

Creating a Global Leader in Agriculture

Innovation Engine to Deliver Enhanced Solutions for the Next Generation of Farming

Investor Conference Call | September 14, 2016



Forward-Looking Statements

Certain statements contained in this communication may constitute "forward-looking statements." Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include the following: the risk that Monsanto Company's ("Monsanto") stockholders do not approve the transaction; uncertainties as to the timing of the transaction; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the merger within the expected timeframes or at all and to successfully integrate Monsanto's operations into those of Bayer Aktiengesellschaft ("Bayer"); such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the transaction; the retention of certain key employees at Monsanto; risks associated with the disruption of management's attention from ongoing business operations due to the transaction; the conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the impact of indebtedness incurred by Bayer in connection with the transaction and the potential impact on the rating of indebtedness of Bayer; the effects of the business combination of Bayer and Monsanto, including the combined company's future financial condition, operating results, strategy and plans; other factors detailed in Monsanto's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") for the fiscal year ended August 31, 2015 and Monsanto's other filings with the SEC, which are available at <http://www.sec.gov> and on Monsanto's website at www.monsanto.com; and other factors discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. Bayer and Monsanto assume no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

Additional Information

This communication relates to the proposed merger transaction involving Monsanto and Bayer. In connection with the proposed merger, Monsanto and Bayer intend to file relevant materials with the SEC, including Monsanto's proxy statement on Schedule 14A (the "Proxy Statement"). This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, and is not a substitute for the Proxy Statement or any other document that Monsanto may file with the SEC or send to its stockholders in connection with the proposed merger. STOCKHOLDERS OF MONSANTO ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain the documents (when available) free of charge at the SEC's web site, <http://www.sec.gov>, and Monsanto's website, www.monsanto.com, and Monsanto stockholders will receive information at an appropriate time on how to obtain transaction-related documents for free from Monsanto. In addition, the documents (when available) may be obtained free of charge by directing a request to Corporate Secretary, Monsanto Company, 800 North Lindbergh Boulevard, St. Louis, Missouri 63167, or by calling (314) 694-8148.

Monsanto, Bayer and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the holders of Monsanto common stock in respect of the proposed transaction. Information about the directors and executive officers of Monsanto is set forth in the proxy statement for Monsanto's 2016 annual meeting of stockholders, which was filed with the SEC on December 10, 2015, and in Monsanto's Annual Report on Form 10-K for the fiscal year ended August 31, 2015, which was filed with the SEC on October 29, 2015. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement and other relevant materials to be filed with the SEC in respect of the proposed transaction when they become available.

Bayer and Monsanto to Create a Global Leader in Agriculture

- Realizes a **shared vision of integrated agricultural offering** delivering enhanced solutions for growers
- Creates a leading **innovation engine** for the next generation of farming
- Significant value creation through **considerable synergy potential**
- Reinforces Bayer as a global innovation-driven **Life Science company**
- Joint organisation will further evolve its **strong culture of innovation, sustainability and social responsibility**

Transaction Summary

Offer Summary	<ul style="list-style-type: none"> All-cash consideration of \$128 per Monsanto share <ul style="list-style-type: none"> Enterprise value (EV) of \$66bn including net debt Equity value of \$57bn Transaction unanimously approved by Monsanto's Board of Directors, Bayer's Board of Management and Bayer's Supervisory Board
Key Metrics	<ul style="list-style-type: none"> Premium of 44% to Monsanto's share price of \$89.03⁽¹⁾ Premium of 43% to Monsanto's three-month volume weighted average share price⁽¹⁾ LTM⁽²⁾ EBITDA multiple of 18.6x as of May 31, 2016; consensus⁽³⁾ FY 2017 EBITDA multiple of 16.5x
Value Creation	<ul style="list-style-type: none"> Combined business well positioned to benefit from agro market upswing Significant value creation through expected synergies confirmed in due diligence: <ul style="list-style-type: none"> ~\$1.5bn annual net synergies after year three (~80% cost, ~20% sales) Additional synergies from integrated solutions increasing over the years thereafter Transaction expected to be accretive to core EPS in the first full year after closing; double-digit percentage core EPS accretion expected in the third full year after closing

