

MONSANTO



UBS
BEST OF AMERICAS CONFERENCE

CARL CASALE
CHIEF FINANCIAL OFFICER

SEPTEMBER 10, 2009

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; 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.

© 2009 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 and Return on Capital (ROC). 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. 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.

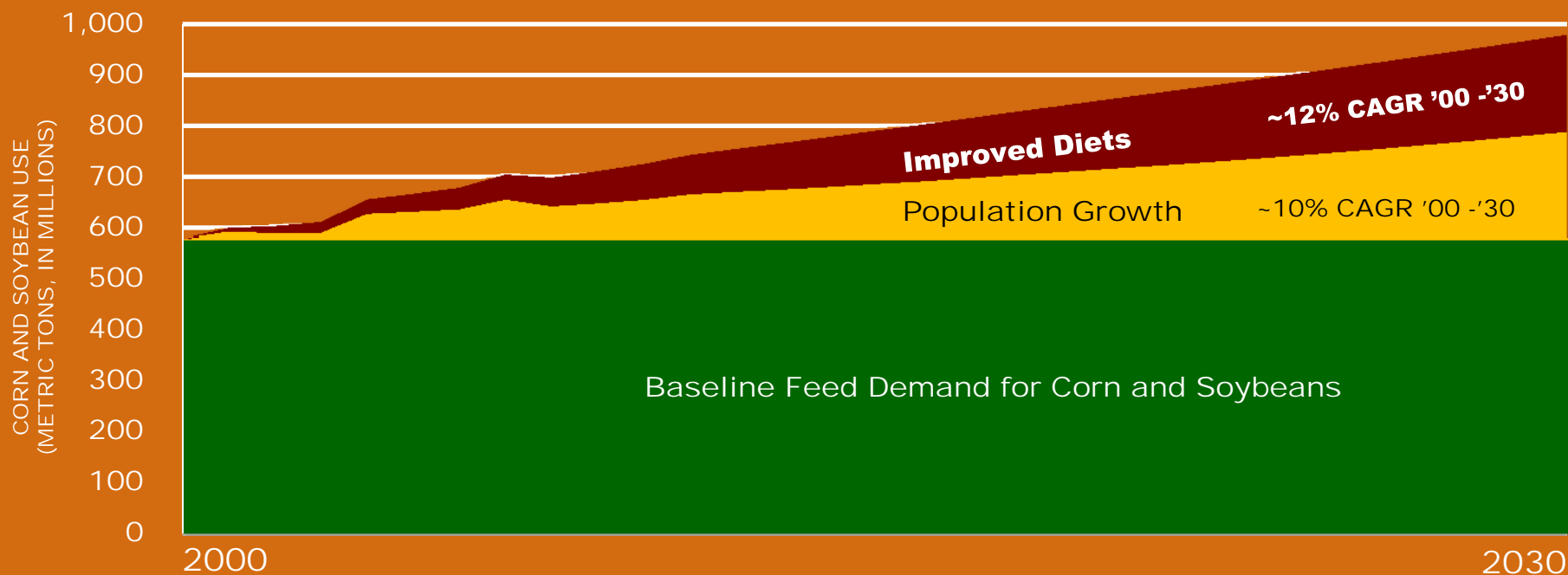
With respect to the time period prior to Sept. 1, 2000, references to Monsanto in this presentation also refer to the agricultural business of Pharmacia.

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.

World Population Growth and Improving Diets Drive Long-Term Demand for Corn and Soybeans

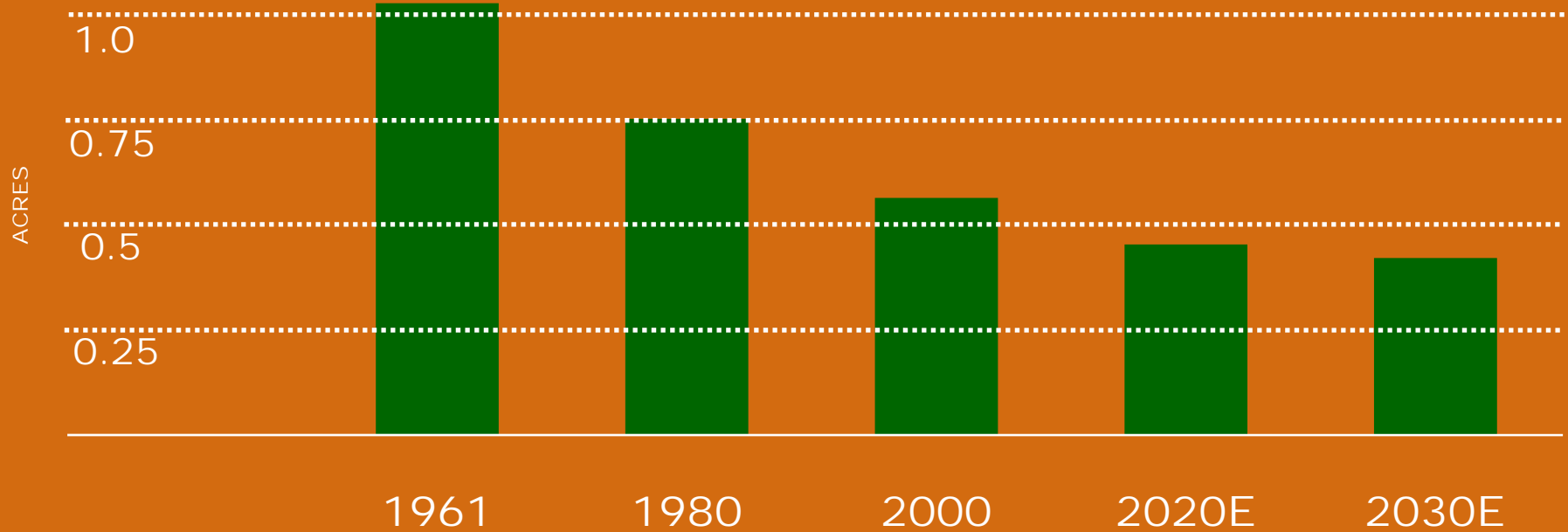
INCREASING GLOBAL CORN AND SOYBEAN DEMAND FOR FEED



- ▶ World population growth, particularly Asia/Africa, drives feed demand for increased food consumption.
- ▶ Growth in per capita income in Asia and Latin America drives greater demand for meat in the diet.
- ▶ The increase in annual meat consumption by 2030 in China alone is equal to the total amount of meat consumed in the United States in the year 2000.

Arable Land Per Capita Losing Ground To World Population Growth and Economic Development

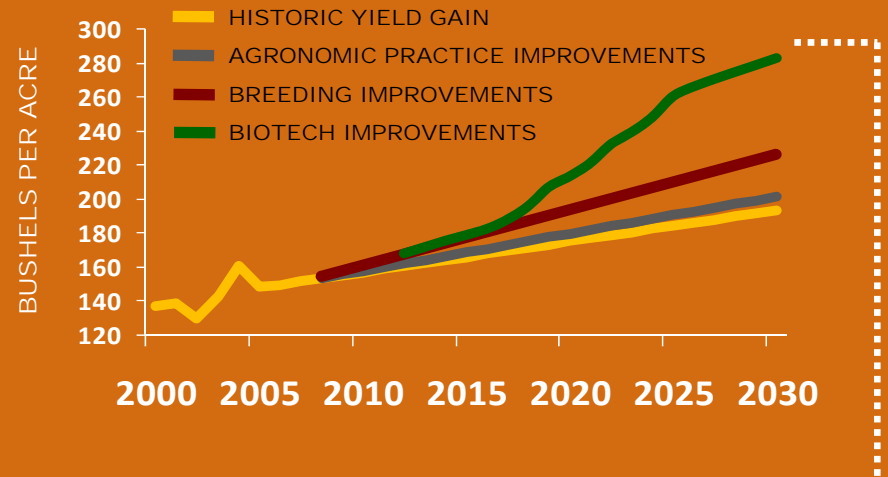
ARABLE LAND PER CAPITA WORLDWIDE



- ▶ Given limited arable land, future feed demand will be met through improvements in yield
- ▶ Growth in demand for feed alone by 2030 is projected to require ~250M incremental acres from 2000, more than the total acreage planted to U.S. corn, soybeans and cotton today, if yields remained constant

