



2011 Bank of America Merrill Lynch Global Industries Conference

MONSANTO



Forward-Looking Statements

Certain statements contained in this presentation are "forward-looking statements," such as statements concerning the company's anticipated financial results, current and future product performance, regulatory approvals, business and financial plans and other non-historical facts. These statements are based on current expectations and currently available information. However, since these statements are based on factors that involve risks and uncertainties, the company's actual performance and results may differ materially from those described or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, among others: continued competition in seeds, traits and agricultural chemicals; the company's exposure to various contingencies, including those related to intellectual property protection, regulatory compliance and the speed with which approvals are received, and public acceptance of biotechnology products; the success of the company's research and development activities; the outcomes of major lawsuits and the previously announced SEC investigation; the previously reported material weakness in our internal controls over financial reporting; developments related to foreign currencies and economies; successful operation of recent acquisitions; fluctuations in commodity prices; compliance with regulations affecting our manufacturing; the accuracy of the company's estimates related to distribution inventory levels; the company's ability to fund its short-term financing needs and to obtain payment for the products that it sells; the effect of weather conditions, natural disasters and accidents on the agriculture business or the company's facilities; and other risks and factors detailed in the company's most recent periodic report to the SEC. Undue reliance should not be placed on these forward-looking statements, which are current only as of the date of this presentation. The company disclaims any current intention or obligation to update any forward-looking statements or any of the factors that may affect actual results.

Trademarks

Trademarks owned by Monsanto Company and its wholly-owned subsidiaries are italicized in this presentation. All other trademarks are the property of their respective owners.

© 2011 Monsanto Company

Non-GAAP Financial Information

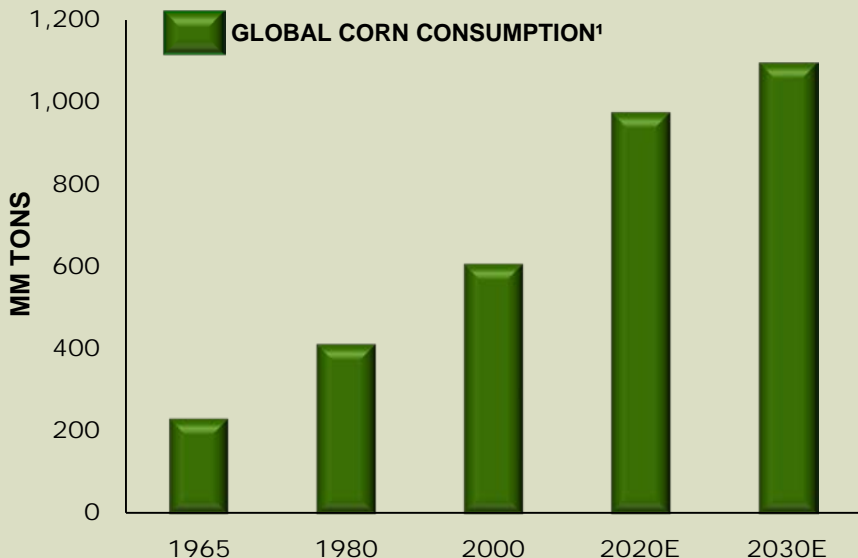
This presentation may use the non-GAAP financial measures of “free cash flow,” earnings per share (EPS) on an ongoing basis, EBIT and EBITDA. We define free cash flow as the total of cash flows from operating activities and investing activities. A non-GAAP EPS financial measure, which we refer to as ongoing EPS, excludes certain after-tax items that we do not consider part of ongoing operations, which are identified in the reconciliation. EBIT is defined as earnings (loss) before interest and taxes and EBITDA is defined as earnings (loss) before interest, taxes, depreciation and amortization, as defined in the reconciliation. Earnings (loss) is intended to mean net income (loss) attributable to Monsanto Company as presented in the Statements of Consolidated Operations under GAAP. Our presentation of non-GAAP financial measures is intended to supplement investors’ understanding of our operating performance, not replace net income (loss) attributable to Monsanto Company, cash flows, financial position, or comprehensive income (loss), as determined in accordance with GAAP. Furthermore, these non-GAAP financial measures may not be comparable to similar measures used by other companies. The non-GAAP financial measures used in this presentation are reconciled to the most directly comparable financial measures calculated and presented in accordance with GAAP.

FISCAL YEAR:

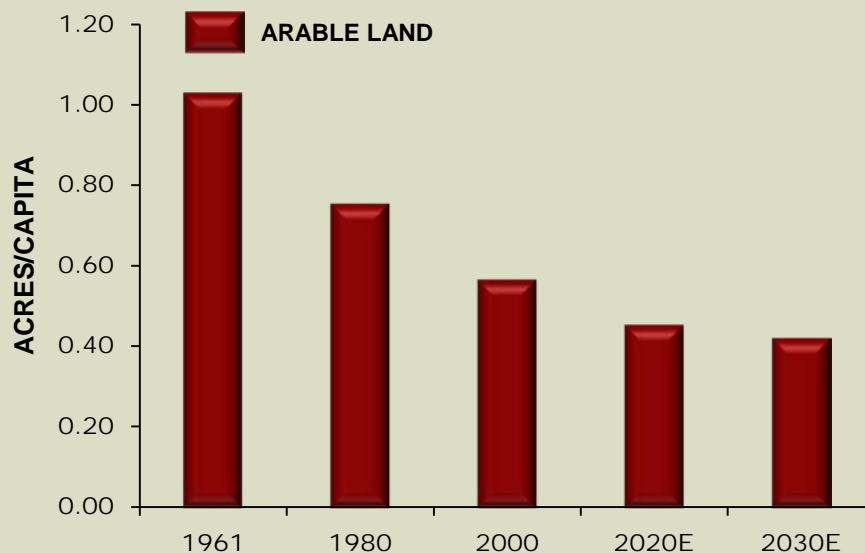
References to year, or to fiscal year, are on a fiscal year basis and refer to the 12-month period ending August 31.

Global Demand Pull on Grain Becoming Even More Pronounced; Sustainably Increasing Productivity Per Acre Vitally Important

STRETCHING SUPPLY
GLOBAL CORN DEMAND¹



ARABLE LAND PER CAPITA
WORLDWIDE¹



STATE OF AGRICULTURAL FACTORS: INCREASING GRAIN DEMAND FOR FEED

- ① GDP and population growth are driving protein demand
- ② Arable land per capita decreasing; yields must grow steadily each year to meet demand

Growth in Seeds and Traits Reflects Monsanto's Unique Position As "Yield" Company



MONSANTO IS A
"YIELD" COMPANY

1

YIELD

Building from early advantage on traits, Monsanto shifts from components of yield to total yield to create enduring yield advantage

2

EXPANSION

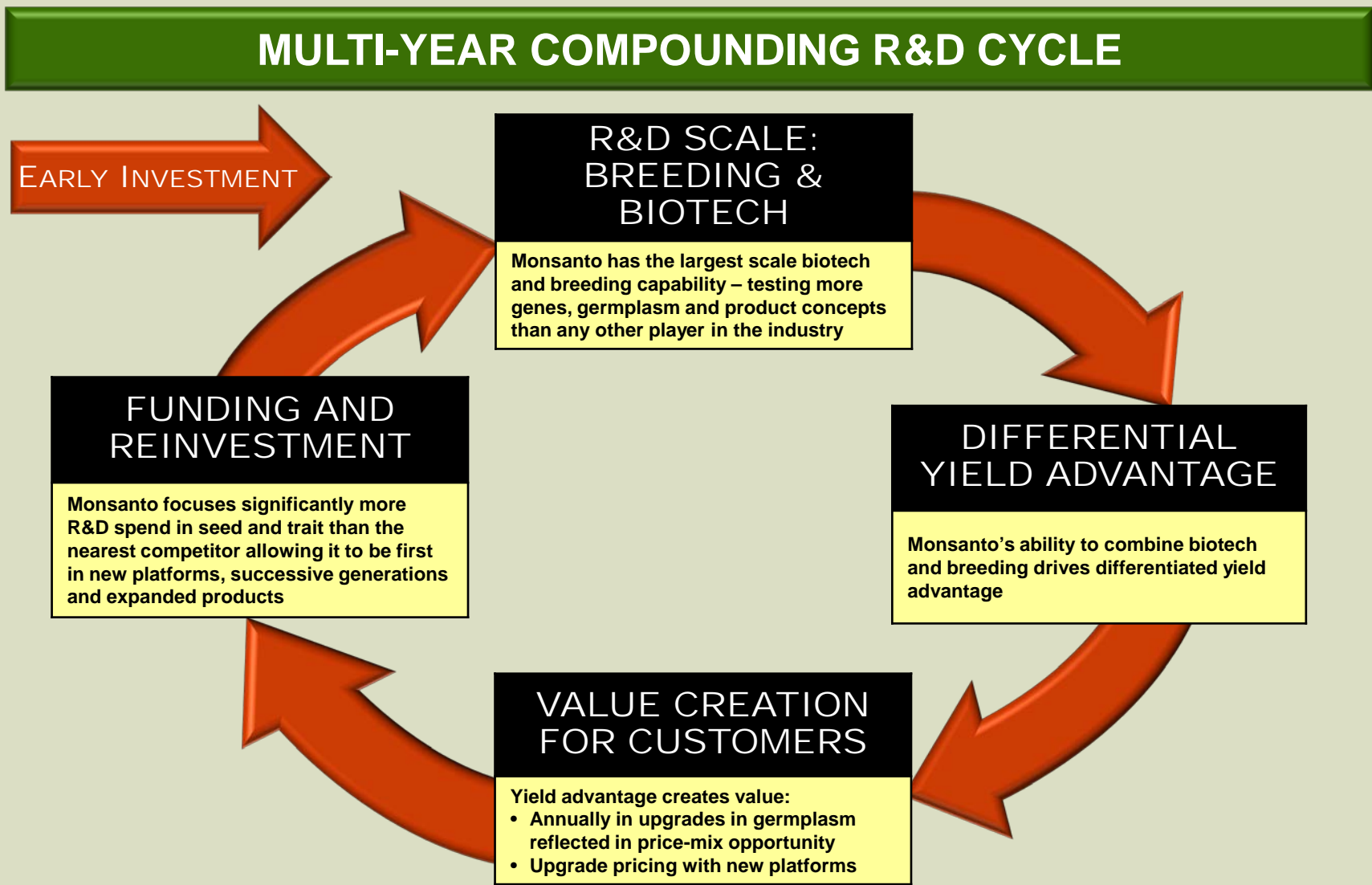
Global demand requires productivity to expand, creating catalyst for an expanded scale geographically and across crop platforms

