



2015 First Quarter Earnings Call

May 6, 2015



And
Beyond

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.

Today's call 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.



Mike Anderson

Chairman & Chief Executive Officer

Hal Reed

Chief Operating Officer

John Granato

Chief Financial Officer

Jim Burmeister

Vice-President, Finance & Treasurer



- Ethanol Group was profitable as the industry experienced low margins during the seasonally softest period of the year
- Grain Group experienced a seasonally soft start to the year, as expected, yet delivered year-over-year improvement
- Rail Group delivered an 18% increase in lease income, driven by higher utilization and lease rates
- Repurchased \$28 million of common shares in the quarter



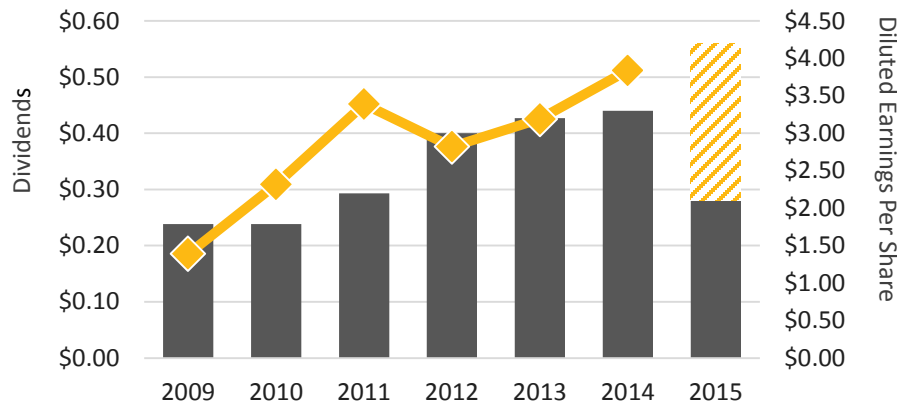
Q1 Highlights

- Q1 earnings lower due primarily to Ethanol Group results and lower railcar sales
- Revenues lower on reduced commodity prices and lower railcar sales
- Repurchased 631 thousand shares of common stock in Q1 for \$28 million

In millions, except EPS	Q1 '15	Q1 '14	FY '14
Revenue	\$950	\$1,003	\$4,540
Gross Profit	\$83.3	\$76.8	\$397.1
Net Income	\$4.1	\$22.7	\$109.7
*Adjusted Net Income	\$4.1	\$12.1	\$99.1
Earnings Per Share (EPS)	\$0.14	\$0.80	\$3.84
*Adjusted EPS	\$0.14	\$0.42	\$3.46

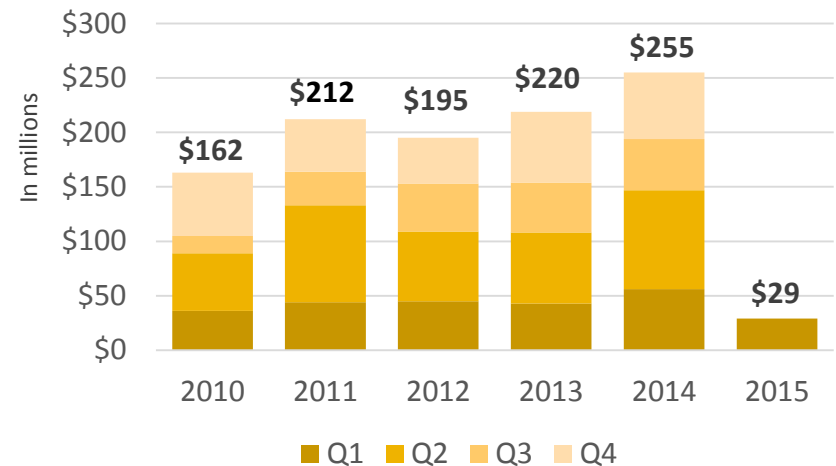
*Adjusted Net Income and Adjusted EPS exclude the one-time gain from the partial redemption of the Lansing Trade Group in Q1 2014

Dividend and Earnings Per Share (EPS)