Monsanto's Innovation Targeted at Doubling Yield by 2030, Extending Competitive Lead and Creating New Value

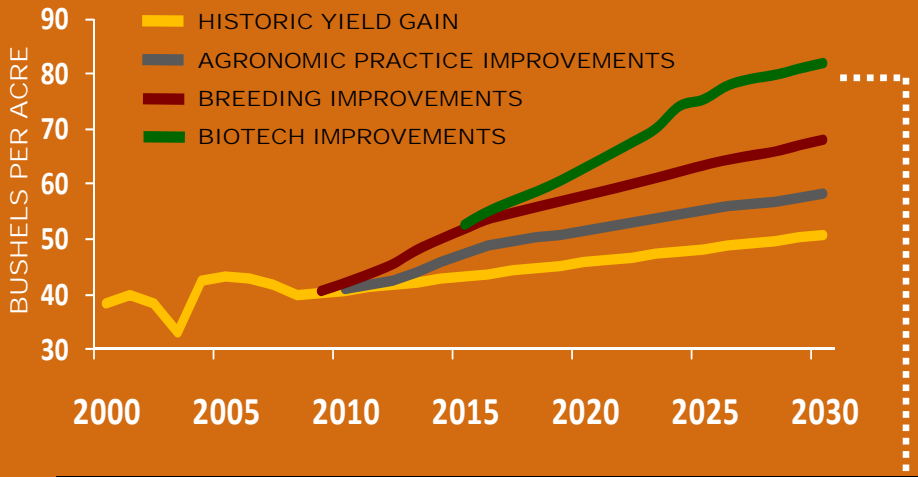
DOUBLING YIELD WITH TECHNOLOGY: U.S. CORN EXAMPLE



U.S. 2030 CORN YIELD TARGET

2030:	>2X 2000 BASELINE OF 137 BUSHEL PER ACRE
--------------	--

DOUBLING YIELD WITH TECHNOLOGY: U.S. SOYBEAN EXAMPLE



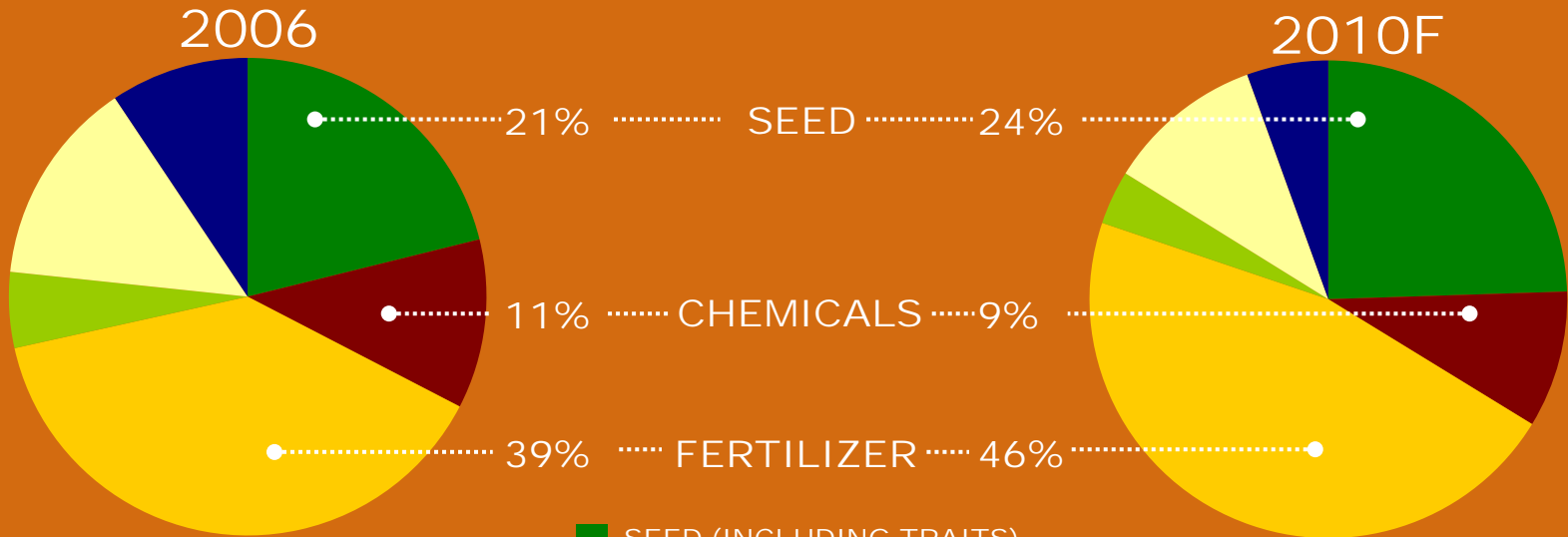
U.S. 2030 SOYBEAN YIELD TARGET

2030:	>2X 2000 BASELINE OF 38 BUSHEL PER ACRE
--------------	---

¹FAPRI 2008 World Agricultural Outlook; Global Insights International Crops Forecast October 2008

Monsanto's Growth Lies in Creating New Value for Growers; Seed Purchase Is Most Important On-Farm Decision

