefits

- Increases combined gross profit and EBITDA⁽²⁾
- Diversifies income streams and adds income from new markets
- Potential for further upside from additional cost and revenue synergies
- 100% Ownership of Thompsons: Leading Canadian provider of risk management, advanced agronomy, food grade beans and grain marketing services
- Eliminates equity method of accounting for Lansing and Thompsons, increasing financial transparency

Combined Statistics

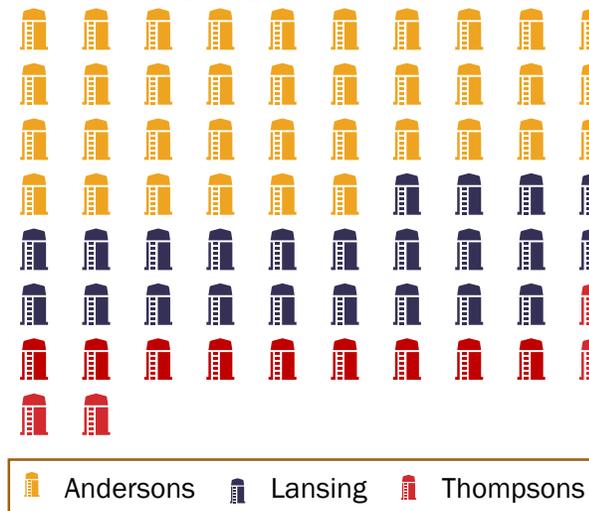
Gross Profit⁽²⁾



Adjusted EBITDA⁽²⁾

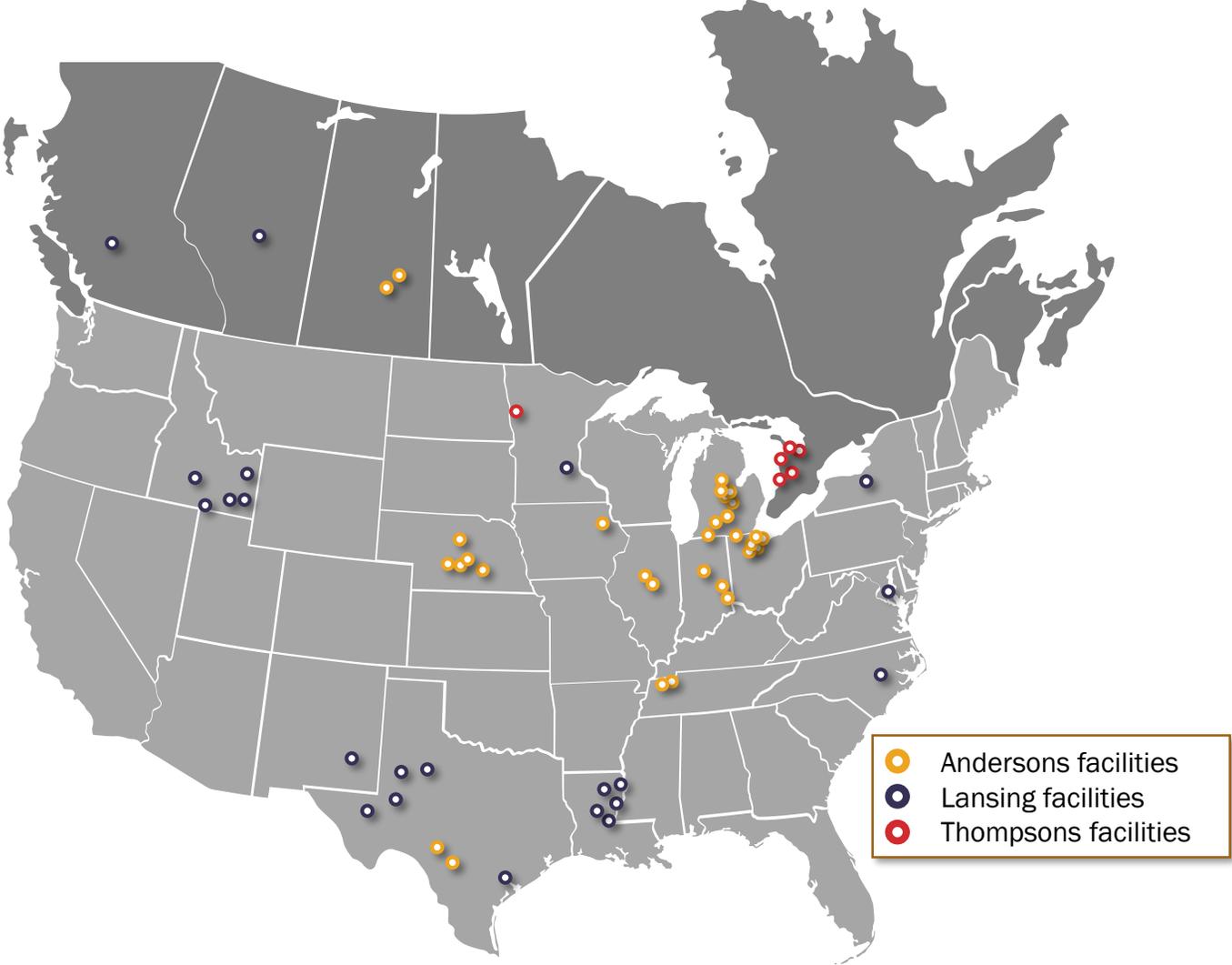


36 Additional Facilities



(1) Combined revenues of \$3.7B, \$4.8B and \$0.6B for The Andersons, Inc., LTG and Thompsons, respectively, for the calendar year 2017. Combined figure does not eliminate transactions between entities; (2) non-GAAP measure; see reconciliation tables in Appendix; (3) as of September 30, 2018; includes Lansing and Thompsons employees;

