

MONSANTO



50 Shades of BIC

Tasha, Chase, Amanda, Jonathan



History

1901- John F. Queeny founded Monsanto

1960- Agricultural division established

1976- Roundup commercialized in US

1996-98 – Roundup Ready products introduced

2000- Merger with Pharmacia

2002- New Monsanto company is spun off from Pharmacia as separate company

2005- Acquires Seminis (supplies more than 3500 seeds in 150 countries)

2006- RR Corn planted on 40% of US corn acreage

2009- Genuity launched (family of traits that increases crop yield)

2010- Gave 130 tons of corn and vegetable seeds to Haitian farmers

2011- Acquired Beeologics (R&Ds biological tools to control pests & diseases)

2012- RR Xtend Crop System (provides farmers more consistent, flexible control over weeds)

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What we do

1. Produce high-yielding conventional and genetically modified seeds
2. Provide advanced traits and technologies that enable more nutritious and durable crops
3. Create safe and effective crop protection solutions

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Genetically Modified Seeds

Inserting a gene from one plant into another

Why?

- Advantageous characteristics (drought and pest resistant)
- Higher yields from seeds
- Protect the land and keep soil healthy
- Keep the environment sustainable

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Safeguards

GMO's are required to be reviewed by U.S. Department of Agriculture, Environmental Protection Agency, and the Food and Drug Administration

Only produce GMO seeds in countries where it is adopted, else breeding

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BUSINESS MODEL

Business Segments

Seeds

Herbicide Tolerance

Insect Tolerance

Drought Tolerance

- Alfalfa
- Canola
- Corn
- Cotton
- Sorghum
- Soybeans
- Sugarbeets
- Wheat

Agriculture Productivity

Roundup Agriculture Herbicides

Turf and Ornamental Business
relating to weed control for non-
farm areas (parks, golf courses,
roadsides, etc.)

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Agricultural Seed Brands



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Traits, Technologies & Partnering



Vegetable Seed Brands



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Weed Control Brands

Certainty
Turf Herbicide

Degree
xtra
HERBICIDE

HARNESS
Herbicide by Monsanto

INTRRO
Preemergent Herbicide

LARIAT
Fluorfenacet Herbicide
by Monsanto

MICRO-TECH
Herbicide by Monsanto

OUTRIDER
Herbicide by Monsanto

Roundup
CUSTOM
FOR AQUATIC & TERRESTRIAL USE

Roundup
POWER MAX
HERBICIDE

Roundup
PRO Concentrate

Roundup
PRO MAX
HERBICIDE

Roundup
Quik PRO
HERBICIDE

Roundup
WEATHER MAX
HERBICIDE

RT3
Powered by Roundup Technology

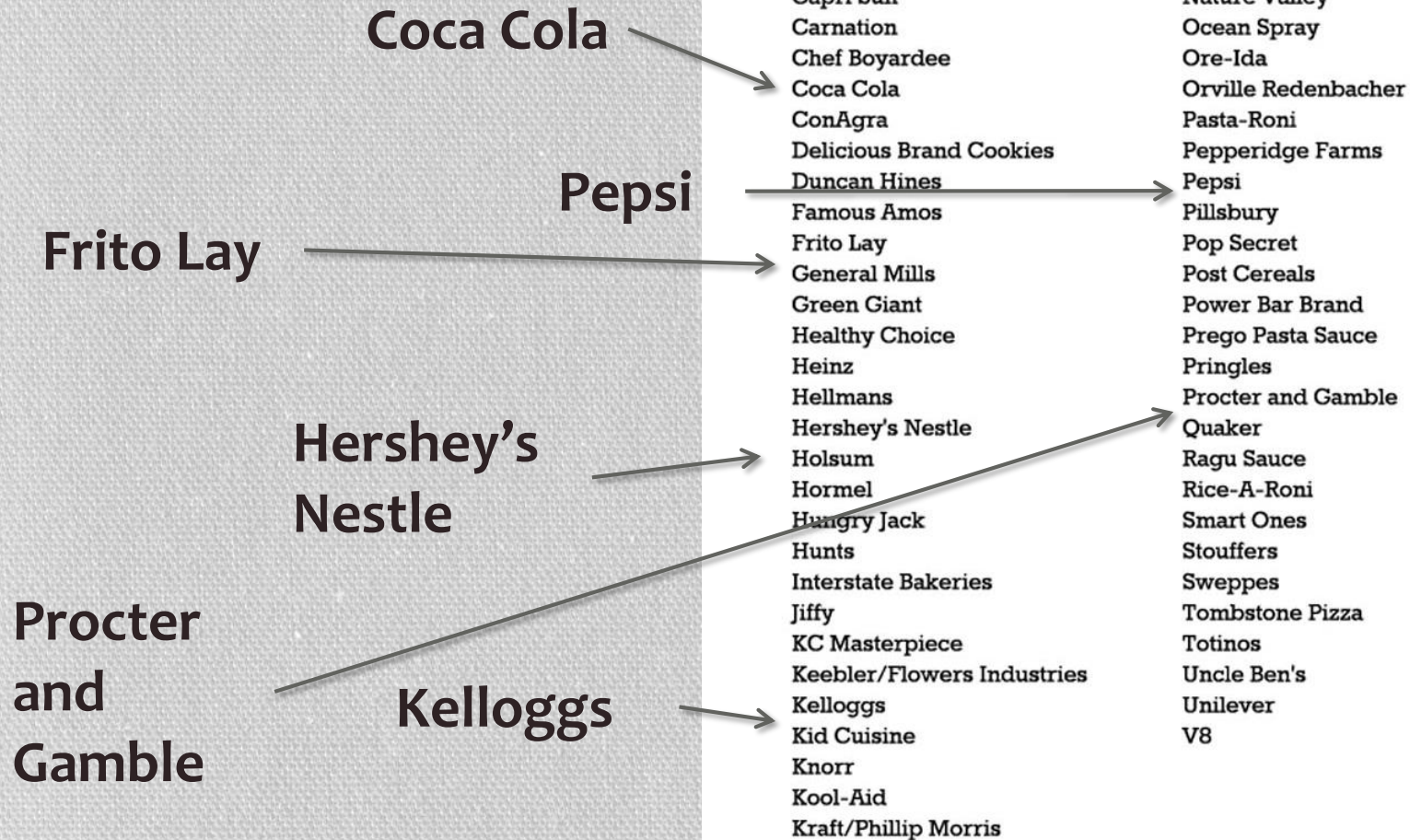
TRIPLE FLEX
HERBICIDE

WARRANT
HERBICIDE

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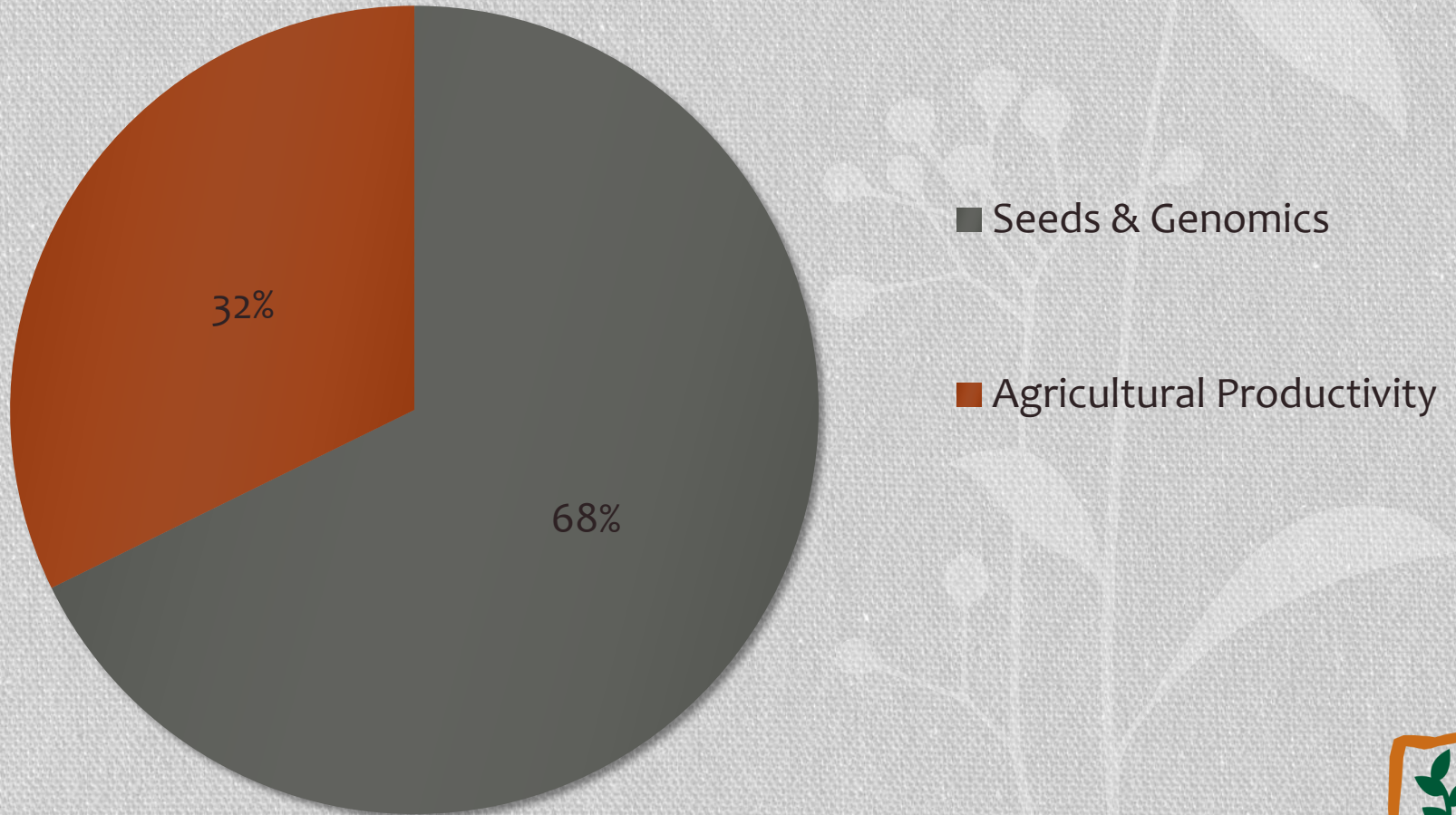
Household Names