3

R&D
CONVERGENCE

R&D's next wave comes as breeding and biotechnology reach synergy; Monsanto uniquely able to leverage convergence to deliver total yield

Monsanto's R&D Head Start Creates Compounding Competitive Advantage that Reinforces and Extends Leadership



U.S. Harvest Results Reinforces Monsanto's Enduring Yield Advantage Across Crops, Traits and Germplasm

HARVEST UPDATE¹:

YIELD DATA RESULTS BY CROP AND PRODUCT

SOYBEANS

GENUITY ROUNDUP READY 2 YIELD

- **4.2 bu/ac** advantage over competitive products with *Roundup Ready*

COTTON

DELTAPINE COTTON-SEED PERFORMANCE

- Early indicators show the classes of 2009, 2010 and 2011 delivering strong yield performance
- Final yield data to be provided on the First-Quarter Earnings Conference Call

CORN

REDUCED-REFUGE FAMILY OF PRODUCTS

SIDE-BY-SIDE YIELD COMPARISONS EXCLUDING WHOLE-FARM YIELD ADVANTAGE FROM REFUGE REDUCTION

Genuity SmartStax

- **3.8 bu/ac** advantage over the *YieldGard VT Triple* portfolio

Genuity VT Triple PRO

- **11.3 bu/ac** advantage versus competitors

Genuity VT Double PRO

- **6.6 bu/ac** advantage versus competitors

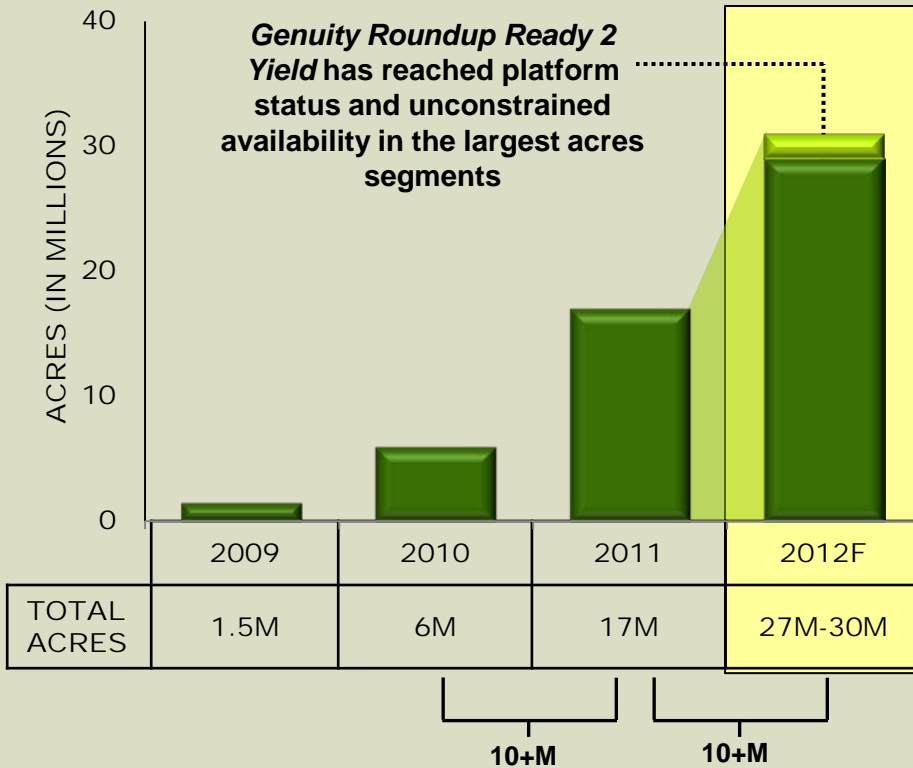
DEKALB CORN-SEED PERFORMANCE

DEKALB Germplasm

- **11.2 bu/ac** versus competitors

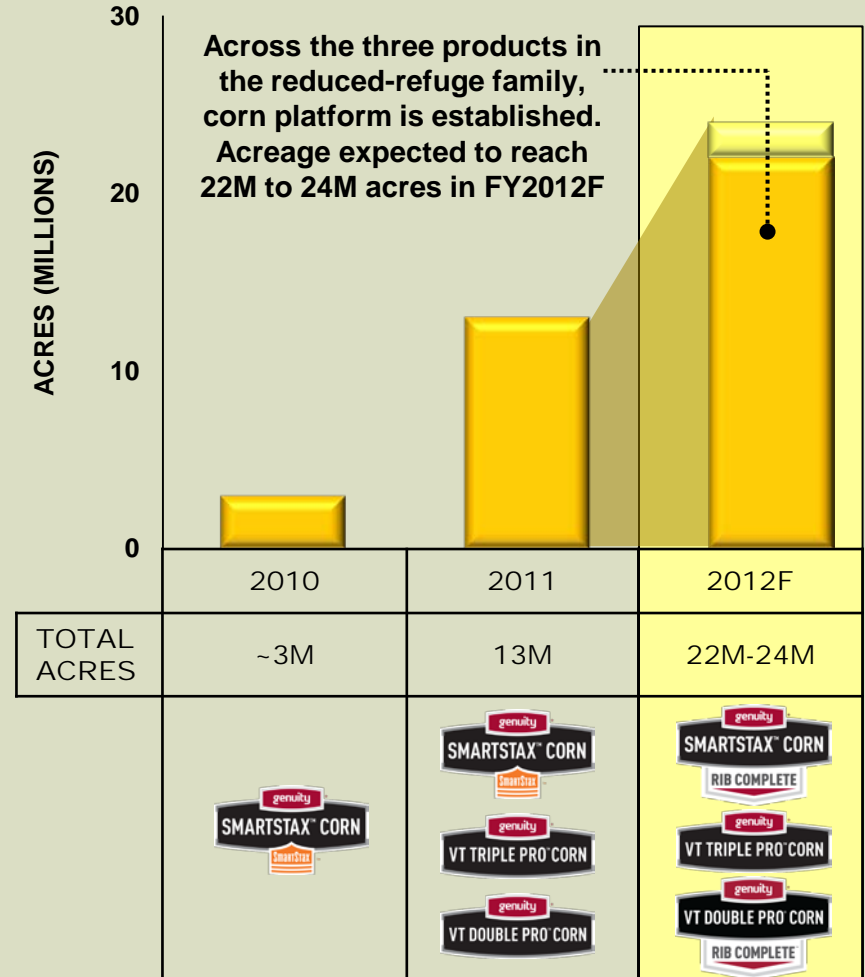
U.S. Growth Comes As Monsanto Expands Key Platforms, Building on Positive Momentum From Farmer Focus

GENUITY ROUNDUP READY 2 YIELD SOYBEAN MIX UPGRADE: 2009-2012F



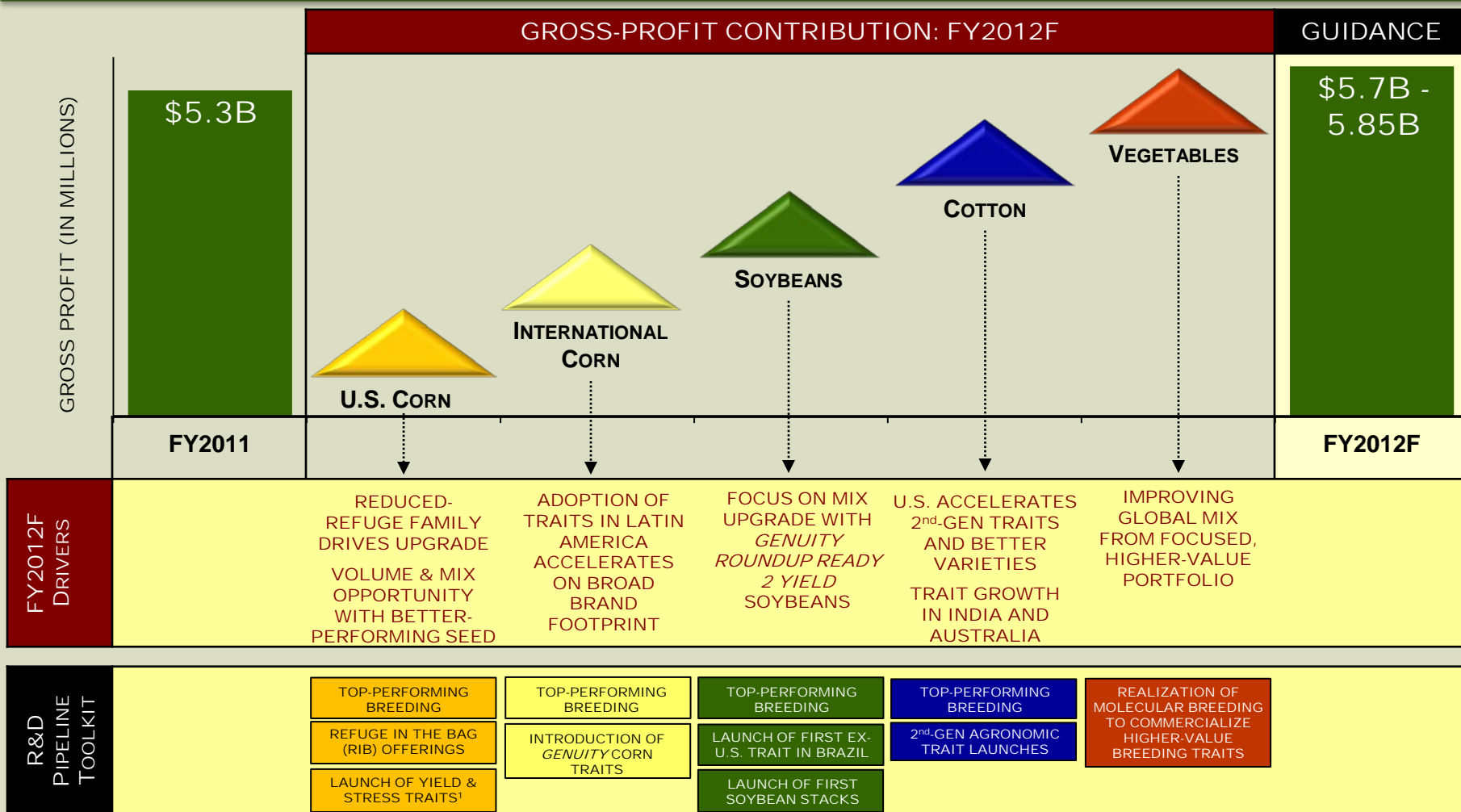
10 plus million acre pace provides solid trajectory for continued expansion, and in 2012F, Monsanto again expects a step up of more than 10M acres up to 27M-30M acres

