



FIRST QUARTER 2018 FINANCIAL RESULTS

JANUARY 4, 2018





Forward Looking Statements

Trademarks

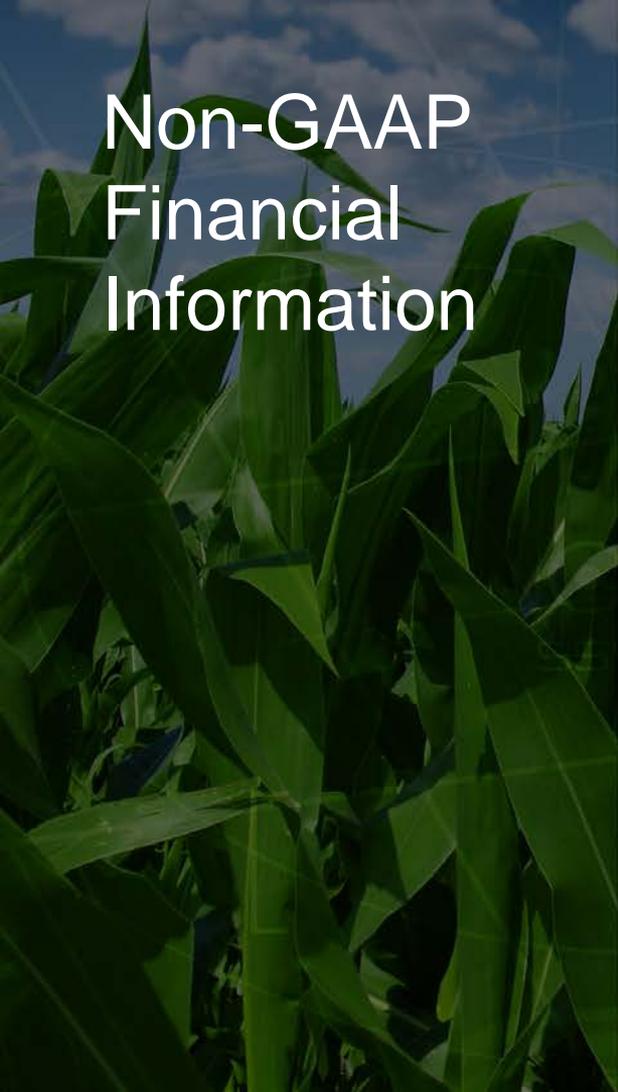
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Fiscal Year

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

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, as well as the pending transaction with Bayer Aktiengesellschaft (“Bayer”). 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: risks related to the pending transaction between the company and Bayer, including the risk that the regulatory approvals required for the transaction may not be obtained on the anticipated terms or time frame or at all, the risk that the other conditions to the completion of the transaction may not be satisfied, the risk that disruptions or uncertainties related to the pending transaction could adversely affect the company’s business, financial performance and/or relationships with third parties, and the risk that certain contractual restrictions during the pendency of the transaction could adversely affect the company’s ability to pursue business opportunities or strategic transactions; 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 understanding and acceptance of our biotechnology and other agricultural products; the success of the company’s research and development activities; the outcomes of major lawsuits, including potential litigation related to the pending transaction with Bayer; developments related to foreign currencies and economies; fluctuations in commodity prices; compliance with regulations affecting our manufacturing; the accuracy of the company’s estimates related to distribution inventory levels; the levels of indebtedness, continued availability of capital and financing and rating agency actions; 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, accidents, and security breaches, including cybersecurity incidents, 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.

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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, gross profit on an ongoing basis, operating expenses on an ongoing basis and net income (loss) attributable to Monsanto Company on an ongoing basis.

We define free cash flow as cash flows from operating activities less capital expenditures. Prior to the second quarter of fiscal year 2017, we defined free cash flows as the total of net cash provided or required by operating activities and net cash provided or required by investing activities. As this definition varies from other more common definitions of free cash flow, we determined it was appropriate to redefine free cash flow to conform to one of the more typical definitions, beginning with the second quarter of fiscal year 2017. The prior period calculations of free cash flow have been restated to conform to the new presentation.