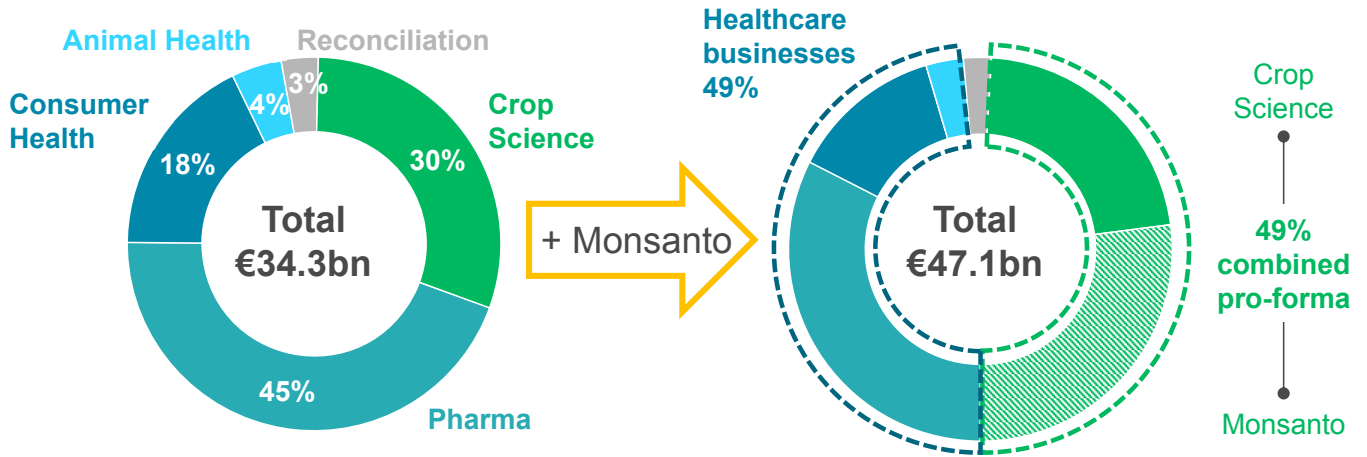
Transaction Summary (cont'd)

Financing	<ul style="list-style-type: none"> Bridge financing for \$57bn committed by BofA Merrill Lynch, Credit Suisse, Goldman Sachs, HSBC and JP Morgan Permanent financing expected to consist of a combination of debt and equity <ul style="list-style-type: none"> Expected equity component of approx. \$19bn, expected to be raised through issuance of mandatory convertible bonds and through a rights issue with subscription rights Targeting investment-grade rating post closing
Integration	<ul style="list-style-type: none"> Global Seeds & Traits and North American commercial headquarters located in St. Louis, Missouri Global Crop Protection and overall Crop Science headquarters located in Monheim, Germany
Path to completion	<ul style="list-style-type: none"> Submit merger control and other regulatory filings Late 2016 / early 2017: Monsanto shareholder meeting Closing expected by the end of 2017