REDUCED-REFUGE FAMILY CORN MIX UPGRADE: 2010-2012F



A Balanced Plan Across Crops and Geographies Reflected in Mid-Teens Earnings Growth for 2012

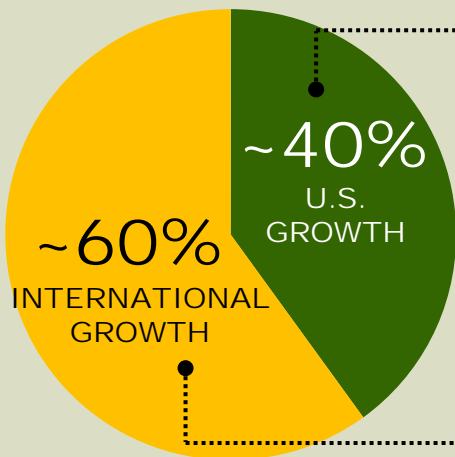
BALANCE DRIVES GROWTH: SEEDS & GENOMICS GROSS-PROFIT CONTRIBUTORS – FY2012F



1. Part of the Monsanto-BASF Yield and Stress R&D Collaboration. R&D Pipeline commercialization is dependent on many factors, including successful completion of regulatory process

In 2012F, Growth Reflects Emergence of International Opportunity, Complementing Growth in Core U.S. Business

FY2012F SEED & GENOMICS GROWTH GROSS-PROFIT BREAK DOWN BY REGION



U.S. GROWTH

Off the largest gross-profit base, U.S. growth expected primarily from mix and volume from upgrades in germplasm and traits

INTERNATIONAL GROWTH

International growth accelerates as mix and volume upgrades are largely driven by emergence of Latin America

GROWTH: FY2012F FORWARD

Mid-term growth builds on core drivers and trends established in 2012F, underpinning “yield company” focus

MID-TERM GROWTH TRENDS

- ➔ Value of germplasm increases
- ➔ Continued platform growth drives U.S. core
- ➔ Latin America mirrors North America opportunity
- ➔ Vegetables emerges as driver
- ➔ Yield focus offers expansion opportunities geographically and crop-and-business platforms

With Large Footprint Relative to U.S., Latin America Poised for Seeds-and-Trait Acceleration

LATIN AMERICA CORN PORTFOLIO



SPOTLIGHT: BRAZIL

HYBRID ACRES ¹ :	24M – 27M	RELATIVE SEED VALUE BASED ON SEED RETAIL PRICE TRENDS	MID
AVERAGE YIELD ² :	80 – 100 bu/ac (Hybrid)	RELATIVE TRAIT VALUE BASED ON INSECT PRESSURE INTENSITY	HIGH
SEED POSITION:	#1 Position	TRAIT PENETRATION BASED ON CURRENT BIOTECH TRAIT ADOPTION	LOW

GROWTH DRIVERS

- ➔ Large footprint drives faster trait penetration, reflecting **4X** share footprint compared with U.S. at the point of biotech introduction
- ➔ Margin upgrade gets double benefit as two things occur simultaneously with trait step up: ramp up in overall trait penetration and upgrade from first-generation products occur

