



Bank of America Merrill Lynch 2009 Global Industries Conference

MONSANTO



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This presentation may use the non-GAAP financial measures of “free cash flow,” earnings per share (EPS) on an ongoing basis, Return on Capital (ROC), 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. ROC means net income (without the effect of certain items) exclusive of after-tax interest expenses, divided by the average of the beginning year and ending year net capital employed, as defined 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) 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), 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.

With respect to the time period prior to Sept. 1, 2000, references to Monsanto in this presentation also refer to the agricultural business of Pharmacia.

FISCAL YEAR:

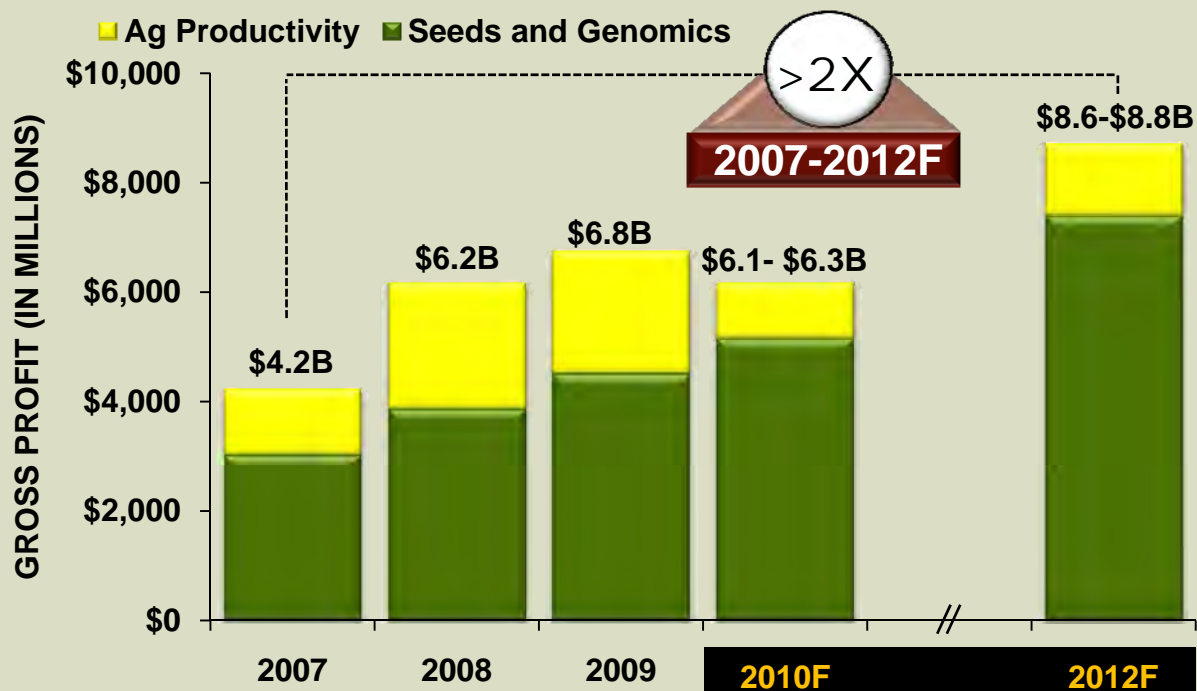
References to year, or to fiscal year, are on a fiscal year basis and refer to the 12-month period ending August 31.

Monsanto On Track to Double Gross Profit By 2012; Path and Priorities to 2010 Clear

PATH TO 2012: STRATEGIC IMPERATIVES

- Demonstrate clear focus on our customers' profitability
- Deliver positive mix effect from continued progression of HIT projects
- Drive ascension of international business
- Realize commercial value of global breeding
- Elevate vegetable platform
- Maintain R&D momentum as next-generation pipeline steps into commercial spotlight