Combination Creates a Leader in Life Science with a Balanced Portfolio

2015 Life Science Sales

2015 Pro Forma Life Science Sales incl. Monsanto



Highly Attractive Agriculture Industry Benefiting from Macro Trends



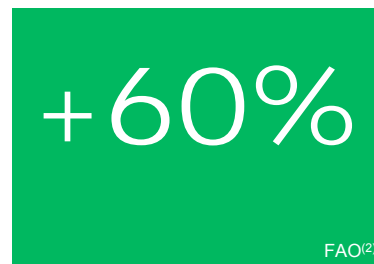
People on the planet by 2050



Biophysical effect of climate change shocks on yields by 2050



Declining hectares of farmland per capita by 2050



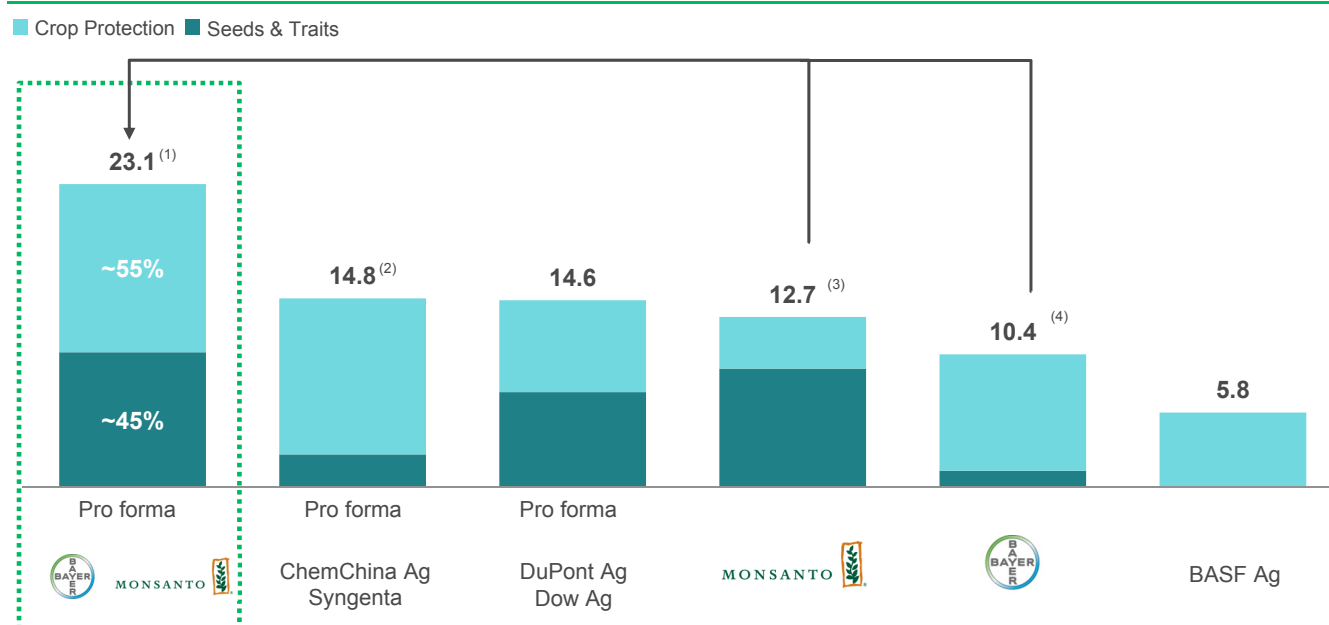
Productivity increase required to feed the planet by 2050



Estimated agriculture inputs market size by 2025

Creating a Global Leader in Agriculture

2015 Pro Forma Sales (in € bn)

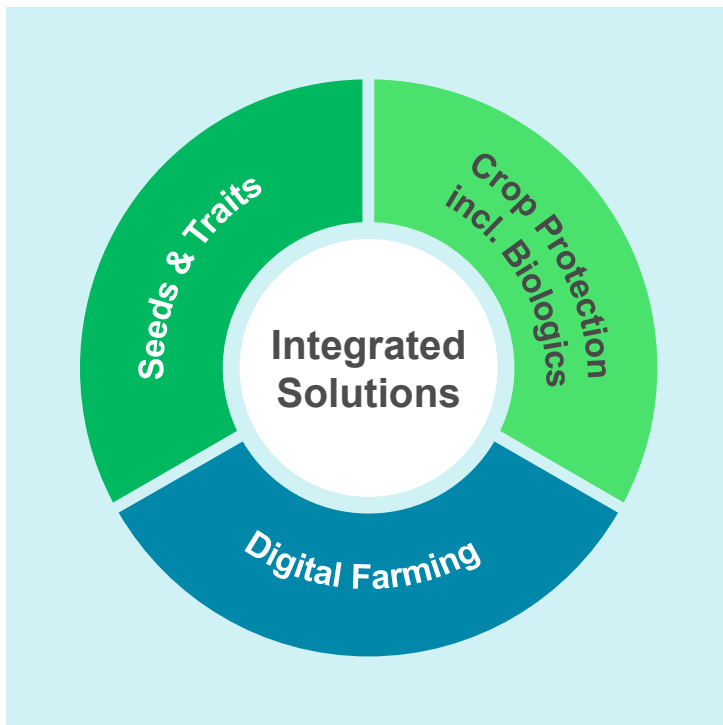


Based on company information and internal calculations (at avg. 2015 Fx rate USD/EUR=1.11); (1) Pro forma figures without impact of potential disposals; (2) Excludes Adama non-Ag sales; (3) Monsanto calendarized to December 2015 year-end; (4) Bayer 2015 as reported