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. Earnings (loss) is intended to mean net income (loss) attributable to Monsanto Company as presented in the Statements of Consolidated Operations under GAAP. Ongoing gross profit and ongoing operating expenses exclude certain pretax items that we do not consider part of ongoing operations, which are identified in the reconciliations. Ongoing net income (loss) attributable to Monsanto Company is defined as net income (loss) attributable to Monsanto Company excluding the cumulative after-tax impact of certain items we do not consider part of ongoing operations.

Our presentation of non-GAAP financial measures is intended to supplement investors’ understanding of our operating performance, not replace gross profit, operating expenses, other expenses, net, net income (loss) attributable to Monsanto Company, diluted EPS, 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.

Financial Results: Fiscal 2018 First Quarter

	2018 FISCAL 1 ST QUARTER			2017 FISCAL 1 ST QUARTER			CHANGE	
	As Reported	Adjustments ¹	Ongoing ¹	As Reported	Adjustments ¹	Ongoing ¹	As Reported	Ongoing
NET SALES	\$2,658	-	\$2,658	\$2,650M	-	\$2,650M	-%	-%
GROSS PROFIT	\$1,312	\$13M	\$1,325	\$1,259M	\$1M	\$1,260M	4%	5%
OPERATING EXPENSES	\$1,070	\$(40)M	\$1,030	\$1,012M	\$(65)M	\$947M	6%	9%
NET INCOME ATTRIBUTABLE TO MONSANTO COMPANY	\$169	\$14M	\$183	\$29M	\$62M	\$91M	483%	101%
DILUTED EPS	\$0.38	\$0.03	\$0.41	\$0.07	\$0.14	\$0.21	443%	95%
FREE CASH FLOW ²	\$874M			\$1,146M			(24)%	

1. Adjustments and ongoing metrics defined at the front of this presentation and reconciled at the end of this presentation.
2. Free cash flow is now defined as operating cash flows less capital expenditures.

Bayer and Monsanto to Create Global Leader in Agriculture¹

Combination creates a leader in life science with a balanced portfolio

Transaction Summary

- All-cash consideration of \$128 per Monsanto share
- Reverse break-up fee of \$2 billion
- Transaction approved by Monsanto's shareowners

Path to Completion

Q1 FY17 Sep-Nov	Q2 FY17 Dec-Feb	Q3 FY17 Mar-May	Q4 FY17 Jun-Aug	Q1 FY18 Sep-Nov	Q2-Q4 FY18
September 14, 2016 <i>Signing of merger agreement between Bayer and Monsanto</i>	December 13, 2016 <i>Monsanto shareowners approve transaction; 99% of votes cast vote in favor of merger agreement</i>	<i>Regulatory approvals received from about half of the relevant authorities, including CIFIUS in the U.S.</i>	<i>EU initiated Phase II of the investigation on 8/22</i>		
Filings with regulatory agencies					Early 2018 <i>Expected transaction closure</i>

1. The acquisition is subject to customary closing conditions including receipt of required regulatory approvals.

Monsanto's Leading R&D Pipeline Yields Record Number of Advancements

Extending leadership with proven product performance and pipeline of complementary solutions

Value

- Core pipeline expected to deliver up to **\$25B** of peak net sales², with incremental value from new platforms
- **5th** straight year of **>20** pipeline advancements, balanced across the portfolio
- **7** projects advancing to launch

Product Performance

- *DEKALB* corn outperforms competitors for **12th** consecutive year; avg. **7-10** bu/ac yield advantage
- *Deltapine* cotton outperforms for **8th** consecutive year; this year avg. **>79** lbs/ac yield advantage
- Targeting to increase rate of genetic gain by **30%** in corn and soybeans

