

MONSANTO



FIRST-QUARTER 2009 FINANCIAL RESULTS

Jan. 7, 2009

Forward-Looking Statements

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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.

First-Quarter Financial Summary

	First Quarter 2009	First Quarter 2008	Change
NET SALES	\$2,649M	\$2,049M	29%
GROSS PROFIT	\$1,550M	\$1,039M	49%
GROSS MARGIN	59%	51%	Inc. 8 pts
NET INCOME	\$556M	\$256M	117%
DILUTED EPS ON AS-REPORTED BASIS	\$1.00	\$0.46	117%
FREE CASH FLOW	\$124M	\$740M	(83%)

Seed Footprint in Latin America Enables Larger Launches and Faster Ramp Up Than Competition

LATIN AMERICAN CORN OUTLOOK:

SEED & TRAIT TRENDS THROUGH 2012



▶ SEED SHARE:

HYBRID ACRES:

BIOTECH STATUS:

FY2009 PRIORITIES:

▶ SEED SHARE:

HYBRID ACRES:

BIOTECH STATUS:

FY2009 PRIORITIES:

▶ SEED SHARE:

HYBRID ACRES:

BIOTECH STATUS:

FY2009 PRIORITIES:

LATIN AMERICA NORTH

CURRENT

5-YEAR OUTLOOK

#1 position in all key countries



7-8M



- ✓ *Approved YieldGard Corn Borer with Roundup Ready Corn 2 in Colombia and Honduras*
- ✓ *December 2008 approval gained for experimental trials in El Salvador*



- *Integration of Cristiani; Expand seed footprint for pending trait introductions*

BRAZIL

CURRENT

5-YEAR OUTLOOK

40% (#1 position)



25-27M



- ✓ *1st commercial trait in FY2009*
- ✓ *Received approval for Roundup Ready Corn 2 and Roundup Ready cotton*



- *Targeted share gain: 1-2 points*
- *1.5-2M acre launch of YieldGard Corn Borer*

ARGENTINA

CURRENT

5-YEAR OUTLOOK

46% (#1 position)



8-10M



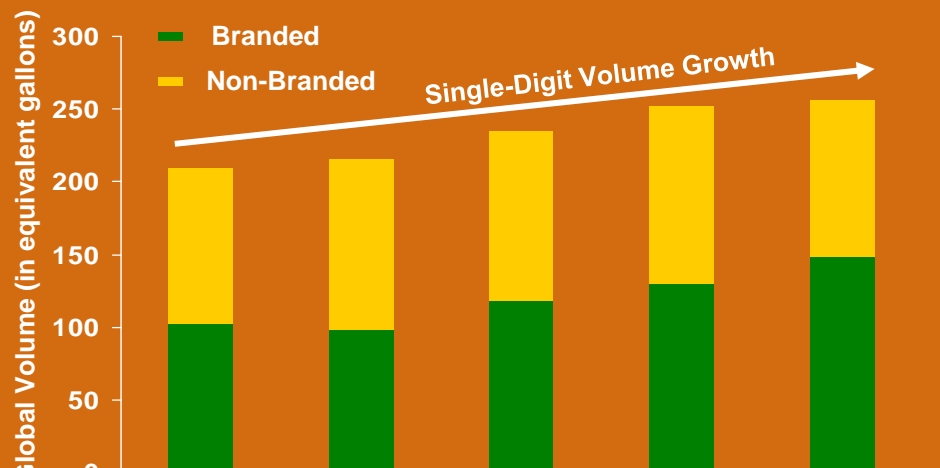
- ✓ *Double-Stack commercial planting*



- *Targeted share gain: 1-2 points*
- *2M-plus acre launch of YieldGard Corn Borer with Roundup Ready Corn 2*

First-Quarter Gross Profit Results for *Roundup* Driven by Price Globally, Strength in Brazil

ROUNDUP AND OTHER GLYPHOSATE-BASED HERBICIDES: BRANDED AND NON-BRANDED TRENDS – 2004-2008



	2004	2005	2006	2007	2008
GLOBAL VOLUME (EQUIVALENT GALLONS):	209M	215M	235M	252M	257M
BRANDED PRICE BAND (PER EQUIVALENT GALLON):	\$11-\$13	\$11-\$13	\$11-\$13	>\$11-\$13	~\$20
TOTAL ROUNDUP AND OTHER GLYPHOSATE - BASED HERBICIDES GROSS PROFIT	\$703M	\$637M	\$648M	\$854M	\$2.0B

Roundup and Other Glyphosate-Based Herbicides

Results	Q1 2009	Q1 2008	Change
Gross Profit	\$804M	\$487M	65%
Gross Margin	59%	48%	Inc. 11 pts

2009 Forecast

Gross Profit Target:	\$2.4-\$2.5B
Branded price band (per equivalent gallon):	Above \$16-\$18

2012 Forecast

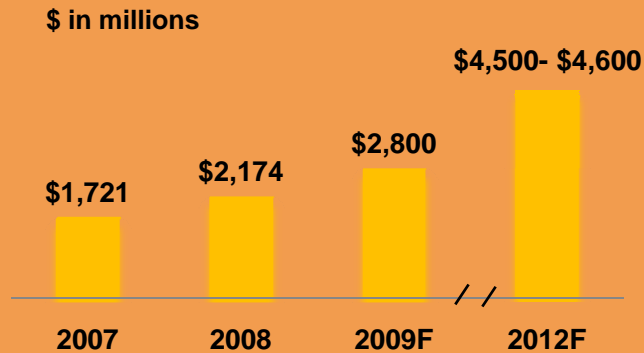
Gross profit target:	\$1.9B
Branded price band (per equivalent gallon):	\$16-\$18

U.S. Market Share Expected to Grow; Triple Stack Mix Improves

CORN SEED & TRAITS



GROSS PROFIT PROGRESSION



Results	Q1 2009	Q1 2008	Change
Gross Profit	\$403M	\$285M	41%
Gross Margin	64%	61%	Inc. 3 pts

CORN SEED AND TRAITS SEGMENT

Q1 UPDATES

- ▶ U.S. corn orders on track to deliver 1 – 2 share points in our *DEKALB* brand and 1 point gain in *American Seeds*
- ▶ Branded triple mix expected to increase to 70%
- ▶ Gross profit improvement in Brazil and Argentina driven by strong demand for hybrids and richer trait mix

2012 MILESTONE TARGETS

- ✓ Launch *YieldGard* Corn Borer/ *Roundup Ready* Corn 2 in Argentina in FY2009
- ✓ Launch *YieldGard* Corn Borer in Brazil in FY2009
- ✓ Advance lead drought-tolerant corn project to Phase 4
- ▶ Grow U.S. *DEKALB* corn share to 30-34 share points; grow *American Seeds* to ~15 share points
- ▶ Grow international branded corn share in key countries by 1-2 share points annually
- ▶ Launch *SmartStax* in the U.S. in 2010