U.S. CORN PRODUCTION COSTS PER ACRE *OPERATING COSTS¹*



GROSS REVENUES	AVERAGE YIELD	149 bu/acre
	PRICE PER BUSHEL	\$3.04
	GROSS REVENUE	\$453/acre

- SEED (INCLUDING TRAITS)
- CHEMICALS
- FERTILIZERS
- FUEL
- CUSTOM OPERATIONS
- OTHER

GROSS REVENUES	AVERAGE YIELD ²	159 bu/acre
	PRICE PER BUSHEL ³	\$3.80
	GROSS REVENUE	~\$600/acre

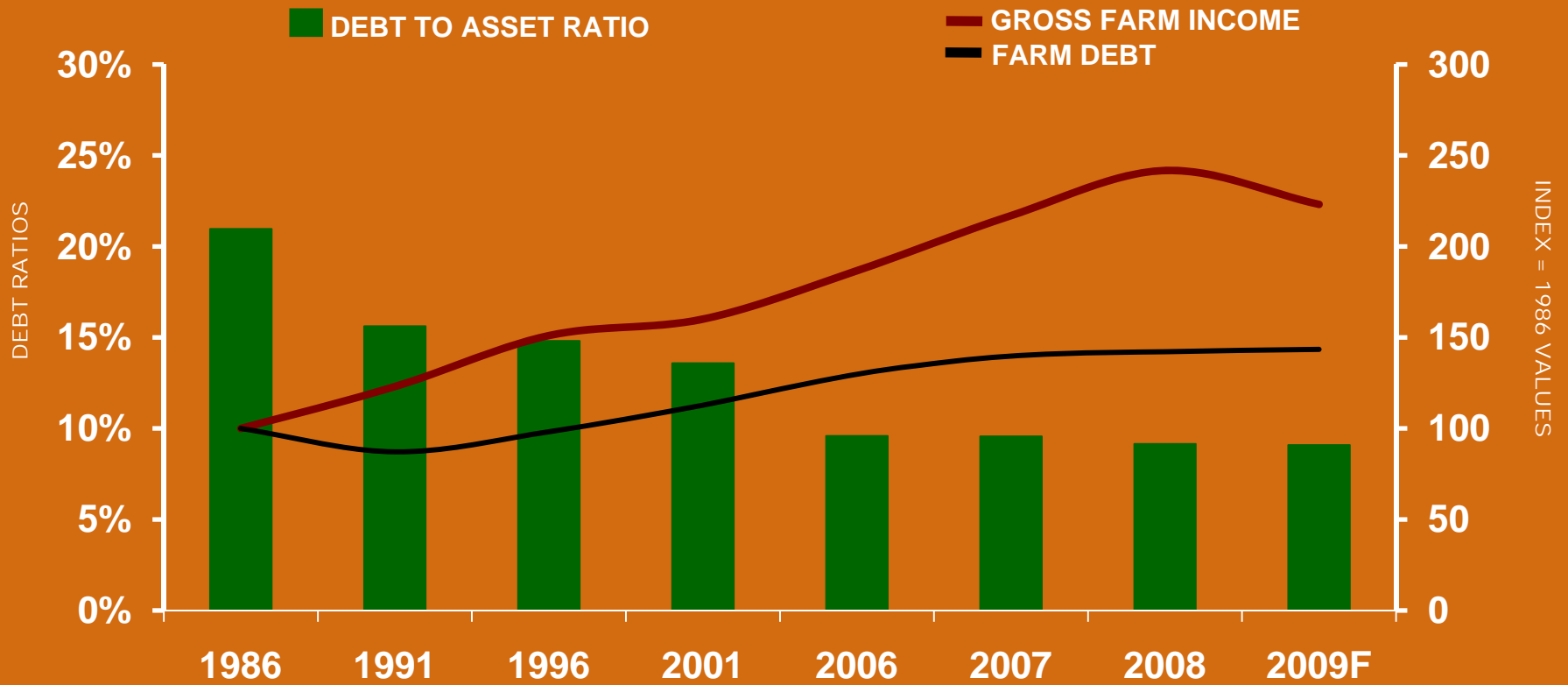
- ▶ **A 1% yield increase, all else equal, on average improves net returns by \$4 to \$6/acre.**
- ▶ **This is 4x the effect of a 1% reduction in input costs.⁴**

¹Excludes overhead costs, including hired labor and opportunity cost of land. ²USDA 2009F Yield assumed as proxy for outlook.

³CBOT December 2010 Futures Price as of 8/31/09. ⁴Monsanto internal estimates.

Farm Economics Have Improved To Lowest Debt/Asset Ratios in 20 Years

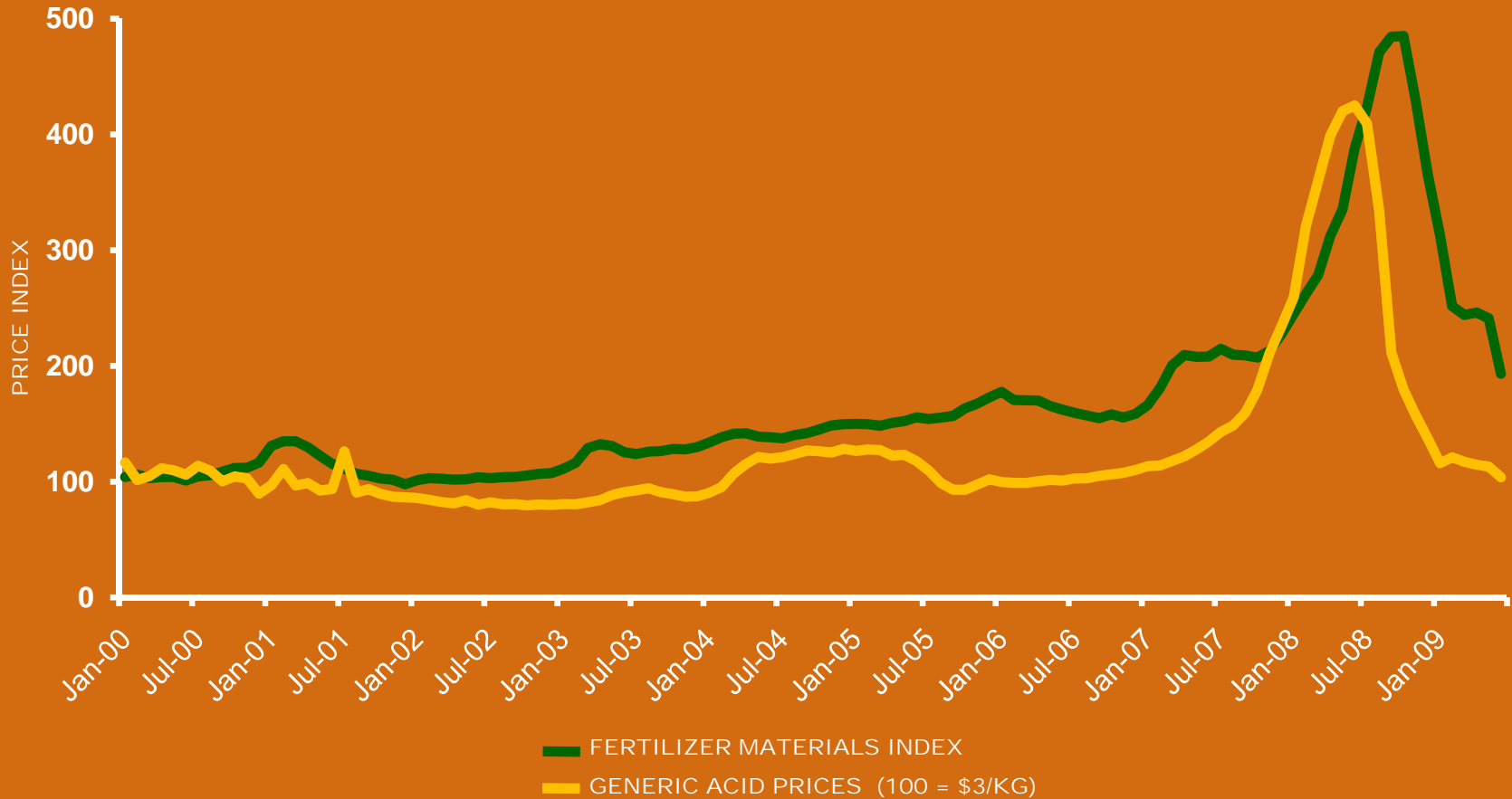
U.S. FARM SECTOR METRICS (1986 - 2009E)



¹Source: Agriculture Income and Finance 2008 Outlook.