MONSANTO GROWTH TRAJECTORY



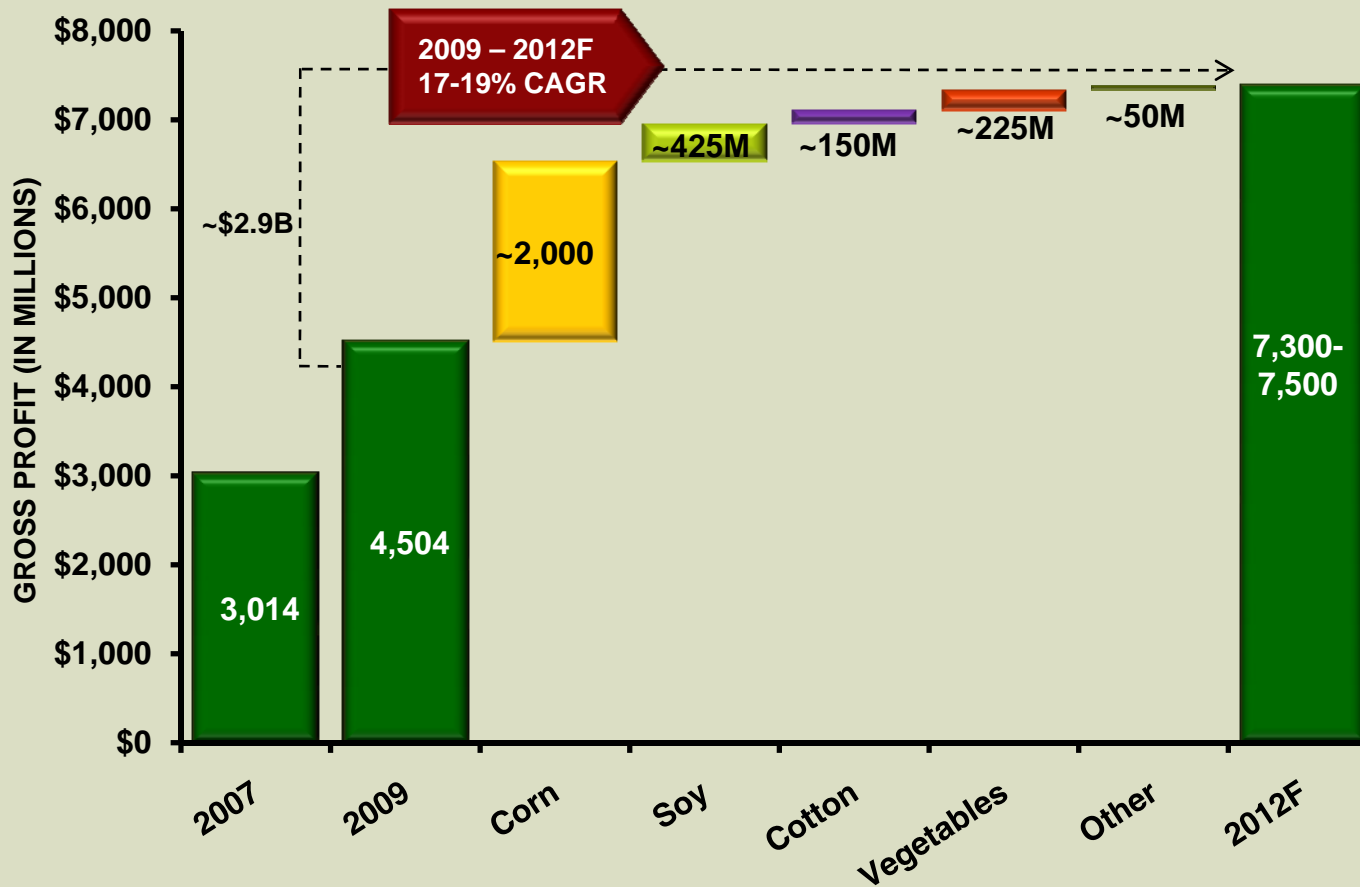
FISCAL 2010 GUIDANCE

Ongoing EPS: \$3.10-\$3.30

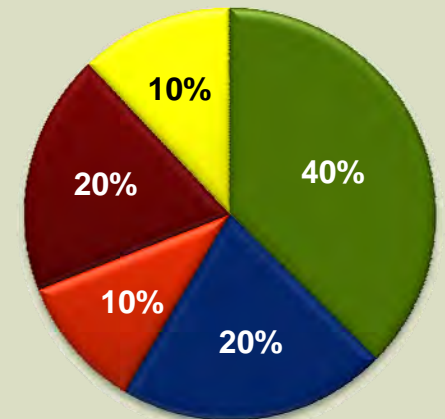
Free Cash Flow \$0.9-\$1 billion

Corn and Soy Blockbuster Launches Drive Gross Profit Bridge to 2012

SEEDS AND GENOMICS KEY GROSS PROFIT GROWTH DRIVERS 2007-2012F



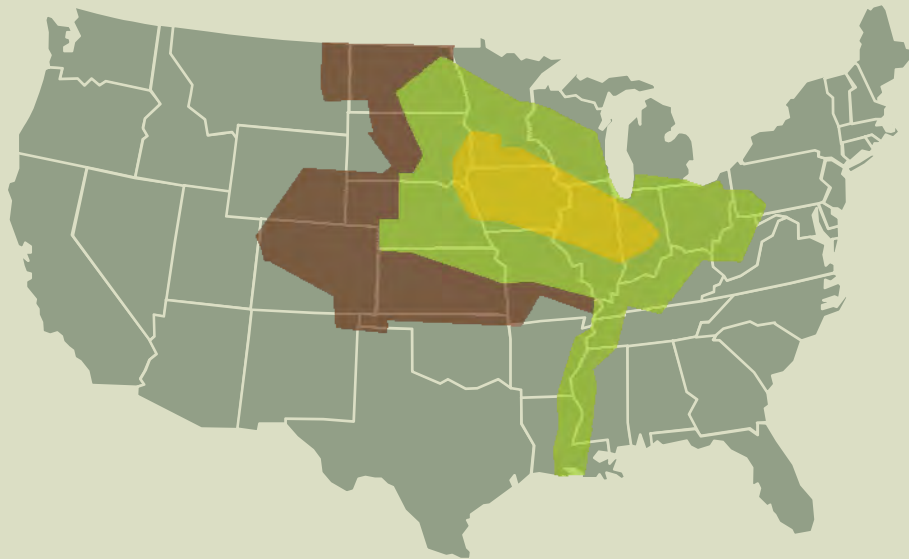
2009-2012F CORN GROSS PROFIT GROWTH DRIVERS



- SmartStax trait mix and associated share gains
- U.S. germplasm mix upgrade and volume
- International trait mix and trait penetration
- International germplasm mix upgrade and volume
- Base price

Our Commercial Focus in 2010 is the Gateway to the Success of *Genuity SmartStax*

TECHNOLOGY TOUCH ON EVERY ACRE



- 165-300 bu/ac: *Highest Yielding on ~ 50M acres*
- 130-200 bu/ac: *Consistently strong yields on >35M acres*
- 90-130 bu/ac: *Most challenging environments on ~10M acres*