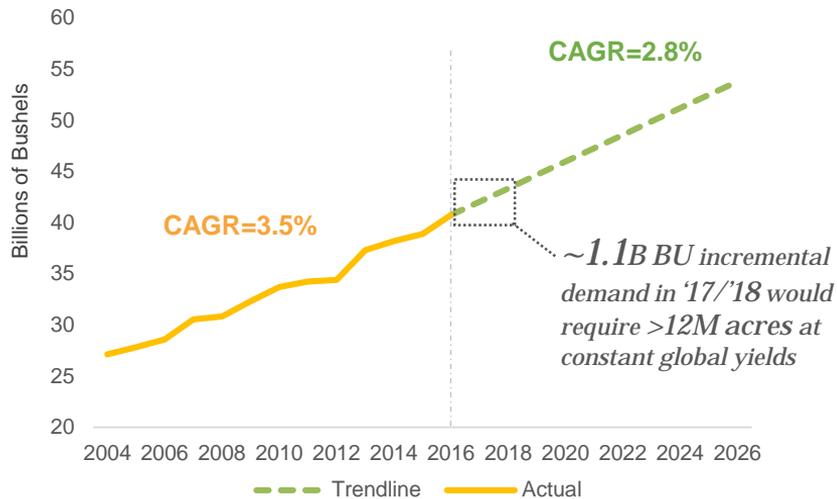
Integrated Pipeline

- Multiple next generations of insect and weed control biotech traits
- Plans to launch several new seed treatments through 2020, including *NemaStrike* Technology and *Acceleron* B-360 ST from our BioAg Alliance
- **>35** projects in *Climate FieldView* pipeline; **17** advancements

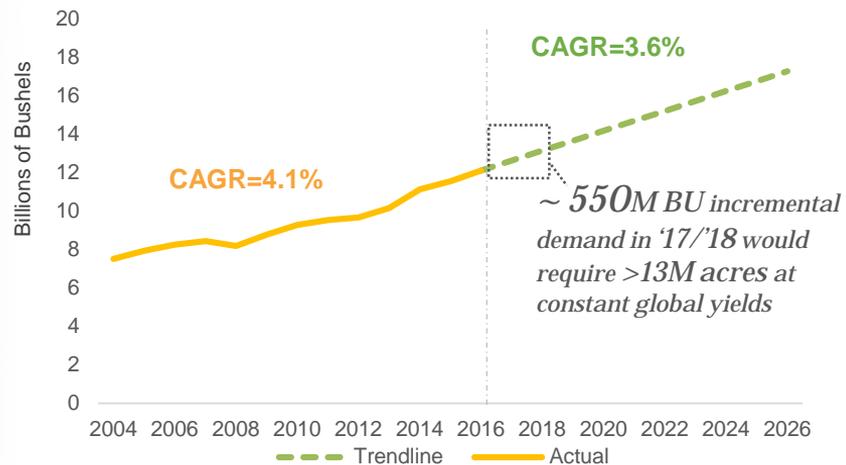
Global Population and Income Growth Fuel Long-Term Demand Trends in Corn and Soybeans

Meeting trendline demand requires >2-fold increase in corn yield rate of gain and >4-fold increase in soybean yield rate of gain by 2050

Corn Long-Term Demand Trends¹



Soybeans Long-Term Demand Trends¹



1. USDA historical data for actual and trendline – WASDE December 2017. Trendline based on avg. growth from 2011-2016, per USDA.

Bayer, Monsanto Combination¹ to Create Global Leader in Ag

Combination accelerates innovation and integrated solutions and expands benefits to new crops, geographies

EXPECTED BENEFITS:

○ **Increases Innovation**

Accelerates pace of innovation and efficiency of R & D

○ **Benefits Society and Consumers**

Supports the sustainable production of improved harvests on each acre

○ **Benefits Farmers**

Enables farmers to be more productive, profitable and sustainable through broadly licensed tools expected to provide additional competitive offerings and choices

Monsanto Chesterfield Research Facility



- Monsanto's newly expanded Chesterfield MO Research facility and largest yield testing location
- Bayer plans to locate the combined company's Global Seeds & Traits and North America commercial headquarters in St. Louis