Actual Dividend Paid / Projected FY Dividend / Diluted EPS

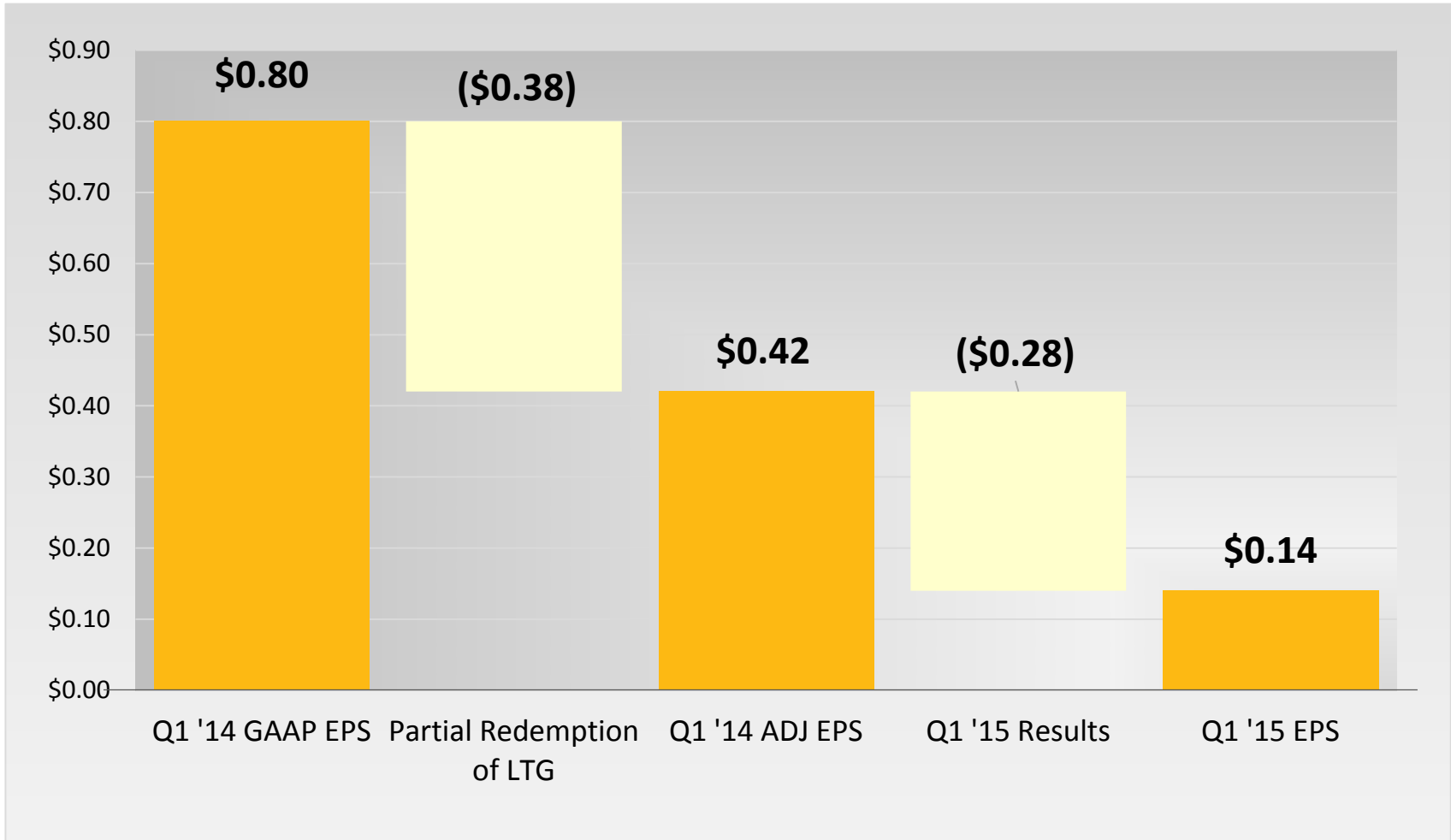
Five Year EBITDA



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Recon to Q1 '14 Adjusted EPS to Q1 '15 EPS

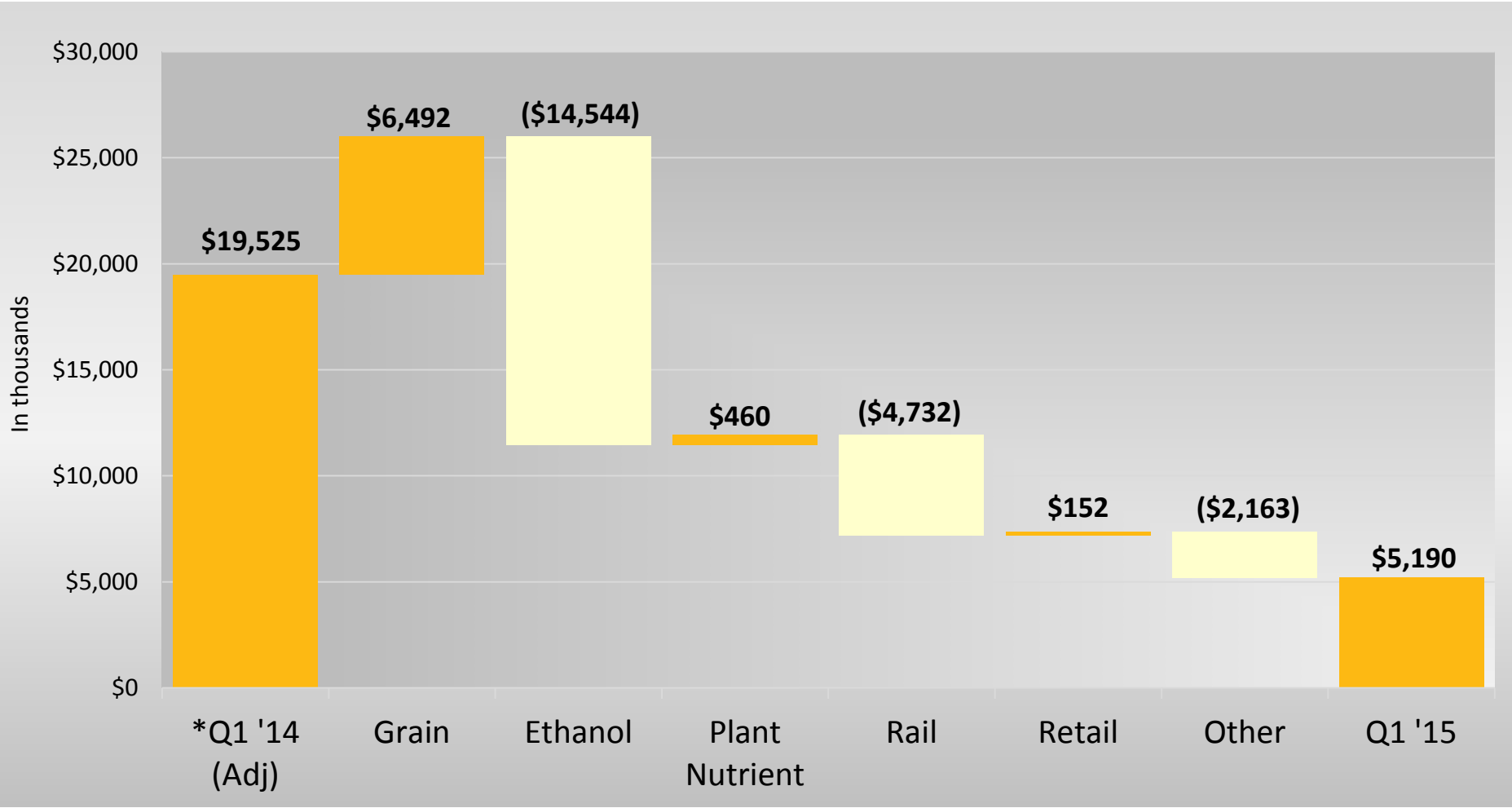
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Recon Q1 '14 Adjusted Pre-tax Income to Q1 '15