TECHNOLOGY TOOLKIT

PRODUCT	TACTICS
<i>YieldGard VT Triple</i>	<ul style="list-style-type: none"> • Aggressively sell the triple experience to accelerate <i>SmartStax</i> ramp
<i>Genuity VT Triple PRO</i>	<ul style="list-style-type: none"> • Experience similar to <i>SmartStax</i> , with refuge reduction in the South
<i>Genuity VT Double PRO</i>	<ul style="list-style-type: none"> • Differentiated double with reduced refuge • Starts the discussion to move up the technology ladder

Everything Is a Gateway to *SmartStax*

<i>Genuity SmartStax</i>	<ul style="list-style-type: none"> • Accelerated trait penetration across U.S. • RIB regulatory submission by year end
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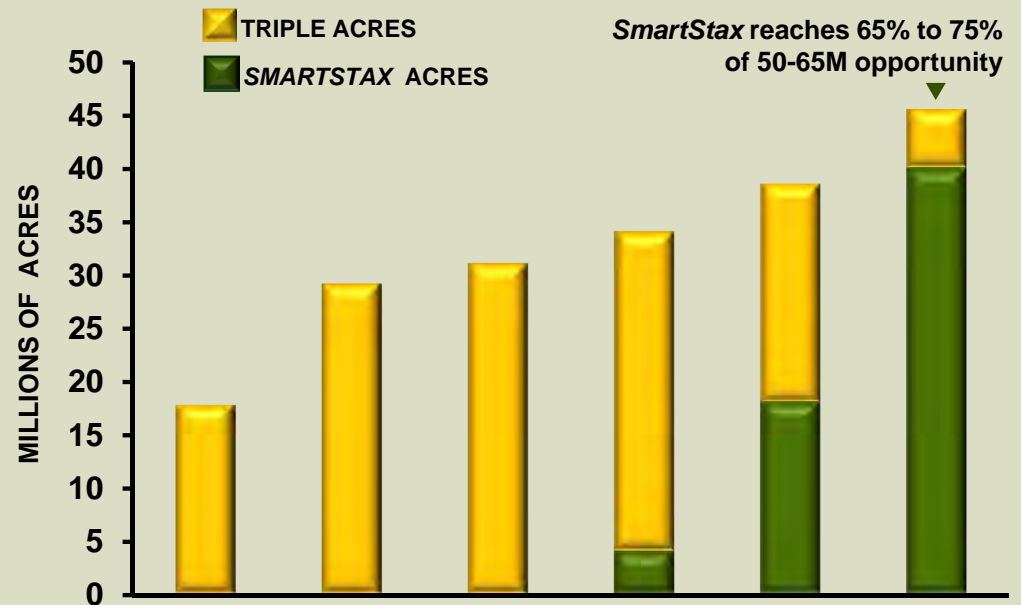
Genuity SmartStax Availability Expected to be Unconstrained in 2012, One Year Early

SMARTSTAX ACCELERATED PENETRATION

- Larger planned launch on 4M+ acres in 2010
- Broader triple experience expands the footprint, opens door to *SmartStax* conversion
- Mix of triple and *SmartStax* expected to be >75 percent in 2010
- *SmartStax* supply unconstrained in 2012

Everything Is a Gateway to *SmartStax*

SMARTSTAX ACCELERATED PENETRATION OF SMARTSTAX OPPORTUNITY

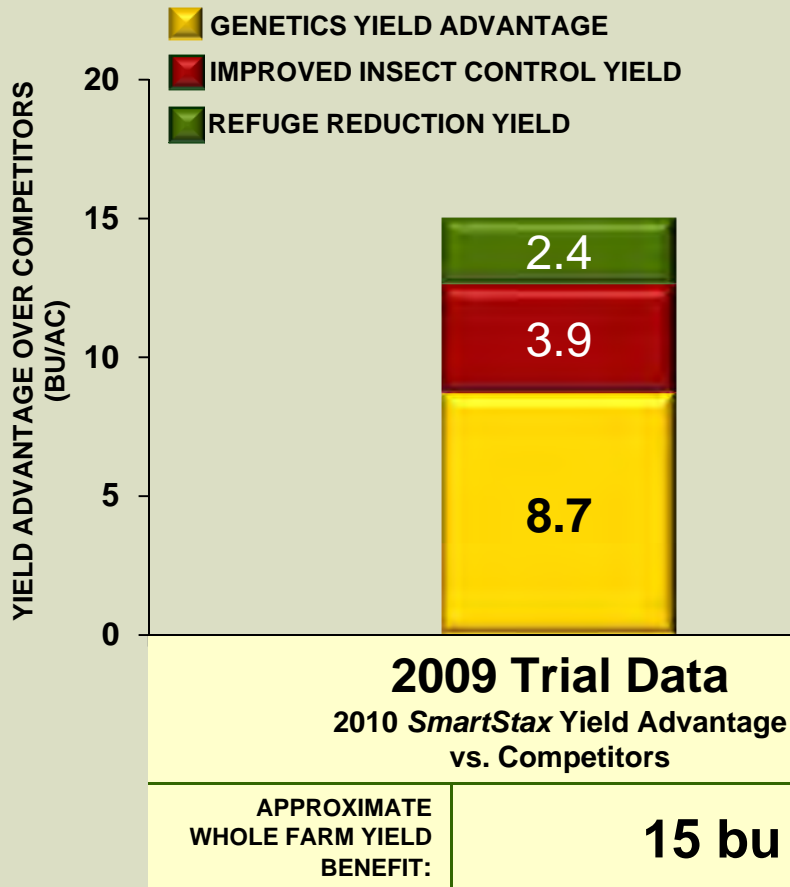


	2007	2008	2009	2010F	2011F	2012F
TRIPLE ACRES			31M	29-30M	20-21M	5-6M
SMARTSTAX ORIGINAL			-	3-4M	-	-
SMARTSTAX NEW			-	4M+	16-18M	38-40M