Early Orders for Soybeans in U.S. Support Share Gain Objectives

SOYBEAN SEED & TRAITS

GROSS PROFIT PROGRESSION



Results	Q1 2009	Q1 2008	Change
Gross Profit	\$145M	\$111M	31%
Gross Margin	68%	68%	FLAT

SOY SEED AND TRAITS SEGMENT

Q1 UPDATES

- ▶ U.S. orders have been early; on track to gain 1 share point in *Asgrow* brand
- ▶ Controlled commercial release of *Roundup Ready 2 Yield* soybeans on 1.5M acres
- ▶ Early Q1 indication that Brazil's *Roundup Ready* soybean appears to be on track to approach 60% penetration mark

2012 MILESTONE TARGETS

- ✓ Controlled commercial release of *Roundup Ready 2 Yield* on 1-2M acres in the U.S. in 2009
- ▶ Large-scale launch of *Roundup Ready 2 Yield* on 5-6M acres in 2010; target market of 45-55M¹ acres
- ▶ Grow *Asgrow* brand to 25 share points in the U.S. by 2012
- ▶ Increase Brazil *Roundup Ready* soybean penetration to 80 percent by 2012 in anticipation of launch of insect-protected *Roundup Ready 2 Yield* soybeans

1. Target market defined as acres where technology is applicable, not necessarily a projection of acres penetrated by 2012.

FY2009 Guidance Supports 20 Percent Plus Growth Rate

	FY2008	2009F	Q1 2009	Q1 2008	CHANGE
EARNINGS					
ONGOING EARNINGS PER SHARE	\$3.64 >80% GROWTH FROM 2007	\$4.40-\$4.50 ~20-24% GROWTH FROM 2008	\$0.98	\$0.45	118%
Seeds & Genomics Gross Profit	\$3.9B	\$4.5-\$4.6B	\$678M	\$495M	37%
Corn Seed & Traits Gross Profit	\$2.2B	~\$2.8B	\$403M	\$285M	41%
Soybean Seed & Traits Gross Profit	\$725M	~\$700M	\$145M	\$111M	31%
Cotton Seed & Traits Gross Profit	\$313M	~\$300M	\$26M	\$24M	8%
Vegetable Seeds Gross Profit	\$394M	~\$500M	\$80M	\$64M	25%
All Other Seed & Traits Gross Profit	\$251M	~\$200M	\$24M	\$11M	118%
Roundup And All Other Glyphosate-based Herbicides Gross Profit	\$2.0B	\$2.4-2.5B	\$804M	\$487M	65%
All Other Ag Productivity Gross Profit	\$344M	~\$400M	\$68M	\$57M	19%
CASH MANAGEMENT AND SPENDING					
FREE CASH FLOW	\$772M	>\$1.8B	\$124M	\$740M	(83%)
Operating Cash	\$2.8B	>\$3B	\$114M	\$996M	(89%)
Capital Expenditures	\$918M	~\$1B	\$264M	\$154M	71%
SG&A as a Percent of Sales	20%	19% Range	21%	22%	Dec. 1 pt
R&D as a Percent of Sales (Excluding acquired IPR&D)	9%	9.5%-10% Range	<10%	<10%	FLAT

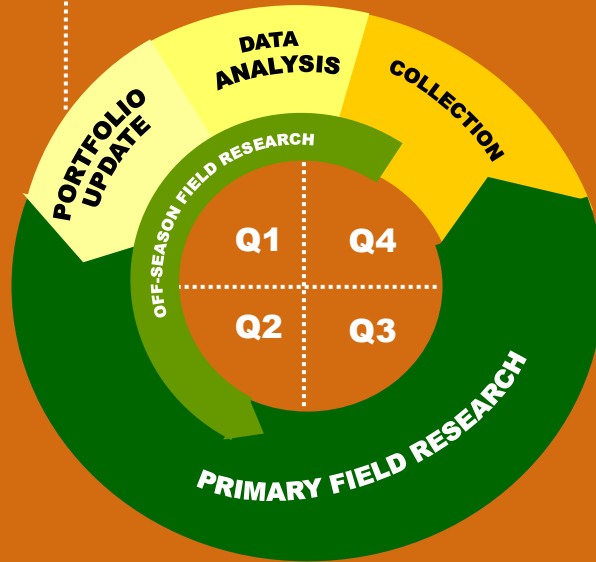
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ANNUAL R&D PIPELINE REVIEW

FIRST-QUARTER 2009

Monsanto's Biotech Pipeline Is Accelerating, With Progress in Key Projects and on Highest-Value Platforms



ANNUAL R&D CYCLE: SEEDS & TRAITS

WHAT CHANGED 2008-2009?

- 4 projects advanced phases
- 2 products added
- 1 product launched and 1 in demonstration:
 - *Roundup Ready 2 Yield* soybeans
 - *YieldGard VT Pro* – Commercial Demonstration
- 2 products removed:
 - High-oil corn
 - *Mavera* high-value corn with lysine

MILESTONES:

Biotech pipeline progress is accelerating

- ▶ 6 projects either advanced from one phase to another or were added to the pipeline
- ▶ First time ever transitioned 2 projects from Phase 3 to Phase 4 with each project remaining in Phase 3 for only 1 year
- ▶ First addition of a project in sugarcane, accelerating expansion into new areas