Combined Company Expected to Create Significant Strategic Benefits

- Broad Product Portfolio**
 - Broad portfolio across indications and crops
 - Enhanced customer access
 - Ability to offer a broad variety of Seeds & Traits and CP products
 - Complementarity supports further growth potential
- Integrated Solutions**
 - Smart combination and usage of products based on agronomic science
 - Creating a leading platform in Digital Farming
- Innovation Engine**
 - Strong R&D technology platform
 - Broad pipeline across Seeds & Traits, Crop Protection incl. Biologics
- Truly Global Footprint**
 - Highly complementary from geographical perspective
 - Strong presence in high value geographies: 45% of sales in North America versus industry average of 24%

Successful Integrated Solutions Need Best-in-Class Technology Offerings



Seeds & Traits

- Superior germplasm
- Strong genetics and breeding capabilities

Crop Protection incl. Biologics

- Innovative chemistry for weed, pest and disease control
- Strong Biologics portfolio

Digital Farming

- Extensive data collection and computation
- Predictive analytics

Advancing from Combined Offering to Integrated Solutions

From short-term to long-term

Combined Offering

- Ability to offer a **broad variety** of seed and chemical products
- Combining sales forces and infrastructure across geographies

Integrated Solutions

- **Smart combination** and optimized usage of products
- Based on agronomic advice and **Digital Farming**
- **Innovation of integrated systems** based on technologies optimally designed to work together