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*Q1 '14 pre-tax Income is adjusted to exclude the \$17.1 million pre-tax gain from the partial redemption of the Lansing Trade Group



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Grain Group

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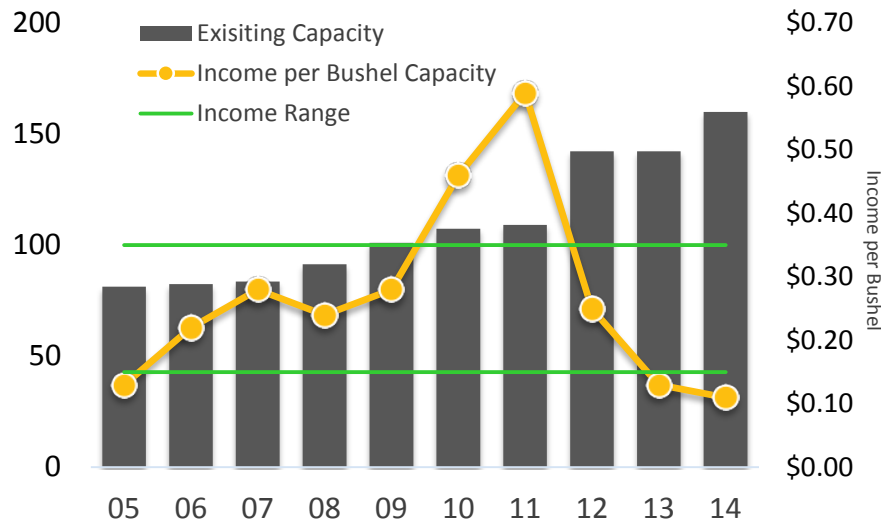
Q1 Highlights

- Base Grain improved pre-tax income \$6.5 million vs prior year
- Just over half of the increase was driven by improvements in western assets
- Current expectation of planted corn acres is 89 million, down just 2 percent from last year

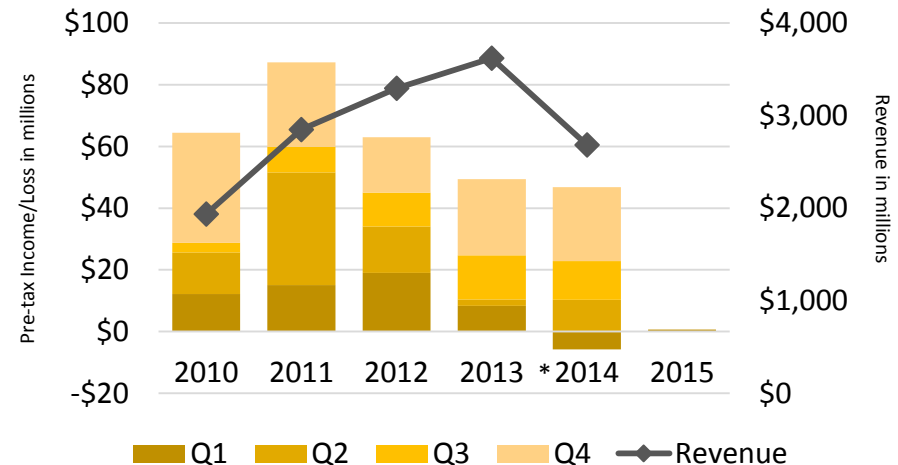
In millions, except margin	Q1 '15	Q1 '14	FY '14
Revenue	\$585	\$583	\$2,682
Gross Profit	\$29.7	\$17.0	\$131.1
Gross Profit Margin	5.1%	2.9%	4.9%
Pre-tax Income	\$0.7	\$11.3	\$58.1
*Adjusted Pre-tax Income (Loss)	\$0.7	(\$5.7)	\$41.0

*Adjusted excludes \$17.1 million pre-tax gain from the partial redemption of the Lansing Trade Group in 2014