1. The acquisition is subject to customary closing conditions, including receipt of required regulatory approvals.

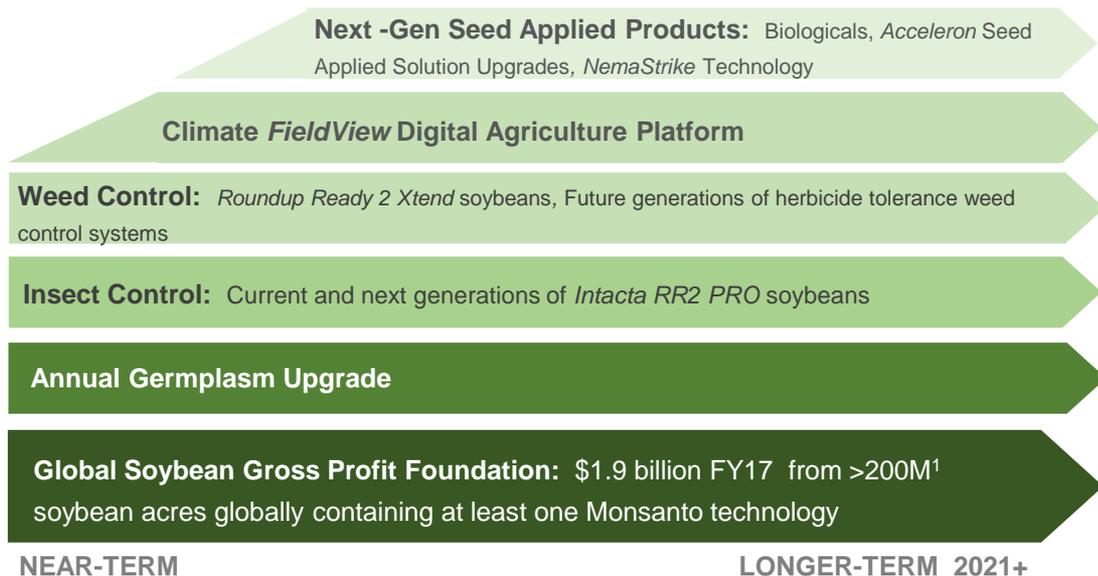
Soybean Gross Profit Growth Drivers

Innovation across seeds, traits, crop protection, biologicals and digital ag expected to drive gross profit growth

2018 Outlook

- Delivered 30% growth in soybean gross profit in Q1FY18 from strong start in South America
- *Intacta RR2 PRO* soybeans expected to penetrate 60M acres in FY18, from >50M acre base in South America in FY17
- *Roundup Ready 2 Xtend* soybeans expected to reach 40M acres in second year of full system launch, from a base of >20M acres in FY17

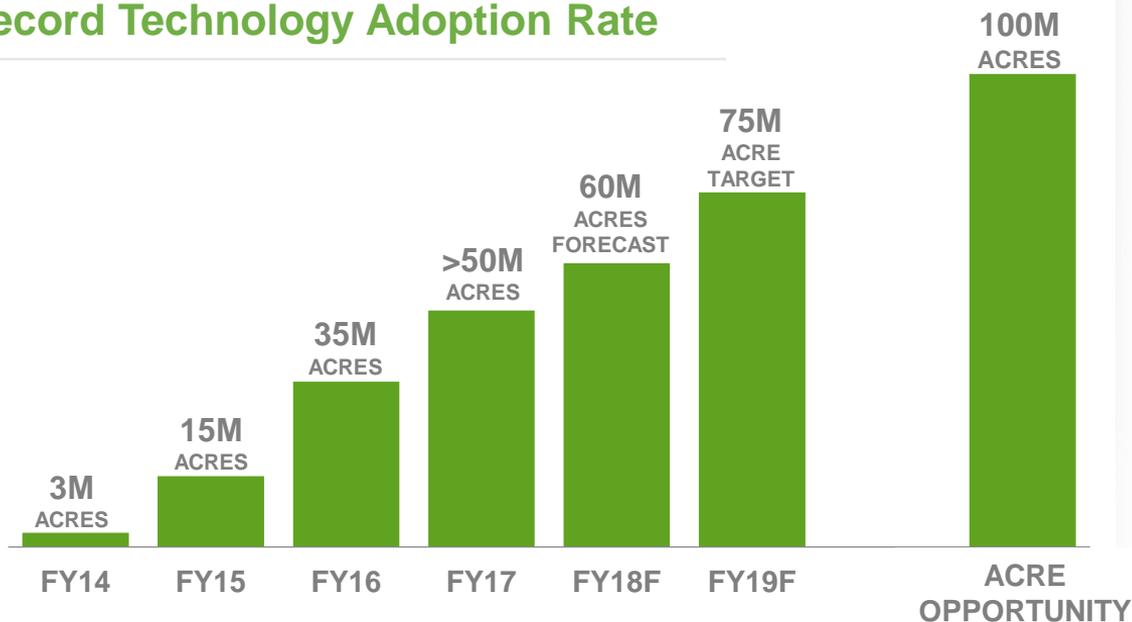
SOYBEAN GROSS PROFIT GROWTH DRIVERS



Intacta RR2 PRO Soybeans: Consistent Trait Performance Provides Strong Foundation for Growth

