

# Annual Shareholders Meeting - - June 5, 2009

## Management Presentation

In keeping with the theme of our 2008 annual report, today's management presentation will emphasize that our future success and growth requires continued strong, dedicated and well-focused internal efforts.

In 2008, American Vanguard was able to generate record revenue and earnings performance despite many difficult challenges.

As you recall, raw material and fuel costs escalated significantly, threatening our profitability.

Weather was a complication in the Midwest corn planting season and many crop commodity prices rose to record heights – before declining just as dramatically.

Declining general economic demand and reduced credit availability became important concerns that began influencing purchasing patterns.

Despite all of this, we were able to maintain and grow our operating and financial performance.

Why?

Because AMVAC has a business model that works and an organization that successfully responds to the challenge of changing circumstances.

So today, I want to talk to you about:

- Some of the reasons we are successful;
- The excellent position we have for achieving continued success...and
- Introduce you to some outstanding new management talent that has joined American Vanguard...and allow them a moment to tell you what they are focusing on to make our future even brighter.

### OUR INDUSTRY IS STRONG!

Despite the general economic malaise, we participate in the global agricultural sector where demand is strong, more sustainable and better insulated from the downdrafts of macroeconomic uncertainties that have so affected housing, automotive, consumer durables and other product categories.

Most experts assert that global demand for nutrition and the limited availability of arable land inevitably increases the need to achieve greater productivity. And improving agricultural productivity is what American Vanguard does!

From preparing the soil for planting; to addressing numerous forms of infestation; to preserving the quality of harvested product...our products and services enhance yield, improve quality and protect health.

The crop protection chemicals that we supply are indispensable tools that allow farmers to satisfy the world's growing hunger.

So, as our annual report graphic icon shows...we are firmly planted in fertile soil!

The world needs American Vanguard's ability to enhance agricultural productivity.

It is a good place to be!

Now, let's talk for a moment about our position in that healthy industry.

One reason for our success is the diverse market participation that we have.

As you can see from our product mix chart, we do not have all of our "eggs" in one basket.

Our involvement in such broad end-uses, gives our business stability when a particular crop segments or geographic region is negatively influenced by weather, regulatory change or other factors.

Another reason is our demonstrated ability to acquire, license or introduce additional products effectively. We have done this well for over 20 years, and the process continues.

Our accumulation of new products often gives "critical mass" to our product offering in a particular crop. Increasingly, we are able to offer not just one product but a "group" of important products (and applications equipment) needed by the growers of corn, cotton, fruits and vegetables. This strengthens our importance as a supplier since we offer a more complete solution to the farmers needs.

Additionally, American Vanguard's U.S. crop growth is complemented by the continuing expansion of our international and non-crop sales.

As this slide illustrates, we have increased our presence in international markets steadily in recent years and we continue to have great success in our Latin American initiatives. In that region, we have the right products and the right personnel to secure a solid, long-term market position.

And in the non-crop segment, we have expanded our Dibrom mosquito franchise; penetrated new turf & ornamental applications with our PCNB fungicide; and most recently offered new residual pest deterrence with our Nuvan ProStrip product containing DDVP.

Now let me spend a moment on describing current business conditions. During the first months of 2009, we have seen additional challenges...and additional opportunities!

This slide / chart shows recently published data on the market share positions of various crop protection competitors in the U.S. Ag sector.

You can see the well-known “Majors” (Monsanto, DuPont, Dow, Syngenta, Bayer & BASF) – and just below them – American Vanguard (AMVAC Chemical)!

You can also see the roughly 30% market share increase we have achieved.

This is a remarkably solid performance in light of considerable “sluggishness” in the North American market this spring. Concerns over credit availability and the wide-spread caution that we all embrace in a recessionary economy has caused farmer purchasing patterns to be affected. Rather than “stocking up” on needed farm inputs, growers have adopted a “just-in-time” ordering philosophy for crop protection chemicals, fertilizers, etc. Many of our peer companies and many of our distributors have cited this “belt-tightening” behavior as a factor, negatively affecting recent Ag Chemical business results.

In our own case, we appropriately built inventory levels for expected demand...and have found that demand has been delayed. We are encouraged to see field survey data / evidence that our “on-the-ground applications” exceed our current sales...which means that inventory in the distributor network is being reduced and will begin to require replenishment from AMVAC. Therefore, our temporary “inventory bulge” and its associated working capital borrowing requirement are expected to decline over the next three quarters.

For the farmer, the recent decline in fertilizer and fuel costs is a welcome relief. Additionally, crop commodity prices have been firming recently...suggesting that growers will be anxious to maximize yields...and consequently purchase our products to accomplish that objective.