Genuity SmartStax is the Highest Yielding Corn Product Available

UPDATED

SMARTSTAX VS. COMPETITORS

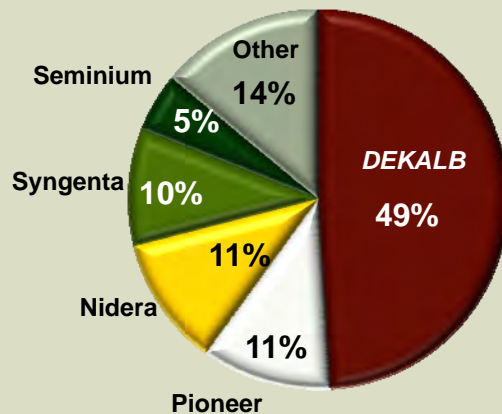


<i>SmartStax</i> Versus Competitors' Triple: Farmer Purchasing Lens at \$3.50 Corn			
		Yield (bu/ac)	Value (\$/ac)
Better Seed Yield Value	2009	High Stress Potential ⁴	
• Broadest Insect Control ¹	3.9	6.0	\$14- \$21
• Refuge Reduction Yield ²	2.4	3.9	\$8 - \$14
• Better Genetics Yield ³	8.7	8.7	\$30
Convenience + Indirect Value⁵	-	-	\$5
Insecticide Replacement Benefit on Refuge Acres⁵: (\$18/Ac * 15%)	-	-	\$3
Total Whole Farm Improvement:	~15	~19	\$60- \$73
Return on Investment (Based on <i>SmartStax</i> DEKALB seed premium estimate of \$37/ac vs. leading competitors)	ROI: 60% - 95%		

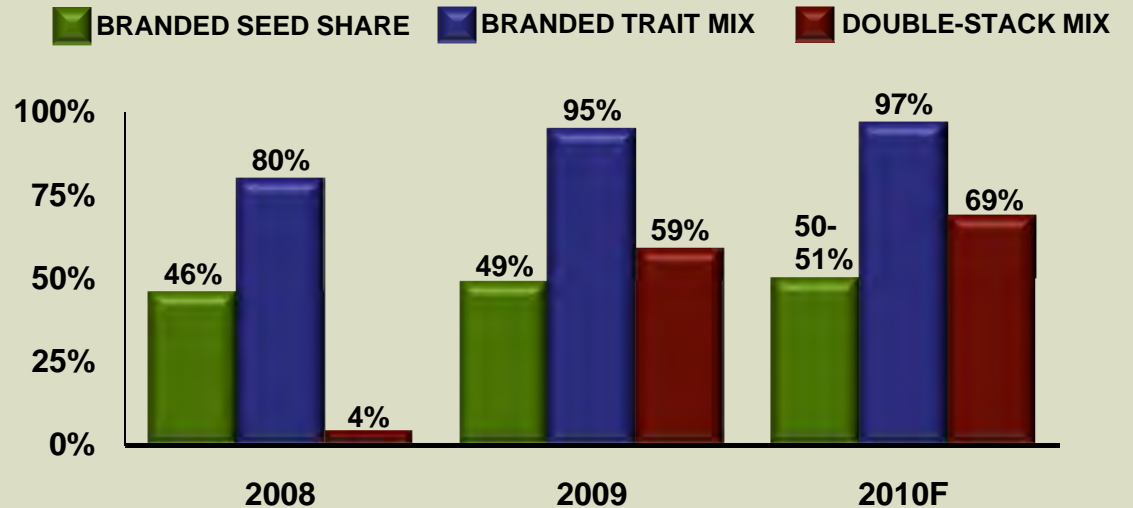
1. Results from 2009 trials with observed insect pressure; 2. Results from 2009 Monsanto trials, *Roundup Ready* isoline refuge hybrid with soil applied insecticide average 15.8 bushel yield loss compared to *SmartStax* hybrid in > 200 comparisons; 2.4 bushel advantage is calculated by multiplying the 15.8 bushel average by the 15 pts per acre gain from refuge reduction; 3. Germplasm performance from 2009 Monsanto and third-party trials comparing 2010 base genetics of *SmartStax* hybrids; Approximately 2,000 head-to-head comparisons with competitors like-traited hybrids +/- 3 RM, weighted average calculated to 15% moisture; 4. Potential yield benefit example estimates. Broadest insect control advantage is based on Monsanto internal estimates for high insect pressure and damage environments. Refuge reduction yield based on Monsanto historical data 2006-2009 comparing advantage of *YieldGard VT Triple* hybrids to isoline hybrids without insect protection traits across key corn growing states in high insect-pressure environments; 5. Based on market research data from June 2009 – Market Probe report

Corn Advancement in Latin America Lifts Mix and Gross Profit for International Business