First generation expected to rapidly penetrate 100M acre opportunity; second generation already in Phase 4

INTACTA RR2 PRO: South America Record Technology Adoption Rate



Key Metrics

- Penetrated more than 50M acres in FY17; expect adoption on 60M acres in FY18
- 2017 was fourth year of an average of >4 BU/AC yield advantage in South America
- Argentina interim policy supports mandatory testing and approves testing protocol; extended to cover FY18
- Licensed technology to DuPont; technology licensed to germplasm providers with >90% share in South America

Roundup Ready 2 Xtend Soybeans: Reaches >20M Acres in 2017 and On-Track to Reach 40M Acres in 2018

Record U.S. ramp of Roundup Ready 2 Xtend soybeans on path to nearly doubling in 2018

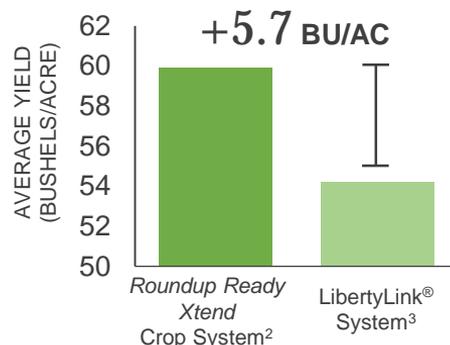


2017: Record Ramp to >20M U.S. Acres

Roundup Ready 2 Xtend Soybeans
Greenville, MS June 2017



Roundup Ready 2 Xtend Soybean Crop System
2017 Yield Advantage vs. LibertyLink® System¹:



- Results from system trials showcase excellent performance and weed control of Roundup Ready 2 Xtend soybean crop system vs. LibertyLink® soybean system, with 5.7 BU/AC average yield advantage in FY17.
- Soybean growers surveyed, who applied XtendiMax Herbicide with VaporGrip Technology, are reporting 97% weed control satisfaction.

2018: Expect to Reach 40M U.S. Acres

- Branded order mix supports estimate to reach 40M acres of Roundup Ready 2 Xtend soybeans in 2018
- Plans to improve customer success in 2018 include:
 - Providing enhanced training
 - Distributing compliant spray nozzles at no cost
 - Developing a spray app to help applicators with record keeping and to avoid problematic weather
 - Establishing hotline for easy access on best practices
- Offering additional incentives on residual herbicides and drift-reducing agents through our Roundup Ready PLUS program, when using XtendiMax Herbicide with VaporGrip Technology

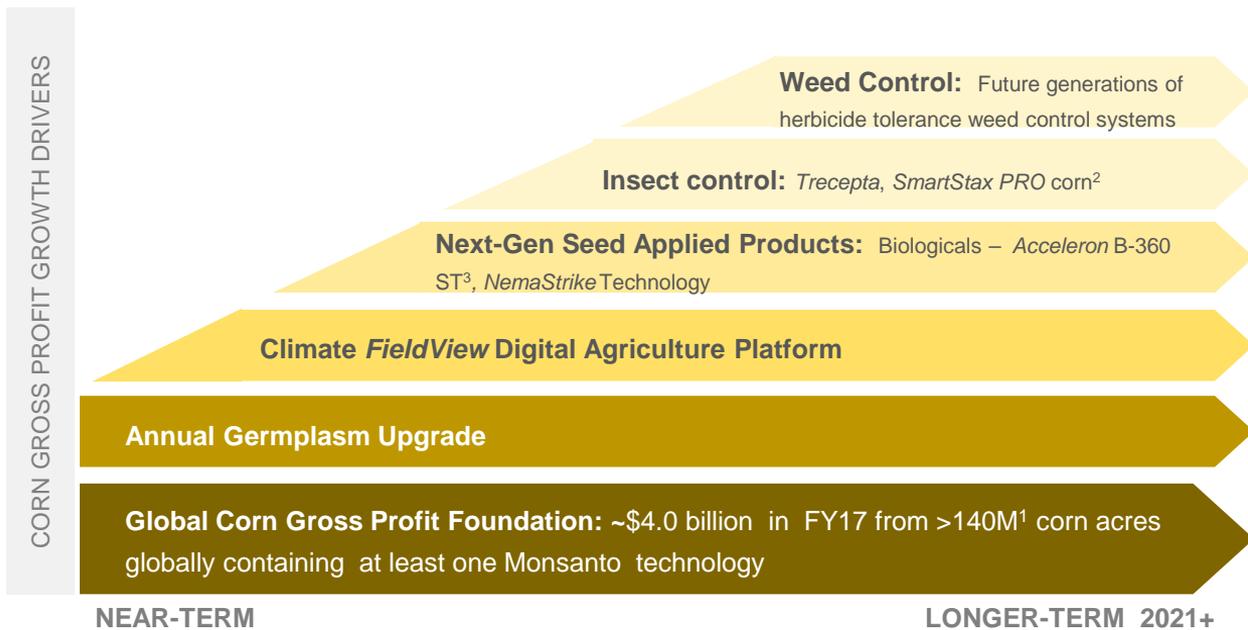
1. 2017 Monsanto Systems Trials. (27 locations in 2017 reporting yield data) Data as of November 13, 2017. 2. Roundup Ready Xtend Crop System = Roundup Ready 2 Xtend soybeans treated with dicamba, glyphosate and various residual herbicides 3. LibertyLink® System = LibertyLink® soybeans treated with Liberty® herbicide and various residual herbicides