Grain Storage Capacity Impact



Five Year Revenue & Pre-tax Income/Loss



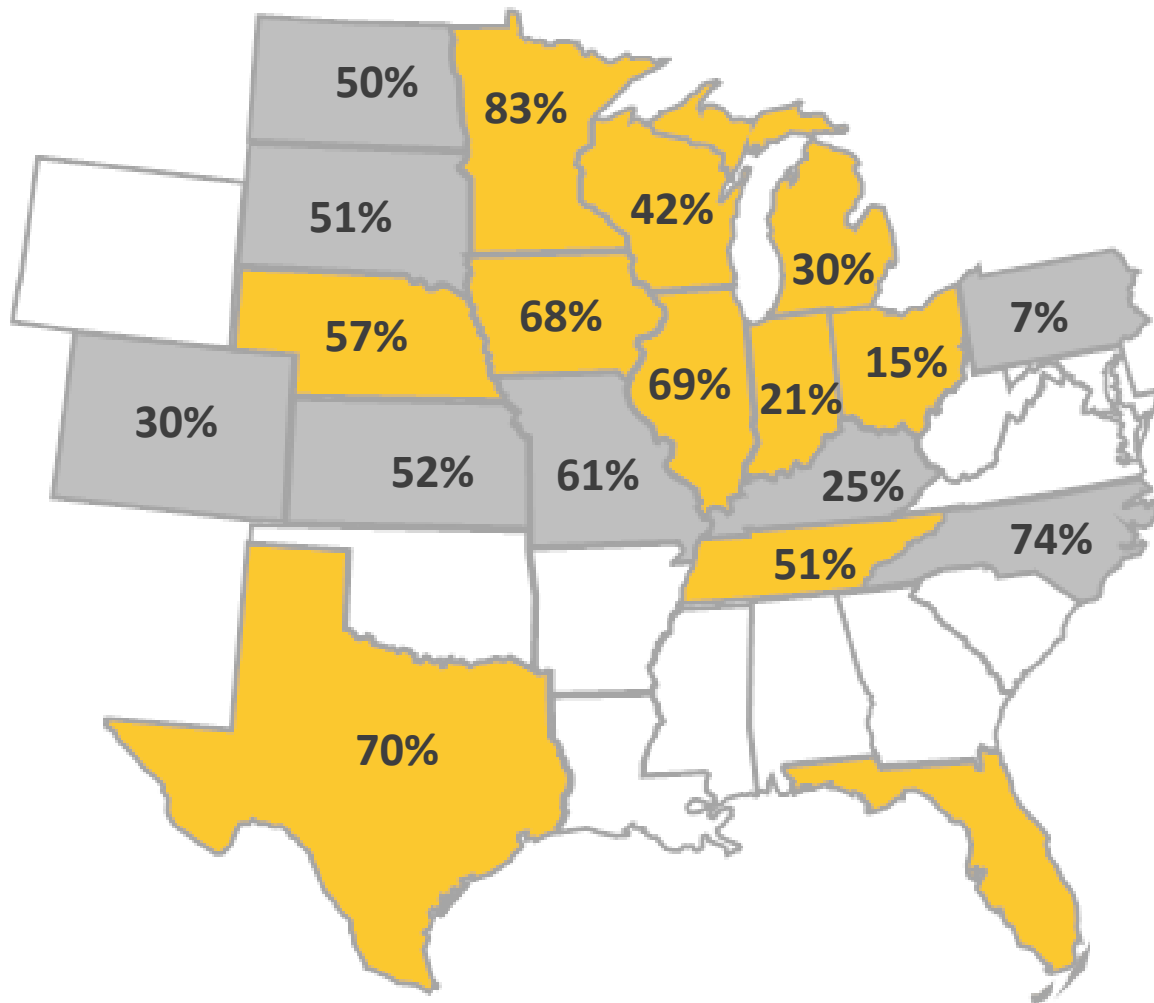
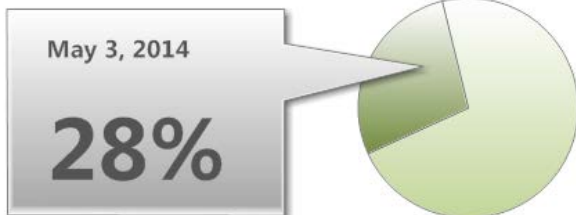
*Adjusted excludes \$17.1 million pre-tax gain from the partial redemption of the Lansing Trade Group in 2014



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US Corn Planting Progress

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Ethanol Group

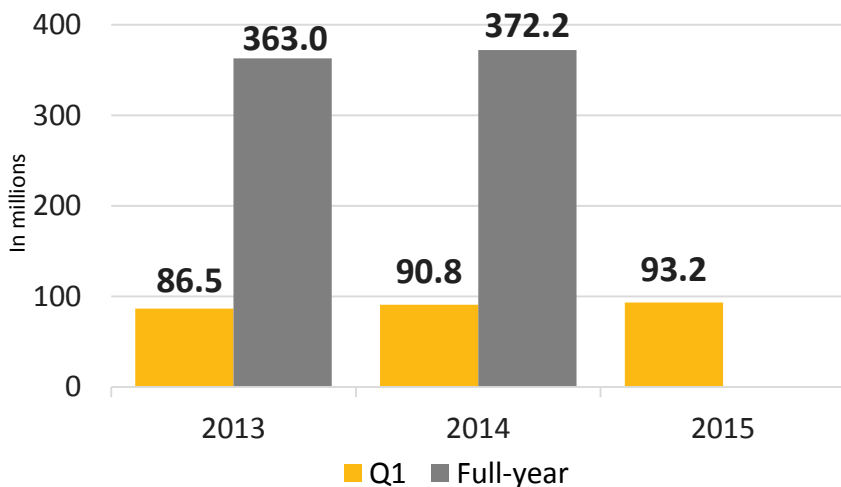
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Q1 Highlights

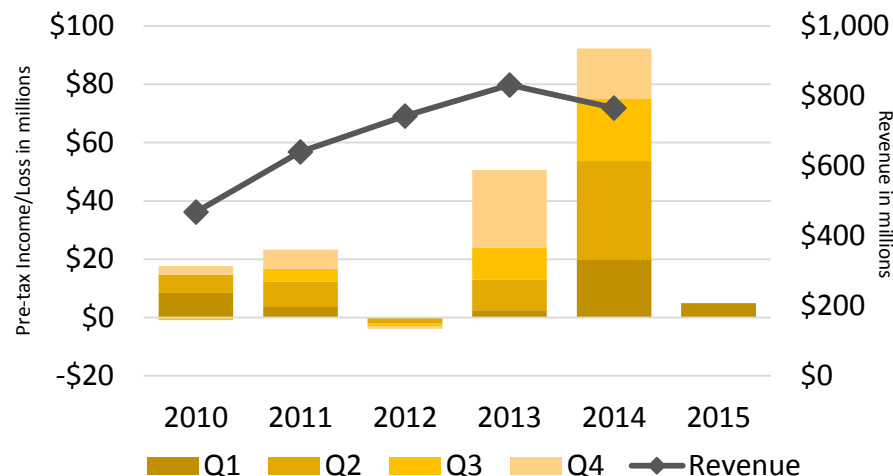
- Profitable in Q1 despite the low industry margins and seasonally low demand
- Record Q1 ethanol production and E-85 sales
- Outlook for full-year continues to improve on low corn prices, improving demand and increasing margins

In millions	Q1 '15	Q1 '14	FY '14
Revenue	\$138	\$189	\$766
Equity Earnings in Affiliates	\$1.7	\$18.6	\$68.9
Consolidated Operations and Service Fees	\$3.6	\$1.2	\$23.4
Pre-tax Income	\$5.3	\$19.8	\$92.3

Ethanol Production in Gallons



Five Year Revenue & Pre-tax Income/Loss



Not all Ethanol gallons produced are sold thru The Andersons, Inc.