SPOTLIGHT: ARGENTINA

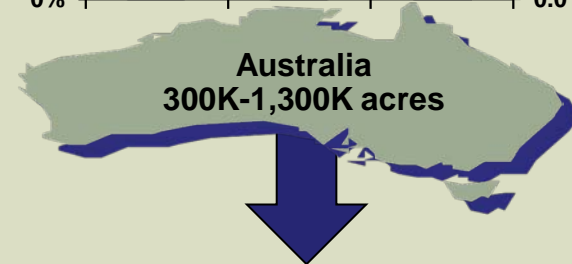
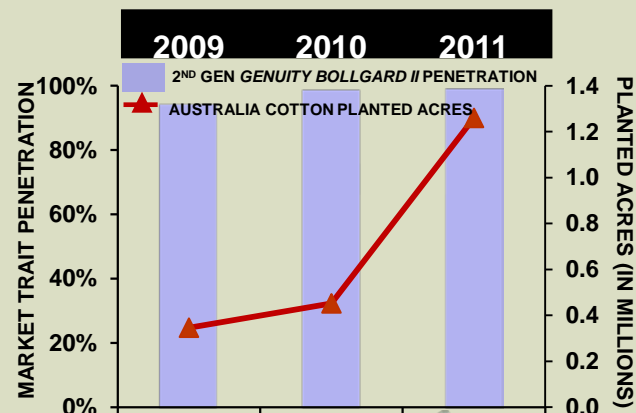
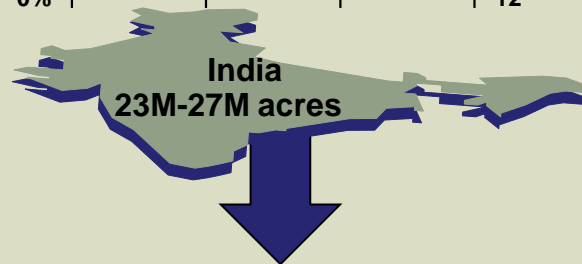
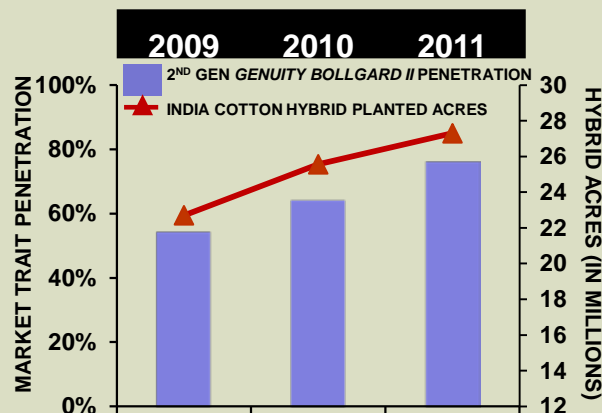
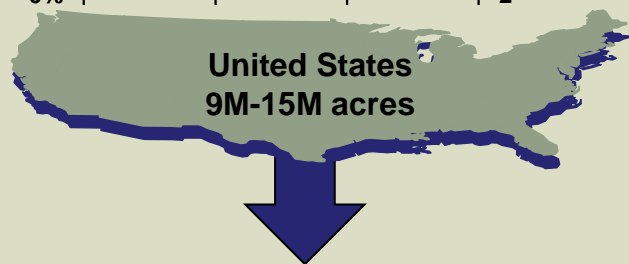
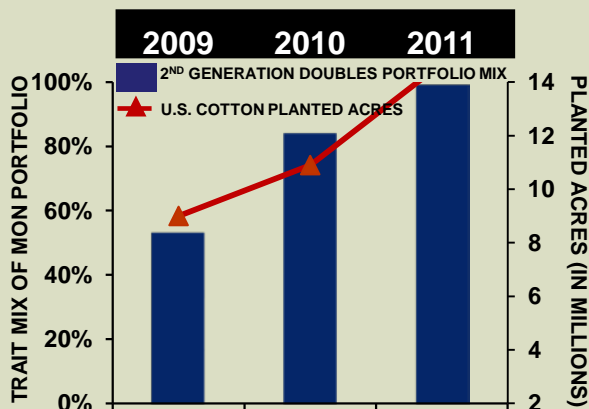
HYBRID ACRES ¹ :	8M – 10M	RELATIVE SEED VALUE BASED ON SEED RETAIL PRICE TRENDS	MID
AVERAGE YIELD ² :	120 – 130 bu/ac	RELATIVE TRAIT VALUE BASED ON INSECT PRESSURE INTENSITY	HIGH
SEED POSITION:	#1 Position	TRAIT PENETRATION BASED ON CURRENT BIOTECH TRAIT ADOPTION	HIGH

GROWTH DRIVERS

- ➔ With **5X** share footprint compared with U.S. at the point of biotech introduction, trait penetration moves rapidly in Argentina as well
- ➔ With new traits, like *Genuity VT Triple PRO*, being introduced, the value is comparable to U.S. trait value and upgrades create new opportunity on existing acres

1. Monsanto estimated acres
2. Global Insight

Global Cotton Portfolio Grows on Increased Acres, Improved Germplasm and Next-Generation Traits



U.S. COTTON

U.S. MACRO DATA

2011 USDA PLANTED ACRES:	14.7M
AVERAGE YIELD:	821 LB/AC

STATUS AND OUTLOOK

- *Deltapine* classes of 2009 and 2010 momentum continues showing germplasm advantage of 5 to 7 percent in the Southern and Northern Tiers
- Step-change performance in Texas

INDIA COTTON

INDIA MACRO DATA

2011 PLANTED HYBRID ACRES:	~27M
AVERAGE YIELD:	~460 LB/AC

STATUS AND OUTLOOK

- Increasing farm productivity through rapid penetration of second-generation *Genuity Bollgard II* trait

AUSTRALIA COTTON

AUSTRALIA MACRO DATA

2011 PLANTED ACRES:	~1.3M
AVERAGE YIELD:	~1,800 LB/AC

STATUS AND OUTLOOK

- Australia planted acres increased by more than double, driven by higher cotton commodity prices and favorable weather