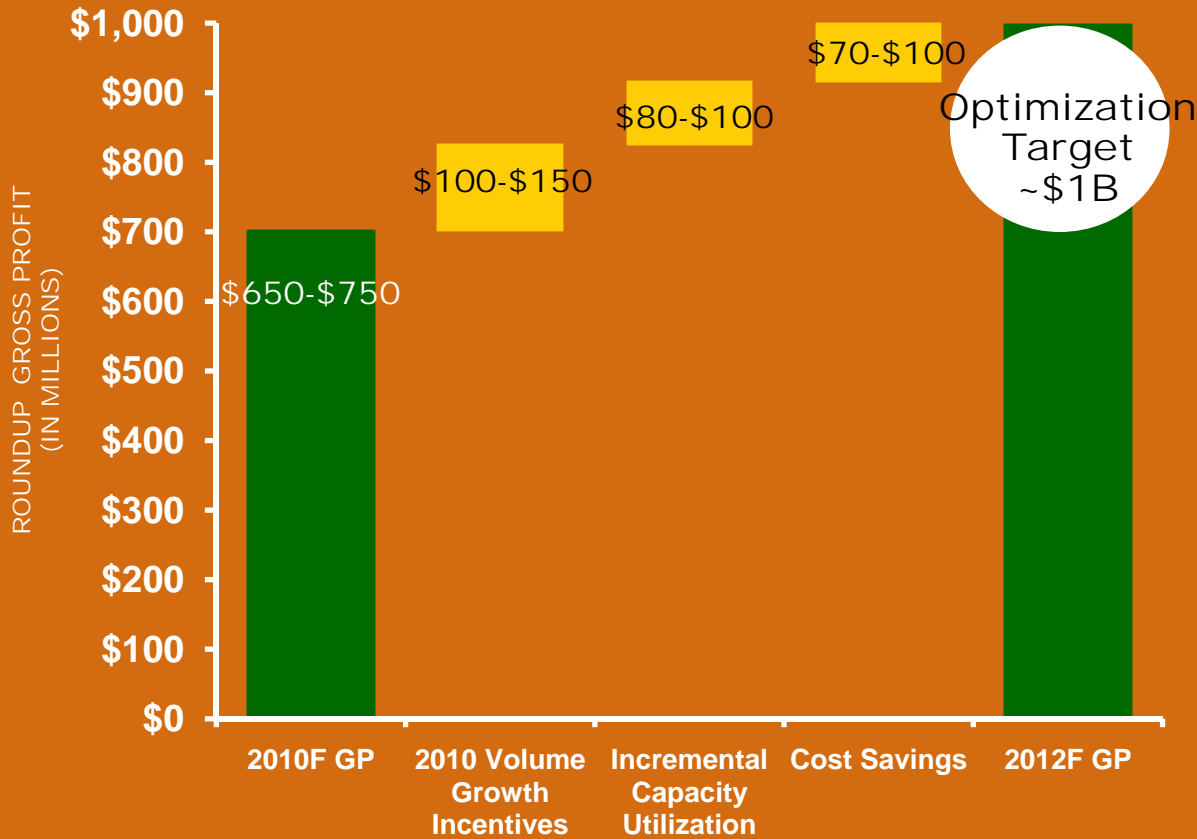
Attractive Farm Economics Have Triggered Over Supply of Traditional Ag Inputs

SUPPLY/DEMAND DYNAMICS INDUSTRY CHEMICALS



Factors in Monsanto's Control – Volumes and Costs – Drive Ability To Meet 2012 Target For *Roundup*

Roundup Gross Profit Path to 2012

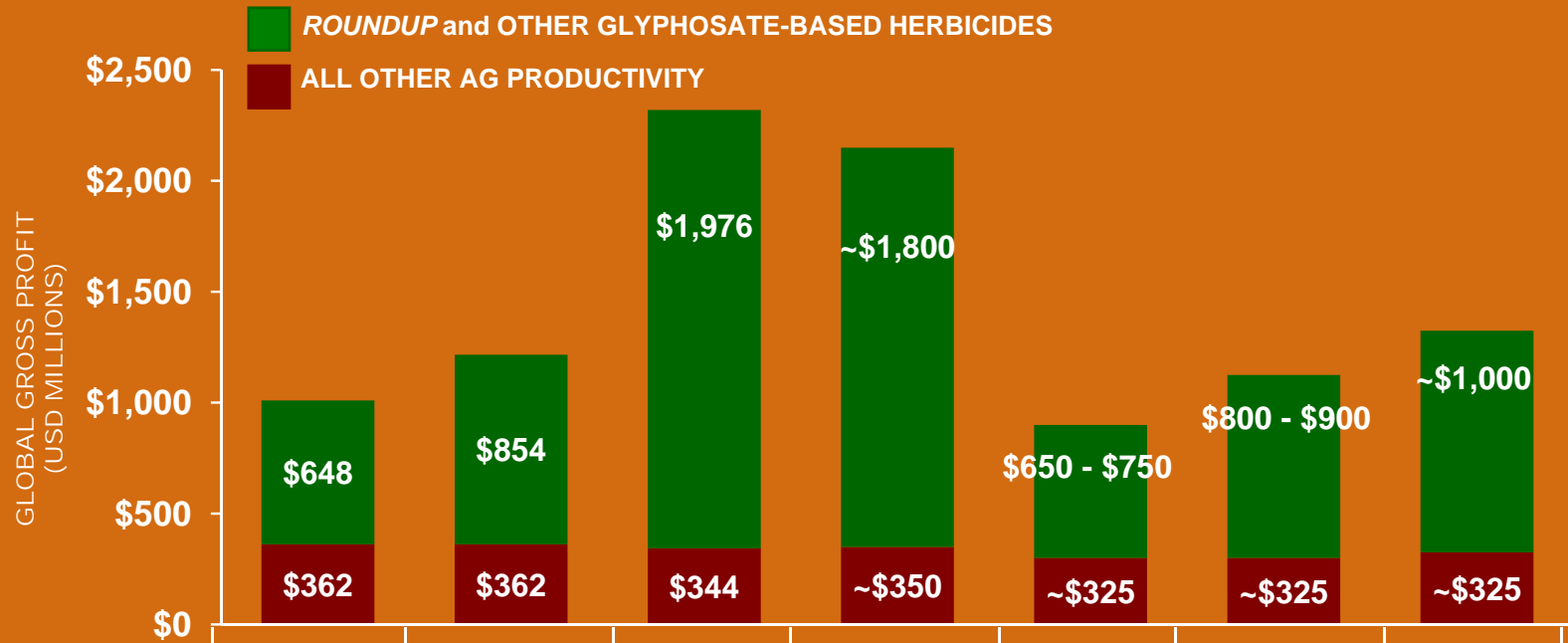


2010 *ROUNDUP* CHALLENGES

- ▶ **Competitive channel inventories still expected to be 4x historical level of 10 percent of annual use**
- ▶ **Gap between Monsanto's leading U.S. brand and primary competitive brands needs to close to more historical norms**
- ▶ **Monsanto added capacity not available until January 2010**
- ▶ **Targeted cost savings only partially realized in 2010**

Roundup Gross Profit Contribution Expected To Bridge From \$650M in 2010 To \$1B in 2012

AG PRODUCTIVITY SEGMENT KEY FINANCIAL METRIC TRENDS – 2006-2012F



	2006	2007	2008	2009F	2010F	2011F	2012F
GLOBAL <i>ROUNDUP</i> & OTHER GLYPHOSATE-BASED HERBICIDES VOLUME (M EQUIVALENT GALLONS)	235	252	257	~180	>250	~275	~300
BRANDED VOLUME MIX	50%	52%	58%	~55%	60%	60%	60%
BRANDED <i>ROUNDUP</i> NET SELLING PRICE (PER GALLON)	\$11-\$13	>\$11-\$13	~\$20	>\$20	\$10 - \$12	\$11 - \$12	\$11- \$12