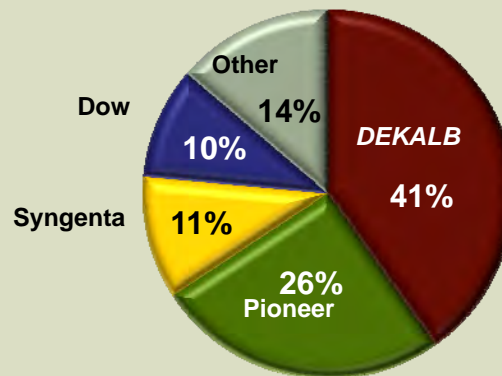
ARGENTINA 2009 CORN SEED SHARE



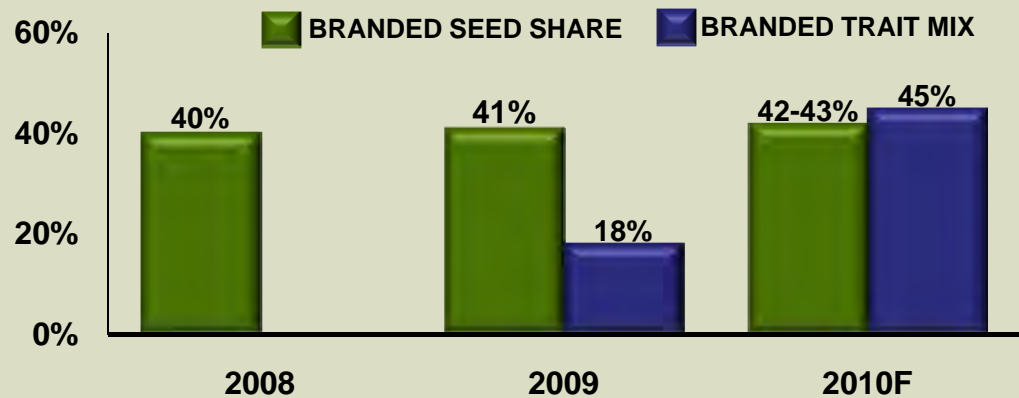
ARGENTINA TRAIT PENETRATION AND SEED SHARE EVOLUTION



BRAZIL 2009 HYBRID CORN SEED SHARE



BRAZIL TRAIT PENETRATION AND SEED SHARE EVOLUTION



Launch Plans for *Genuity Roundup Ready 2 Yield* in 2010 Lifts To 8-to-10 Million Acres

FULL COMMERCIAL LAUNCH

Rapid penetration reaching 65-to-75 percent of market opportunity in 2012

- Full commercial launch on 8-to-10M acres across all maturity zones
- More than 50 percent new varieties from breeding Class of 2010

Roundup Ready 2 Yield supply unconstrained in 2012

ROUNDUP READY 2 YIELD PENETRATION 2010F-2012F

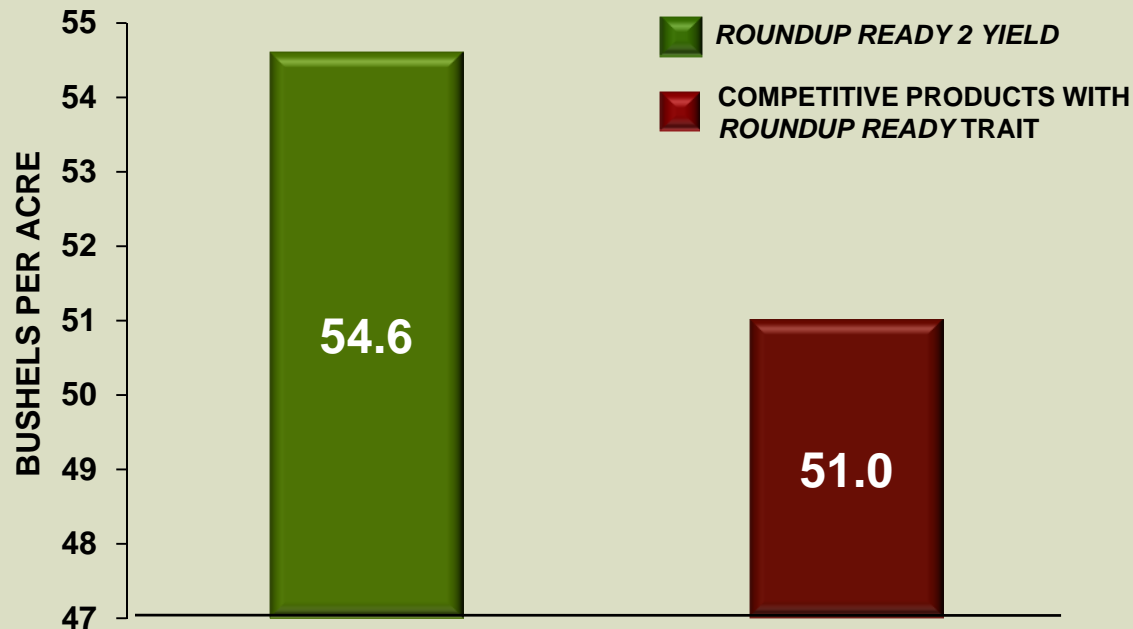


Updated Yield Data Confirms: *Genuity Roundup Ready 2 Yield* Delivers

UPDATED

***Roundup Ready 2 Yield* 2009 Trials Combine For 7+ Percent Over Competitive Products *Roundup Ready* in Three-Year Summary**

Three year summary (2007-2009) of head to head comparisons between *Roundup Ready 2 Yield* products versus national competitive *Roundup Ready* products, updated as of November 21, 2009. Class of 2009 data is represented in all 3 years, which includes commercially available varieties planted in 2009. Class of 2010 is represented in crop years 2008 and 2009.