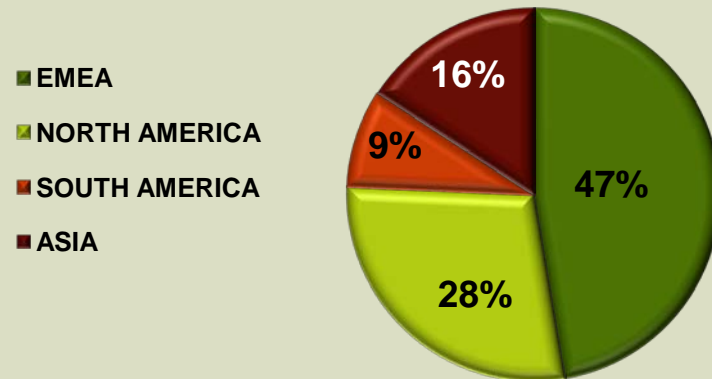
Vegetable Business Expected To Expand Globally With Contributions from Focus Crops

VEGETABLES

2012 GROWTH DRIVERS

- Seven focus crops expected to deliver ~80% of the net sales growth
- Global balance maintained with growth anticipated in all major regions
- Price and mix lift expected to deliver the majority of the net sales growth
- First launches of *Performance Series* Sweet Corn and Downy Mildew Resistant Cucumbers

FY2012F NET SALES BY WORLD AREA

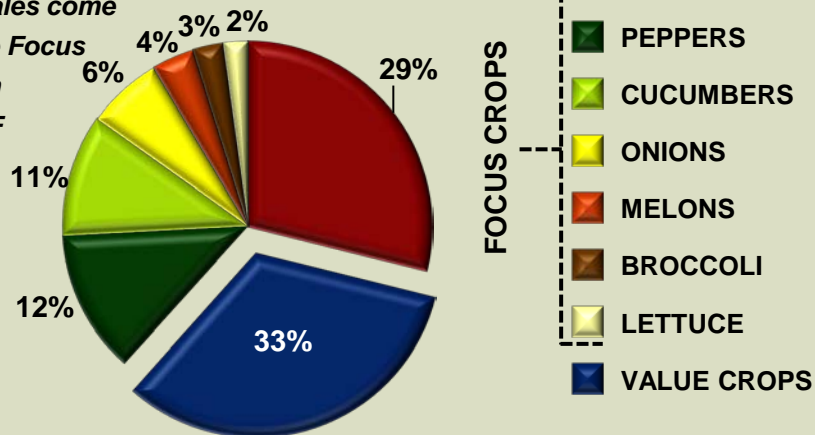


VEGETABLES GROSS PROFIT



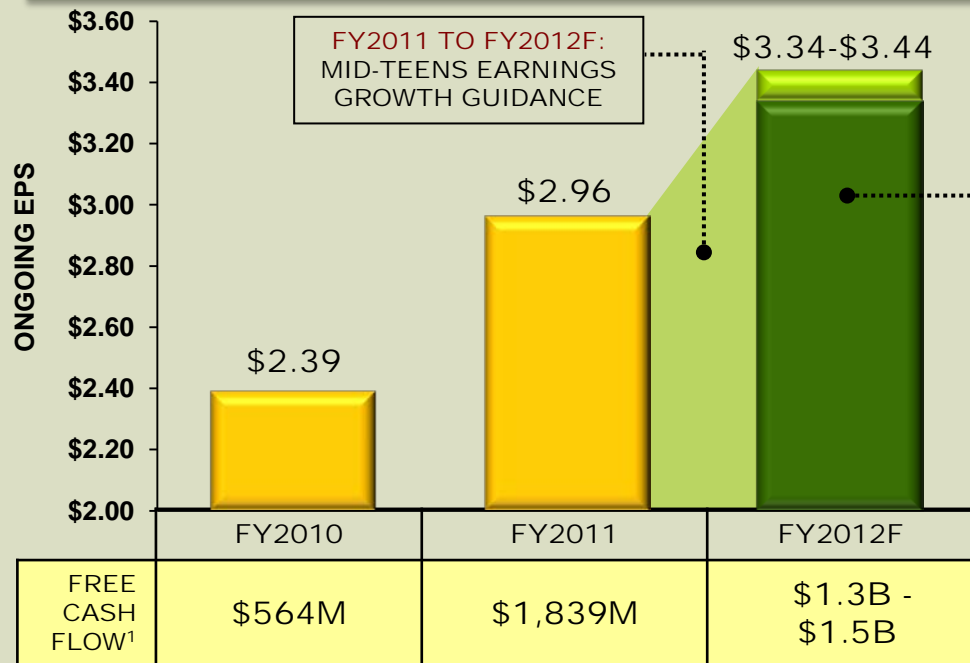
FY2012F NET SALES BY CROP

Approximately two-thirds of net sales come from the Focus Crops in FY2012F



Yield Opportunity Reflected in Mid-Teens Earnings Growth Outlook for Fiscal-Year 2012F

ONGOING EARNINGS PER SHARE FY2010 – FY2012F



MID-TEENS EPS GROWTH IN FY2012F

FY2012F ONGOING EPS GUIDANCE: \$3.34-\$3.44
Guidance reflects balanced, achievable growth: Bottom-line growth comes from seeds and traits expansion underpinned by below-the-line discipline