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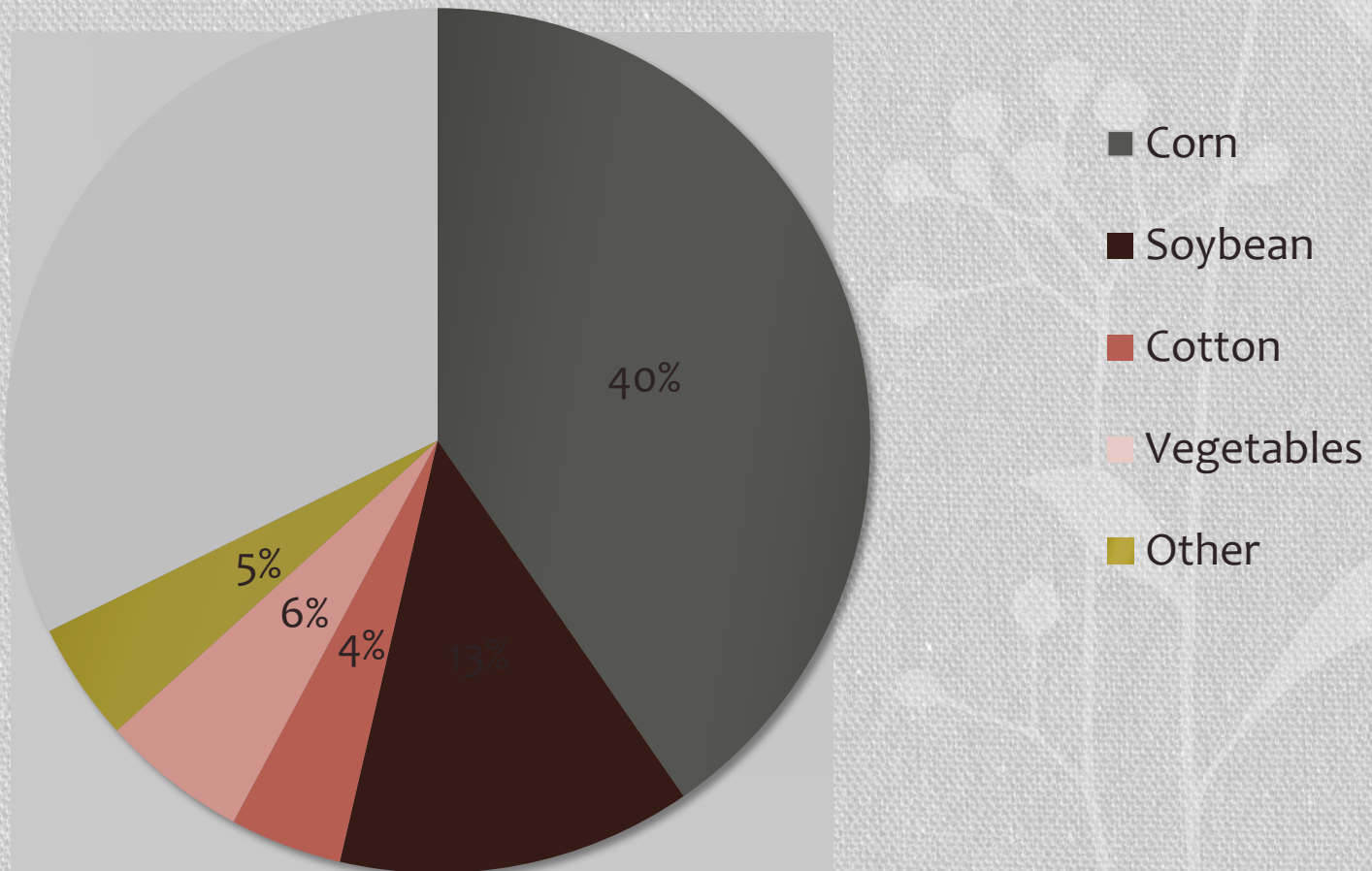
Net Sales



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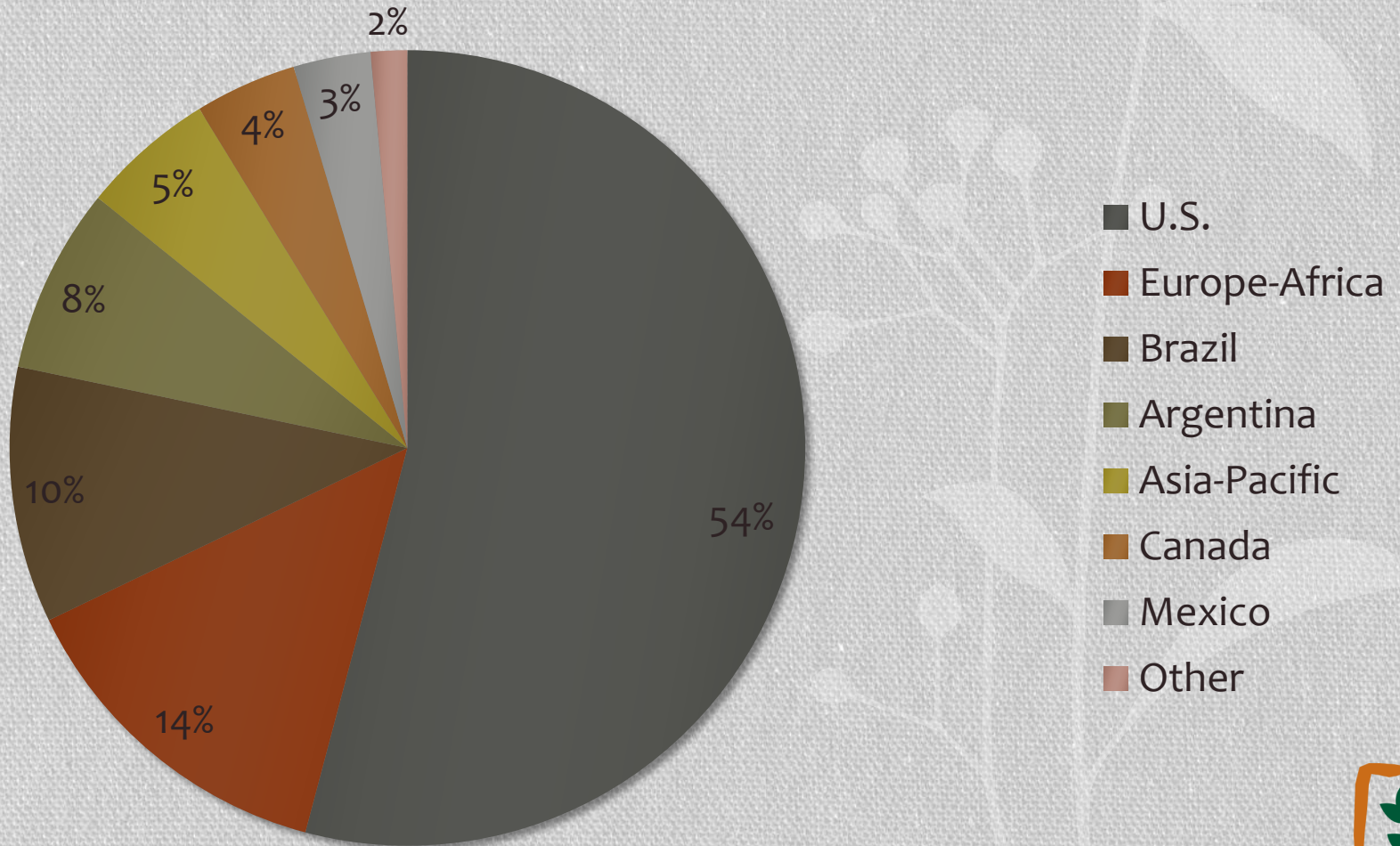
Net Sales - Seeds Segment



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Net Sales - Location



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Environmental Responsibility

Global presence in every continent

Pledges to:

- improve the lives of farmers, workers and communities
- produce enough food to make a balanced meal accessible
- conserve Earth's resources and preserve the environment (sustainability report)

Committed to reducing its emissions by 22% per pound of active ingredient by 2020

Increase irrigation water application efficiency by 25% by 2020

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News

June 2015: Seeking to work with Syngenta in order to increase innovation, offered \$2 billion breakup fee

Aug 2015: Monsanto pulls out of Syngenta deal

Aug 2015: Sold Climate Corporation crop insurance business to AmTrust Financial

Aug 2015: Monsanto increases quarterly dividend to 54 cents/share (Doubled since 2010)