Complementary Geographic Assets and Footprints



Expands Geographic Footprint

- Geographic expansion into Western Corn Belt/Great Plains, and Eastern Canada
- Further diversification of activities outside of traditional product and geographic regions
- Greater scale in the agricultural marketplace

Transaction Aligned with Acquisition Strategy



STRATEGIC FILTERS

- ✓ Fits Strategically; Core or Adjacent
 - Supports growth in originations, trading and food and feed ingredients
- ✓ Addresses Validated Customer Needs
 - Expands product and services portfolio
- ✓ Strengthens Geographic Footprint
 - Complementary footprint and assets
- ✓ Increases Scale
 - Combined scale will drive efficiencies
- ✓ Provides Differentiation
 - Deep focus on farm originations, point-to-point trade and specialty food and feed ingredients

FINANCIAL CRITERIA

- ✓ Accretive to EPS within One Year
- ✓ ROIC Above Cost of Capital by Year 3 (risk-adjusted)
- ✓ Payback Period on Long-lived Assets < 10 Years

Next Steps and Timeline

➤ Pre-acquisition integration work is well underway; we expect to close before January 31, 2019

➤ While we maintain focus on existing business, we expect to integrate commercial functions in early 2019

➤ We expect to realize run-rate cost synergies of \$10M by year-end 2020, accelerating EPS accretion



Summary of Transaction Benefits



Aligned with M&A strategy and financial criteria



Complementary geographic footprint and assets and greater scale



Further diversifies and strengthens existing income streams and adds income from new markets



Cost synergies and accretive revenue potential provide attractive upside



Appendix

Reconciliation to EBITDA and Adjusted EBITDA – Combined



(\$M)	The Andersons, Inc. ⁽¹⁾	Lansing Trade Group ⁽²⁾	Thompsons ^{(2), (3)}	Combined ⁽⁴⁾
Gross profit	\$ 308.7	\$ 161.8	\$ 39.4	\$ 509.9
Net Income attributable to the Company	\$ 92.0	\$ 34.7	\$ 1.5	\$ 128.2
Provision (benefit) for income taxes	(60.8)	4.3	(1.3)	(57.8)
Interest expense	24.3	9.2	5.0	38.5
Depreciation and amortization	88.7	17.5	6.7	112.9
Earnings before interest, taxes, depreciation and amortization (EBITDA)	144.2	65.7	11.9	221.8
Adjusting items impacting EBITDA:				
Goodwill impairment	17.1	-	-	17.1
Asset impairment	10.9	-	-	10.9
Elimination of Lansing and Thompsons equity earnings ⁽⁵⁾	(10.4)	(0.8)	-	(11.2)
Total adjusting items	17.6	(0.8)	-	16.8
Adjusted EBITDA	\$ 161.8	\$ 64.9	\$ 11.9	\$ 238.6

(1) - Based on results from trailing 12 months as of June 30, 2018; see additional GAAP to Non-GAAP reconciliation on following slide

(2) - Based on results from latest trailing 12 months as of August 31, 2018

(3) - Includes Thompsons Limited and related U.S. operating company held by joint ventures

(4) - Combined results include immaterial intercompany transactions between entities that were not eliminated

(5) - Eliminates The Andersons' equity earnings from Lansing and Thompsons; eliminates Lansing's equity earnings in Thompsons

Reconciliation to EBITDA and Adjusted EBITDA – The Andersons, Inc.



(\$M)	Twelve months ended December 31, 2017	Six months ended June 30, 2017	Six months ended June 30, 2018	Trailing twelve months ended June 30, 2018 ⁽¹⁾
Trailing twelve months June 30, 2018				
Gross profit	\$ 318.8	\$ 164.3	\$ 154.2	\$ 308.7
Net Income attributable to the Company	\$ 42.5	\$ (29.7)	\$ 19.8	\$ 92.0
Provision (benefit) for income taxes	(63.1)	5.1	7.4	(60.8)
Interest expense	21.6	12.1	14.8	24.3
Depreciation and amortization	86.4	42.9	45.2	88.7
Earnings before interest, taxes, depreciation and amortization (EBITDA)	87.4	30.3	87.2	144.2
Adjusting items impacting EBITDA:				
Goodwill impairment	59.1	42.0	-	17.1
Asset impairment	10.9	-	-	10.9
Elimination of Lansing and Thompsons equity earnings ⁽²⁾	(5.1)	(1.8)	(7.1)	(10.4)
Total adjusting items	64.9	40.2	(7.1)	17.6
Adjusted EBITDA	<u>\$ 152.3</u>	<u>\$ 70.6</u>	<u>\$ 80.1</u>	<u>\$ 161.8</u>

(1) Twelve months ended December 31, 2017, less six months ended June 30, 2017, plus six months ended June 30, 2018

(2) Eliminates The Andersons' equity earnings from Lansing and Thompsons