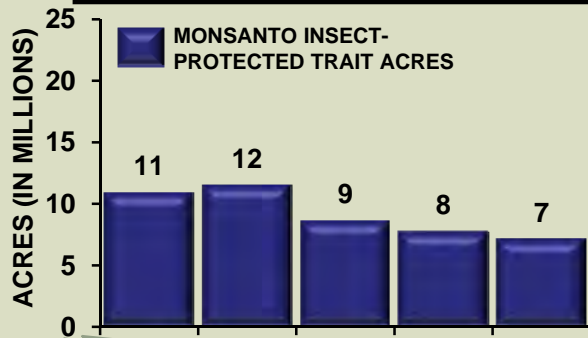


RELATIVE MATURITIES	1 – 4
COMPARISONS:	>40,000
APPROXIMATE BU/AC ADVANTAGE FOR <i>ROUNDUP READY 2 YIELD</i> :	3.6
PERCENT YIELD ADVANTAGE FOR <i>ROUNDUP READY 2 YIELD</i> ¹ :	7.1%

Source: Includes all breeding and commercial strip trial data. 2009 data includes maturity groups 1, 2, 3 and 4. Data is weighted equally by year.

Cotton Platform Adapting To A Changing Global Cotton Landscape

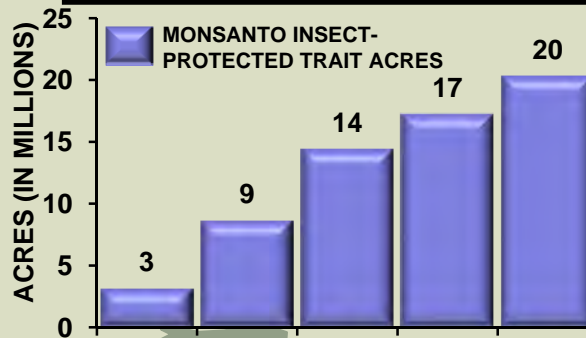
2005 2006 2007 2008 2009



Lower Acres, High Value

- Acres likely stabilize in 2010
- Drive high-value trait penetration and germplasm improvement

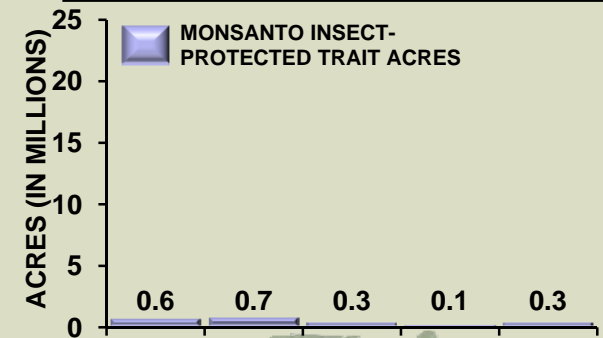
2005 2006 2007 2008 2009



Large Acres, Increasing Value

- Large potential in market twice the acreage of the U.S.

2005 2006 2007 2008 2009



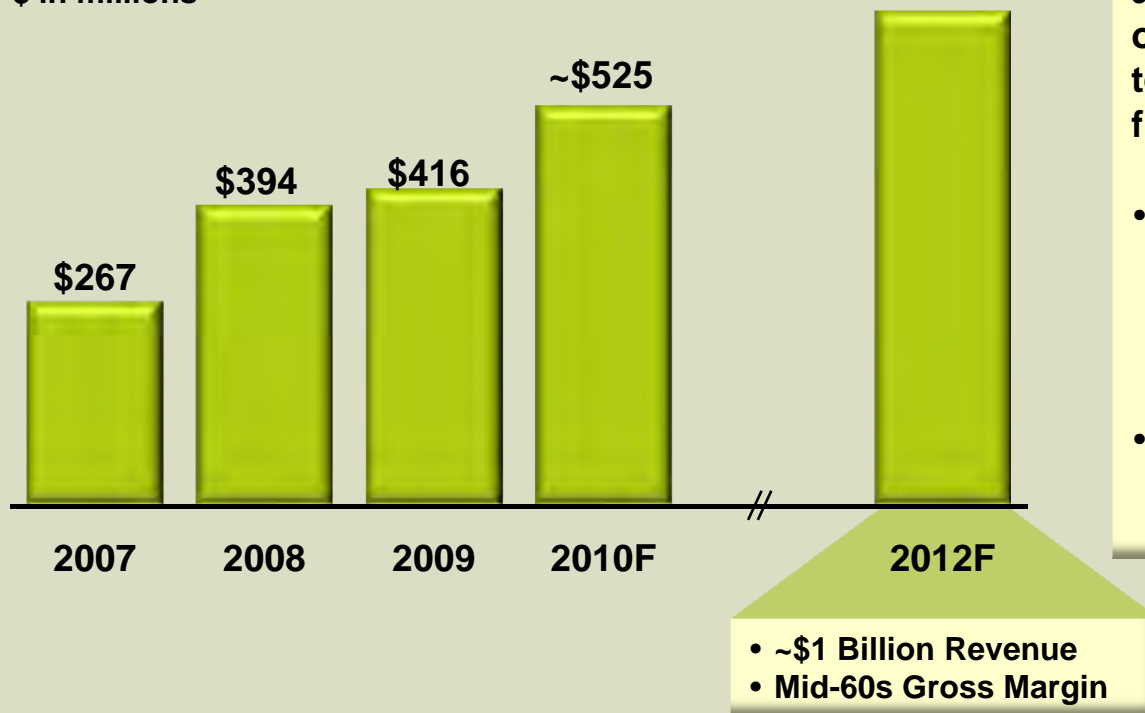
Small Acres, Highest Value

- Receives maximum value for second-generation traits

Vegetable Platform Delivers Consistent Performance, While Creating Opportunity for Technology Step Change