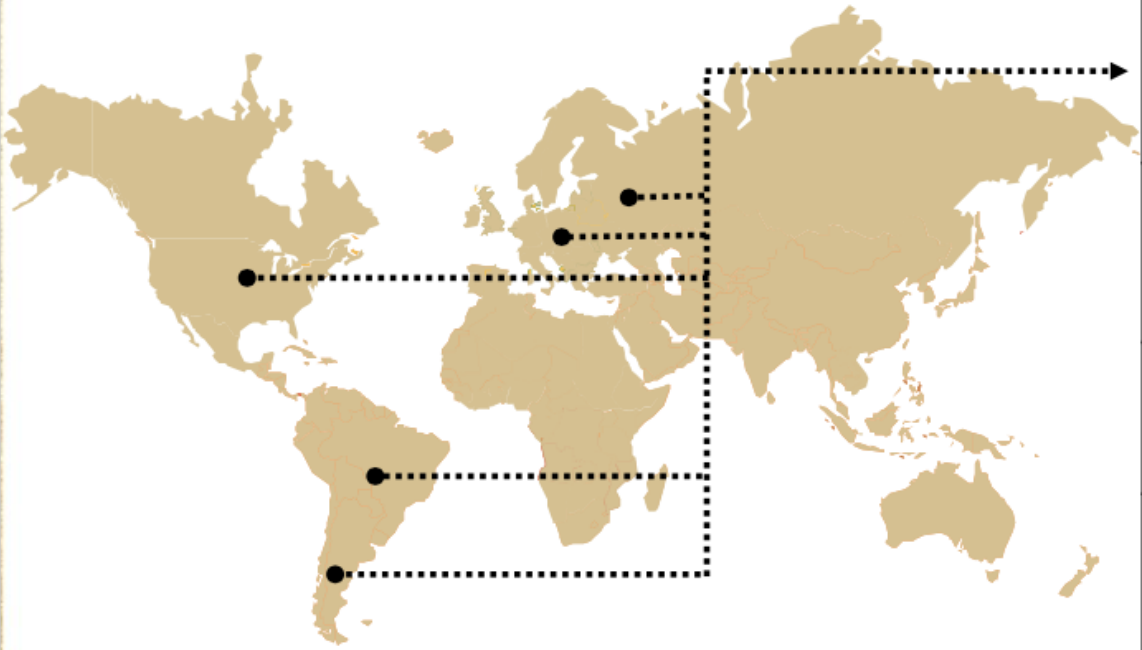
Sep 2015: Found guilty of chemical poisoning by French Appeals Court

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Market Share

FY2015 GLOBAL CORN REGIONS PERFORMANCE IN KEY AREAS



Q3 PERFORMANCE UPDATE GLOBAL HIGHLIGHTS

| | |
|----------|---|
| 1 | U.S. Position: #1 Share: Mid-30's% |
| 2 | Brazil Position: #1 Share: >40% |
| 3 | LAS Position: #1 Share: >50% |
| 4 | Eastern Europe Position: #1 Share: >20% |
| 5 | Western Europe Position: #2 Share: Mid-teens |

Corn: 80%



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QUALITATIVE ANALYSIS

Risk Factors

- Company Risks:
 - Generic Competition
 - Legal challenges
 - Intellectual property rights
 - Extensive regulation
 - Farmer relationships
 - Weather, natural disasters, accidents, and security breaches
- Market Risks:
 - Interest rate changes
 - Foreign exchange rate fluctuations
 - Commodity price fluctuations

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Competitive Advantage

- Licenses seed and trait technologies to other companies
- Products that support other products
- Diversity: small and large-acre crops
- Patent-Protected
- Dominant market share
- Brand recognition

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Protective Moat

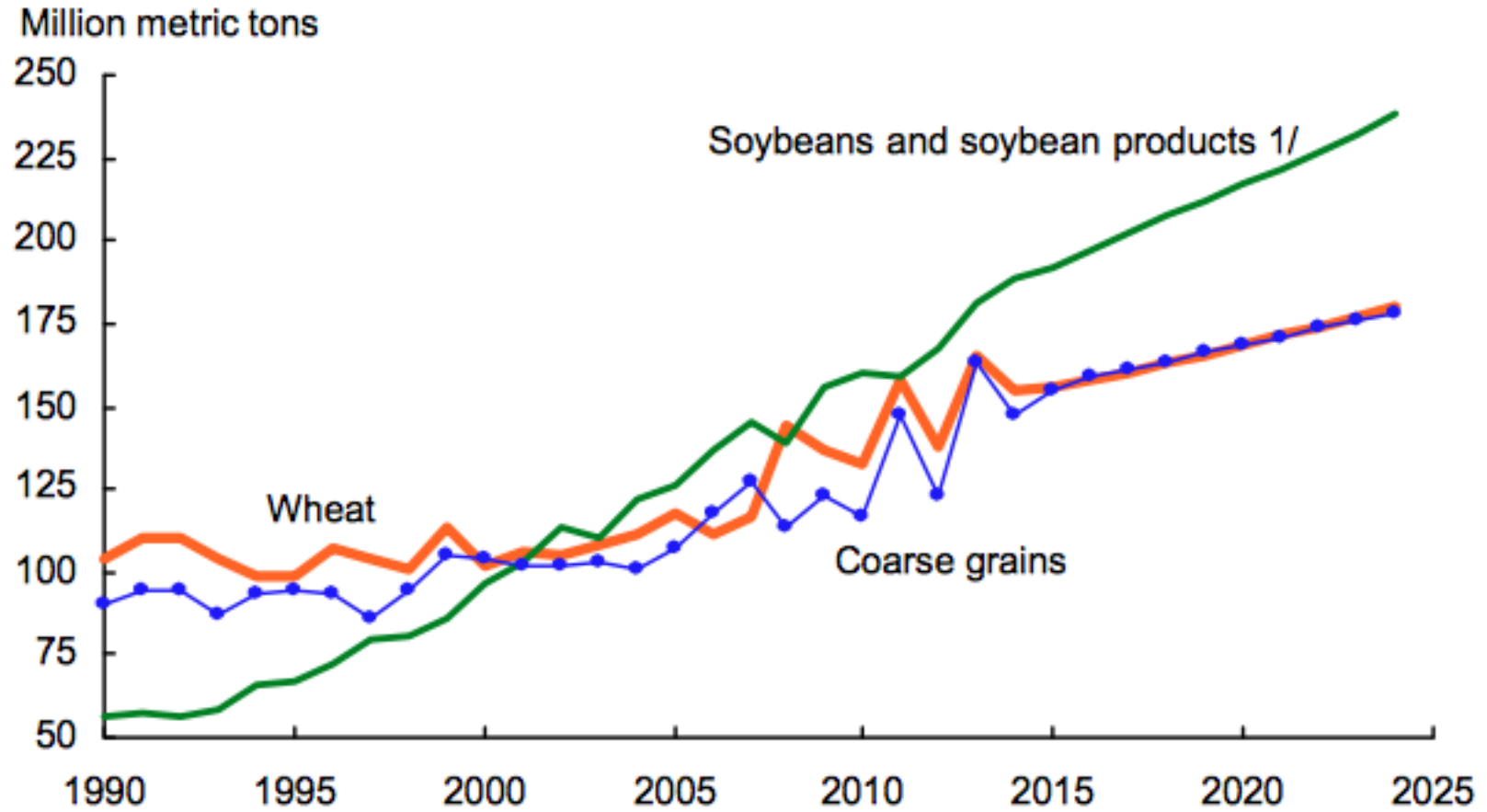
- Sticky business
 - Dependence of competitors on their innovations keep them on the top
- Constant crop demand
- Heavy regulation
- Extensive seed Bank
- Innovations in technology
 - Patents, Licenses and Trademarks

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Future Growth Opportunities

Global trade: Wheat, coarse grains, and soybeans and soybean products



1/ Total of soybeans, soybean meal, and soybean oil.

Qualitative Analysis

| | |
|--|--------|
| What type of business is this: commodity or sustained competitive advantage? | Both |
| Can you easily explain what the business does? | Yes |
| Is it heavily unionized? | No |
| Does it require heavy capital infusion? | No |
| Does it require lots of research and development? | Yes |
| Can inventory become obsolete? | Yes/No |
| Are there chronic "one time" write offs? | No |
| Is the company able to raise its prices to offset inflation? | Yes |
| Will the company be able to sell more in the future? | Yes |
| If I gave you \$1 billion, could you develop a competitor? | No |



Interpretation of Financial Statements

| TTM | Value | Low Threshold | Pass? |
|---------------------------------|------------|---------------|-------|
| Gross Profit Margin | 55.11% | $\geq 20\%$ | Yes |
| % SGA | 33.85% | $\leq 80\%$ | Yes |
| %R&D | 19.52% | $\leq 10\%$ | No* |
| % DD&A | 8.58% | $\leq 10\%$ | Yes |
| Interest % of OP | -4.13% | $\leq 15\%$ | Yes |
| Net Profit Margin | 17.37% | $\geq 10\%$ | Yes |
| Current Ratio | 2.58 | ≥ 1 | Yes |
| Obligation Ratio | 3.52 years | < 5 years | Yes |
| Adj. Debt to Shareholder Equity | 3.85 | < 0.8 | No* |
| Return on Equity | 28.87% | $\geq 15\%$ | Yes |
| Return on Capital | 46.41 | $\geq 15\%$ | Yes |
| Dividend Payout Ratio | 35% | $\leq 60\%$ | Yes |
| Preferred Stock | None | None | Yes |
| Capital Expenditures | 15.88% | $\leq 25\%$ | Yes |
| Net Earnings Trend | Up | Up | Yes |
| Retained Earnings Trend | Up | Up | Yes |



Gross Profit Margin



$$\text{Gross Profit Margin as \%} = \frac{\text{Gross Profit}(\$)}{\text{Revenue}(\$)}$$