Corn Gross Profit Growth Drivers

Innovation across seeds, traits, crop protection, biologicals and digital ag expected to drive gross profit growth

2018 Outlook

- Q1FY18 gross profit declined 22% due to timing shifts in the U.S. and a decline in acres planted in Brazil
- Persistent low commodity prices challenges germplasm price mix lift in local currency, despite introduction of new hybrids globally
- Anticipate global genetic share gains from new and existing hybrids



Complementary Crops Gross Profit Growth Drivers

Innovation across seeds, traits, crop protection and digital ag further strengthens leading share position

COTTON TRIALS LUBBOCK, TX 2017

Bollgard II XtendFlex
Cotton System



Dow's Enlist Cotton
System



- Excellent performance on yield and fiber quality for *Bollgard II Xtend Flex*
- High grower demand; expect >6M acres in FY18 in the U.S.; >6M acres penetrated in FY17
- Grew nearly 13 share points across our U.S. cotton brands and licensees in FY17

ALL OTHER CROPS GROSS PROFIT GROWTH DRIVERS



Canola, Wheat, Sorghum

Annual Germplasm Upgrades, *TruFlex* Canola with *Roundup Ready* technology

Vegetables: Annual Germplasm Upgrades; Disease Resistance Packages

Cotton: New Trait Introductions: *Bollgard II XtendFlex*, *Bollgard 3 XtendFlex*, Cotton Lygus Seed Applied Products: *NemaStrike* Technology

Cotton: Annual Germplasm Upgrades

Cotton, Vegetable and Other Crops Gross Profit Foundation:
~\$1.1 billion FY17

NEAR-TERM

LONGER-TERM 2021+

Climate *FieldView* Platform Continues Commitment to Deliver Open, Digital Ag Ecosystem of Tools to Optimize Farm Management Decisions

Innovation leadership and open infrastructure enables platform expansion opportunities

CLIMATE *FIELDVIEW* PLATFORM

CLIMATE *FIELDVIEW* SERVICES

- Penetrated >**35M** paid acres in the U.S. in FY17; expect **50M** paid acres globally in FY18
- Selling through **6** strategic retail partnerships enabling **3,000+** trusted advisors
- Expanding in Canada, Europe and Brazil and planning expansions in Argentina, Australia and South Africa

PLATFORM ADOPTION

- Penetrated **120M** acres with Climate *FieldView* Platform in FY17
- **18** Platform Partners:
 - **Imagery, Soil Testing, Financial Decision-Making: U.S.:** Veris Technology, Ceres Imaging, TerrAvion, Agribotix (+pilot in Brazil), Conservis, Deveron UAS Corp.
 - **NEW Brazil:** Farmbox, Aegro, IBRA Laboratory
 - **Connectivity:** John Deere, Agrian, SSI–Agvance Mapping, Echelon, FieldAlytics, FS Advanced Information Services, MapShots-Ag Studio, SST Summit, AGCO
 - Discussions continue with several additional potential technology providers

Geographic and Acre Expansion Driving Climate *FieldView* Platform Growth in the Americas and Europe

Climate builds upon industry leading U.S. footprint by expanding into meaningful geographies