We are using this time to position ourselves to take full advantage of the demand recovery when it materializes. We have a long-term view of American Vanguard’s position in this industry...and we constantly seek to identify, analyze and where appropriate, act on transactions that can strengthen the Company’s enterprise value. We are never satisfied with just maintaining the status quo. Our strategy is to capitalize on opportunities, as inexpensively as possible and improve the ownership value of your investment. Our nearly 50% improvement in Stockholders Equity over the last three years is evidence of that pursuit.

A big part of achieving significant business improvement in the coming years is having the necessary people and skill sets to handle the challenges and responsibilities of a larger company.

In order to allow you to meet some of our newest management team members – I am going to turn the microphone over to David Johnson, Trevor Thorley, and John Killmer to highlight the efforts they are making to help us achieve greater success.

The Financial Function is of vital importance to any successful company. Providing accurate, comprehensive information, in a timely manner and in a form that can facilitate management decision-making is critical.

Next, I want to introduce David Johnson our Chief Financial Officer. David has been with us for 15 months and has successfully settled into this multifaceted and challenging role. David has a broad background in finance and accounting in international chemical manufacturing companies. Along with myself, David is required to attest each quarter and each year to the accuracy of our financial statements...and with his diligence in these matters, I am able to assert our financial information with confidence.

Thank you, Eric.

I have very much enjoyed my first 15 months with American Vanguard. With the help and support of my predecessor, James Barry and all of my staff, we have succeeded in getting all of the critical, regular work done. For the finance function, the ability to report the financial performance of our Company accurately and in a timely manner is our first priority. In addition, as a team, we are now focusing more effort on providing timely and high quality management information in support of day to day decision-making aimed at improving our competitive position and profitability. I will give some examples of the type of projects we are engaged in shortly.

Now, regarding the Company's recent performance...as you can see from the three-year summary that was posted on the inside front cover of your annual report, our sales, net income, earnings per share and stockholders equity have all grown. With the exception of one down year in 2006 for net income, this is a continuing trend that has been recorded over the past 14 years.

The Company has always been powered by sales growth and this continued into Q1 of 2009, when we reported a 9% year on year revenue improvement.

Over the long haul, our net income growth has kept pace with sales growth. Having said that, our Q1 performance was down compared to expectations. This included expensing some significant costs related to assessing several acquisition related opportunities consistent with the core strategy of the Company. These assessments included very careful consideration related to financial leverage and are centered on prudent decision making throughout.

Over the periods presented our debt position improved quite significantly demonstrating our long-term fiscal control. However, we do remain less than satisfied with our inventory levels and associated debt position reported at the end of Q1. I am pleased to report that, in line with our normal cycle for this time of year, our debt is reducing.

Finally, the Company is proud of its long standing record of making regular dividend payments which continued at the end of March.

Now, I would like to make some comments about my role at American Vanguard and the direction I am taking the functional service in the Company.

Prior to joining the Company, I had a long career in large multinational companies. These companies were bigger than American Vanguard but faced many similar issues. Furthermore, I am here because there were some significant similarities. Before joining

American Vanguard I spent 11 years with a multinational chemical company that used the same Information system and placed a great deal of importance on fast and efficient management information systems, so I come to the Company with a lot of experience in this area.

I said I would give some brief comments regarding projects that we have recently completed or are currently engaged in. These projects are focused on improving the quality or speed of management information aimed at giving our internal departments the tools to do their jobs more efficiently.

For example:

1. A couple of months ago, we completed the upgrade of a key sales analysis reporting tool that increased the level of detail that is instantly available to sales management on actual and forecast product line sales.
2. We have just completed a re-engineering project for our freight tracking and accounting system aimed at providing management with accurate and timely information about freight expense by product line.
3. Our IT system was implemented when we had one manufacturing site, we now have 4. We are currently engaged in a complex system upgrade aimed at giving management faster and better quality information about costs related to manufacturing activities at our plants.

My main goal is to make sure that we use our people and our available technology effectively to increase speed and efficiency in providing fast and accurate external financial reporting and internal management information.

For the finance team I am focused on training and changing some responsibilities so that we can provide better and faster service for our various constituents. This may at some stage include bringing in one or two additional people to provide appropriate resource levels and to round out the skill sets of the department.

On technology, we will continue to seek new opportunities to use available system capabilities more effectively. This may also mean investing in some new peripheral systems and the use of outside service providers when they offer compelling solutions.

Finally, with the help of Bill Kuser, I intend to become more involved in interacting with our investors directly and through comprehensive updates to the investor relations section of our website.