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Net Profit Margin

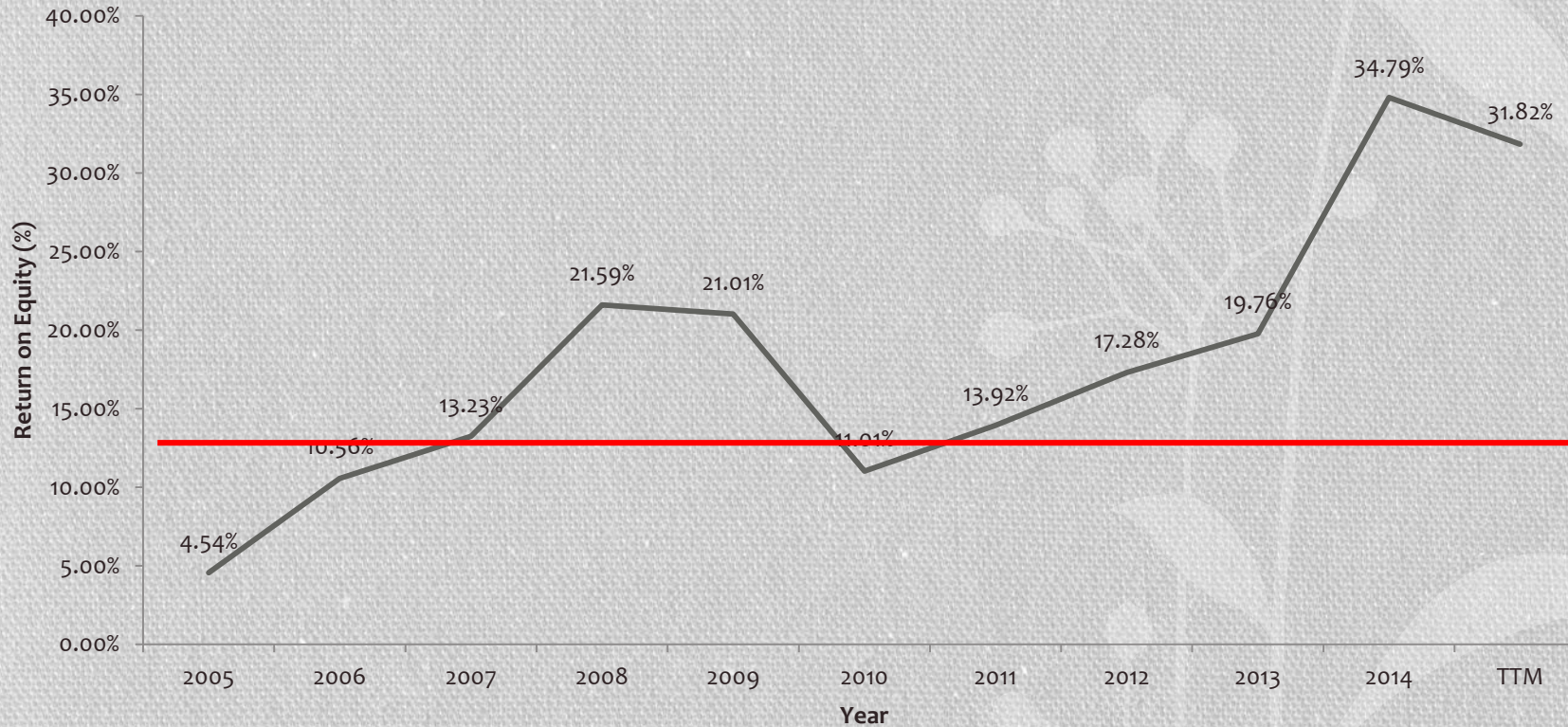


Net Profit Margin as % = $\frac{\text{Net Profit}(\$)}{\text{Revenue}(\$)}$

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Return on Equity

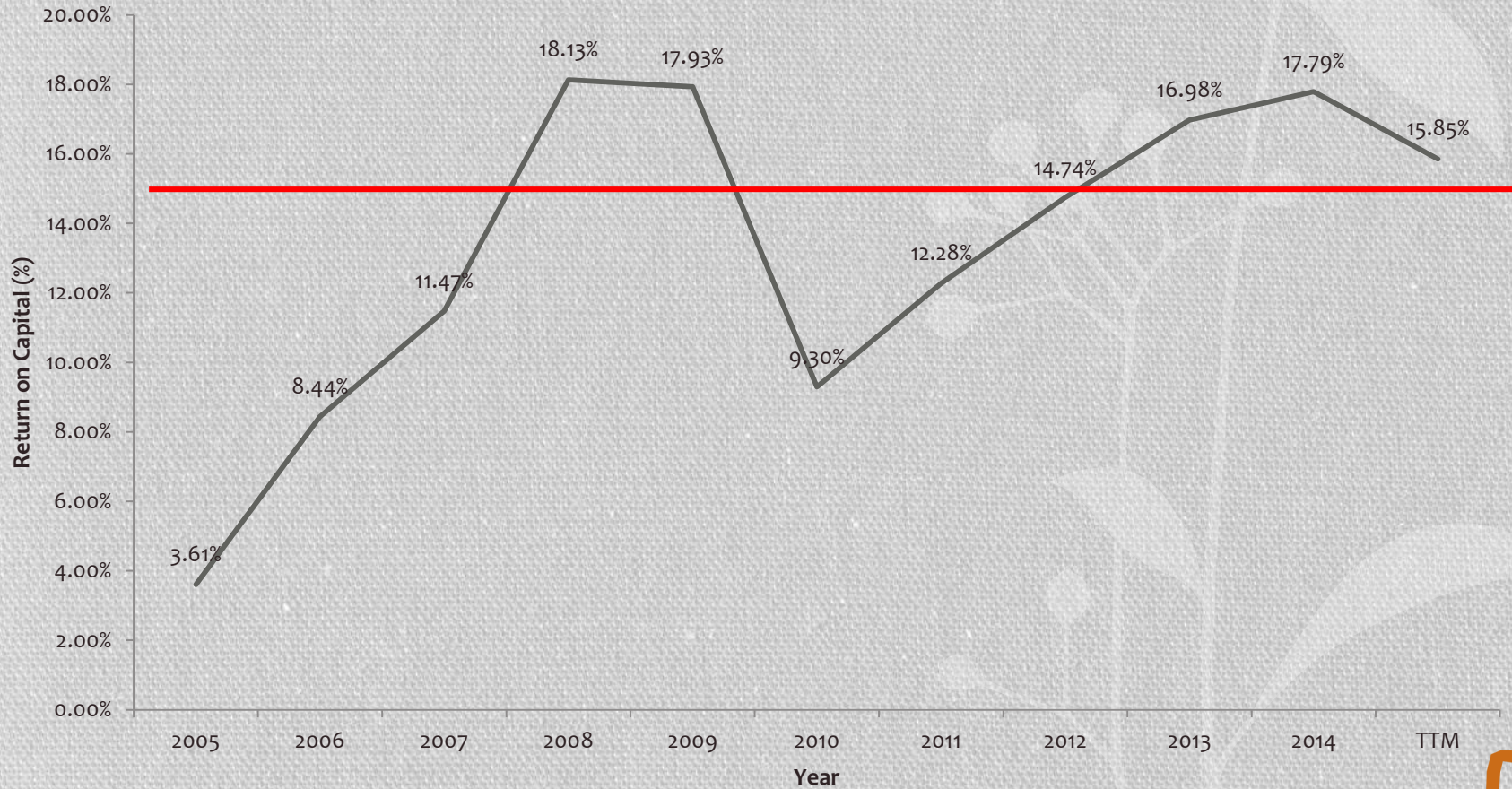


Return on Equity as % = $\frac{\text{Net Profit}(\$)}{\text{Total Equity}(\$)}$

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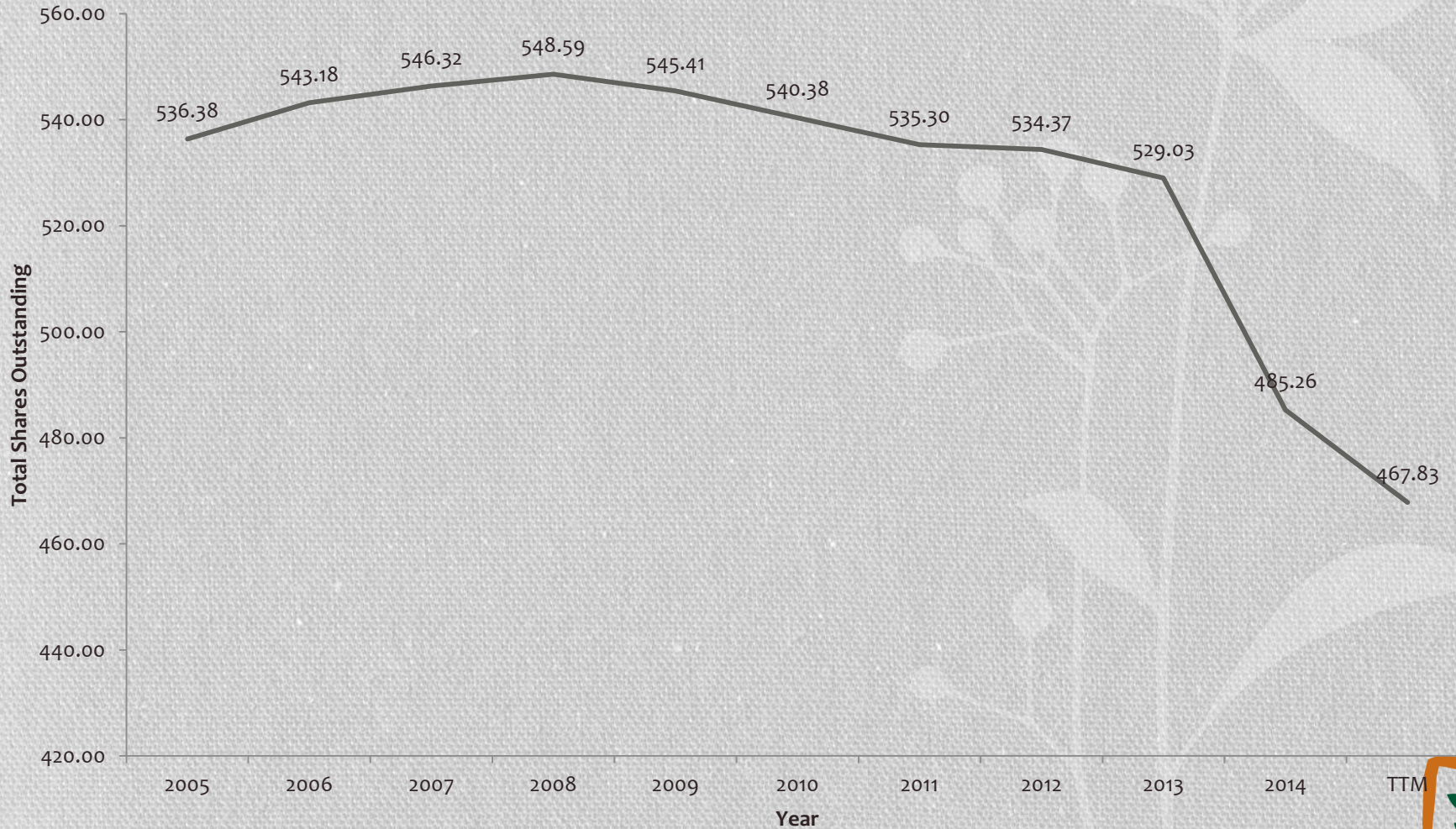
Return on Capital