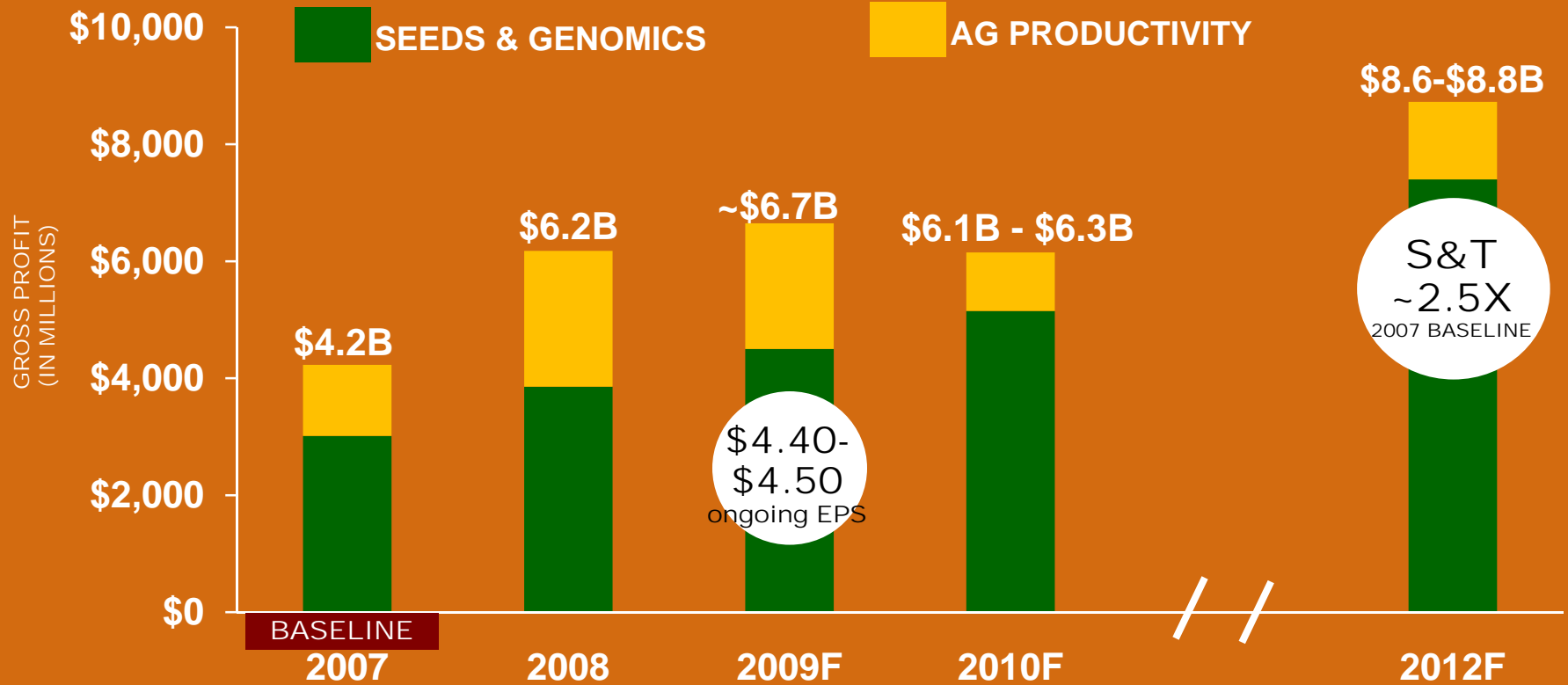
Seeds and Traits Gross Profit Growth of Approximately 15 Percent Will Not Offset *Roundup* Decline

	2010F
EARNINGS	
AS-REPORTED EARNINGS PER SHARE	\$2.92-\$3.15
Restructuring Charges, Net	\$0.15-\$0.18
ONGOING EARNINGS PER SHARE	\$3.10-\$3.30
Seeds & Genomics Gross Profit	\$5.1B-\$5.2B
Corn Seed & Traits Gross Profit	\$3.1B-\$3.2B
Soybean Seed & Traits Gross Profit	\$950M
Cotton Seed & Traits Gross Profit	\$350M
Vegetable Seeds Gross Profit	\$525M
All Other Seed & Traits Gross Profit	\$225M
Ag Productivity Gross Profit	\$975M-\$1.1B
<i>Roundup</i> and All Other Glyphosate-based Herbicides Gross Profit	\$650-750M
All Other Ag Productivity Gross Profit	\$325M
SPENDING TARGETS	
SG&A as a Percent of Sales	18.5-19.5%
R&D as a Percent of Sales	10.5-11.5%
Estimated Tax Rate	30%

RESTRUCTURING

Restructuring expected to reduce future annual costs by \$220 to \$250 million, with approximately one-third of the benefit realized in fiscal year 2010. This guidance includes that benefit.

Monsanto Remains on Track To More than Double 2007 Gross Profit in 2012; Seeds and Traits To Grow 2.5x

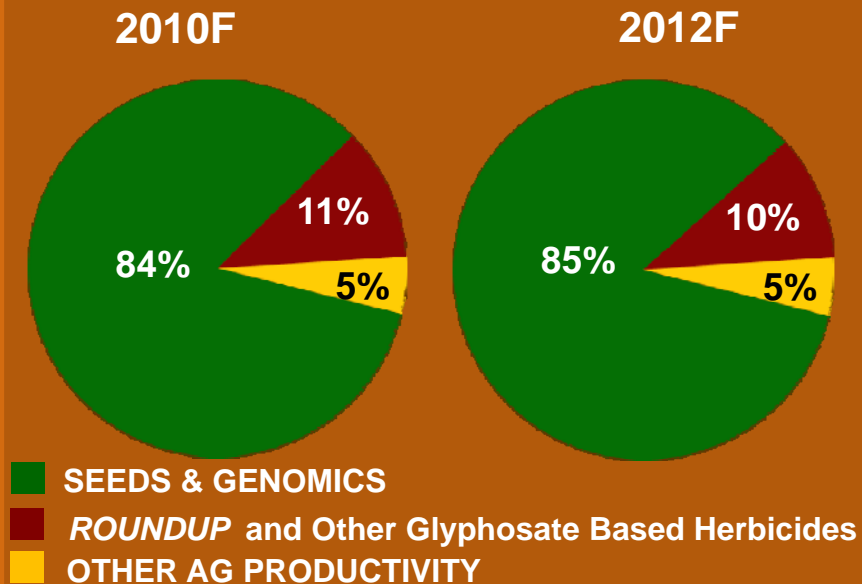


MONSANTO CORE INITIATIVES:

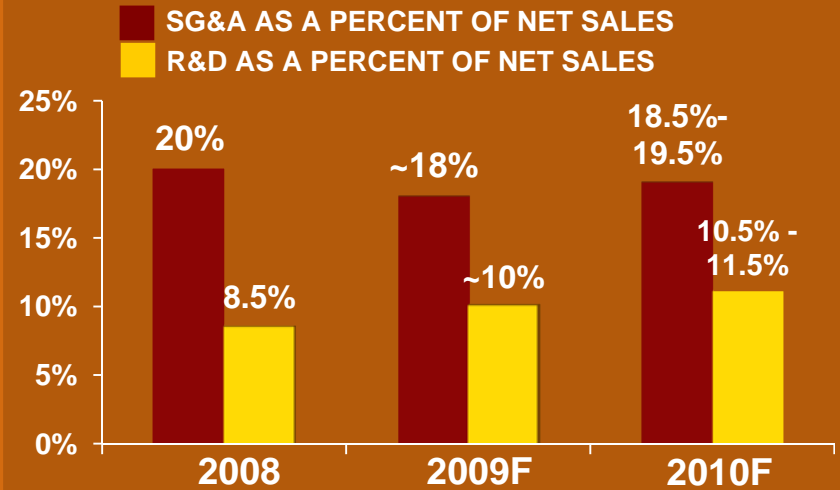
- ▶ DOUBLE 2007 GROSS PROFIT IN 2012
 - Seeds and Genomics ~ \$7.3-\$7.5B in 2012
 - Ag Productivity ~ \$1.3B in 2012
- ▶ DELIVER 7 HIT PROJECTS IN 7 YEARS

Seeds and Genomics Reflects Steady Growth While Ag Productivity Stabilizes Post 2010

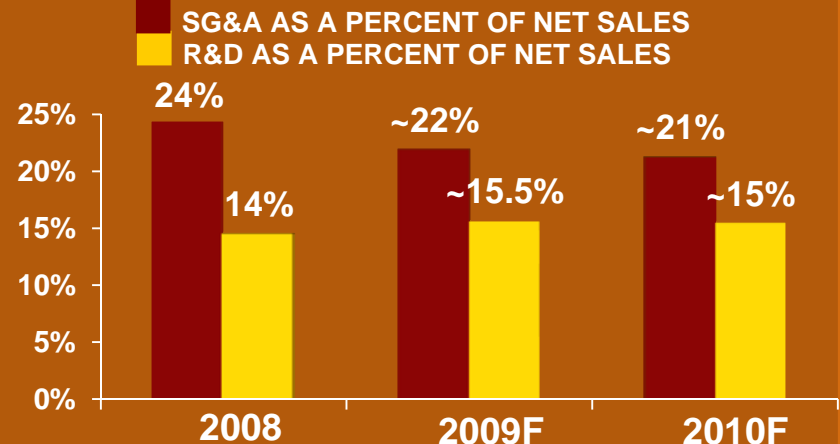
GROSS PROFIT CONTRIBUTION BY SEGMENT



TOTAL COMPANY (SG&A and R&D Margins)