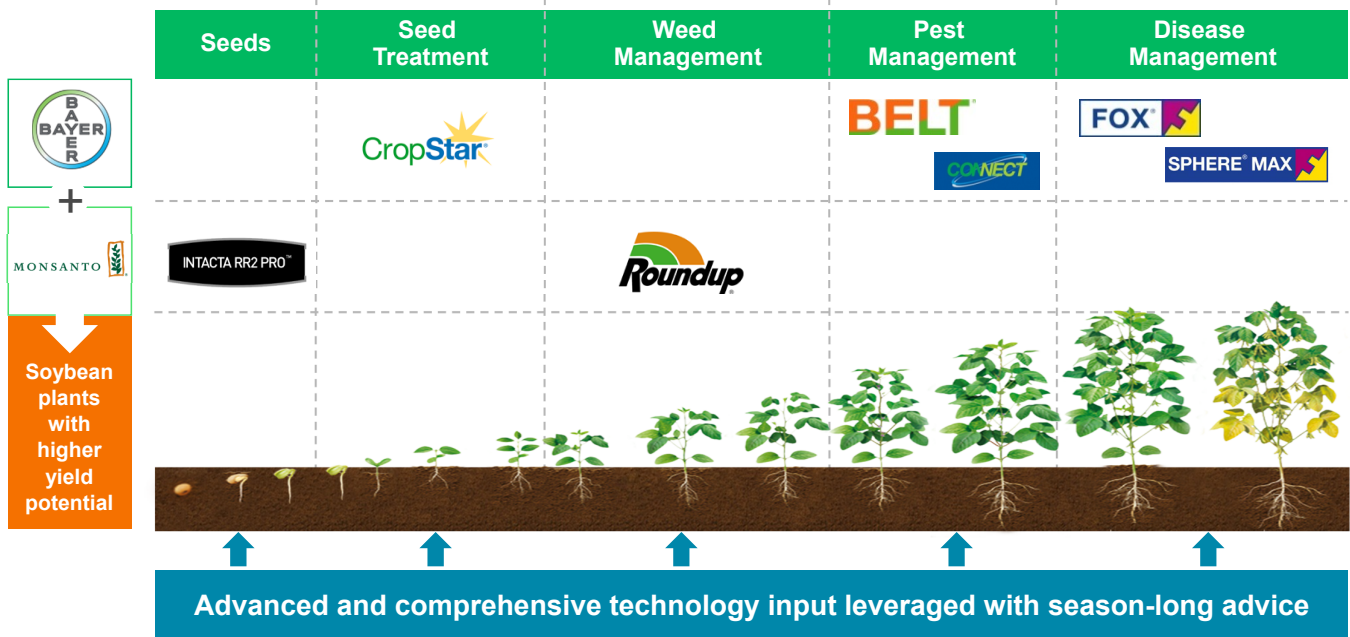
Benefit to the Farmer

- More convenience
- Improved sourcing

- Improved yield
- Optimized inputs
- Sustainable farming

Combined Offering to Fully Address Farmers' Needs

The Soybean Brazil Example⁽¹⁾



Combined Technologies Enable Integrated Solutions - Corn and Soy Example

Market

- Broad-acre crops corn and soy account for ~40% of global ag market value⁽¹⁾
- Key growing regions are North/Latin America (~40% of corn and ~80% of soy global planted acres)⁽²⁾, thereof > 85% of corn and soy acres is biotech seed⁽³⁾

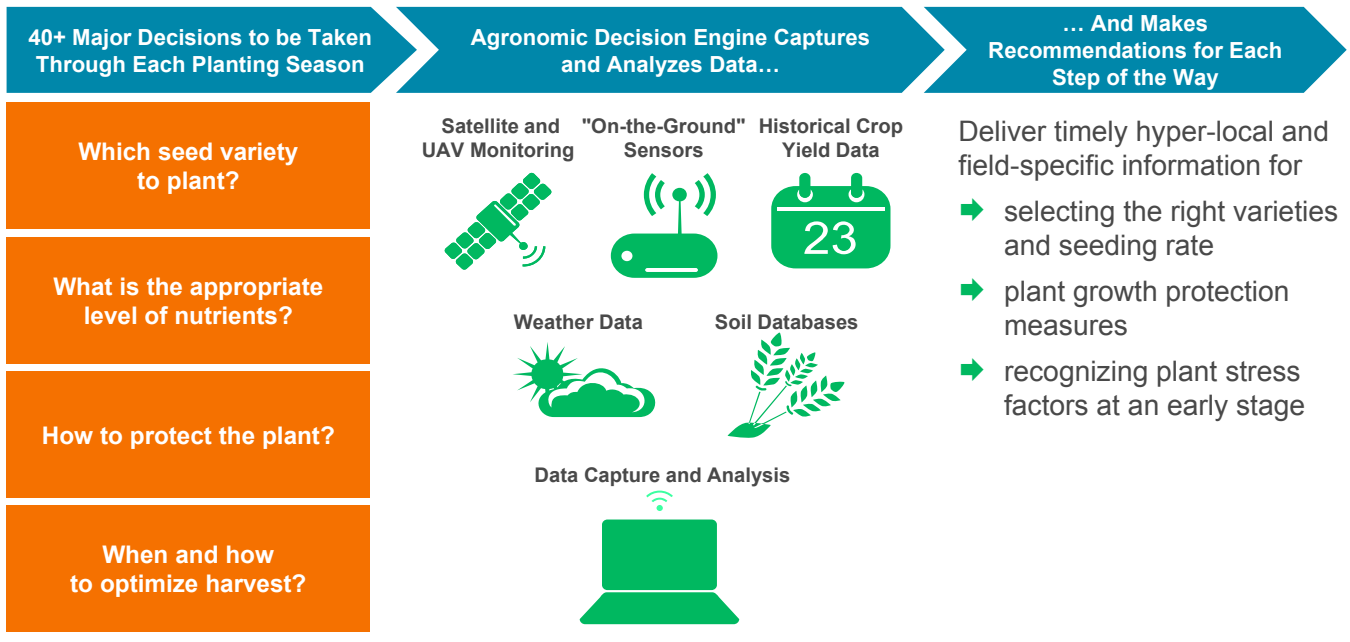
Combined Portfolio⁽⁴⁾

● Bayer ● Monsanto ● Bayer & Monsanto

	SEEDS	BIOTECH TRAITS			CROP PROTECTION ⁽⁵⁾				DIGITAL FARMING
		Yield & Stress	Pest Control	Weed Control	Yield & Stress	Pest Control	Weed Control	Disease Control	
Corn	●	●	●	●	●	●	●	●	●
Soybean	●	●	●	●	●	●	●	●	●

Combined company with strong positions across all technologies offers high value capturing opportunity in corn and soy in key growing regions



Digital Farming Provides Data-Based Insights to Optimize Field Specific Decision-Making




