

MONSANTO



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MONSANTO COMPANY INVESTS IN DEVELOPING NEW TECHNOLOGIES FOR WHEAT WITH ACQUISITION OF WESTBRED BUSINESS

ST. LOUIS (July 14, 2009) –Monsanto Company (NYSE: MON) announced today it is expanding its strong seeds and traits portfolio to include wheat. The company has acquired the assets of WestBred, LLC, a Montana-based company that specializes in wheat germplasm, the crop’s seed genetic material. The investment will bolster the future growth of Monsanto’s seeds and traits platform and allow farmers to benefit from the company’s experience in drought-, disease- and pest-tolerance innovations.

“The U.S. wheat industry has come together to call for new technology investment, and we believe we have game-changing technologies – like our drought-tolerance and improved-yield traits – that can meaningfully address major challenges wheat growers face every season,” said Carl Casale, executive vice president of global strategy and operations for Monsanto. “Through WestBred, we’ll be able to deliver advances in breeding and biotechnology to deliver a step-change in yield while creating a springboard for new partnerships and collaboration opportunities that create additional value for farmers.”

WestBred, owned indirectly by Barkley Seed, Inc., is a premier private wheat germplasm company in the United States, with germplasm assets in all classes of wheat. WestBred’s existing breeding capabilities and commercial operations will become the centerpiece of Monsanto’s wheat platform. In addition, Monsanto will seek public and private partnerships that can help deliver on the promise of technology improvements in wheat for farmers.

“This is a tremendous opportunity for the grain industry,” said Robby Barkley, president and CEO, Barkley Seed, Inc. “The combined resources of Monsanto and WestBred will support the development of new technology and traits that can benefit many.”

“As WestBred looked at the wheat industry, we saw a need for technology infusion to be competitive with other crops farmers are growing,” said Ron Ueland, president of WestBred. “We believe that linking up with a company like Monsanto with a proven track record as an innovator is the best route to accelerate the development of new technologies.”

Because the \$45 million acquisition represents a long-term investment in research and development and breeding, the company does not expect the acquisition to be accretive to earnings until the middle to latter part of the next decade.

Wheat Technology Platform

Through its technologies, Monsanto sees an opportunity to bolster the sustainability of wheat by helping wheat farmers improve yields while reducing the use of input resources, such as water, land and energy. The transaction will give WestBred access to Monsanto's technology platforms to provide wheat farmers benefits through both breeding and biotechnology. Researchers will be able to apply Monsanto's expertise in conventional and marker-assisted breeding tools to develop better-yielding varieties for U.S. farmers using WestBred's germplasm as a foundation. These seeds will serve as the foundation for the development of new biotechnology traits, which will initially focus on drought tolerance, nitrogen use and higher yield. Biotechnology will be a longer-term prospect, consistent with the company's 8-to-10 year development cycle. Monsanto will also explore herbicide-tolerance and disease-resistance opportunities to meet wheat farmers' needs, but the company's plans do not include further development of the first-generation Roundup Ready® trait in wheat.

"The capabilities we've built in both breeding and biotechnology for our core crops are highly transferable to wheat, providing a significant jumpstart to our wheat technology platform," said Casale. "Given the geographies where wheat is grown, it is a crop particularly challenged by the core issues of water availability and fertilizer efficiency. We believe we have the technology tools today to help wheat farmers meaningfully address these challenges and help create a safe, affordable supply of wheat."

Involving the Wheat Industry

Monsanto also announced that, as part of its investment in the wheat platform, it will form a Wheat Development Advisory Group to help the company as it works to develop and apply new technology for wheat. Initially, the group will be made up of representatives throughout the wheat value chain, who will provide the company feedback on proposed traits and attributes that are needed to improve the productivity and sustainability of wheat production.

Additional details about today's announcement can be found at www.monsanto.com/wheat.

About WestBred, LLC

WestBred, LLC is a premier research and development company for cereal grains in North America. WestBred, LLC combines a rich tradition of growing experience with leading-edge technologies to create and breed the finest cereal grain varieties available today. These licensed varieties are marketed through a network of associate seed companies located throughout North America.

About Monsanto Company

Monsanto Company is a leading global provider of technology-based solutions and agricultural products that improve farm productivity and food quality. Monsanto remains focused on enabling both

small-holder and large-scale farmers to produce more from their land while conserving more of our world's natural resources such as water and energy. To learn more about our business and our commitments, please visit: www.monsanto.com.

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Cautionary Statements Regarding Forward-Looking Information:

Certain statements contained in this release 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 release. The company disclaims any current intention or obligation to update any forward-looking statements or any of the factors that may affect actual results.

Roundup Ready® is a registered trademark of Monsanto Technology, LLC.