Europe



195M acres opportunity

- NEW: Expansion of Climate *FieldView* Platform in Germany, France and Ukraine in FY18
- Acquired *VitalFields* platform, which operates in 7 countries within Europe, and HydroBio in FY17

Product features:

- *VitalFields* platform provides simplified tracking and reporting of all crop inputs to ensure compliance with European Union environmental standards
- Climate *FieldView* platform provides data connectivity, data visualization and ability to analyze effectiveness of planting decisions and remote monitoring

Brazil



120M acres opportunity

- Commercial launch May 2017, reaching nearly 1.4M acres in first year
- 3 new platform partners added December 2017

Product features:

- Climate *FieldView* data connectivity, data visualization and ability to analyze effectiveness of planting decisions and remote monitoring

Canada



55M acres opportunity

- Platform availability in Eastern Canada beginning in winter 2016 and in FY18 for Western Canada

Product features:

- Climate *FieldView* platform provides data connectivity, data visualization and ability to analyze effectiveness of planting decisions and remote monitoring
- Deveron provides advanced aerial imagery data and analytics

Driving Value through Greater Efficiency: Expected to Yield Annual Savings of \$500 Million in 2018

Using business analytics aligned with strategic objectives to enhance commercial success & optimize cost structure

Restructuring and cost savings initiatives:

- 1 Four strategic **commercial hubs**
- 2 Modernize and optimize **IT and supply chain networks**
- 3 Accelerate use of **data and analytics** to speed up R&D cycle
- 4 **Global R&D centers** of excellence

Restructuring Expense:
~\$900M to \$965M
FY15-FY18F

\$500M

TOTAL EXPECTED ANNUAL
SAVINGS IN FY18F



NON-GAAP

FINANCIAL INFORMATION

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF FREE CASH FLOW¹

\$ Millions	Q1 FY2018	Q1 FY 2017
Net Cash Provided by Operating Activities	\$1,292	\$1,463
Net Cash Required by Investing Activities	\$(210)	\$(327)
Net Cash Provided (Required) by Financing Activities	\$178	\$(655)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	\$(14)	\$(28)
Net Increase in Cash and Cash Equivalents	\$1,246	\$453

\$ Millions	Q1 FY2018	Q1 FY2017
Net Cash Provided by Operating Activities	\$1,292	\$1,463
Capital Expenditures	\$(418)	\$(317)
Free Cash Flow	\$874	\$1,146

1. Free Cash Flow now defined as the total of net cash provided or required by operating activities, less capital expenditures.

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF ONGOING EPS

	Fiscal 1 ST Quarter	
	2018	2017
\$ Per share		
Diluted Earnings per Share	\$0.38	\$0.07
Restructuring Charges (a)	\$0.02	\$(0.06)
Environmental and Litigation Matters (b)	\$0.02	\$0.01
Pending Bayer Transaction Related Costs(c)	\$0.03	\$0.19
Argentine-Related Tax Matters (e)	\$(0.04)	\$0.02
Income from Discontinued Operations (d)	\$0.00	\$(0.02)
Diluted EPS from Ongoing Business	\$0.41	\$0.21

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF ONGOING GROSS PROFIT

	Fiscal 1 st Quarter		
	2018	2017	
\$ Millions			
Gross Profit (GAAP)	\$1,312	\$1,259	
Restructuring Charges	\$13	\$1	(a)
Ongoing Gross Profit	\$1,325	\$1,260	

RECONCILIATION OF ONGOING OPERATING EXPENSES

	Fiscal 1 st Quarter		
			2018
\$ Millions			
Operating Expenses (GAAP)	\$1,070	\$1,012	
Restructuring Charges	\$(4)	\$36	(a)
Environmental and Litigation Matters	\$(16)	\$(8)	(b)
Pending Bayer Transaction Related Costs	\$(20)	\$(93)	(c)
Ongoing Operating Expenses	\$1,030	\$947	

RECONCILIATION OF ONGOING NET INCOME ATTRIBUTABLE TO MONSANTO COMPANY

	Fiscal 1 st Quarter		
	2018	2017	
\$ Millions			
Net Income Attributable to Monsanto Co. (GAAP)	\$169	\$29	
Pretax Restructuring Charges	\$17	\$(35)	(a)
Pretax Environmental and Litigation Matters	\$16	\$8	(b)
Pretax Pending Bayer Transaction Related Costs	\$20	\$131	(c)
Income Tax Benefit ⁽¹⁾	\$(21)	\$(42)	
Argentine-Related Tax Matters ⁽²⁾	\$(17)	\$10	(e)
Income from Discontinued Operations, Net of Tax	\$(1)	\$(10)	(d)
Ongoing Net Income Attributable to Monsanto Co.	\$183	\$91	