VEGETABLE SEED¹ GROSS PROFIT PROGRESSION

\$ in millions



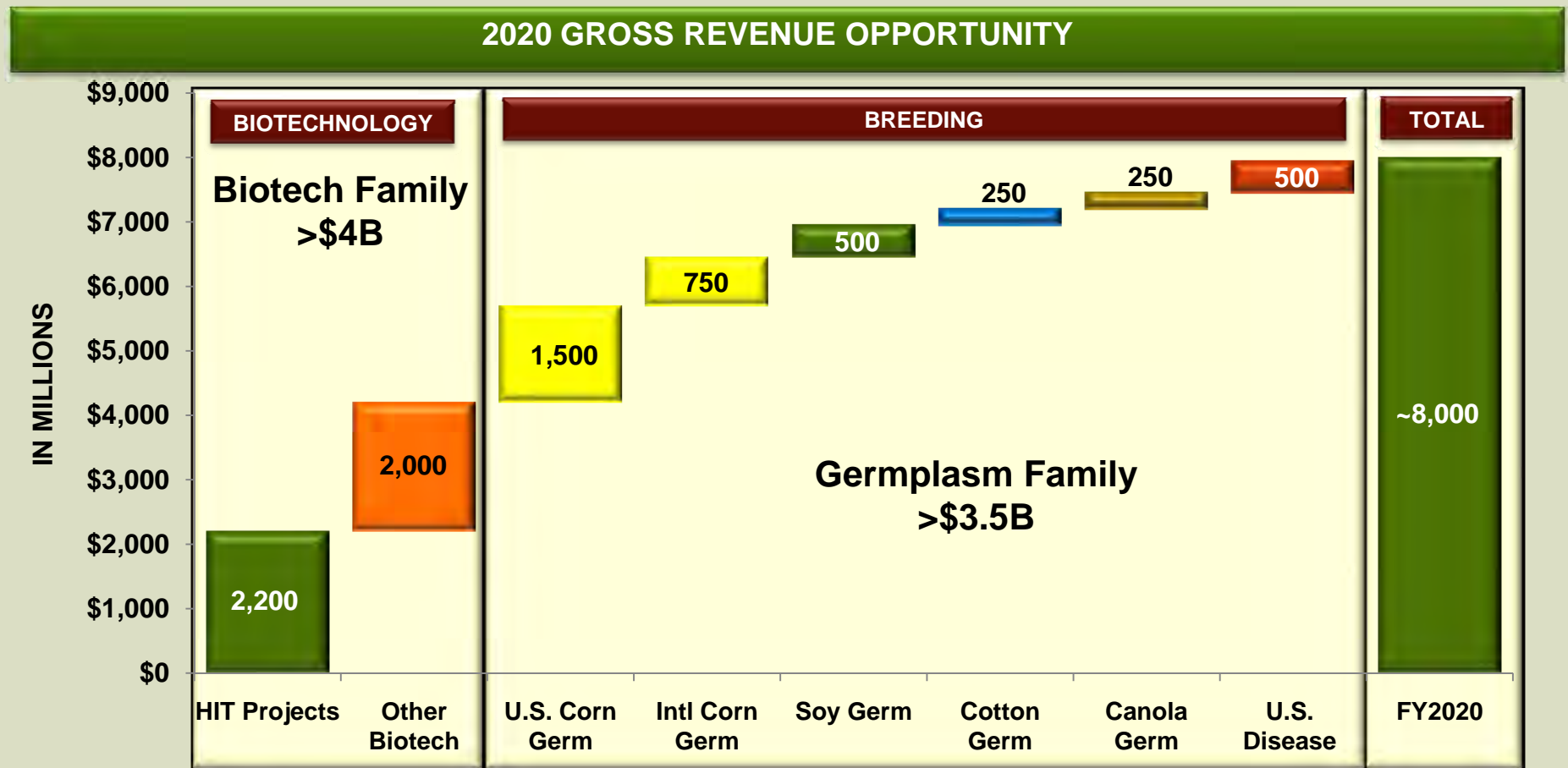
VEGETABLE PLATFORM 2009-2012F

Vegetable Platform unique in its ability to simultaneously drive operational excellence and build a technological platform for the future:

- Near-term , vegetable platform focus on operational performance and driving margin improvement
- Technology platform is built and being deployed to deliver transformational products

¹ Includes effect of inventory step-up from *DeRuiters* acquisition and restructuring reserve in FY2009

Seed and Genomics Growth to 2020 Driven by Richest Pipeline of Both Biotech and Germplasm in Agriculture

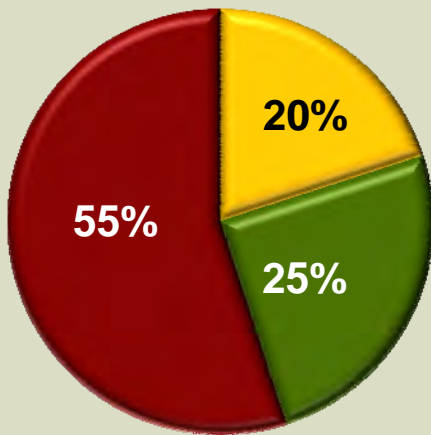


All values represent gross revenue opportunity in 2020. Germplasm represents value over base year of 2010. Other biotech includes non-HIT projects and subsequent countries of launch.