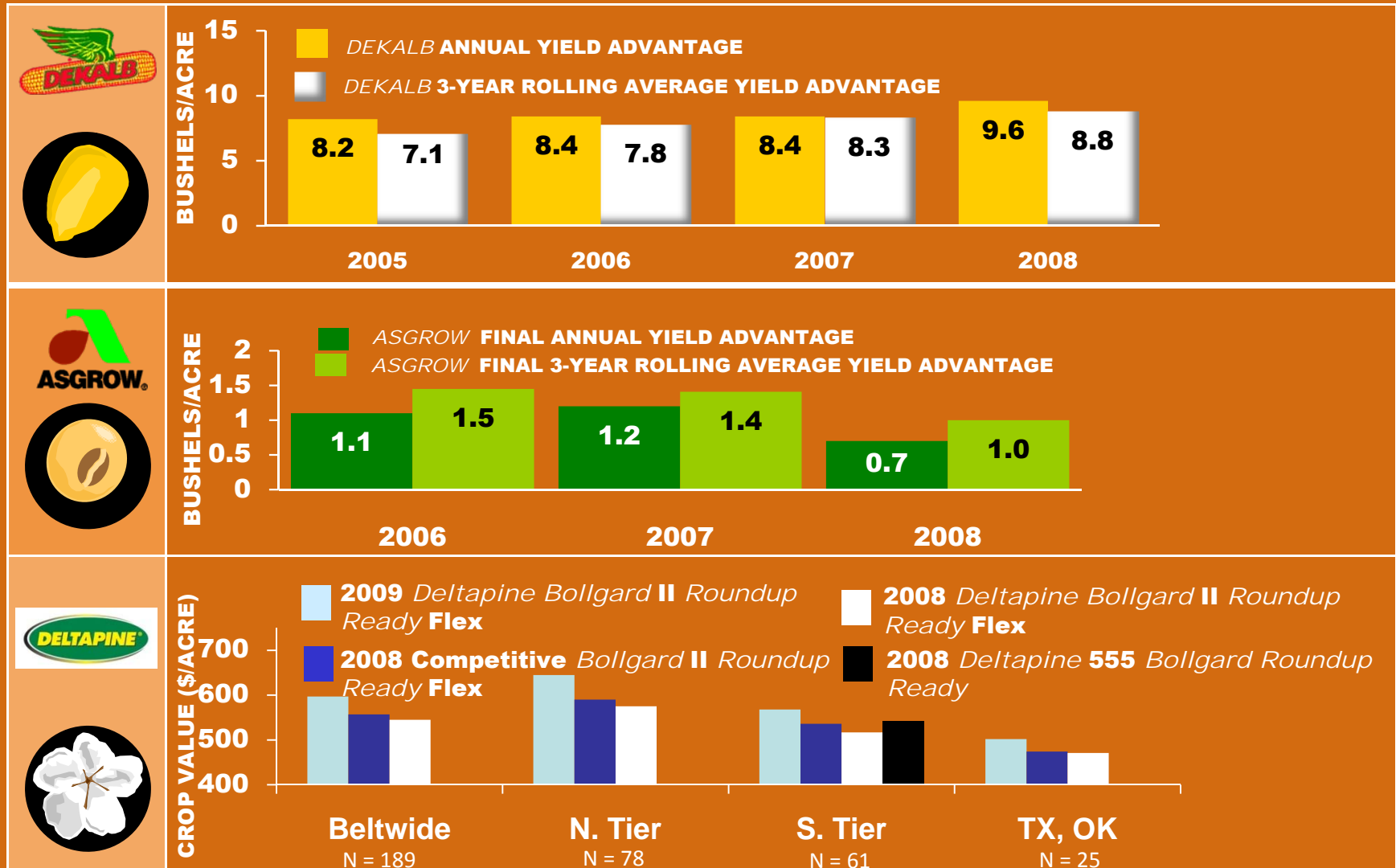
Accelerated progress is on the most meaningful platforms and products

- ▶ Advanced phases on 2 critical yield & stress products
 - ▶ Drought-tolerant corn lead moves into Phase 4 with first regulatory submission
 - ▶ Higher-yielding soybeans move into Phase 3 with strong field trial performance
- ▶ *SmartStax*, the new platform for corn, moves into pre-launch Phase 4 with EPA submission

Biotech pipeline robust with new collaborations and broad scale testing


- ▶ Entered into more than 1,400 technology-related agreements; 40% more than FY2007
- ▶ Field tested over 2,500 genes in 13,000 field events in 180 locations in phase 1-3 projects
- ▶ ~89,000 drought plots and ~48,000 *SmartStax* plots

Monsanto's Investment in Breeding Continues to Yield Results; Improving Germplasm Base Across Crops



Phase Advancements For Key Projects Reflect Progress and Strength Throughout Monsanto's Industry-Leading Pipeline

BIOTECH TRAIT PIPELINE: JANUARY 2009 UPDATE

MONSANTO  BASF The Chemical Company		D	PHASE 1	PHASE 2	PHASE 3	PHASE 4
YIELD AND STRESS PIPELINE						
DROUGHT-TOLERANT CORN FAMILY						
DROUGHT-TOLERANT CORN						
2 ND -GEN DROUGHT-TOLERANT CORN						
NITROGEN-UTILIZATION CORN FAMILY						
NITROGEN-UTILIZATION CORN						
BROAD-ACRE HIGHER-YIELDING CORN FAMILY						
HIGHER-YIELDING CORN						
BROAD-ACRE HIGHER-YIELDING SOYBEAN FAMILY						
HIGHER-YIELDING SOYBEANS						
2 ND -GEN HIGHER-YIELDING SOYBEANS						
DROUGHT-TOLERANT COTTON FAMILY						
DROUGHT-TOLERANT COTTON						
BROAD-ACRE HIGHER-YIELDING CANOLA FAMILY						
HIGHER-YIELDING + <i>ROUNDUP READY 2 YIELD</i> CANOLA ¹						

The colored bar associated with each project indicates which phase that project is in. It is not intended to represent the relative status of the project within a particular stage.

 Jan. 3, 2009 Advancements/Additions

 High Impact Technologies (HIT) project

1. For higher-yielding + *Roundup Ready 2 Yield* canola, only the value of the higher-yielding trait is incorporated into the Yield and Stress collaboration with BASF

2. Value of licensing the EXTRAX™ technology is shared with Cargill as a part of Renessen joint venture

AGRONOMIC TRAITS

	D	PHASE 1	PHASE 2	PHASE 3	PHASE 4
<i>SMARTSTAX</i> CORN					
DICAMBA-TOLERANT SOYBEANS					
INSECT-PROTECTED + <i>ROUNDUP READY 2 YIELD</i> SOYBEANS					
2 ND GEN INSECT-PROTECTED + <i>ROUNDUP READY 2 YIELD</i> SOYBEANS					
INSECT-PROTECTED + <i>ROUNDUP READY</i> SUGARCANE					
<i>BOLLGARD III</i>					
SOYBEAN NEMATODE-RESISTANCE					
SOYBEAN DISEASE					
DICAMBA AND GLUFOSINATE-TOLERANT COTTON					
COTTON LYGUS CONTROL					
<i>YIELDGARD</i> ROOTWORM III					

VALUE-ADDED TRAITS

	D	PHASE 1	PHASE 2	PHASE 3	PHASE 4
EXTRAX™ CORN PROCESSING SYSTEM ²					
HIGH-OIL SOYBEANS					
2 ND -GEN HIGH-OIL SOYBEANS					
OMEGA-3 ENRICHED SOYBEANS					
<i>VISTIVE III</i> SOYBEANS					
HIGH-STEARATE SOYBEANS (VIA BIOTECH)					

Roundup Ready 2 Yield Soybeans Introduction Highly Anticipated by Farmers Because of Step Change In Yield



ROUNDUP READY 2 YIELD LAUNCH PLANS

2009

- ▶ U.S. controlled commercial release on 1-2M acres in maturity groups 2 and 3
- ▶ >50% of the U.S. soybean acres planted are in groups 2 and 3
- ▶ Multiple varieties available for 2009 release
- ▶ EU import approval recently obtained, demonstrating continued global acceptance

2010

- ▶ Launch on 5-6M acres in the U.S. with up to 30 new varieties with expanded maturity groups

2011

- ▶ Expand majority of *Asgrow* varieties to *Roundup Ready 2 Yield*

VALUE PROPOSITION

YIELD IMPROVEMENT ON AVERAGE YIELDS IN GROUPS 2 & 3:

~3.8 bu/ac

INCREMENTAL YIELD VALUE TO FARMER (VERSUS ROUNDUP READY):

~\$38/ac

PRICING

SEAMLESS PRICE FOR FIRST-GENERATION ROUNDUP READY SEED (PER ACRE)¹:

\$49-\$52

SEAMLESS PRICE FOR ROUNDUP READY 2 YIELD SEED (PER ACRE)¹:

\$69-\$72

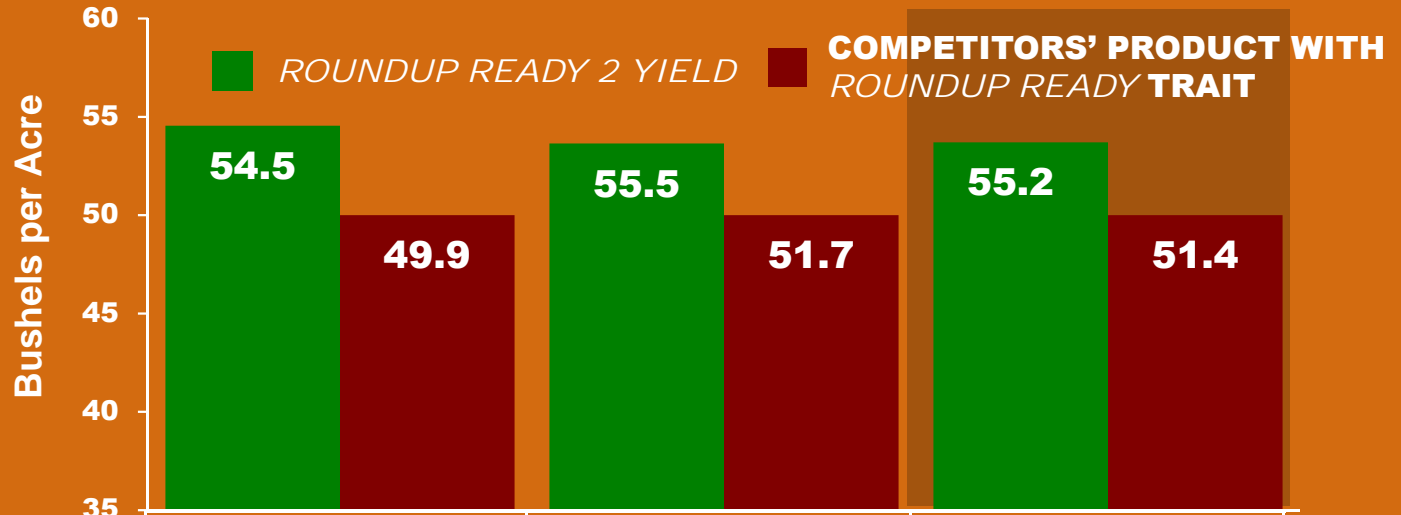
1. Reflects seamless price to the farmer, including trait value, germplasm value and value provided by the seed treatment.

Roundup Ready 2 Yield Will Be the First Biotech Yield Trait Offered in Soybeans

NEW:

FINAL ROUNDUP READY 2 YIELD SOYBEANS VERSUS COMMERCIAL CHECKS COMPARISONS TO COMMERCIAL ROUNDUP READY SOYBEANS – 2 YEAR SUMMARY

Two year summary (2007-2008) of head-to-head comparisons between all Roundup Ready 2 Yield products available for sale in 2009 vs. national competitor Roundup Ready products. Final data as of December 9, 2008.



RELATIVE MATURITIES:	2	3	Overall
COMPARISONS:	>1,000	>2,900	>3,900
APPROXIMATE BU/AC ADVANTAGE FOR ROUNDUP READY 2 YIELD:	4.6	3.8	3.8
PERCENT YIELD ADVANTAGE FOR ROUNDUP READY 2 YIELD ¹ :	9.1%	7.3%	7.4%

► **Power in the Pod: Roundup Ready 2 Yield soybean varieties provide higher yields by producing more 3-bean pods per plant²**

¹ Roundup Ready 2 Yield percent yield advantages ranged from 6 to 12% across year and maturity group combinations.

² SOURCE: 19 Monsanto field trials with seed counted from over 4,728 plants from 340 plots. p value <0.001 Data as of November 24, 2008.

SmartStax Corn Advances to Phase 4 with EPA Submission, Closing In On Estimated 2010 Launch

R&D Pipeline	
SmartStax Corn	
STATUS:	ADVANCED Phase 4
PROJECT CONCEPT:	
<p>SmartStax combines the following herbicide-tolerant and insect-protection traits for the most complete control:</p> <ul style="list-style-type: none"> • YieldGard VT Rootworm/Roundup Ready 2 Technology and YieldGard VT PRO • Herculex® I and Herculex® RW • Liberty Link® 	
VALUE:	
LAUNCH-COUNTRY ACRES¹:	55-65M
2020 VALUE²:	\$300-\$500M
WHOLE -FARM YIELD IMPROVEMENT ESTIMATES:	
1	IMPROVED CONSISTENCY FOR PRIMARY AND SECONDARY PESTS ³
2	REDUCED REFUGE ⁴
TOTAL:	5-10%

SMARTSTAX LAUNCH PLANS	
2008	<ul style="list-style-type: none"> ▶ SmartStax EPA submission made June 16, 2008 ▶ Requested reduction in refuge for both above-ground and below-ground corn pests to 5% from current 20% requirement in the corn belt ▶ Necessary global regulatory submissions made and first import approval received from Japan in December ▶ All insect efficacy data confirmed
2009	<ul style="list-style-type: none"> ▶ December 2008: EPA approved amendment to allow for reduction in above-ground corn pest refuge to 5% from 20% in the corn belt for second-generation <i>YieldGard</i> corn borer technology; <i>YieldGard VT Pro</i> component of <i>SmartStax</i> ▶ <i>SmartStax</i> yield testing in Monsanto hybrids in summer 2009
2010	<ul style="list-style-type: none"> ▶ Planned U.S. launch of <i>SmartStax</i>⁴

1. Acre opportunity reflects acres where technology fits at Monsanto's current 2007 market share in respective crops

2. 2020 value reflects gross sales opportunity in launch country in year 2020

3. As compared to *YieldGard VT Triple*

4. Subject to EPA approval

SmartStax Insect Efficacy Trials Highlight Increased Durability and Insect Spectrum of New Corn Platform

R&D Pipeline

SmartStax Corn

STATUS: **ADVANCED Phase 4**

PROJECT CONCEPT:

SmartStax combines the following herbicide-tolerant and insect-protection traits for the most complete control:

- YieldGard VT Rootworm with Roundup Ready Corn 2 and YieldGard VT PRO
- Herculex® I and Herculex® RW
- Liberty Link®

VALUE:

LAUNCH-COUNTRY ACRES¹: 55-65M

2020 VALUE²: \$300-\$500M

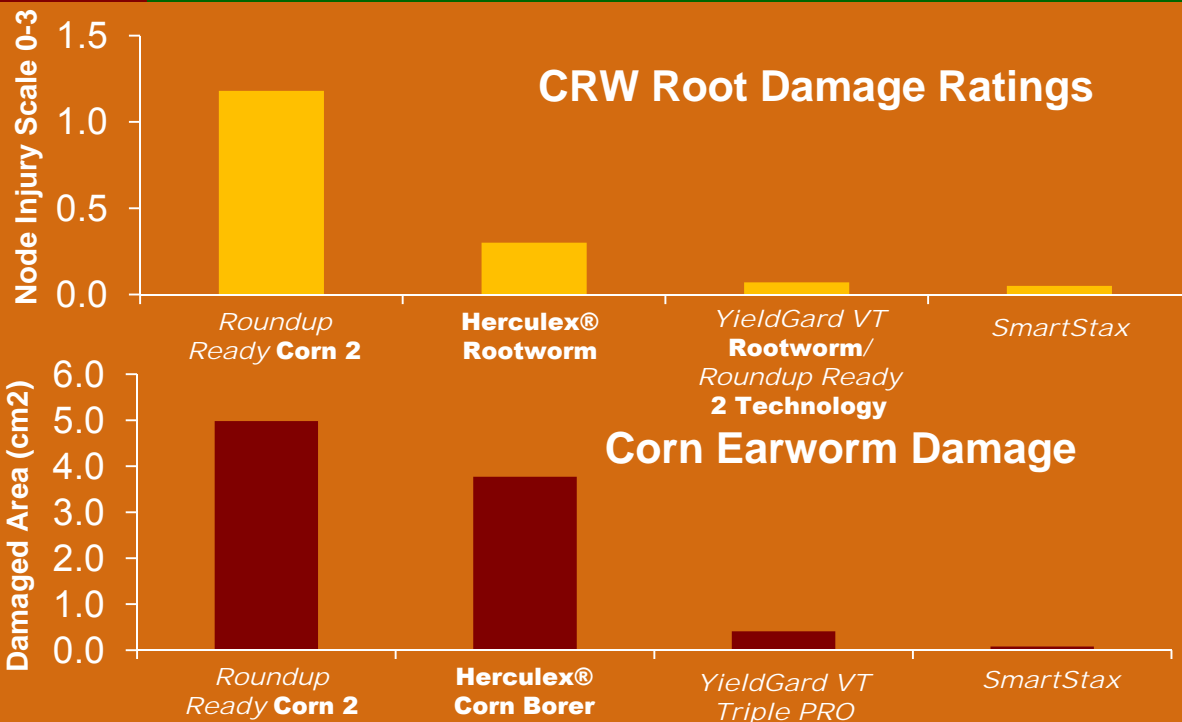
WHOLE-FARM YIELD IMPROVEMENT ESTIMATES:

1 IMPROVED CONSISTENCY FOR PRIMARY AND SECONDARY PESTS³

2 REDUCED REFUGE⁴

TOTAL: 5-10%

NEW: 2007 & 2008 SmartStax EFFICACY TRIALS



- The second-generation *YieldGard* corn borer trait, a key *SmartStax* component, demonstrates incremental yield benefit of 4 percent over first-generation corn borer traits in preliminary data from 2 years of comparisons
 - Fewer damaged kernels from earworm drives yield advantage

1. Acre opportunity reflects acres where technology fits at Monsanto's current 2007 market share in respective crops

2. 2020 value reflects gross sales opportunity in launch country in year 2020

3. As compared to YieldGard VT Triple

4. Subject to EPA approval

Lead Drought-Tolerant Corn Project Advances to Phase 4; 2008 Dry Land Field Tests Mark Fifth Season of Increased Yield

NEW:

FIFTH YEAR OF CONSISTENT YIELD IMPROVEMENT UNDER DROUGHT STRESS

R&D Pipeline

**Drought-Tolerant Corn Family:
Lead Project**

HIT Project

**ADVANCED:
Phase 4**

VALUE:

**LAUNCH-COUNTRY
ACRES-FAMILY¹:**

55M

**2020 VALUE-
FAMILY²:**

\$300-\$500M

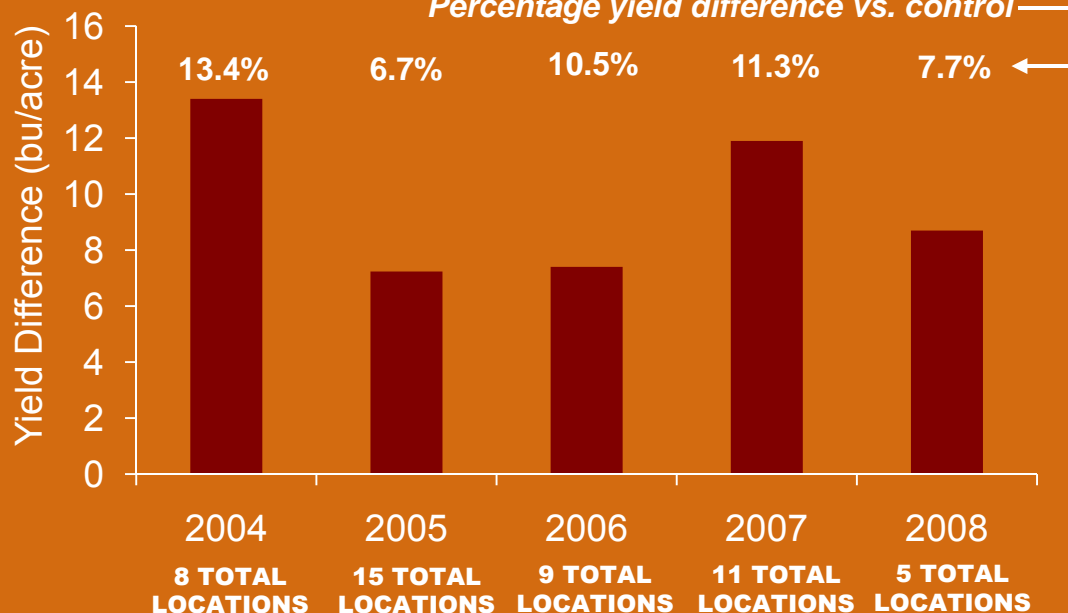
SOURCES OF VALUE:

Improved yield

Targeting 6-10% yield improvement in water-stress environments; historically the dry land farms of the Western Great Plains

Average Yield Improvement of Lead Event

Percentage yield difference vs. control



- ▲ **2008 Western Great Plains Testing: Lead event continued to demonstrate a yield advantage in a drought stress environment**
 - **Evaluation of best germplasm and trait combinations underway**
 - **Regulatory submissions in progress, with initial submission to FDA made December 19, 2008**

1. Acre opportunity reflects acres where technology fits at Monsanto's current 2008 market share in respective crops

2. 2020 value reflects gross sales opportunity in launch country in year 2020

Higher-Yielding Soybeans Advance to Phase 3 With Continued Demonstration of Improved Yield Over Conventional Controls

R&D Pipeline

Higher-Yielding Soybean Family:
Lead Project

STATUS: **ADVANCED Phase 3**

VALUE:

LAUNCH-COUNTRY ACRES-FAMILY¹: **45M**

2020 VALUE-FAMILY²: **\$300-\$500M**

SOURCES OF VALUE:

Improved yield

Targeting 6-10% yield improvement through insertion of key genes

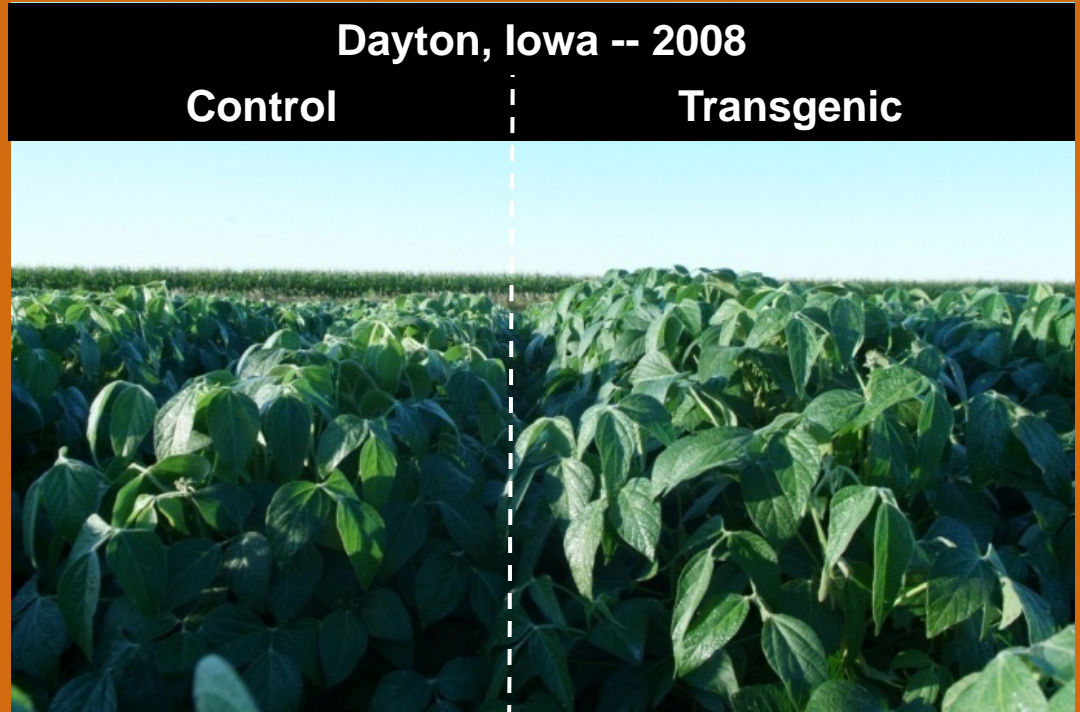
NEW:

2008 HIGHER-YIELDING SOYBEAN AGRONOMIC TESTING VERSUS CONTROLS

Dayton, Iowa -- 2008

Control

Transgenic



- Lead events 1 and 2 showing average yield advantage of 7.4% and 6.7%, respectively, over controls in meta analysis across three seasons of testing in 56 environments
- Higher-yielding trait built upon yield platform of *Roundup Ready 2 Yield*

1. Acre opportunity reflects acres where technology fits at Monsanto's current 2008 market share in respective crops
2. 2020 value reflects gross sales opportunity in launch country in year 2020

Dicamba and Glufosinate-Tolerant Cotton Demonstrated Excellent Tolerance in 2008, Advancing to Phase 2

R&D Pipeline

Dicamba and Glufosinate-Tolerant Cotton (DGT Cotton)

STATUS: **ADVANCED Phase 2**

VALUE:

LAUNCH-COUNTRY ACRES¹: 8-10M

2020 VALUE²: <\$150M

SOURCES OF VALUE:

Increased Flexibility

Improved weed control options with three modes of action for herbicide tolerance: *Roundup Ready Flex* plus dicamba and glufosinate-tolerance

NEW:

DGT COTTON DEMONSTRATES EXCELLENT TOLERANCE IN 2008 FIELD TRIALS

Winterville, Mississippi – July 2008



- ▲ DGT cotton showed tolerance to dicamba and glufosinate at three applications at two times the recommended application rates
- ▲ DGT cotton demonstrated yield parity to conventional cotton in first year of field trials
- ▲ Planned to stack with *Roundup Ready Flex* for launch

1. Acre opportunity reflects acres where technology fits in first country of launch

2. 2020 value reflects gross sales opportunity in launch country in year 2020

Roundup Ready and Insect-Protected Sugar Cane Advanced to Phase 1 as First Project in New Focus Crop

R&D Pipeline

Roundup Ready and Insect-Protected Sugar Cane

STATUS:

**ADVANCED:
Phase 1**

VALUE:

**LAUNCH-COUNTRY
ACRES¹:**

13.5M

2020 VALUE²:

<\$150M

SOURCES OF VALUE:

1.

Reduced insecticide use
Potential to reduce insecticides through insertion of key genes for in-plant insect control

2.

Improved yield
Potential to improve yield with improved insect control, specifically of the sugar cane borer, from insertion of key genes and improved weed control with *Roundup Ready* gene conveying herbicide tolerance

NEW:

FIRST ROUNDUP READY AND INSECT-PROTECTED SUGAR CANE FIELD TRIAL

Conchal, Brazil – September 2008



- ▲ Multi-event field trial established in the Sao Paulo region of Brazil in September
- ▲ These events have shown efficacy in initial greenhouse studies

1. Acre opportunity in 2020 assuming 17M acres planted and a 20% refuge.

2. 2020 value reflects gross sales opportunity in launch country in year 2020

First Product from Higher-Yielding Corn Family Showed Improved Yield in 2008 Trials

NEW:

HIGHER-YIELDING CORN GENERATES YIELD ADVANTAGE VERSUS CONTROLS

R&D Pipeline

**Higher-Yielding Corn Family:
Lead Project**

STATUS: Phase 2

VALUE:

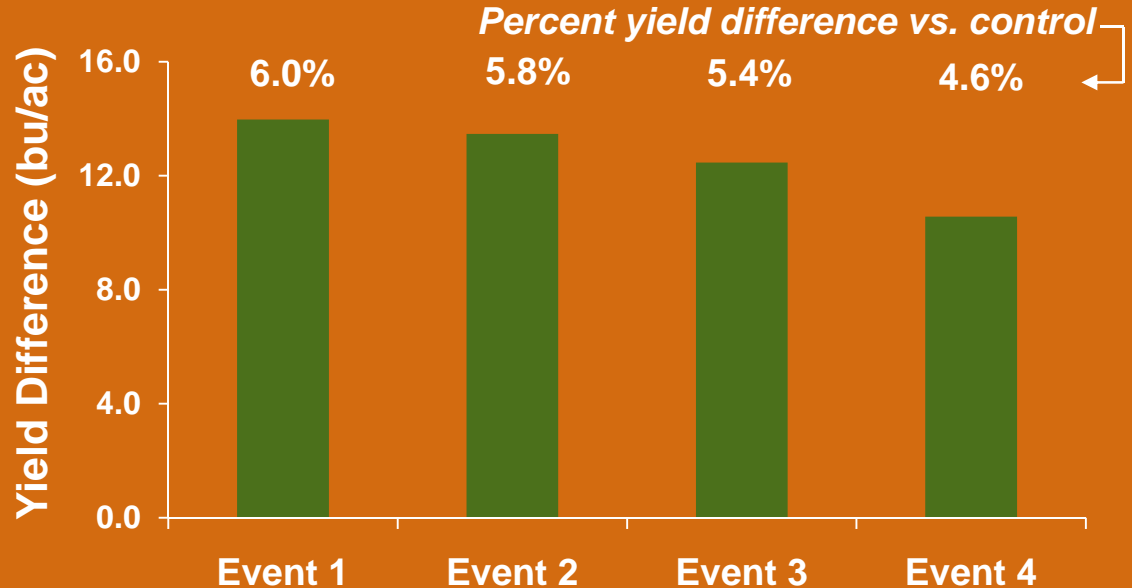
**LAUNCH-COUNTRY
ACRES-FAMILY¹: 55M**

**2020 VALUE-
FAMILY²: >\$1B**

SOURCES OF VALUE:

Improved yield

Targeting 6-10% yield improvement through insertion of key genes



18 Locations

▲ Potential commercial events were yield tested at 18 locations in the U.S. in 2008

- 8 potential commercial events enhanced yield over controls in the target range for the product concept
- Potential commercial events will be advanced to a more powerful trial in U.S. in 2009

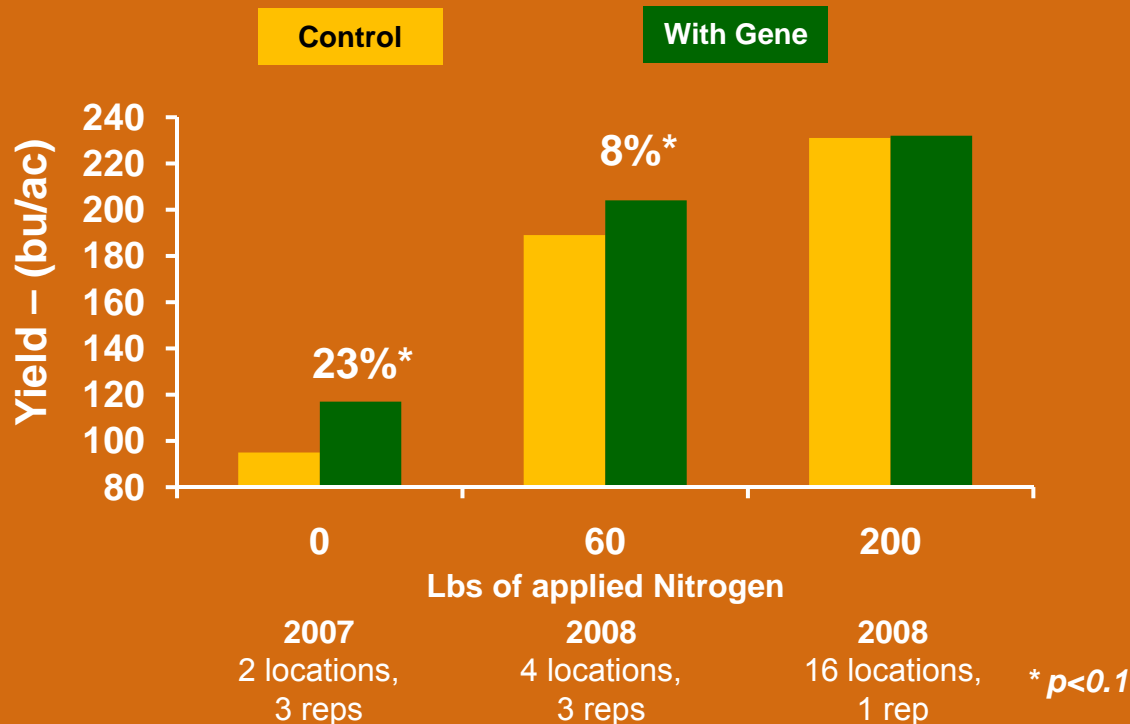
1. Acre opportunity reflects acres where technology fits at Monsanto's current 2008 market share in respective crops

2. 2020 value reflects gross sales opportunity in launch country in year 2020

Consistent Yield Benefit from Nitrogen Utilization Lead Across Two Years of Testing Under Limited Nitrogen Applications

NEW: NITROGEN-UTILIZATION CORN LEADS REPEAT YIELD ADVANTAGE

R&D Pipeline	
Nitrogen-Utilization Corn Family: Lead Project	
LEAD STATUS:	Phase 1
VALUE:	
LAUNCH-COUNTRY ACRES-FAMILY¹:	55M
2020 VALUE-FAMILY²:	\$300-\$500M
SOURCES OF VALUE:	
1	Improved yield Yield improvement in normal nitrogen environments
2	Nitrogen reduction Improving yield in low nitrogen environments