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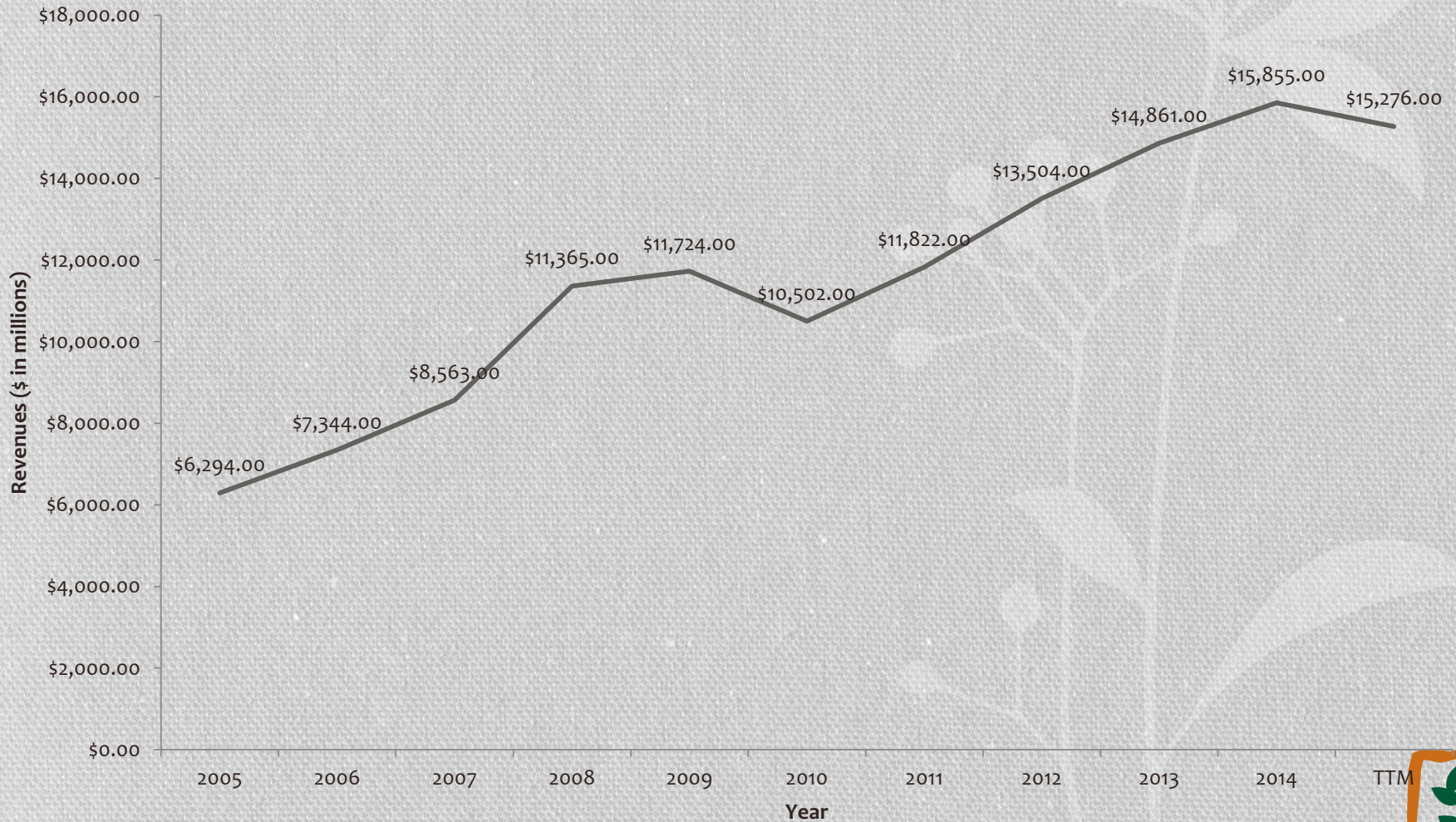
Total Shares Outstanding



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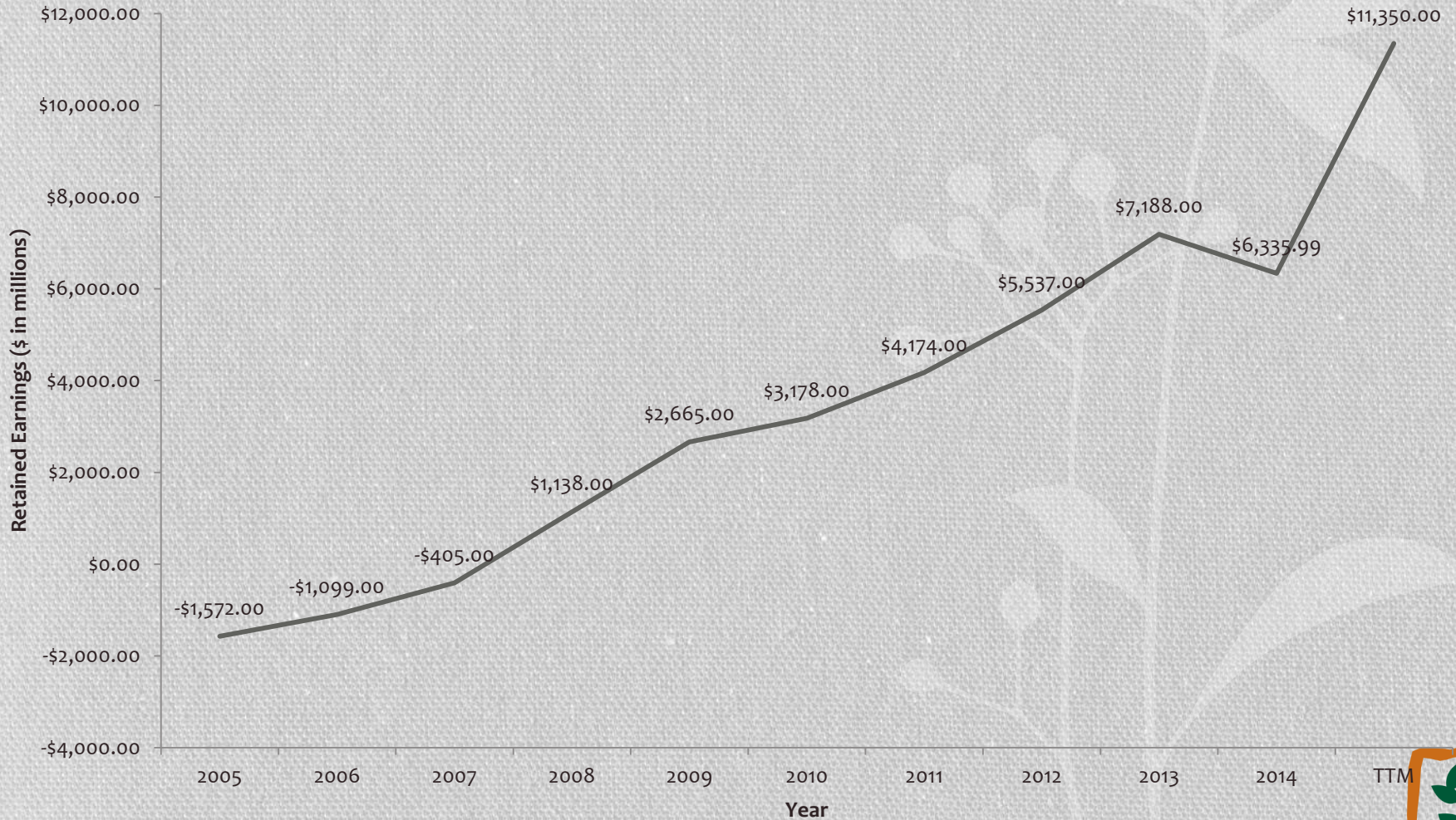
Revenues (10 year)



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Retained Earnings



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Buffettology

| Statistical Array Analysis | |
|---------------------------------------|------------|
| Cashflows per Share | Increasing |
| Earnings per Share | Increasing |
| Dividends Declared per Share | Increasing |
| Capital Spending per Share | Increasing |
| Book Value per Share | Increasing |
| Revenues (Sales) | Increasing |
| Gross Profit Margin | Increasing |
| Number of Stores | n/a |
| Net Profit | Increasing |
| Net Profit Margin | Increasing |
| Working Capital | Increasing |
| Shareholder's Equity | Increasing |
| Return on Total Capital | Increasing |
| Return on Shareholder's Equity | Increasing |
| Common Shares Outstanding | Decreasing |
| Long-Term Debt | Yes |
| LT Debt Payable in 5 Years | Yes |
| All Dividends to Net Profit Under 60% | Yes |

