



NEWS RELEASE

American Vanguard Reports Second Quarter & Mid-Year 2017 Results

2017-07-31

American Vanguard Corporation (NYSE:AVD) today announced financial results for the second quarter and six months ended June 30, 2017.

Second Quarter Financial Highlights

- Net sales were \$77.9 million in Q2 2017 compared to \$72.7 million in Q2 2016.
- Net income was \$4.3 million in Q2 2017 compared to \$3.2 million in Q2 2016.
- Earnings per diluted share were \$0.15 in Q2 2017 compared to \$0.11 in Q2 2016.

Six Months 2017 Financial Highlights

- Net sales were \$148.6 million at mid-year 2017 compared to \$142.2 million at mid-year 2016.
- Net income was \$7.8 million at mid-year 2017 compared to \$6.0 million at mid-year 2016.
- Earnings per diluted share were \$0.26 at mid-year 2017 compared to \$0.21 at mid-year 2016.

Note: Further details are available in the financial schedules attached to this press release

Eric Wintemute, Chairman and CEO of American Vanguard, stated, "We are pleased to report revenue increases of 7% for the second quarter and 4% for the first half of the year arising from a solid, diversified base business. Further, by maintaining our focus on manufacturing performance and overall cost control, we generated year-over-year earnings growth of 33% in the second quarter and 28% for the first half of 2017."

Mr. Wintemute continued, "Our top line performance was driven in part by continued, strong demand for our cotton products in light of a 20% increase in planted acres this year and the anticipation of greater foliar pest

pressure. In addition, we experienced solid international sales and growth in our granular soil insecticide products in the quarter and first half, driven by increased demand in domestic corn, peanuts and sugar crops. These gains were partially offset by weather-related declines in soil fumigant sales and competitive pricing pressure in corn herbicides. With respect to profitability, our gross profit margins increased in this year's second quarter and half year, due primarily to product mix. Further, during the first six months of 2017, we generated \$34 million in cash flow which we have used to make product line acquisitions, invest in growth initiatives, develop our international structure and reduce debt by \$15 million. Our financial performance and debt reduction have, in turn, increased our borrowing capacity. This positions the Company for further acquisitions that are emerging from the current round of consolidation in the Agriculture Industry. We are looking at a number of these opportunities and will, of course, report to investors as these prospects come to fruition."

Mr. Wintemute concluded: "Our outlook for the balance of 2017 remains positive, and the various acquisitions that we are pursuing will enable the Company to grow at an accelerated rate should they be consummated. The significant increase in U.S. cotton acreage should provide additional second half sales of our Bidrin® foliar insecticide and Folex® harvest defoliant. We expect modest international growth, our soil fumigant business should rebound this autumn, and in our non-crop business, we expect to see continued demand for our Dibrom® mosquito adulticide. Furthermore, we are pleased to have already recorded sales from the three products that we acquired from Adama in early June and expect that these sales will continue over the balance of 2017. Finally, we continue to manage working capital and operational costs while investing prudently in technology innovation, such as SIMPAS, for future growth. We look forward to giving further comment during our next earnings call."

Conference Call

Eric Wintemute, Chairman & CEO, Bob Trogele, EVP & COO and David T. Johnson, VP & CFO, will conduct a conference call focusing on the financial results and strategic themes at 4:30pm Eastern / 1:30pm Pacific on Monday, July 31, 2017. Interested parties may participate in the call by dialing (201) 493-6744. Please call in 10 minutes before the call is scheduled to begin, and ask for the American Vanguard call. The conference call will also be webcast live via the News and Media section of the Company's web site at www.american-vanguard.com. To listen to the live webcast, go to the web site at least 15 minutes early to register, download and install any necessary audio software. If you are unable to listen live, the conference call will be archived on the Company's web site.

About American Vanguard

American Vanguard Corporation is a diversified specialty and agricultural products company that develops and markets products for crop protection and management, turf and ornamentals management and public and animal health. American Vanguard is included on the Russell 2000® and Russell 3000® Indexes and the Standard & Poor's

Small Cap 600 Index. To learn more about American Vanguard, please reference the Company's web site at www.american-vanguard.com.

The Company, from time to time, may discuss forward-looking information. Except for the historical information contained in this release, all forward-looking statements are estimates by the Company's management and are subject to various risks and uncertainties that may cause results to differ from management's current expectations. Such factors include weather conditions, changes in regulatory policy and other risks as detailed from time-to-time in the Company's SEC reports and filings. All forward-looking statements, if any, in this release represent the Company's judgment as of the date of this release.

Contact Information

William A. Kuser, Director of Investor Relations

(949) 260-1200

williamk@amvac-chemical.com

The Equity Group Inc.

Lena Cati

(212) 836-9611

Lcati@equityny.com