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Plant Nutrient Group

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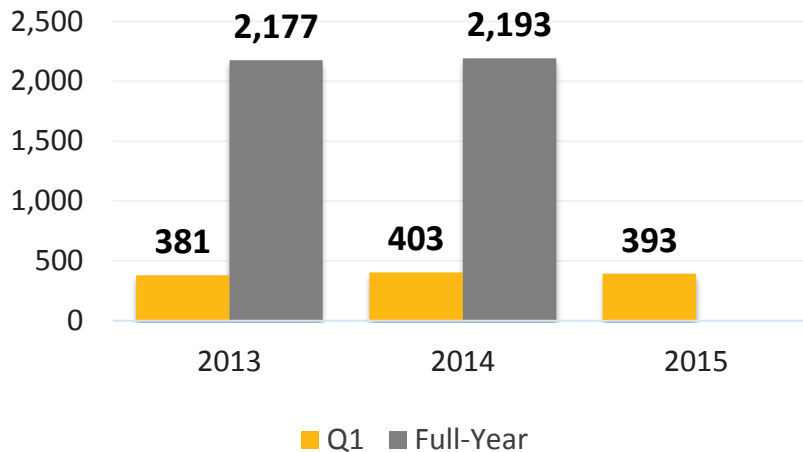
Q1 Highlights

- Merged Turf & Specialty Group and Plant Nutrient Group
- Weather conditions delayed Q1 nutrient applications
- Expect to substantially regain nutrient volume in Q2

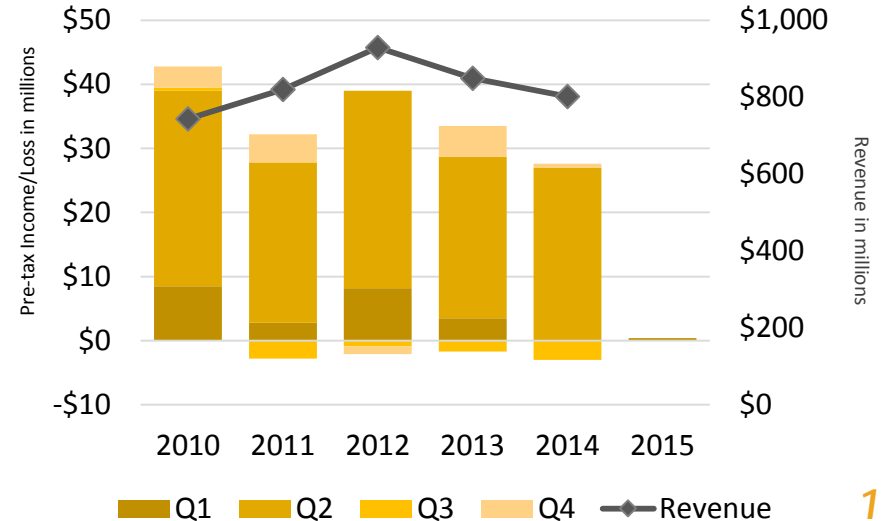
In millions, except margin	Q1 '15	Q1 '14	FY '14
Revenue	\$154	\$151	\$802
Gross Profit	\$22.0	\$22.6	\$116.9
Gross Profit Margin	14.3%	14.9%	14.6%
Pre-tax Income (Loss)	\$0.4	(\$0.0)	\$24.5

Sales and Service Volume in Tons

Includes fertilizer and cob



Five Year Revenue & Pre-tax Income/Loss





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Rail Group

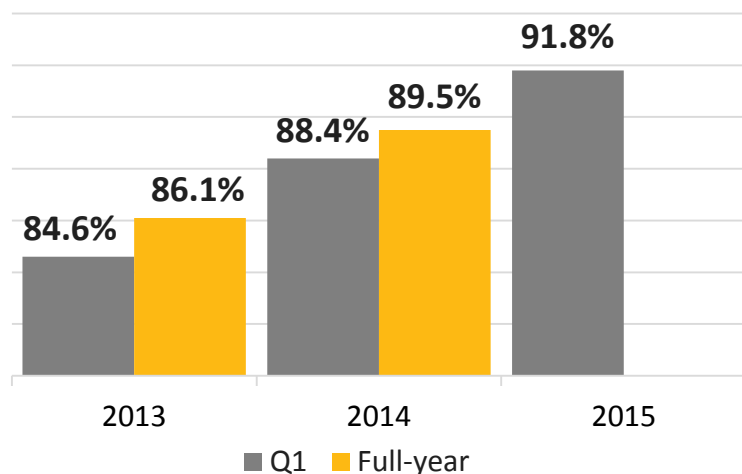
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Q1 Highlights

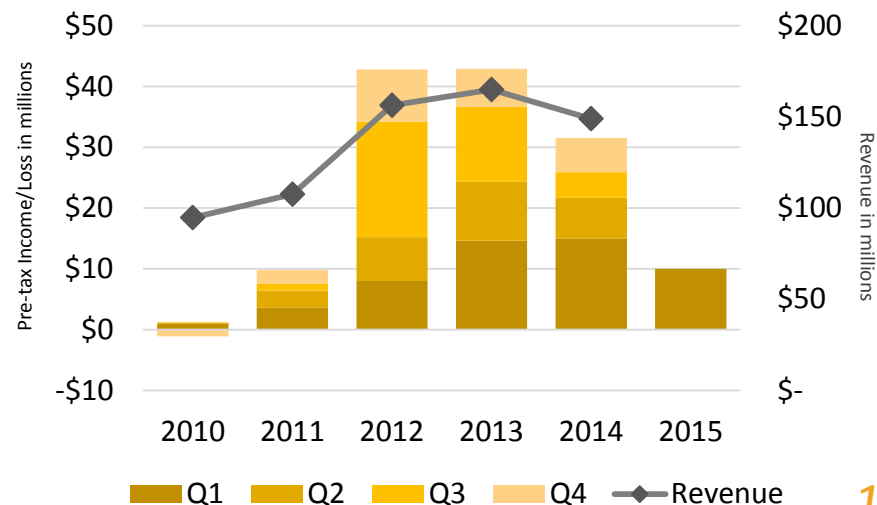
- Strong year-over-year increase in lease income driven by higher lease and utilization rates
- Gains on railcar sales decreased \$6.3 million vs. prior year
- Full-year outlook positive after good start