Digital Farming helps to improve on-farm decision-making and execution along the entire planting cycle, helping to maximize yields and improve sustainability

Digital Farming Potential of Combined Portfolio

Combining Advanced Digital Farming Capabilities

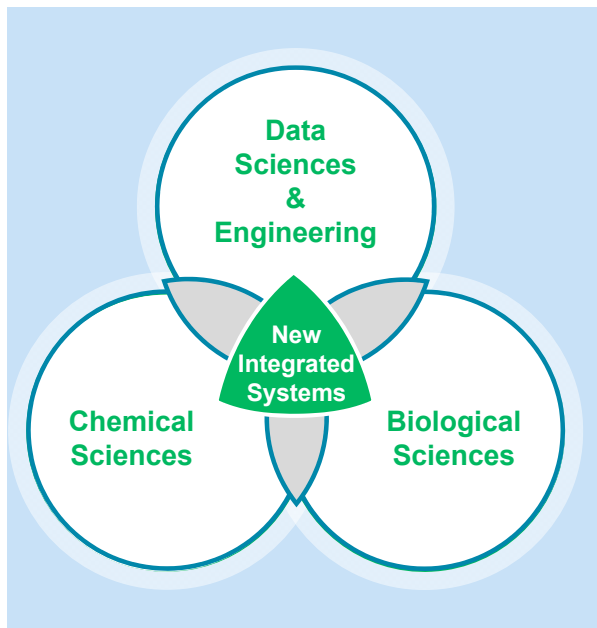
 Bayer	<ul style="list-style-type: none"> Leading pest, weed, disease modelling and analytics – increasing resource efficiency Hyper-localized decision support tools – optimizing use of Crop Protection products
 MONSANTO	<ul style="list-style-type: none"> Seeds & Planting scripts creator – improving operations Nitrogen Advisor – optimized N-fertilizer use Field-level weather information and notification – managing weather risks >92 million acres enrolled already today



Integrated solutions of Seeds & Traits and Crop Protection inputs based on **optimized field-level prescriptions** to improve **on-site decision making and execution**

Long-term Vision:
 Outcome-driven value proposition (e.g., “yield guarantee”, “disease-free acre”)

Building Integrated Systems from Interdisciplinary Approaches



New types of products

- Resistance-breaking herbicide systems based on innovative traits and chemistry
- Novel macromolecules selectively targeting pests (e.g., sprayable RNAi)

Data-based decision support

- Advisory tools for on-farm decisions (e.g., choice of germplasm/seeds)
- Crop Protection applications at ultra-high precision (e.g., down to single-plant level)

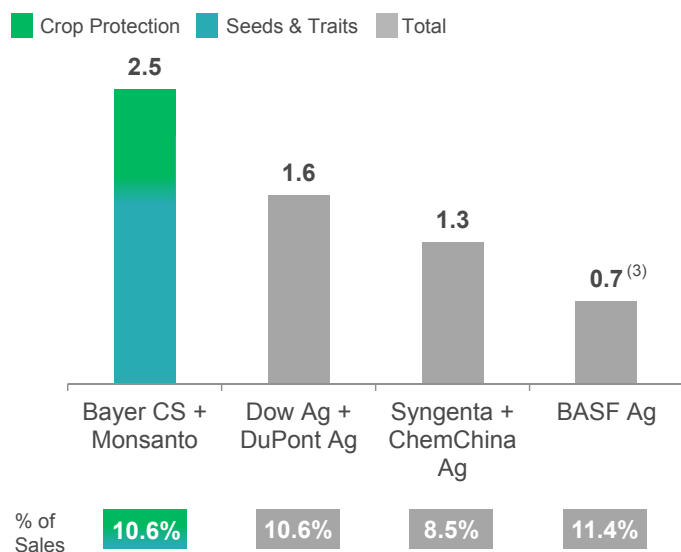
Better / safer products

- Beneficials-friendly products based on in-depth understanding of physiology

Potential for faster and more efficient development of customized solutions for farmers

Creation of a Leading Innovator

2015 Pro Forma R&D Investment (€bn)⁽¹⁾



Combined Strength in Innovation⁽²⁾

- > 40 major R&D sites worldwide
- > 200 breeding stations in all relevant geographies
- ~10,000 employees in R&D
- Strong R&D technology platform
- Cross-technology capabilities
- > 70 pipeline advancements over last two years