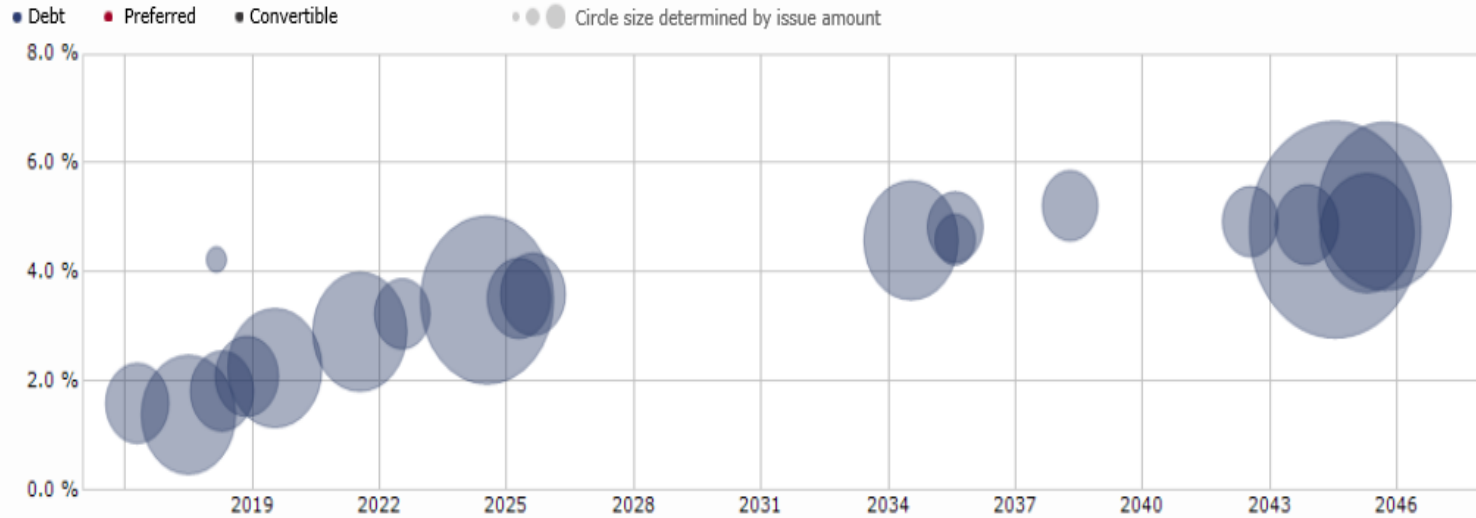


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QUANTITATIVE ANALYSIS

Debt Analysis




| Name | Maturity Date | Amount \$(Mil) | Credit Quality | Price | Coupon % | Coupon Type (Fixed/Floating) | Callable | Rule 144A | Yield to Maturity % |
|------------------------|---------------|----------------|----------------|-------|----------|------------------------------|----------|-----------|---------------------|
| Monsanto Co New 4.7% | 07/15/2064 | 750.0 | --- | 91.0 | 4.700 | Fixed | No | No | 5.21 |
| Monsanto 4.75% | 06/14/2062 | 0.000 | --- | --- | 4.750 | --- | --- | --- | --- |
| Monsanto 4.75% | 05/16/2062 | 0.000 | --- | --- | 4.750 | --- | --- | --- | --- |
| Monsanto Co New | 04/15/2045 | 500.0 | --- | 87.8 | 3.950 | Fixed | No | No | 4.72 |
| Monsanto Co New 4.4% | 07/15/2044 | 1,000.0 | --- | 94.1 | 4.400 | Fixed | No | No | 4.78 |
| Monsanto Co New 4.65% | 11/15/2043 | 300.0 | --- | 96.6 | 4.650 | Fixed | No | No | 4.87 |
| Monsanto Co New 3.6% | 07/15/2042 | 250.0 | --- | 80.4 | 3.600 | Fixed | No | No | 4.93 |
| Monsanto Co New 5.875% | 04/15/2038 | 250.0 | --- | 108.7 | 5.875 | Fixed | No | No | 5.22 |
| Monsanto Co New 5.5% | 07/30/2035 | 250.0 | --- | 108.5 | 5.500 | Fixed | No | No | 4.83 |
| Monsanto Fin Cda 5.5% | 07/30/2035 | 150.0 | --- | 111.8 | 5.500 | Fixed | No | No | 4.60 |



Discounted Cash Flow (DCF)

Earnings Per Share : \$?

Growth Rate In the Next: Years : % ?

Business Predictability  ?

Terminal Growth Rate: % ?

Years of Terminal Growth: ?

Discount Rate: % ?

➔

DCF Reverse DCF NEW

Tangible Book Value: \$ Add to Fair Value ?

Growth Value: \$ 57.25 ?

Terminal Value: \$ 40.53 ?

= Fair Value: \$ 97.78 ?

Margin Of Safety: 7%

Also see:

- [Summary](#)
- [Guru Trades](#)
- [10-Y Financials](#)
- [Analysis](#)
- [Financial Charts](#)
- [Insider](#)

| Financial Data of Monsanto Co | | | |
|-------------------------------|--------|-------|-----------|
| Annual Rates (per share) | 10 yrs | 5 yrs | 12 months |
| Revenue Growth (%) | 11.00 | 9.00 | 7.90 |
| EBITDA Growth (%) | 17.30 | 11.30 | 13.20 |
| EBIT Growth (%) | 19.40 | 13.20 | 9.40 |
| EPS without NRI Growth (%) | 27.20 | 13.10 | 9.70 |
| Free Cash Flow Growth (%) | 6.70 | 18.60 | 23.50 |
| Book Value Growth (%) | 8.10 | 0.40 | -36.40 |

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Reverse DCF



Earnings Per Share : \$?

Growth Rate In the Next: Years ?

Business Predictability ?

Terminal Growth Rate: % ?

Years of Terminal Growth: ?

Discount Rate: % ?

➔

DCF Reverse DCF ^{NEW}

= Growth Rate: 11.88% ?

Revenue Growth Rate: 11.00%(10y) 9.00%(5y) 7.90%(1y) ?

EBITDA Growth Rate: 17.30%(10y) 11.30%(5y) 13.20%(1y) ?

Earnings Growth Rate: 27.20%(10y) 13.10%(5y) 9.70%(1y) ?

Free Cash Flow Growth Rate: 6.70%(10y) 18.60%(5y) 23.50%(1y) ?

Book Value Growth Rate: 8.10%(10y) 0.40%(5y) -36.40%(1y) ?

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Conscious Investor - 3 year

| MON:US Monsanto Co  | | Agriculture | | | | | | | | | | Last trade 2015-09-15 | | Return Analysis | |
|--|--------|-------------|-----------|---------|--------|--------------------|------------|-------------------|--------|--------|----------|-----------------------|---------|---------------------|--|
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | EPSttm | Years | HGROWTH | STAEGR [®] | |
| EPS (\$) | 0.470 | 1.260 | 1.790 | 3.620 | 3.800 | 2.017 | 2.960 | 3.790 | 4.600 | 5.220 | \$5.417 | 3 | 17.36% | 98.98% | |
| SPS (\$) | 11.734 | 13.520 | 15.674 | 20.717 | 21.496 | 19.435 | 22.085 | 25.293 | 28.091 | 32.673 | | 3 | 13.66% | 99.35% | |
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | | | Current | | |
| NPM (%) | 2.5 | 9.5 | 10.8 | 17.7 | 18.1 | 10.7 | 14.0 | 15.4 | 16.9 | 17.3 | | | 17.3% | | |
| ROE (%) | 4.7 | 11.4 | 14.2 | 24.0 | 21.7 | 11.0 | 14.9 | 17.5 | 20.4 | 26.8 | | | 26.8% | | |
| Payout (%) | 70.0 | 31.0 | 27.0 | 21.0 | 27.0 | 53.0 | 38.0 | 32.0 | 33.0 | 33.0 | | | 33.0% | | |
| Debt/Eq. (%) | 31.0 | 25.5 | 18.9 | 19.4 | 17.9 | 20.8 | 19.2 | 17.5 | 16.8 | 98.6 | | | 98.6% | | |
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | High/Low | | Current | | |
| P/E High | 73.65 | 37.76 | 39.60 | 40.28 | 31.93 | 43.16 | 26.04 | 23.68 | 23.77 | 24.67 | 23.26 | | 16.78 | | |
| P/E Low | 36.33 | 22.06 | 23.88 | 19.12 | 16.70 | 22.12 | 15.90 | 15.54 | 17.98 | 18.75 | 16.49 | | | | |
| Price High | 34.62 | 47.58 | 70.88 | 145.80 | 121.32 | 87.06 | 77.09 | 89.73 | 109.33 | 128.79 | 126.00 | | 90.88 | | |
| Price Low | 17.08 | 27.80 | 42.75 | 69.22 | 63.47 | 44.61 | 47.07 | 58.89 | 82.70 | 97.89 | 89.34 | | | | |
| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET [®] | Req Return | TARG [®] | | | | | | | |
| Default | 90.88 | \$5.417 | 21.30 | 17.36% | 33.8% | 18.94% | 10.00% | 207.51 | Copy | | | | | | |
| Safety | 90.88 | \$5.417 | 14.24 | 10.94% | 23.9% | 8.82% | 10.00% | 80.81 | Copy | | | | | | |



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3 Year

| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® |
|---------|-------|---------|-----------|---------|--------|--------|------------|--------|
| Default | 90.88 | \$5.417 | 21.30 | 17.36% | 33.8% | 18.94% | 10.00% | 207.51 |
| Safety | 90.88 | \$5.417 | 14.24 | 10.94% | 23.9% | 8.82% | 10.00% | 80.81 |