In millions, except margin	Q1 '15	Q1 '14	FY '14
Revenue	\$44	\$52	\$149
Gross Profit	\$17.3	\$21.9	\$59.8
Gross Profit Margin	39.2%	41.8%	40.1%
Lease Income	\$5.0	\$4.2	\$13.6
Railcar Sales Income	\$4.5	\$10.8	\$15.8
Service & Other	\$0.8	\$0.0	\$2.0
Pre-tax Income	\$10.3	\$15.0	\$31.4

Average Utilization Rate



Five Year Revenue & Pre-tax Income/Loss





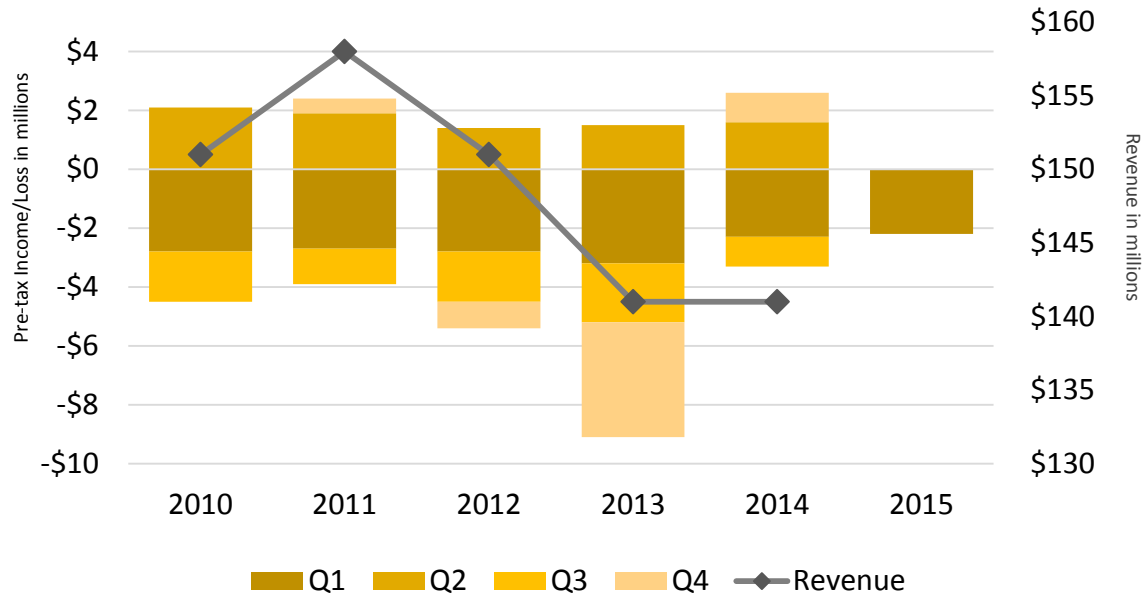
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Retail Group

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In millions	Q1 '15	Q1 '14	FY '14
Revenue	\$29	\$28	\$141
Pre-tax Income (Loss)	(\$2.2)	(\$2.3)	(\$0.6)

Five Year Revenue & Pre-tax Income/Loss



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Financial Highlights

Q1 Highlights

- Higher inventories in Plant Nutrient on slower start to planting, offset by lower inventories in Grain and Ethanol driven by lower commodity prices
- Seasonal use of short-term borrowings
- Placed \$30 million of long-term debt, partially offsetting \$61 million of maturities in the quarter
- Strong balance sheet with ample access to liquidity

\$ In millions	Mar. 31 2015	Mar. 31 2014	Dec. 31 2014
Working capital	\$223	\$247	\$227
Inventories	\$744	\$726	\$796
Current assets	\$1,174	\$1,139	\$1,254
Total assets	\$2,288	\$2,126	\$2,365
Short-term debt	\$312	\$226	\$2
Current maturities	\$19	\$91	\$76
Long-term debt	\$323	\$306	\$299
Total debt	\$654	\$623	\$377
Total liabilities	\$1,490	\$1,382	\$1,541
Total equity	\$798	\$743	\$824
LT debt-to-capital	0.30	0.35	0.31



Grain Group

Cautious optimism as improvements gain momentum



Plant Nutrient Group

Expecting good Q2 on significant planting progress in late April and early May



Ethanol Group

Improving margins on higher driving demand and low corn prices



Rail Group

Good start to the year... focus on sustaining high utilization rates

We firmly believe that our Company is a powerful vehicle through which we channel our time, talent, and energy in pursuit of the fundamental goal of serving God by serving others. Through our collective action we greatly magnify the impact of our individual efforts to:

- Provide extraordinary service to our customers
- Help each other improve
- Support our communities
- Increase the value of our Company



*Thank you for joining us.
Our next earnings call is scheduled for
Thursday, August 6th at 11:00 a.m.*



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Appendix



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EBITDA: Earnings before interest, taxes, depreciation, and amortization, is 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 purchases of corn and sales of ethanol, as well as purchases of natural gas with the intent of securing portions our future sales margins.

LT Debt to Capital: Ratio of long-term debt (including current maturities) to total capital defined as LT debt plus total equity.

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, Inc. purchases from the farm and 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, Inc. where title to the grain is transferred to The Andersons, Inc.

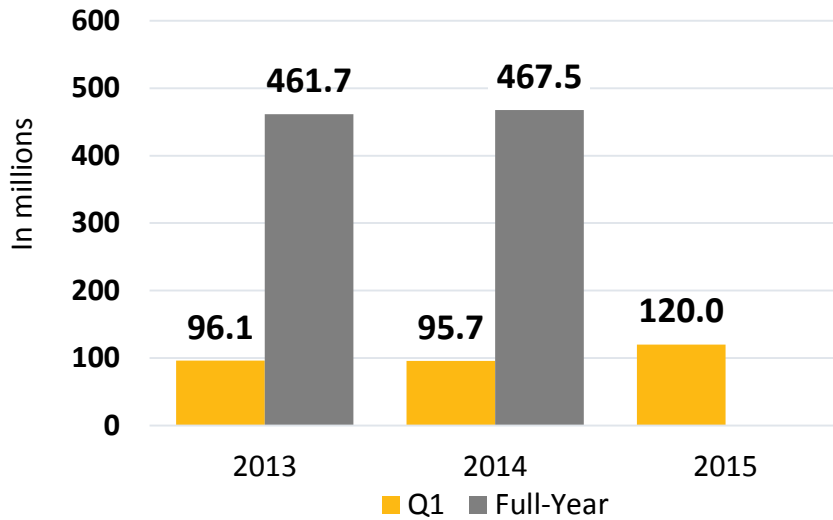
Bushels Stored for Others: The bushels are stored by The Andersons, Inc. for the owner of the grain for which a storage fee is charged the bushels' owner.