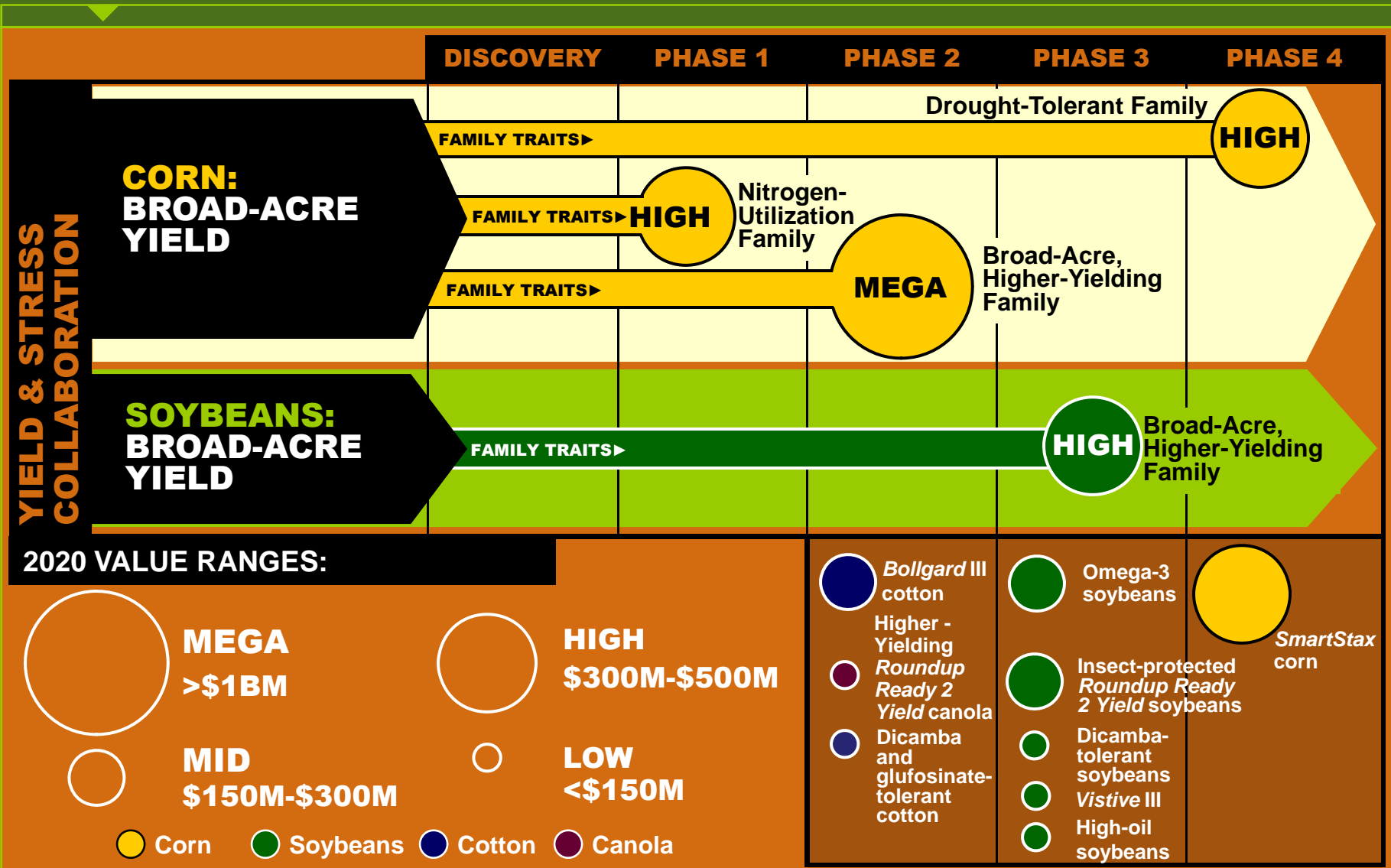


▲ Gene provides potential for reducing input costs as demonstrated by two years of field performance

1. Acre opportunity reflects acres where technology fits at Monsanto's current 2008 market share in respective crops

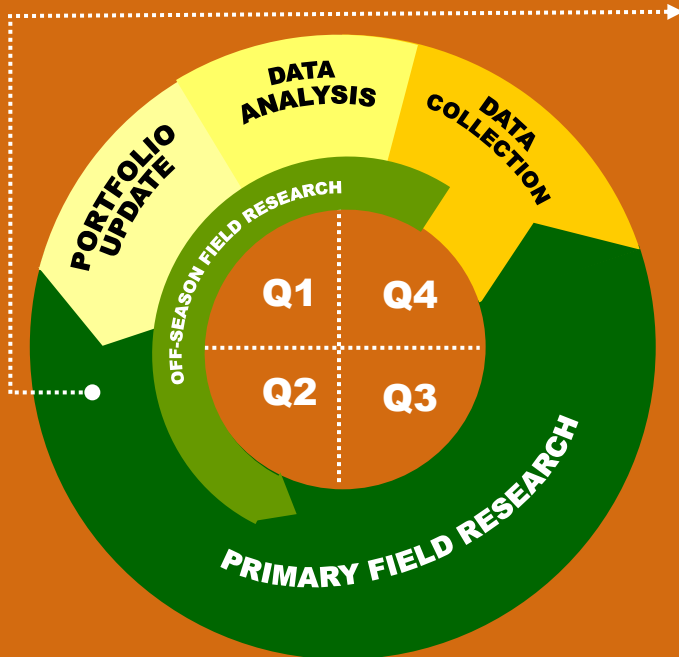
2. 2020 value reflects gross sales opportunity in launch country in year 2020

Strong Pipeline Reflects Growing Innovation and Value of Emerging Yield and Stress Traits



Note: 2020 value ranges reflect expected annual gross sales in launch country in 2020.

Monsanto's Biotech Pipeline Is Accelerating, With Progress in Key Projects and on Highest-Value Platforms



R&D PIPELINE STATUS:

R&D success reflected in 2 products moving into commercial arena and 4 phase changes

- ▶ *Roundup Ready 2 Yield* to be released on 1-2M acres in 2009, creating new platform for soybeans
- ▶ Second-generation *YieldGard* Corn Borer serves as core component of *SmartStax*, the unique insect and weed control platform for future yield and stress traits
- ▶ Drought-tolerant corn moves into Phase 4 with first regulatory submission; estimated first yield and stress trait to launch in corn
- ▶ High-yielding soybeans move to Phase 3 and create opportunity to reset yield potential after *Roundup Ready 2 Yield*

R&D pipeline commercial value potential unmatched in the industry

- ▶ Pipeline potential gross sales of \$5B by 2020
- ▶ Includes 4 blockbusters and 1 mega-blockbuster
- ▶ Conservatively excludes value for breeding, vegetables and multi-country opportunities

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Free Cash Flow

\$ Millions	Fiscal Year 2009 Forecast	Fiscal Year 2008	Fiscal Year 2007	First Quarter 2009	First Quarter 2008
Net Cash Provided (Required) by Operations	\$3,000	\$2,799	\$1,854	\$114	\$996
Net Cash Provided (Required) by Investing Activities	(1,200)	(2,027)	(1,911)	\$10	(256)
Free Cash Flow	\$1,800	\$772	\$(57)	\$124	\$740
Net Cash Provided (Required) by Financing Activities	N/A	(102)	(583)	(258)	(47)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	N/A	77	46	(137)	58
Net Increase (Decrease) in Cash and Cash Equivalents	N/A	\$747	\$(594)	\$(271)	\$751

Reconciliation of Non-GAAP EPS

\$ per share	Fiscal Year 2009 Forecast	Fiscal Year 2008	Fiscal Year 2007	First Quarter 2009	First Quarter 2008
Diluted Earnings (Loss) per Share	TBD ¹	\$3.62	\$1.79	\$1.00	\$0.46
Solutia Claim Settlement	--	(\$0.23)	--	--	--
Loss (Income) on Discontinued Operations	(\$0.02)	(\$0.04)	(\$0.15)	(\$0.02)	(\$0.01)
In-Process R & D Write-Off Related to the De Ruyter Acquisition	--	\$0.29	--	--	--
In-Process R & D Write-Off Related to the Delta & Pine Land (D&PL) Acquisition	--	--	\$0.34	--	--
In-Process R & D Write-Off Related to the Aly Participacoes Ltda. Acquisition	TBD ¹	--	--	--	--
Diluted Earnings (Loss) per Share from Ongoing Business	\$4.40-\$4.50	\$3.64	\$1.98	\$0.98	\$0.45

1. The company is not able to provide a reconciliation to reported EPS guidance for fiscal year 2009 at this time, as it is still evaluating purchase accounting adjustments related to its recent acquisition of the Brazilian sugar cane business Aly Participacoes Ltda. Such adjustments are dependent upon the completion of valuations of certain intangible assets, including in-process R&D which requires immediate expense recognition and it is expected to be significant.