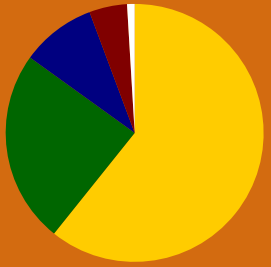


SEED AND GENOMICS



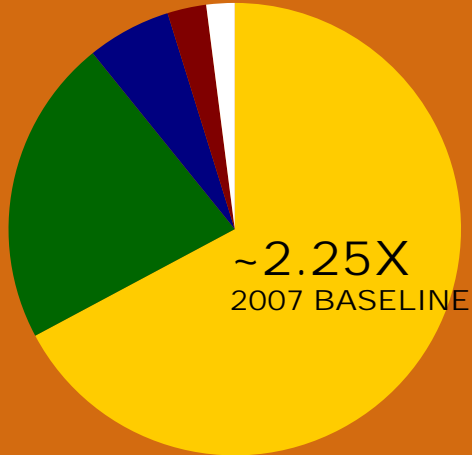
U.S. Seeds and Traits Gross Profit Expected To More than Double in 2012; International Seeds and Traits Nearly Triples

2007 SEEDS AND GENOMICS GROSS PROFIT – U.S. 2012F



~\$2.1B

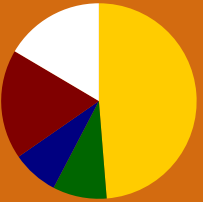
- Corn Seed & Traits
- Soybean Seed & Traits
- Cotton Seed & Traits
- Vegetable Seeds
- Other Seed & Traits



\$4.7-\$4.8B

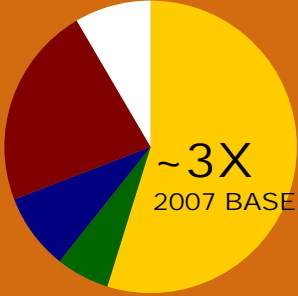
~2.25X
2007 BASELINE

2007 SEEDS AND GENOMICS GROSS PROFIT – INTERNATIONAL 2012F



~\$900M

- Corn Seed & Traits
- Soybean Seed & Traits
- Cotton Seed & Traits
- Vegetable Seeds
- Other Seed & Traits



\$2.6-\$2.7B

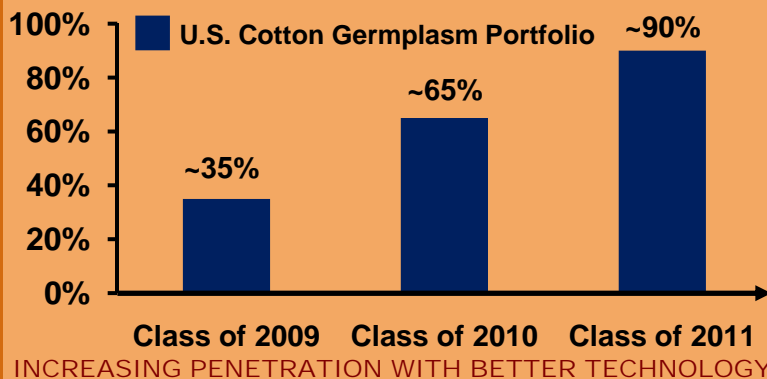
~3X
2007 BASELINE

Global Expansion and Upgrade To Next-Generation Platforms Key To Expanding Leadership