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Conscious Investor - 6 year

MON:US Monsanto Co 

Agriculture

Last trade 2015-09-15

Return Analysis

| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | EPSttm | Years | HGROWTH | STAEGR® |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|-------|---------|---------|
| EPS (\$) | 0.470 | 1.260 | 1.790 | 3.620 | 3.800 | 2.017 | 2.960 | 3.790 | 4.600 | 5.220 | \$5.417 | 6 | 13.86% | 77.92% |
| SPS (\$) | 11.734 | 13.520 | 15.674 | 20.717 | 21.496 | 19.435 | 22.085 | 25.293 | 28.091 | 32.673 | | 6 | 10.19% | 94.25% |

| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | | Current |
|--------------|------|------|------|------|------|------|------|------|------|------|--|---------|
| NPM (%) | 2.5 | 9.5 | 10.8 | 17.7 | 18.1 | 10.7 | 14.0 | 15.4 | 16.9 | 17.3 | | 17.3% |
| ROE (%) | 4.7 | 11.4 | 14.2 | 24.0 | 21.7 | 11.0 | 14.9 | 17.5 | 20.4 | 26.8 | | 26.8% |
| Payout (%) | 70.0 | 31.0 | 27.0 | 21.0 | 27.0 | 53.0 | 38.0 | 32.0 | 33.0 | 33.0 | | 33.0% |
| Debt/Eq. (%) | 31.0 | 25.5 | 18.9 | 19.4 | 17.9 | 20.8 | 19.2 | 17.5 | 16.8 | 98.6 | | 98.6% |

| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | High/Low | Current |
|------------|-------|-------|-------|--------|--------|-------|-------|-------|--------|--------|----------|---------|
| P/E High | 73.65 | 37.76 | 39.60 | 40.28 | 31.93 | 43.16 | 26.04 | 23.68 | 23.77 | 24.67 | 23.26 | 16.78 |
| P/E Low | 36.33 | 22.06 | 23.88 | 19.12 | 16.70 | 22.12 | 15.90 | 15.54 | 17.98 | 18.75 | 16.49 | |
| Price High | 34.62 | 47.58 | 70.88 | 145.80 | 121.32 | 87.06 | 77.09 | 89.73 | 109.33 | 128.79 | 126.00 | 90.88 |
| Price Low | 17.08 | 27.80 | 42.75 | 69.22 | 63.47 | 44.61 | 47.07 | 58.89 | 82.70 | 97.89 | 89.34 | |

| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® |
|---------|-------|---------|-----------|---------|--------|--------|------------|--|
| Default | 90.88 | \$5.417 | 21.30 | 13.86% | 33.8% | 15.63% | 10.00% | 154.59 <input type="button" value="Copy"/> |
| Safety | 90.88 | \$5.417 | 14.24 | 8.36% | 23.9% | 6.62% | 10.00% | 64.45 <input type="button" value="Copy"/> |



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6 year


| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® |
|---------|-------|---------|-----------|---------|--------|--------|------------|--------|
| Default | 90.88 | \$5.417 | 21.30 | 13.86% | 33.8% | 15.63% | 10.00% | 154.59 |
| Safety | 90.88 | \$5.417 | 14.24 | 8.36% | 23.9% | 6.62% | 10.00% | 64.45 |



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Conscious Investor - 10 Year

| MON:US Monsanto Co  | | Agriculture | | | | | | | | | | Last trade 2015-09-15 | | Return Analysis | |
|--|--------|-------------|---------|-----------|---------|--------|--------|------------|--------|--------|----------|-----------------------|---------|-----------------|--|
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | EPSttm | Years | HGROWTH | STAEGR® | |
| EPS (\$) | 0.470 | 1.260 | 1.790 | 3.620 | 3.800 | 2.017 | 2.960 | 3.790 | 4.600 | 5.220 | \$5.417 | 10 | 21.44% | 61.07% | |
| SPS (\$) | 11.734 | 13.520 | 15.674 | 20.717 | 21.496 | 19.435 | 22.085 | 25.293 | 28.091 | 32.673 | | 10 | 10.78% | 92.36% | |
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | Current | | | | |
| NPM (%) | 2.5 | 9.5 | 10.8 | 17.7 | 18.1 | 10.7 | 14.0 | 15.4 | 16.9 | 17.3 | 17.3% | | | | |
| ROE (%) | 4.7 | 11.4 | 14.2 | 24.0 | 21.7 | 11.0 | 14.9 | 17.5 | 20.4 | 26.8 | 26.8% | | | | |
| Payout (%) | 70.0 | 31.0 | 27.0 | 21.0 | 27.0 | 53.0 | 38.0 | 32.0 | 33.0 | 33.0 | 33.0% | | | | |
| Debt/Eq. (%) | 31.0 | 25.5 | 18.9 | 19.4 | 17.9 | 20.8 | 19.2 | 17.5 | 16.8 | 98.6 | 98.6% | | | | |
| | 8/05 | 8/06 | 8/07 | 8/08 | 8/09 | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | High/Low | Current | | | |
| P/E High | 73.65 | 37.76 | 39.60 | 40.28 | 31.93 | 43.16 | 26.04 | 23.68 | 23.77 | 24.67 | 23.26 | 16.78 | | | |
| P/E Low | 36.33 | 22.06 | 23.88 | 19.12 | 16.70 | 22.12 | 15.90 | 15.54 | 17.98 | 18.75 | 16.49 | | | | |
| Price High | 34.62 | 47.58 | 70.88 | 145.80 | 121.32 | 87.06 | 77.09 | 89.73 | 109.33 | 128.79 | 126.00 | 90.88 | | | |
| Price Low | 17.08 | 27.80 | 42.75 | 69.22 | 63.47 | 44.61 | 47.07 | 58.89 | 82.70 | 97.89 | 89.34 | | | | |
| | | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® | | | | | | |
| Default | | 90.88 | \$5.417 | 21.30 | 21.44% | 33.8% | 22.85% | 10.00% | 289.72 | Copy | | | | | |
| Safety | | 90.88 | \$5.417 | 14.24 | 8.70% | 23.9% | 6.90% | 10.00% | 66.42 | Copy | | | | | |



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10 Year

| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET [®] | Req Return | TARG [®] |
|---------|-------|---------|-----------|---------|--------|--------------------|------------|-------------------|
| Default | 90.88 | \$5.417 | 21.30 | 21.44% | 33.8% | 22.85% | 10.00% | 289.72 |
| Safety | 90.88 | \$5.417 | 14.24 | 8.70% | 23.9% | 6.90% | 10.00% | 66.42 |



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Kill It

| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® |
|---------|-------|---------|-----------|---------|--------|--------|------------|--------|
| Default | 90.88 | \$5.417 | 21.30 | 21.44% | 33.8% | 22.85% | 10.00% | 289.72 |
| Safety | 90.88 | \$5.417 | 14.24 | 8.70% | 23.9% | 6.90% | 10.00% | 66.42 |
| 🔄 Saved | 90.14 | \$5.417 | 12.00 | 7.00% | 23.9% | 4.17% | 10.00% | 49.13 |



Cut P/E by 43.6%
Cut growth rate by 67.35%

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Kill It Again

| | Price | EPSttm | P/E Ratio | HGrowth | Payout | STRET® | Req Return | TARG® |
|---|-------|---------|-----------|---------|--------|--------|------------|--------|
| Default | 90.88 | \$5.417 | 21.30 | 21.44% | 33.8% | 22.85% | 10.00% | 289.72 |
| Safety | 90.88 | \$5.417 | 14.24 | 8.70% | 23.9% | 6.90% | 10.00% | 66.42 |
|  Saved | 90.14 | \$5.417 | 10.20 | 5.00% | 0.0% | -0.01% | 10.00% | 30.08 |