FY2012F PRIORITIES

- ➔ **GROWTH**
Top-line growth expected to come from seeds and traits
- ➔ **CUSTOMER FOCUS**
Emphasis remains on farmer-customers as we build on positive momentum
- ➔ **MIX UPGRADE OPPORTUNITY**
Mix and volume matter more than pure price as new innovation is driving seed and trait upgrades
- ➔ **BALANCE**
With expanding geographic and crop scale, business benefits from diversification
- ➔ **BELOW-THE-LINE DISCIPLINE**
Disciplined approach to spend creates bottom-line leverage

UPDATE

**Raising Q1 Guidance To:
\$0.15 to \$0.20**

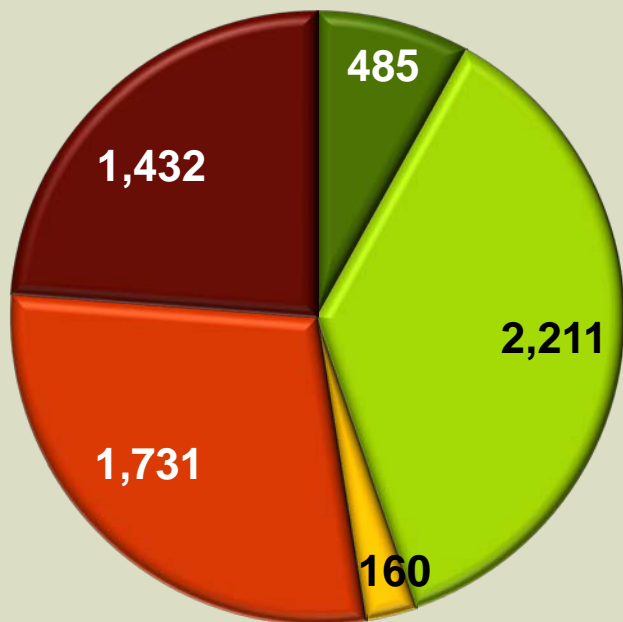
- Latin America delivered strong results as expected
- Change to cotton pricing in Australia accelerated sales from Q4 (harvest) to Q1 (seed sale)
- Confirmed full-year Ongoing EPS of \$3.34-\$3.44 and Free-Cash Flow of \$1.3B-\$1.5B

1. Free Cash Flow is cash flow from operating and investing activities

Free Cash Flow Generation Expected to Remain Substantial and Provide Flexibility for Investments, Dividends and Repurchases

FACTOR: CASH DEPLOYMENT

CUMULATIVE USES OF CASH: FY2009 - FY2011



- ACQUISITIONS
- DIVIDENDS
- CAPITAL SPENDING
- SHARE REPURCHASES
- TECHNOLOGY INVESTMENTS

(IN MILLIONS)

FORWARD TREND

Monsanto has a history of returning excess cash to shareowners and does not plan to build large cash reserves

DRIVERS

- 1** Expand the core through strategic acquisitions and technology investments
- 2** Repatriate cash to shareowners through dividends
- 3** Share repurchases focus remains to offset dilution to preserve shareowner stock value

Growth in Seeds and Traits Triggers Next Phase in Evolution: Monsanto Becomes a “Yield” Company

YIELD

Building from early advantage on traits, Monsanto shifts from components of yield to total yield to create enduring yield advantage

COMMERCIAL OPPORTUNITY



MOMENTUM

Good momentum from FY2011 creates opportunity in FY2012F



PERFORMANCE

Monsanto Has Established Enduring Yield Advantage, Reflecting Unmatched Germplasm Resources and Extension of its R&D Lead



GROWTH

Growth comes from the U.S. core complemented by accelerated growth internationally – particularly Latin America

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF FREE CASH FLOW

\$ Millions	Fiscal Year 2012 Target	Fiscal Year 2011	Fiscal Year 2010
Net Cash Provided by Operating Activities	\$2,200-\$2,500	\$2,814	\$1,398
Net Cash Required by Investing Activities	\$(900-1,000)	\$(975)	\$(834)
Free Cash Flow	\$1,300-\$1,500	\$1,839	\$564
Net Cash Required by Financing Activities	N/A	\$(864)	\$(1,038)
Cash Assumed From Initial Consolidations of Variable Interest Entities	N/A	\$77	N/A
Effect of Exchange Rate Changes on Cash and Cash Equivalents	N/A	\$35	\$3
Net Increase in Cash and Cash Equivalents	N/A	\$1,087	\$(471)

RECONCILIATION OF ONGOING EPS

\$ Per share	2012 Guidance	Fiscal Year 2011	Fiscal Year 2010	Fiscal First Quarter 2012 Guidance
Diluted Earnings (Loss) per Share	\$3.34-\$3.44	\$2.96	\$1.99	\$0.15-\$0.20
Restructuring Charges, Net	--	--	0.41	--
Income on Discontinued Operations	--	--	(0.01)	--
Diluted Earnings (Loss) per Share from Ongoing Business	\$3.34-\$3.44	\$2.96	\$2.39	\$0.15-\$0.20