Strong pipeline across crops, indications and technologies

Combined Company Has a Broad Pipeline: Example Soybean

Soy projects Pro forma ⁽¹⁾		Late Research	Development	Life Cycle Mgmt. ⁽³⁾
YIELD & STRESS ⁽²⁾	Crop Protection	≥ 3 projects		
	Breeding			
	Biotech			
GERMPLASM	Breeding			new varieties
PEST CONTROL	Crop Protection	≥ 3 projects	≥ 3 projects	≥ 3 projects
	Biotech	≥ 3 projects	≥ 3 projects	
	Breeding			
WEED CONTROL	Crop Protection	≥ 3 projects		≥ 3 projects
	Biotech	≥ 3 projects	≥ 3 projects	
DISEASE CONTROL	Crop Protection	≥ 3 projects		≥ 3 projects
	Breeding			
OIL QUALITY	Biotech			
	Breeding			

(1) Pro forma core soy pipeline only; not exhaustive; (2) Crop Efficiency; (3) Bayer: Top LCM products only
Crop Protection: chemical and biological; Breeding: incl. selective native traits; Biotech: GM traits

Combined Entity Expected to Deliver Synergies of Approx. \$1.5bn After Year Three

Synergy Breakdown (Net EBITDA Impact⁽¹⁾)

Total Cost Synergies ~\$1.2bn

Total Sales Synergies ~\$0.3bn

Total Synergies ~\$1.5bn

Synergies are above and beyond Monsanto's announced restructuring program

Cost Synergies Breakdown

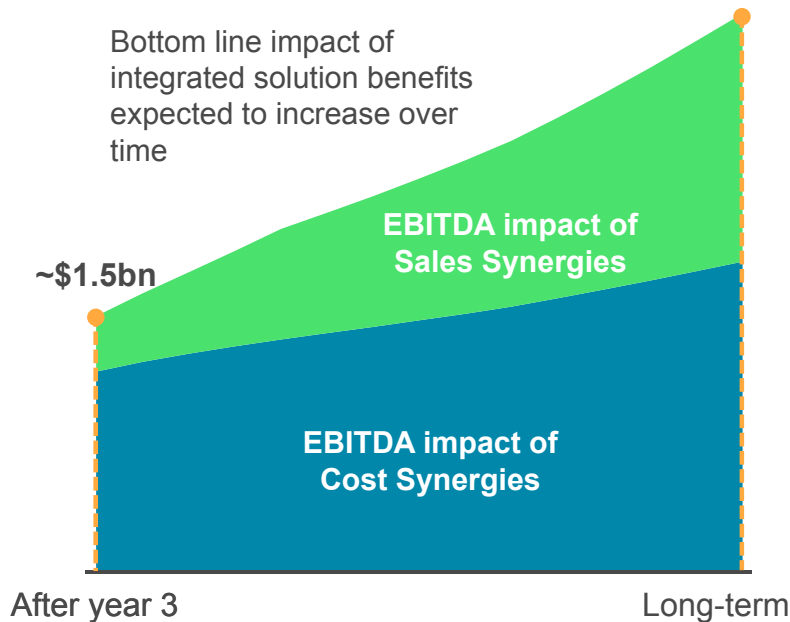
- ~70% stemming from SG&A savings
 - Integration of country platforms / IT landscape
 - Public company expenses
 - Overlapping marketing & sales functions while maintaining exceptional global footprint for future growth
- R&D synergies, e.g. in trait research
- COGS synergies, e.g. from overlap in supply function & procurement spend

~\$1.5bn total annual synergies after year three confirmed in due diligence, plus additional synergies from integrated solutions in future years

(1) Net of estimated dissynergies such as termination of selected distribution agreements as well as sales disruptions (based on detailed bottom-up analysis by Bayer); Fx rate: USD/EUR=1.11