PRODUCT-MARKET GROWTH MATRIX

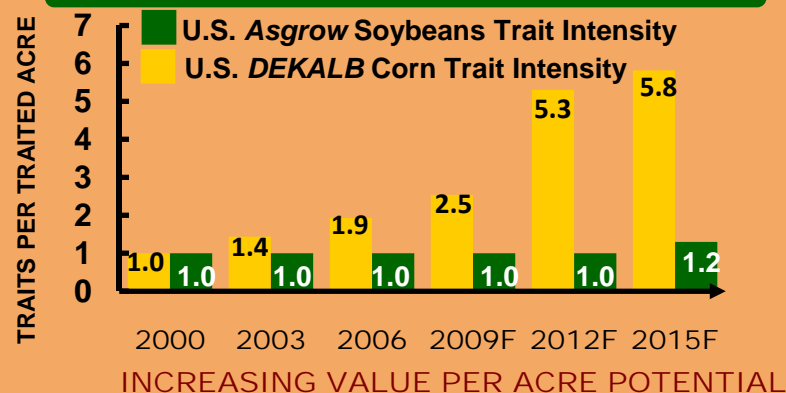
PRESENT PRODUCTS

MARKET PENETRATION



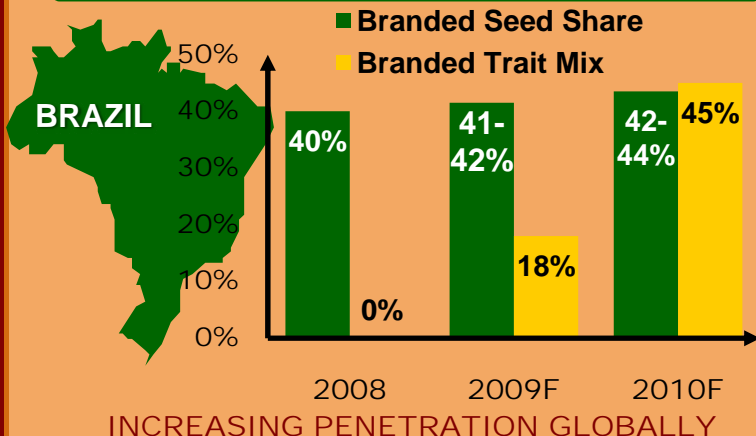
NEW PRODUCTS

PRODUCT EXPANSION



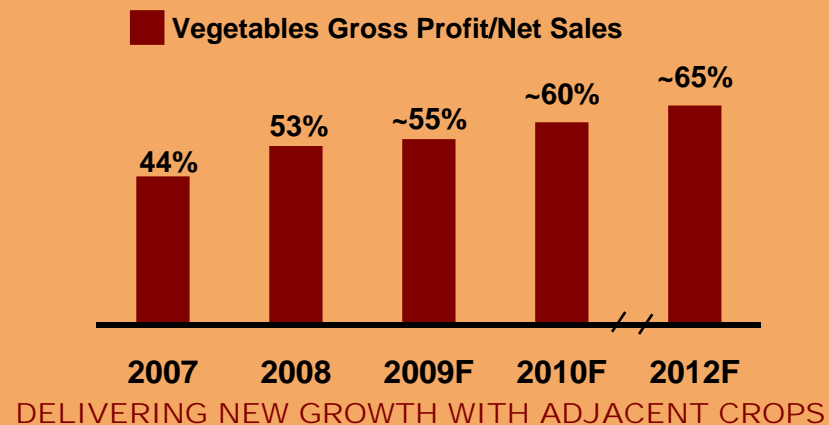
PRESENT MARKETS

MARKET EXPANSION



NEW MARKETS

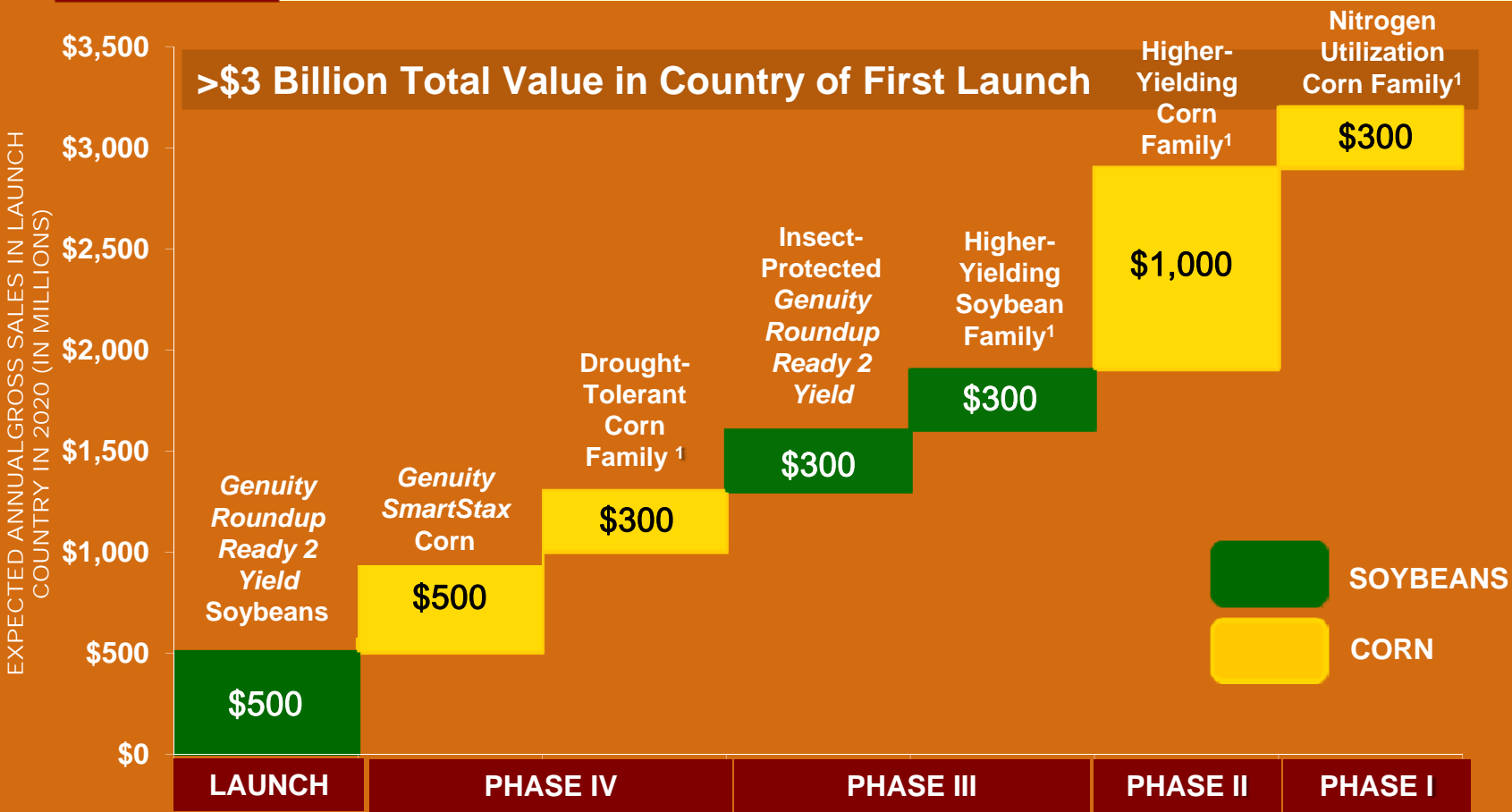
DIVERSIFICATION



High Impact Technology Projects To Contribute >\$3B in Farmgate Value; Reflect Depth and Breadth of Pipeline



High Impact Technologies include projects with more than 45M acres of market opportunity and \$300M or higher gross revenue potential in first country of launch by 2020

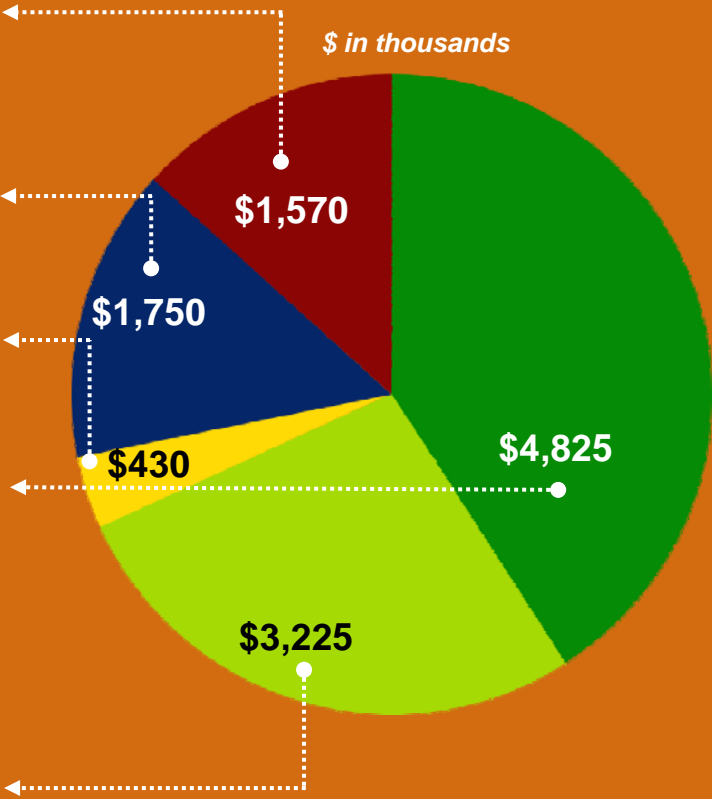


Note: R&D Phase placement is for the most advanced project in the family. Values noted represent the low end of the 2020 revenue opportunity in launch country.

Use of Cash Continues To Focus on Areas That Contribute To Growth and Return Value To Shareowners

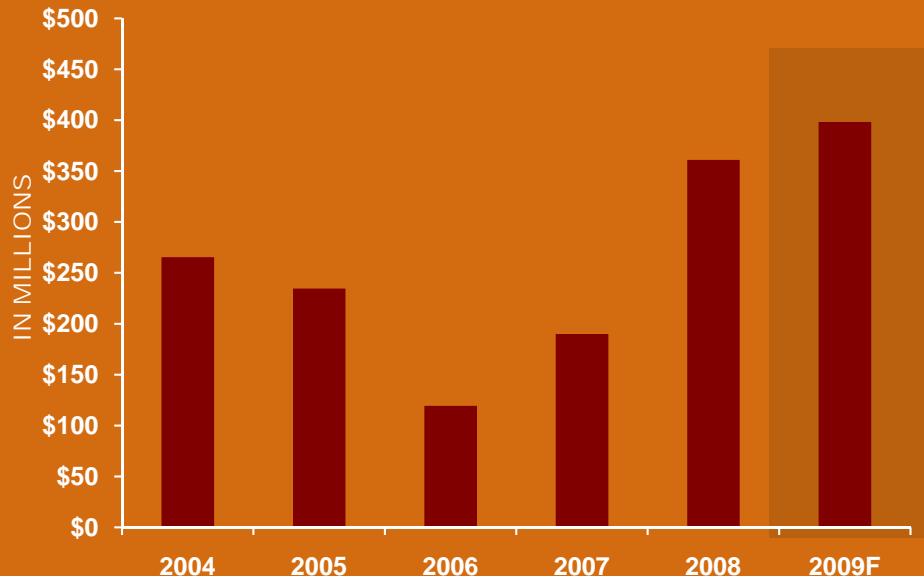
USES OF CASH CUMULATIVE: 2004-2009F Fiscal Years

