



MON 89788 on Track for 2009

Substantial developments are underway within Monsanto's R&D pipeline for new soybean traits. The first trait to be commercialized is a second generation Roundup Ready® soybean called Roundup RReady2Yield™ soybeans, also known as event MON 89788. Monsanto anticipates bringing this new soybean to the market in 2009.

Roundup RReady2Yield (RR2Y) is a new Roundup Ready soybean product developed with improved biotechnology tools and application of the growing knowledge of genomics. Technical advances in plant biotechnology and marker-assisted breeding as well as the ability to introduce the Roundup Ready gene directly into elite, high-yielding soybean germplasm enabled Monsanto to create this product using tools that were not widely used when the first-generation Roundup Ready soybeans were developed. Through gene mapping, the company has identified specific DNA regions in soybeans that have positive impact on yield. Using advanced insertion and selection technologies, the RR2Y trait is situated in one of these DNA regions.

What does this mean for your farm? Most importantly, Roundup RReady2Yield soybeans offer a 7 to 11 percent yield advantage based on three years of field comparison¹. For example, in Illinois and Iowa, average soybean yield was 50 bushels per acre in 2006. The advantage associated with RR2Y soybeans could translate into a bushel increase of 3.5 to 5.5 bushels per acre. The yield advantage of the new RR2Y soybeans can provide growers the opportunity to increase their productivity and profitability.

What is not changing? Roundup RReady2Yield soybeans confer the same tolerance to Roundup agricultural herbicides as current Roundup Ready soybean varieties and will continue to provide the simple, dependable, and flexible weed control and crop safety that soybean growers expect from Monsanto's Roundup Ready system.

Roundup RReady2Yield soybeans will be the preferred platform from which Monsanto will introduce current and future quality and agronomic traits. Such quality traits include Vistive® low-linolenic, Omega -3, high stearate, and mid oleic/low sat soybeans. Future agronomic traits growers can expect include dicamba tolerance, intrinsic yield and a biotech solution for soy cyst nematode.

Monsanto has taken every effort to make regulatory submissions and obtain timely regulatory approvals for Roundup RReady2Yield soybeans in the key soybean importing countries. Considerable progress has been made on global regulatory reviews and approvals to date, and Monsanto remains optimistic that it will obtain regulatory approvals from those key countries with functioning regulatory approval processes prior to the targeted commercial introduction in 2009. Monsanto also continues to monitor other countries that are key importers of soybeans from the United States for the development of a formal biotech approval process. If new regulatory processes are

developed, Monsanto will make regulatory submissions.

Here in the United States, Monsanto has already completed the review of the product with the Food and Drug Administration, and the Department of Agriculture public comment period on their assessment was completed in early April. It is anticipated that MON 89788 will be fully approved in the U.S. this year, but limited commercialization of the product is not anticipated until 2009, in order to allow time for the product to receive approvals in key export markets with functioning regulatory approval systems.

Testing, variety development and seed increase activities will be conducted in 2007 and 2008 to support the targeted 2009 commercial introduction of RR2Y soybeans. Monsanto is in the process of training all field site personnel to assure robust compliance and stewardship throughout the field season. As part of Monsanto's commitment to stewardship, these activities are intended to assure that, after the product is approved in the U.S., seed and grain from RR2Y are contained and controlled until the product is commercially introduced.

Monsanto continues to plan a commercial strategy associated with this new product, including the transition from the current Roundup Ready soybean product to Roundup RReady2Yield. Monsanto intends to provide growers the best technology, and believes most growers will want to buy Roundup RReady2Yield because of the yield benefits associated with the product. Original Roundup Ready soybeans will eventually be phased out of the Monsanto product portfolio.

The United States will be the first country in which this product will be commercialized. In following years, Monsanto's intent is to offer Roundup RReady2Yield soybeans in other countries where they will provide value to growers, and there is intellectual property right protection and a mechanism to share the value it creates.

Monsanto is working with the American Soybean Association, the United Soybean Board, and the U.S. Soybean Export Council to ensure proper stewardship of the product prior to commercial introduction, to anticipate needs for a successful launch of Roundup RReady2Yield, and to create a win-win situation for the U.S. soybean growers, industry and Monsanto. Monsanto will continue to update key members of the soybean industry, grain trade, and processing and food industries throughout the ongoing regulatory and product development process on RR2Y soybeans.

At Monsanto, technology teams never stop working for the farmer. Growers are the company's main focus and their success is its highest priority. With the introduction of RoundupRReady2Yield, Monsanto shows, once again, that it remains committed to innovations that continue to lead the way toward greater success for farmers.



¹ This range represents a 95% statistical confidence interval. Individual results may vary, and performance may vary from location to location and from year to year.