See slide 21-22 at the end of the presentation for discussion of reconciling items. 1. Income tax impact of non-GAAP adjustments is the summation of the calculation of income tax (benefit) charge related to each non-GAAP non-income tax adjustment. Income tax charge is calculated using the actual tax rate in effect during the period for the locality of the related non-GAAP adjustment. Item includes all non-GAAP adjustments except for Argentine-Related Tax Matters and Income from Discontinued Operations. 2. Item includes a transaction loss recorded in other (income) expense, net of less than \$1 million and a net reversal of previously recognized charges against tax expense of \$17 million for the three months ended Nov. 30, 2017, and it includes a translation gain recorded in other (income) expense, net of \$18 million and a net charge against tax expense of \$28 million for the three months ended Nov. 30, 2016.

Reconciliation of Non-GAAP Financial Measures

DEFINITION OF ONGOING ADJUSTMENTS

(a) Restructuring Charges: Fiscal first quarter 2018 and 2017 included pretax charges totaling \$17 million (\$0.04 a share), or after-tax \$9 million (\$0.02 a share), and a net reversal of previously recognized restructuring charges totaling \$35 million (\$0.08 a share), or after-tax \$25 million (\$0.06 a share), respectively. For the three months ended Nov. 30, 2017, \$13 million and \$4 million of expense are included in cost of goods sold and restructuring charges, respectively. For the three months ended Nov. 30, 2016, \$1 million of expense and \$36 million of a net reversal of previously recognized expense were included in cost of goods sold and restructuring charges, respectively.

(b) Environmental and Litigation Matters: Fiscal first quarter 2018 and 2017 included pretax charges of \$16 million (\$0.04 a share), or after-tax \$10 million (\$0.02 a share), and \$8 million (\$0.02 a share), or after-tax \$5 million (\$0.01 a share), respectively, for legacy litigation matters. The pretax charges in both periods were recorded in selling, general and administrative expenses.

(c) Pending Bayer Transaction Related Costs: Fiscal first quarter 2018 and 2017 included pretax charges of \$20 million (\$0.05 a share), or after-tax \$13 million (\$0.03 a share), and \$131 million (\$0.30 a share), or after-tax \$82 million (\$0.19 a share), respectively. Item represents expenses incurred in connection with the pending merger agreement with Bayer. The pretax charges in the three months ended Nov. 30, 2017, and Nov. 30, 2016, were recorded in operating expenses of \$20 million and \$93 million, respectively, and other (income) expense, net of \$38 million for the three months ended Nov. 30, 2016.

Reconciliation of Non-GAAP Financial Measures

DEFINITION OF ONGOING ADJUSTMENTS

(d) Income from Discontinued Operations: The company reports annual earn-out payments received as a result of the 2008 divestment of the Dairy Business as discontinued operations. The three months ended Nov. 30, 2017, and Nov. 30, 2016, included pretax income from discontinued operations of \$2 million (\$0.01 a share), or after-tax \$1 million (less than \$0.01 a share), and \$16 million (\$0.04 a share), or after-tax \$10 million (\$0.02 a share), respectively.

(e) Argentine-Related Tax Matters: The three months ended Nov. 30, 2017, and Nov. 30, 2016, included a net reversal of charges related to Argentine-related tax matters of \$17 million (\$0.04 a share), and a net charge of \$10 million (\$0.02 a share), respectively. Due to losses generated in Argentina in recent years as well as recent uncertainties around the Argentina business, the company evaluated the recoverability of various items on the Statements of Consolidated Financial Position related to the Argentina business and determined an allowance against certain assets was necessary, which resulted in a translation loss recorded in other (income) expense, net of less than \$1 million and a net reversal of previously recognized charges against tax expense of \$17 million for the three months ended Nov. 30, 2017; and it resulted in a translation gain recorded in other (income) expense, net of \$18 million and a net charge against tax expense of \$28 million for the three months ended Nov. 30, 2016.