SHARE REPURCHASES	13% OF CASH USED
<ul style="list-style-type: none"> Completed 4-year \$800M share-repurchase program and began previously announced 3-year \$800M authorization in December 2008 	
DIVIDENDS	15% OF CASH USED
<ul style="list-style-type: none"> Since the IPO, Monsanto's Board of Directors raised the dividend eight times for a total increase more than 340% 	
TECHNOLOGY SPENDING	4% OF CASH USED
<ul style="list-style-type: none"> Over \$400M spent to expand technology partnership network 	
ACQUISITIONS	41% OF CASH USED
<ul style="list-style-type: none"> American Seeds LLC (2004-2007) Seminis (2005) Delta & Pine Land (2007) Agroeste (2007) De Ruyter (2008) Cristiani (2008) CanaVialis (2009) WestBred (2009) 	
CAPITAL SPENDING	27% OF CASH USED
<ul style="list-style-type: none"> Approximately \$950 million of capital spend for 2009 Focus on North America corn seed plants and debottlenecking at Luling Roundup plant 	

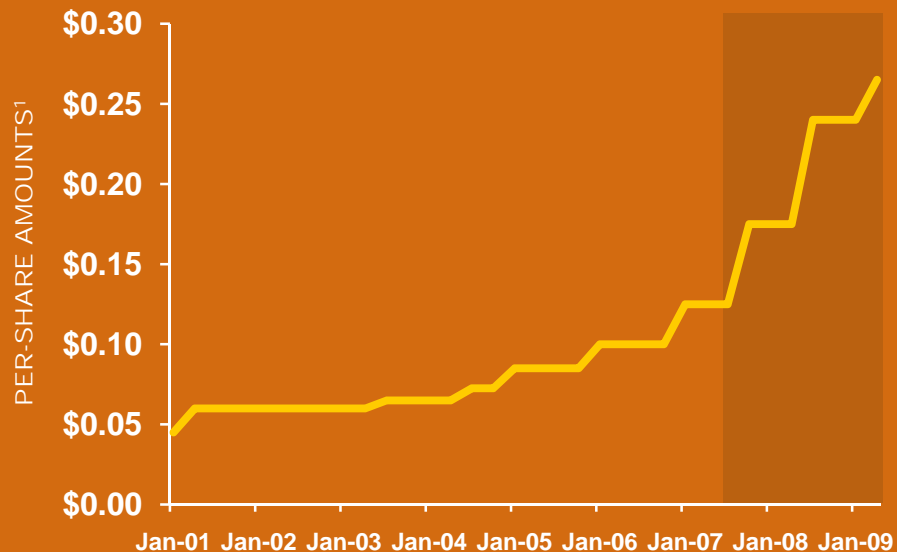


Earnings Growth Reflected In Dividend Payout, While Current Authorized Program Extends Share Repurchase Initiative

MONSANTO ANNUAL SHARE REPURCHASE:
2004-2009F



MONSANTO QUARTERLY DIVIDENDS:
2001-2009



SHARE REPURCHASES

STATUS ▼

- Completed 4-year \$800M repurchase program ahead of schedule
- Began new 3-year, \$800M program in December 2008 with \$269M repurchased through August 2009

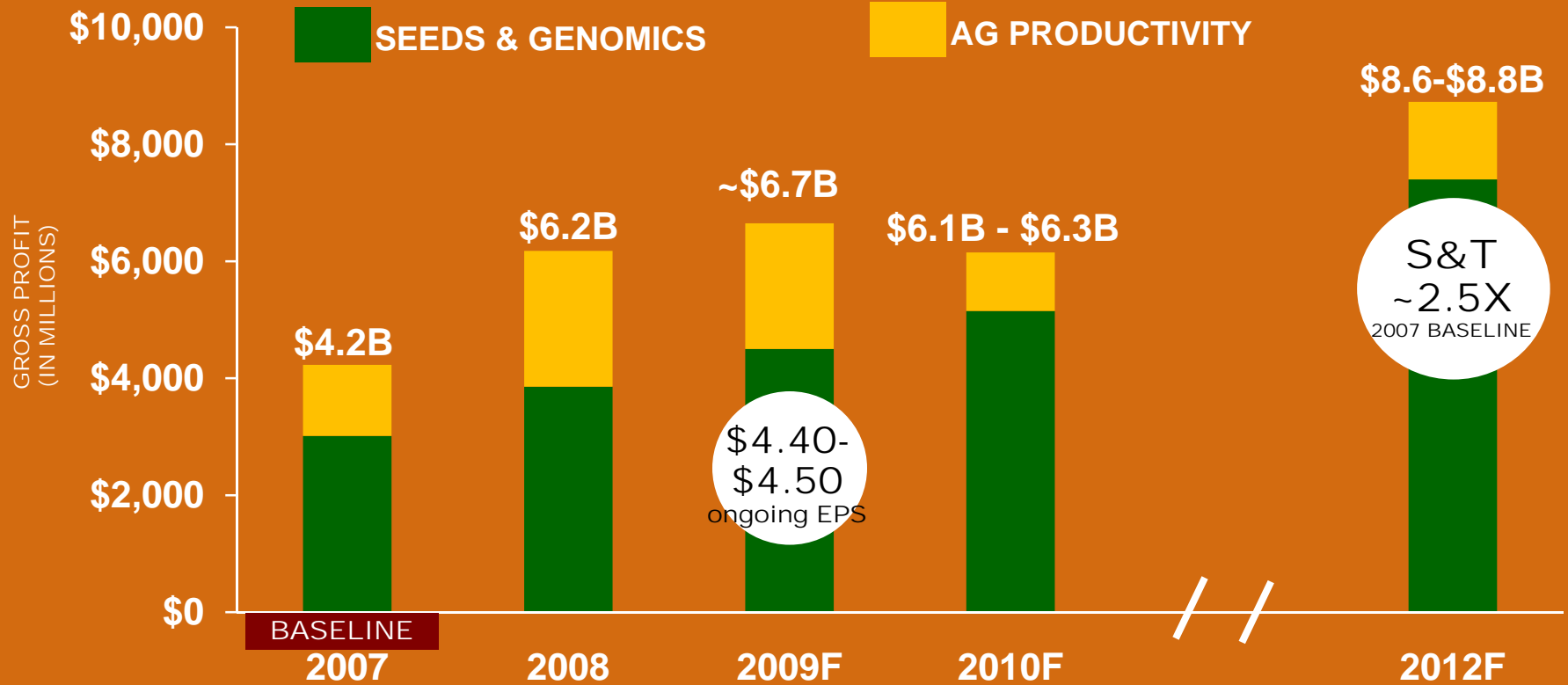
DIVIDENDS

STATUS ▼

- Since becoming an independent company in August of 2002, Monsanto has increased its dividend 8 times – an increase of more than 340 percent

¹Amounts for record dates from Jan. 1, 2001 – July 7, 2006 adjusted to allow comparison following Monsanto's stock split.

Monsanto Remains on Track To More than Double 2007 Gross Profit in 2012; Seeds and Traits To Grow 2.5x



MONSANTO CORE INITIATIVES:

- ▶ DOUBLE 2007 GROSS PROFIT IN 2012
 - Seeds and Traits ~ \$7.3-\$7.5B in 2012
 - Ag Productivity ~ \$1.3B in 2012
- ▶ DELIVER 7 HIT PROJECTS IN 7 YEARS

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF ONGOING EPS

\$ per share	Fiscal Year 2009 Guidance	Fiscal Year 2010 Guidance
Net Income (Loss) per Share	\$3.74-\$3.90	\$2.92-\$3.15
Cumulative Effect of Change in Accounting Principle	--	--
Diluted Earnings (Loss) per Share	\$3.74-\$3.90	\$2.92-\$3.15
Loss (Income) on Discontinued Operations	(\$0.02)	--
Restructuring Charges, Net	\$0.50-\$0.53	\$0.15-\$0.18
Gain on sale of sunflower business	(\$0.04)-(\$0.07)	--
In-Process R & D Write-Off Related to the Aly Participacoes Ltda. Acquisition	\$0.19	--
Diluted Earnings (Loss) per Share from Ongoing Business	\$4.40-\$4.50	\$3.10-\$3.30