Thank you for your confidence in us. We take our business and its financial performance very seriously. We want to continue to ensure that American Vanguard remains a successful business and a successful investment.

Next, let me introduce Trevor Thorley, our new Chief Operating Officer who joined us 5 months ago. His is a critical managerial function, driving and coordinating both our marketing efforts and our manufacturing operations.

Trevor has a wealth of agricultural industry experience in sales & marketing with Bayer CropScience, and general management experience as the President of Valent Corporation (part of Sumitomo Chemical) for the last six years. He is well-known, and well respected throughout the industry and particularly in the distribution channels that we utilize to move our products to market. It is a pleasure to let him describe several of the marketing programs that we will be emphasizing in 2009.

Thank you, Eric.

It is a pleasure for me to join American Vanguard at a time of such great opportunity.

I believe that my general management experience in the Americas region, my relationship with distribution channels and my marketplace knowledge will benefit AMVAC through improved performance and possible collaborations - both domestically and internationally.

In the limited time available today, I want to show you a couple examples of how we are improving the effectiveness and reach of our marketing initiatives - and my key drivers as Chief Operating Officer.

As you know we are a significant supplier to the corn market. In previous annual meetings you may recall a series of radio advertisements used to promote Impact®, our superior post-emergent herbicide. And of course you are all familiar with our promotion of SmartBox – the superior applications equipment for soil insecticides.

Recently, we have been emphasizing the yield enhancement benefits of using corn soil insecticides in conjunction with genetically modified seeds. To drive this point home, we have recently held a Corn Rootworm Seminar on the Internet. This “Webinar” has been very effective and has broadened the audience listening to our message.

The presentation includes convincing data on yield improvements derived from 2 years of extensive university and field trial studies. The bottom line “take-away message” is:

In medium-to-high soil infested areas, the use of granular soil insecticides in addition to genetically modified seed results in a significant improvement in average yield...and material economic benefit to the grower who utilizes this approach.

If you would like to view the entire presentation, you can find it on the computer memory “stick” that you each have been given.

One of the most significant differences to occur over the last 12 months - is the degree of attention that this subject is receiving in the corn market. Last year, American Vanguard was virtually alone in promoting this concept. This year there is widespread discussion of this practice as evidenced by the number of magazine articles addressing the subject.

These are just a few of those that have been published.

We believe that by the time we have three full years of data; this practice will be well-established in areas where rootworm pressure and/or the presence of other soil insects

warrant the extra defense that this approach provides. And in those areas (15 – 20 million acres) AMVAC will be the predominant vendor - with our half-dozen CSI products and our state-of-the-art SmartBox application equipment. It has required patience to get to this point – but we will be rewarded for positioning ourselves in this critical niche.

Before we leave corn, I also want to mention our important corn herbicide, Impact. We have just started the post emergence spray season in Iowa and Impact is moving well. The delayed planting in Illinois and Indiana, much of which was only planted last week, will delay a portion of these sales into our 3<sup>rd</sup> quarter, but we are very well positioned with positive university comments due to Impact's excellent control spectrum and its very good crop safety. Distribution and retailers are giving us increased support over 2008.

Another area of considerable potential growth is the non-crop segment of our business. This is an area I am very positive and bullish about - having create significant growth in this marketplace in both of my previous employers. In addition to our superior Dibrom mosquito adulticide product, and our increasing array of products for turf & ornamental application...we have begun aggressive marketing of our DDVP-based Nuvan ProStrip product line for the residual deterrence of pests in commercial treatment applications.

I invite you to view the Nuvan ProStrip infomercial to learn more about this exciting product and its vital roll. You will find the infomercial loaded on the USB memory stick you received this morning.

We are also modifying this basic format to pitch this technology to the market for grain storage operators and also for "bed-bug" eradication in hotel & residential dormitory uses.

Finally, I want to confirm the main drivers that I am committed to leading as COO.

#### #1 driver

##### Customer Focus

- Relationships – We have made good improvement in our customer relationships so far in 2009. I am determined to drive these further as the year progresses and in to the future. This is the foundation of a strong business.
- Professionalism – I see us providing even more services, communication and collaboration through increased professionalism with our customer base.
- Value added & differentiated products – We are not a generic company. We are a strong marketer of value added and differentiated products. SmartBox, SmartDrop, SmartChoice, new formulations, new offerings, new products in our growing development pipeline are all examples of this. I will drive this as we create more solutions for our customers and higher margins and returns for American Vanguard shareholders.

#### #2 driver

##### Operational Excellence

- Accountability – Internal accountability for meeting our objectives is important. I am committed to this.