Railcar Fleet Utilization: Percentage of railcars and locomotives in leased service.

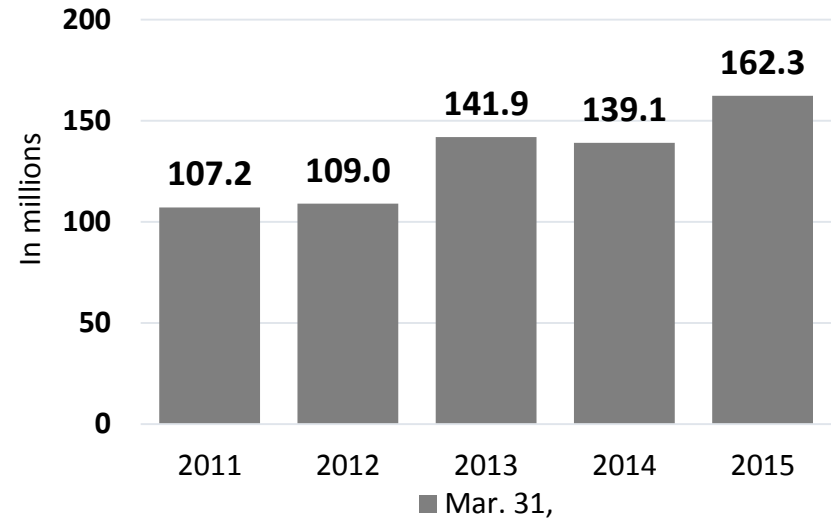
CAGR: Compounded annual growth rate.



Bushels Shipped



Bushels Storage Capacity



Grain Inventory

In thousands	Q1 '15	Q1 '14	Q1 '13
Bushels Owned	99,787	83,882	68,635
Bushels Stored for Others	1,809	5,551	17,725
Total Bushel Inventory	101,596	89,433	86,360



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Rail Group Earnings Power Quarterly

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Lease Income

\$ In millions	Q1	Q2	Q3	Q4	FY '13	Q1	Q2	Q3	Q4	FY '14	Q1
Average # of Assets	23,283	23,238	22,904	22,534	22,900	22,295	22,148	22,066	22,285	22,199	22,879
Beginning \$ on BS	\$228.3	\$244.7	\$242.9	\$233.0	\$240.6	\$240.6	\$237.5	\$242.1	\$245.8	\$240.6	\$297.7
Average % Utilization	84.6%	85.7%	86.2%	88.2%	86.1%	88.4%	89.3%	89.9%	90.3%	89.5%	91.8%
Lease Income	\$3.5	\$4.2	\$8.5	\$3.6	\$18.9	\$4.2	\$3.7	\$1.8	\$3.9	\$13.6	\$5.0

Remarketing Income

In millions	Q1	Q2	Q3	Q4	FY '13	Q1	Q2	Q3	Q4	FY '14	Q1
Asset Sale Income	\$9.3	\$4.4	\$2.8	\$2.0	\$19.4	\$10.8	\$2.5	\$1.4	\$1.2	\$15.8	\$4.5

Services & Other Income

In millions	Q1	Q2	Q3	Q4	FY '13	Q1	Q2	Q3	Q4	FY '14	Q1
Rail Services & Other	\$1.8	\$1.1	\$1.1	\$0.5	\$4.5	\$0.0	\$0.5	\$1.0	\$0.5	\$2.0	\$0.8

Total Rail Income

\$ In millions	Q1	Q2	Q3	Q4	FY '13	Q1	Q2	Q3	Q4	FY '14	Q1
Revenue	\$46.4	\$38.6	\$47.5	\$32.3	\$164.8	\$52.3	\$33.4	\$32.0	\$31.2	\$149.0	\$44.2
Gross Profit	\$19.0	\$14.6	\$13.0	\$12.3	\$58.9	\$21.9	\$13.9	\$10.8	\$13.2	\$59.8	\$17.3
Gross Profit Margin	41.0%	37.8%	27.4%	38.0%	35.7%	41.9%	41.6%	33.8%	42.2%	40.1%	39.2%
Pre-tax Income	\$14.6	\$9.7	\$12.4	\$6.2	\$42.8	\$15.0	\$6.7	\$4.2	\$5.6	\$31.4	\$10.2



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Rail Group Earnings Power – Five Year

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Sources of Income

- Generate lease income from long lived assets
- Maximize value by remarketing assets opportunistically
- Provide repair services embedded in leases and to third parties

Lease Income

\$ In millions	2010	2011	2012	2013	2014
Average # of Assets	22,848	22,265	23,019	22,990	22,199
Beginning \$ on BS	\$179.2	\$168.5	\$197.1	\$228.3	\$240.6
Average % Utilization	73.6%	84.6%	84.6%	86.1%	89.5%
Lease Income	(\$7.0)	(\$1.8)	\$13.4	\$18.9	\$13.6

Remarketing Income

In millions	2010	2011	2012	2013	2014
Asset Sale Income	\$5.5	\$8.4	\$23.7	\$19.4	\$15.8

Services & Other Income

\$ In millions	2010	2011	2012	2013	2014
Rail Services & Other	\$1.6	\$3.2	\$5.7	\$4.5	\$2.0

Total Rail Income

\$ In millions	2010	2011	2012	2013	2014
Revenue	\$94.8	\$107.4	\$156.4	\$164.8	\$149.0
Gross Profit	\$13.4	\$24.8	\$56.7	\$58.9	\$59.8
Gross Profit %	14.1%	23.1%	36.3%	35.7%	40.1%
Pre-tax Income	\$0.1	\$9.8	\$42.8	\$42.8	\$31.4