Mix Matters Most to Our Growth; Only Our Pipeline Can Drive This Mix Effect

2007-2009

Seeds and Traits Price/Volume/Mix
Gross Profit Growth Variance



GROWTH: \$1.5B

Trait or Hybrid Mix Upgrade

Reflects where new value is created and shared with growers through improved traits, hybrids or varieties that provide an innovation upgrade

Base Price

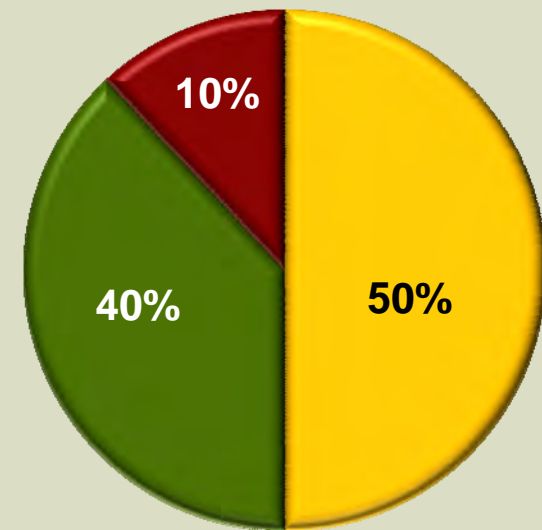
Reflects when existing products create greater value than originally reflected in price

Volume

Reflects when products are placed on new acres

2009-2012F

Seeds and Traits Price/Volume/Mix
Gross Profit Growth Variance



GROWTH: ~\$2.9B

Monsanto On Track to Double Gross Profit By 2012; Path and Priorities to 2010 Clear

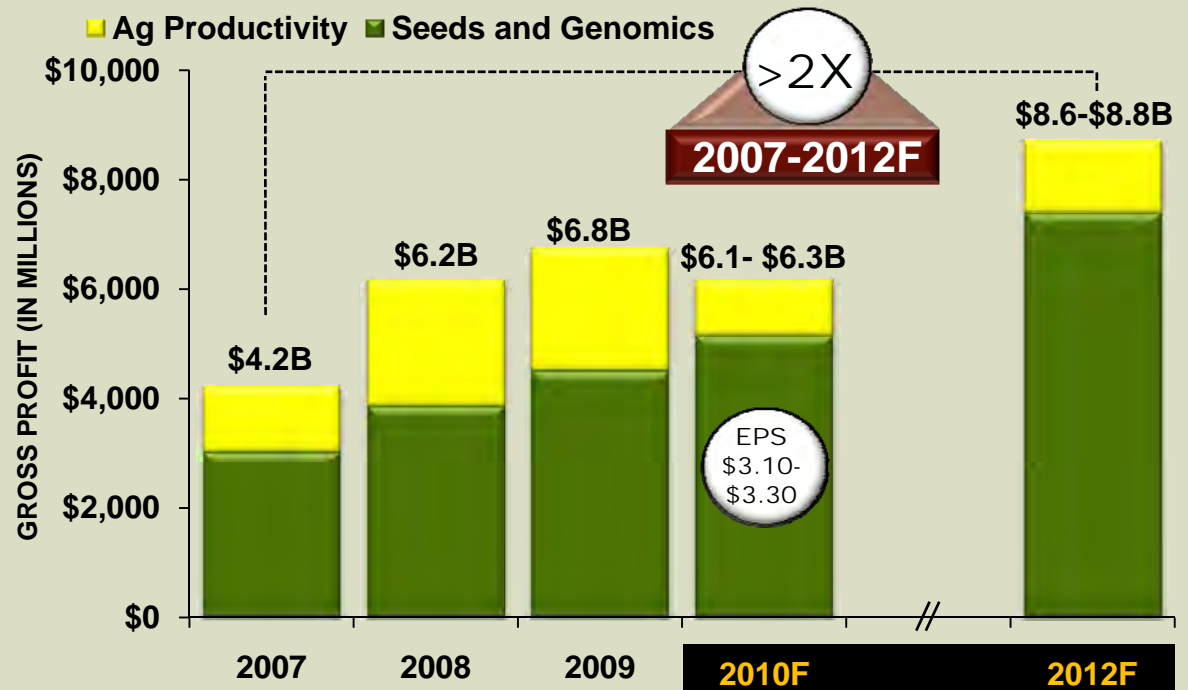
SEEDS & GENOMICS OPERATIONAL DRIVERS TO 2012

- Mix matters more than price
- Yield results support plan for accelerated penetration of *SmartStax* and *Roundup Ready 2 Yield*
- Expect rapid development of double stack markets in Brazil and Argentina
- Breakthrough performance for cotton and vegetable segments

FISCAL 2010

- Ongoing EPS: \$3.10-\$3.30
- Free Cash Flow: \$0.9 - \$1Bn

MONSANTO GROWTH TRAJECTORY



Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF FREE CASH FLOW

\$ Millions	Fiscal Year 2012 Target	Fiscal Year 2010 Target	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007
Net Cash Provided (Required) by Operating Activities	\$2,900 -\$3,100	\$2,000 -\$2,200	\$2,236	\$2,799	\$1,854
Net Cash Provided (Required) by Investing Activities	~\$(1,200)	\$(1,100 – 1,200)	\$(723)	\$(2,027)	\$(1,911)
Free Cash Flow	\$1,700- \$1,900	\$900- \$1,000	\$1,513	\$772	(\$57)
Net Cash Provided (Required) by Financing Activities	N/A	N/A	\$(1,065)	\$(102)	\$(583)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	N/A	N/A	105	77	\$46
Net Increase (Decrease) in Cash and Cash Equivalents	N/A	N/A	343	747	\$(594)

RECONCILIATION OF ONGOING EPS

\$ per share	Fiscal Year 2010 Guidance
Net Income (Loss) per Share	\$2.85-\$3.11
Cumulative Effect of Change in Accounting Principle	--
Diluted Earnings (Loss) per Share	\$2.85-\$3.11
Restructuring Charges, Net	\$0.19-\$0.25
Diluted Earnings (Loss) per Share from Ongoing Business	\$3.10-\$3.30