- Inventory Management – We have to improve. I will be outlining to our board this afternoon 15 product specific actions that have been enacted to lower our current inventory levels by year end.
- Defending active ingredients aggressively – This refers to our Intellectual Property proactivity and our regulatory strengths in defending products based upon strong science
- Plant capacity utilization – We are focused on this to strengthen our financials by spreading our overheads across more product through put.
- Technology – Finally, our technology group is extremely important to our future success... I'll hand it back to Eric to introduce our new head of technology.

Next, it is my pleasure to introduce a member of our Board of Directors and our management team, Dr. John Killmer.

During our search for a Chief Operating Officer, we had the good fortune to meet John – and we were all so impressed with his vast wealth of industry knowledge that we invited him to join our Board of Directors. John's career in agriculture includes a distinguished series of responsibilities in the research, development and management at the Monsanto Company and a recent assignment as global operations manager with Arysta Corporation.

As our recently appointed Head of Technology, John will guide our efforts to improve chemical manufacturing process technology, and contribute to our assessment of new product acquisitions or licensing.

Thank you, Eric.

As a member of the Board of Directors and in my role within Technology, I hope that my background will help AMVAC take full advantage of its unique position in this industry.

One of the unique aspects of American Vanguard is the manufacturing infrastructure that has been assembled in recent years. With four significant facilities and a variety of manufacturing processes, it is important for us to maximize those assets for competitive advantage.

- In Los Angeles, we have a very comprehensive facility which meets a very high standard for performance, efficiency and regulatory compliance.
- In Axis, Alabama, we have the potential for handling additional tolling operations; cost reductions from waste minimization; and expanded laboratory capabilities to address market needs.
- In Hannibal, Missouri, we have the opportunity to expand our synthesis production and expand our formulation capabilities.
- In Marsing, Idaho, we have a capability to create unique “flowable” formulations that can provide us entry into the seed coating/treatment market.

We are going through a company-wide assessment of all of our chemical processes to make sure that they are as safe as possible, as efficient & cost-effective as possible, and that they generate as little waste as possible. This is a very important project and will allow us to leverage our manufacturing capabilities for the low cost production of our own products...and provide contract manufacturing for others with whom we may want to collaborate.

It is also important to foster the development of skills within the department and to supplement existing talent with additional resources that may be needed to address all of the challenges and opportunities ahead. In the next year, I will be trying to create an experienced team that can handle a wide variety of assignments.

Additionally, I hope that my experience in the marketing of biotech and agricultural chemical products will contribute to our evaluation of product acquisition / licensing decisions and the investigation of strategic opportunities that American Vanguard may explore in the coming years.

Now, I will allow Eric Wintemute to provide his closing comments.

I think you can see the considerable talent that these three gentlemen bring to American Vanguard. Like you, like me, and like all of our 300 employees...they have invested themselves in making AVD a world-class enterprise. Trevor's experience in the marketplace, John's expertise in biotech & chemical technology, and David's diligence in financial control all permit us to expect great things from this Company.

I want to touch on a few more topics before concluding.

First, in the category of risk & uncertainties...as we mentioned in our quarterly conference call, recent legal development in cases involving DBCP may have reduced our potential exposure to additional judgments in such matters. Given the blatant fraud discovered in the filing of such claims from Nicaragua...it is possible that pursuing such claims will become less attractive in the future.

Second, in our first quarter earning release and conference call, we acknowledged the expense associated with evaluating several significant strategic opportunities. We have often talked about potential "collaborations" with other industry partners, where through co-manufacturing, co-marketing, co-ownership, regional management responsibility, etc. – the scope of our business could be expanded.

So, the strategic debate we face in this current volatile economic climate is:  
Is it time to hunker-down / batten down the hatches – and wait out the storm...or...  
Is it time to assert our strengths-and take advantage of opportunities that present themselves.

We remain disciplined in our consideration of such opportunities and will only act if the "right deal" at the "right price" becomes available. We think that such "fiscally responsible ambition" is an important catalyst to our growth potential – and we expect to evaluate other possibilities that may present themselves.

Finally, at a time when our economy is riddled with industry sectors and commercial enterprises that are deeply troubled, over-leveraged, begging for bail-outs, and vaporizing shareholder equity with the stroke of the bankruptcy brush...we are fortunate to be in an industry that has growing demand, and be a company that has the products, the talent, the ambition, and the measured restraint...to benefit significantly by taking advantage of its strong position.

As our annual report illustration depicts, it takes strong internal "roots" to foster significant external growth! We have such strong roots...and we expect to fully capitalize on that strength!

We appreciate the support of our shareholders and we hope that our steady growth will reward you with the kind of long-term value appreciation that you expect.

Thank you for your attention to our comments here today.