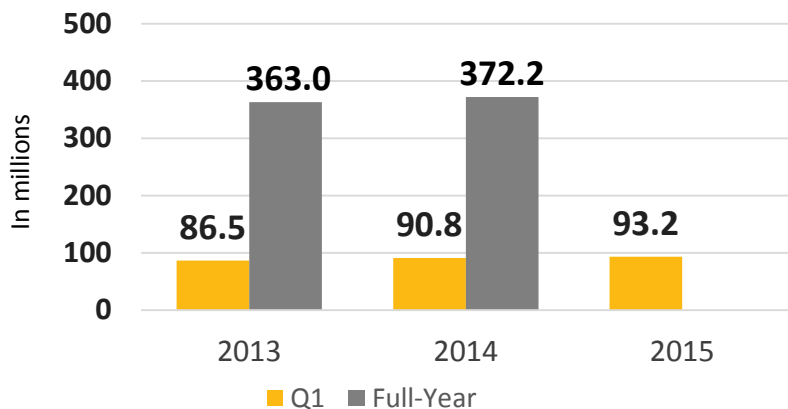


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Ethanol Group

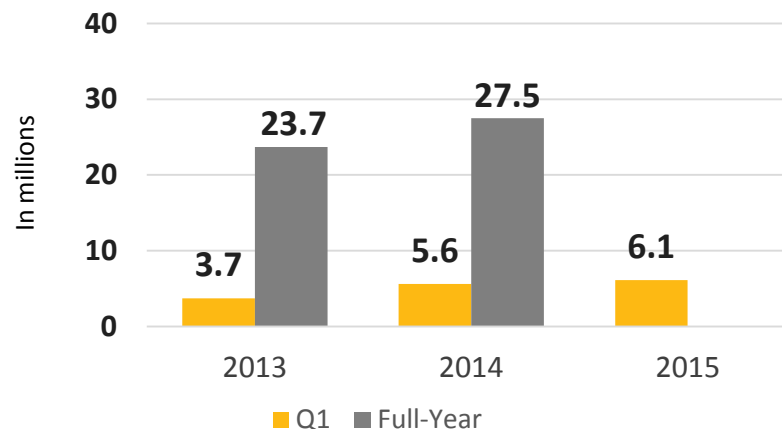
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Ethanol Gallons Produced

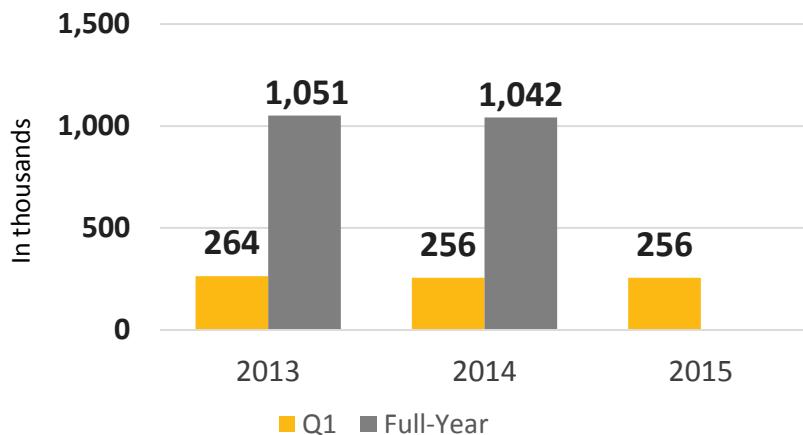


Not all Ethanol gallons produced are sold thru The Andersons, Inc.

E-85 Gallons Shipped

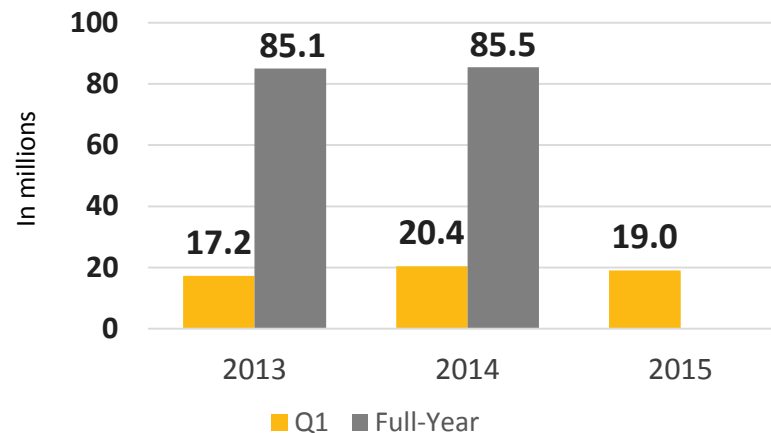


DDGS Tons Shipped



Not all DDGS tons shipped are sold thru The Andersons, Inc.

Corn Oil Pounds Shipped





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U.S. Forecasted Comparison: PXR vs. USDA

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	Unit	OLD CROP		NEW CROP	
		PRX 14-15	USDA 14-15	PRX 15-16	USDA 15-16
Carry-in	mil bu	1,232	1,232	2,015	1,777
Area planted	thous ac	90,597	90,600	89,199	89,000
Yield	bu/ac	171.0	171.0	161.4	166.8
Production	mil bu	14,216	14,216	13,248	13,595
Imports	mil bu	25	25	25	25
Supply	mil bu	15,472	15,472	15,288	15,397
Feed/Residual Use	mil bu	5,109	5,300	5,200	5,275
Industrial Use	mil bu	6,598	6,595	6,583	6,635
of which, ethanol	mil bu	5,163	5,200	5,133	5,225
Total Domestic Use	mil bu	11,707	11,895	11,783	11,910
Exports	mil bu	1,750	1,800	1,700	1,850
Total Use	mil bu	13,457	13,695	13,483	13,760
Carry-out	mil bu	2,015	1,777	1,805	1,637
US Farm Price	cts/bu	365	370	380	340