Substantial Longer-Term Synergies from Integrated Solutions Anticipated

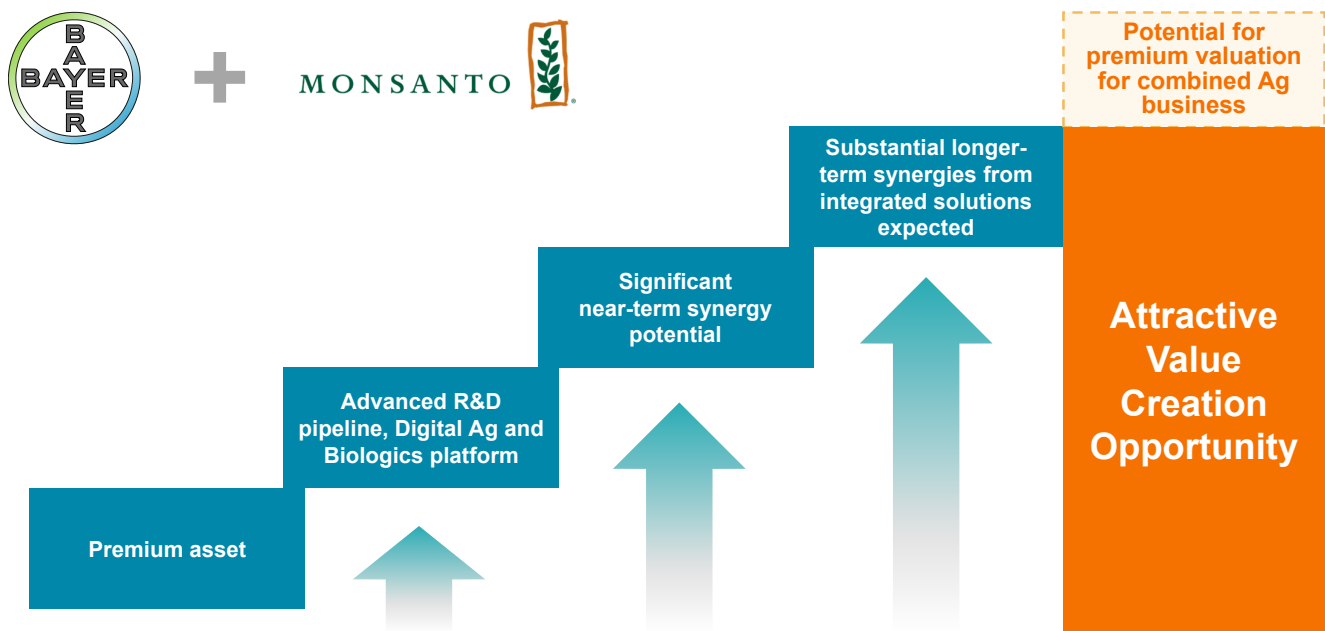
Net EBITDA Impact of Synergies



From Combined Offering to Integrated Solutions

- Creates an enhanced agricultural offering to address broad range of farmer needs
- Initial sales synergies expected mainly from broader product variety materializing already **near-term** (~\$0.3bn net EBITDA impact)
- Sales synergies **expected to expand** in the mid to long-term from integrated solutions
 - **Smart combinations**
 - **Innovation of integrated systems**

Attractive Value Creation Opportunity



Combined agricultural business expected to deliver stronger growth, better profitability and more resilient business profile

Financing Overview

- \$57bn fully underwritten bank facility in place
- Further capital market take-out expected via senior and subordinated (hybrid) corporate bonds
- Expected equity increase of approx. \$19bn, through issuance of mandatory convertible bonds and through a rights issue
- Investment-grade rating targeted post closing; no change in strong commitment to single “A” rating category in the long-term
- Proven track record of disciplined deleveraging
- Dividend payout ratio of 30-40% of core EPS to be maintained

Path to Completion

- **September 14, 2016:** Signing of merger agreement between Bayer and Monsanto
- **September, 2016:** Commence discussions with regulatory agencies
- **Late 2016 / early 2017:** Monsanto to convene shareholder meeting to vote on merger agreement
- Closing expected **by the end of 2017**

A Compelling Transaction for Shareholders

- Creating a global leader in agriculture and an innovation engine for the next generation of farming
- Convincing strategic logic of combining leading Seeds & Traits, Crop Protection including Biologics, and Digital Farming platforms
- Compelling case for value creation through substantial synergy potential and potential premium valuation of combined agricultural business
- Expected benefits from improved profitability, earnings accretion and enhanced earnings growth

Bayer expects the transaction to be highly value accretive