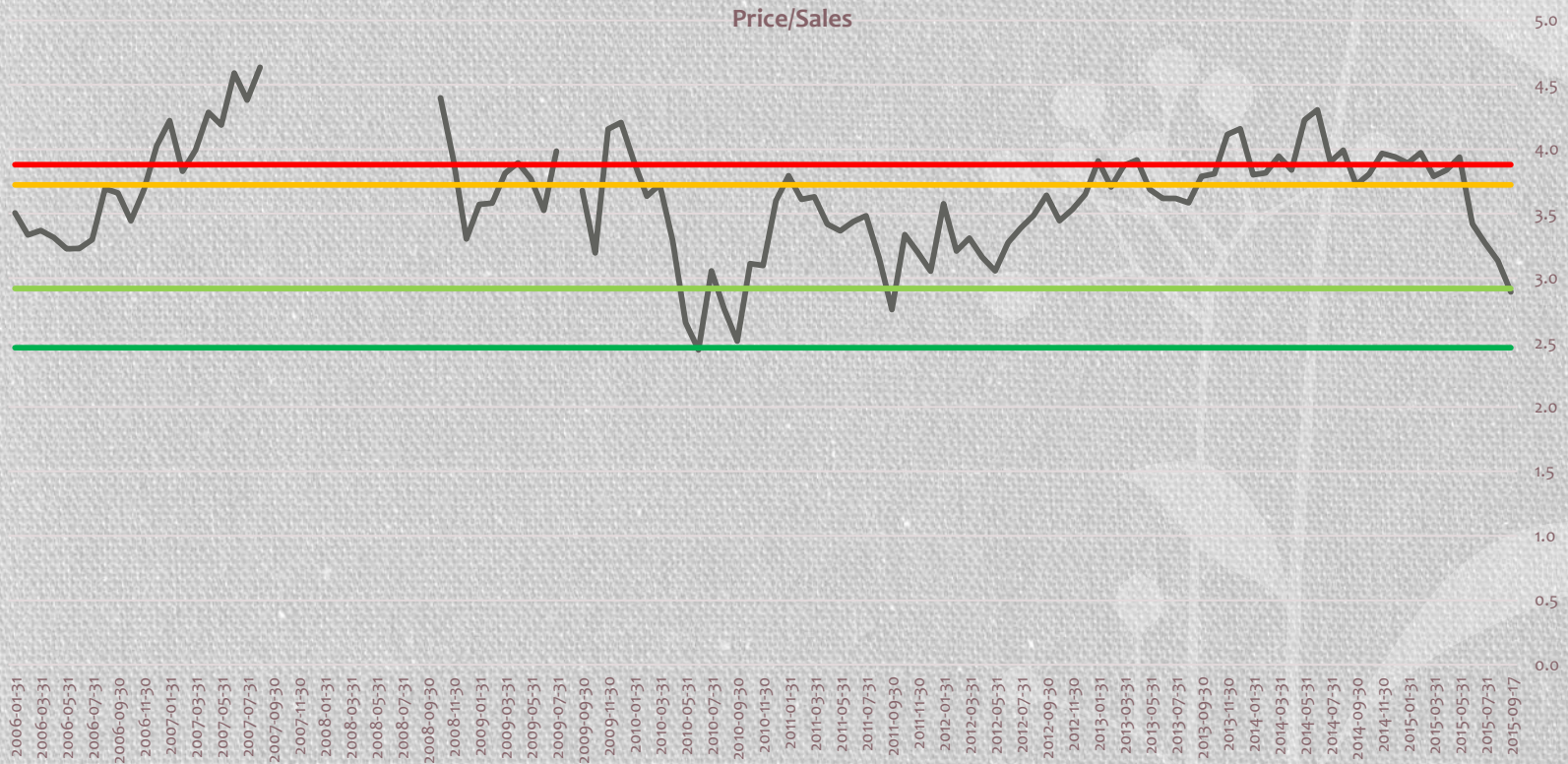


Cut P/E by 52.11%
Cut growth rate by 76.7%

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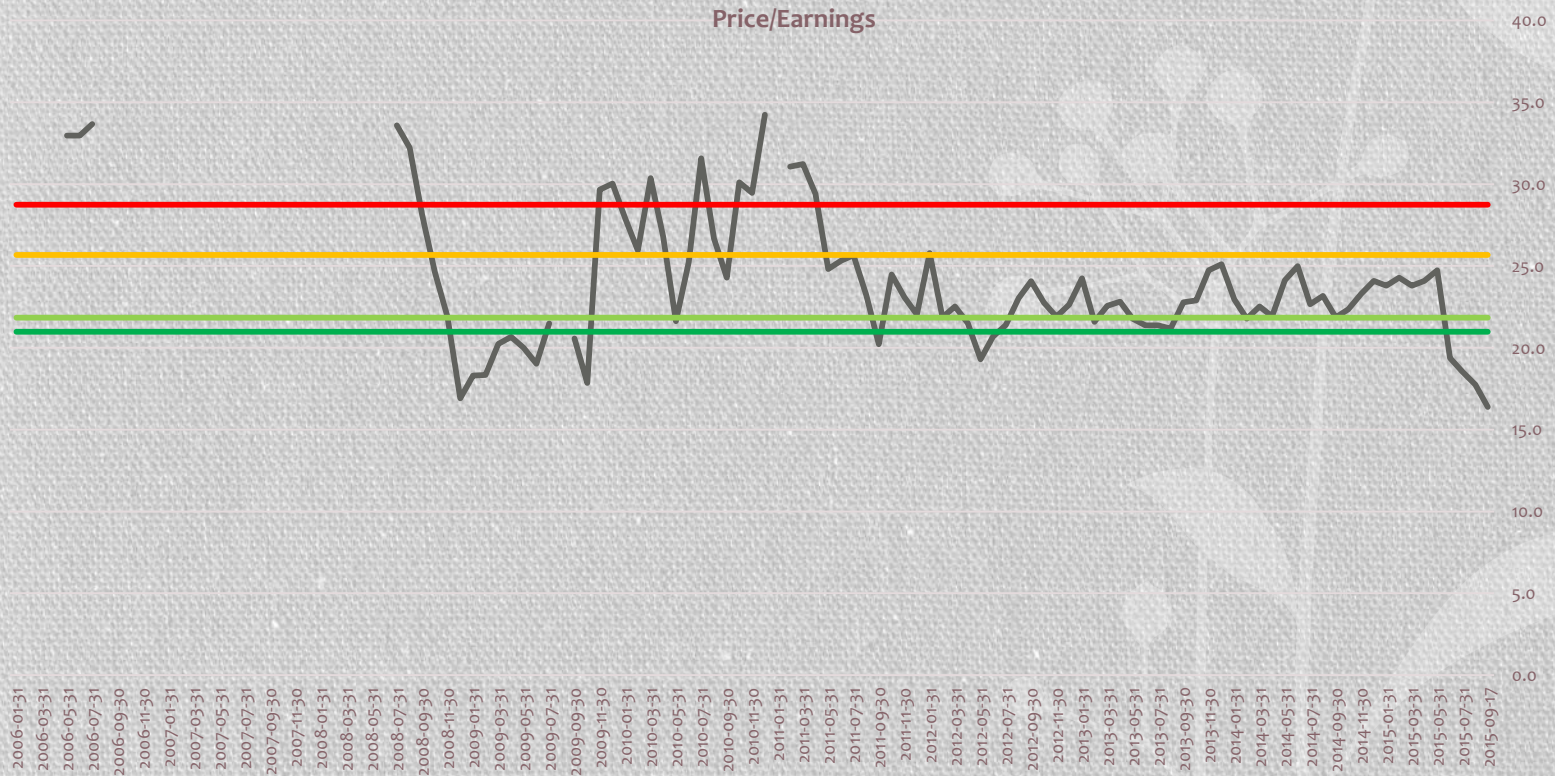
Price to Sales



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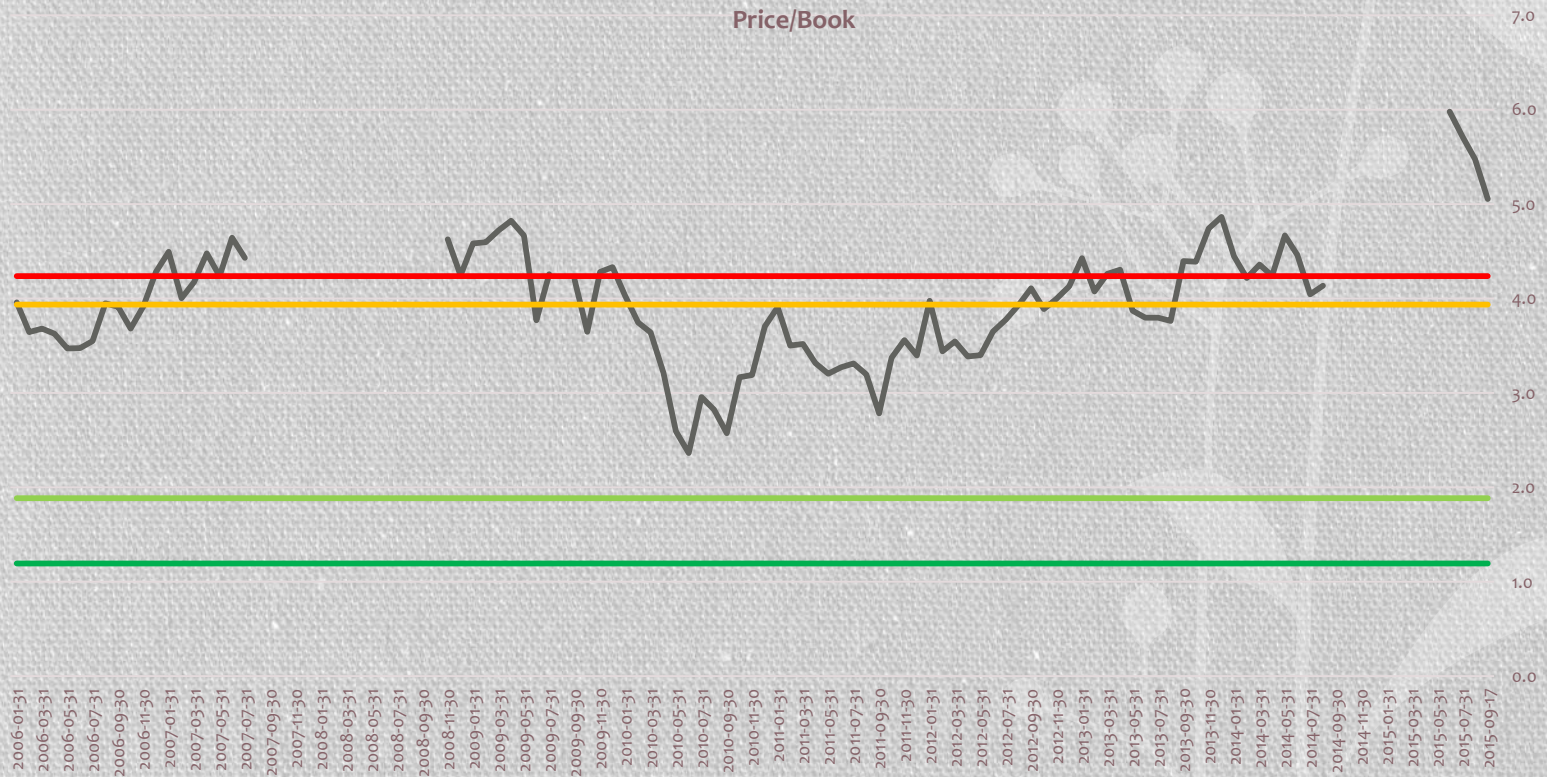
Price to Earnings



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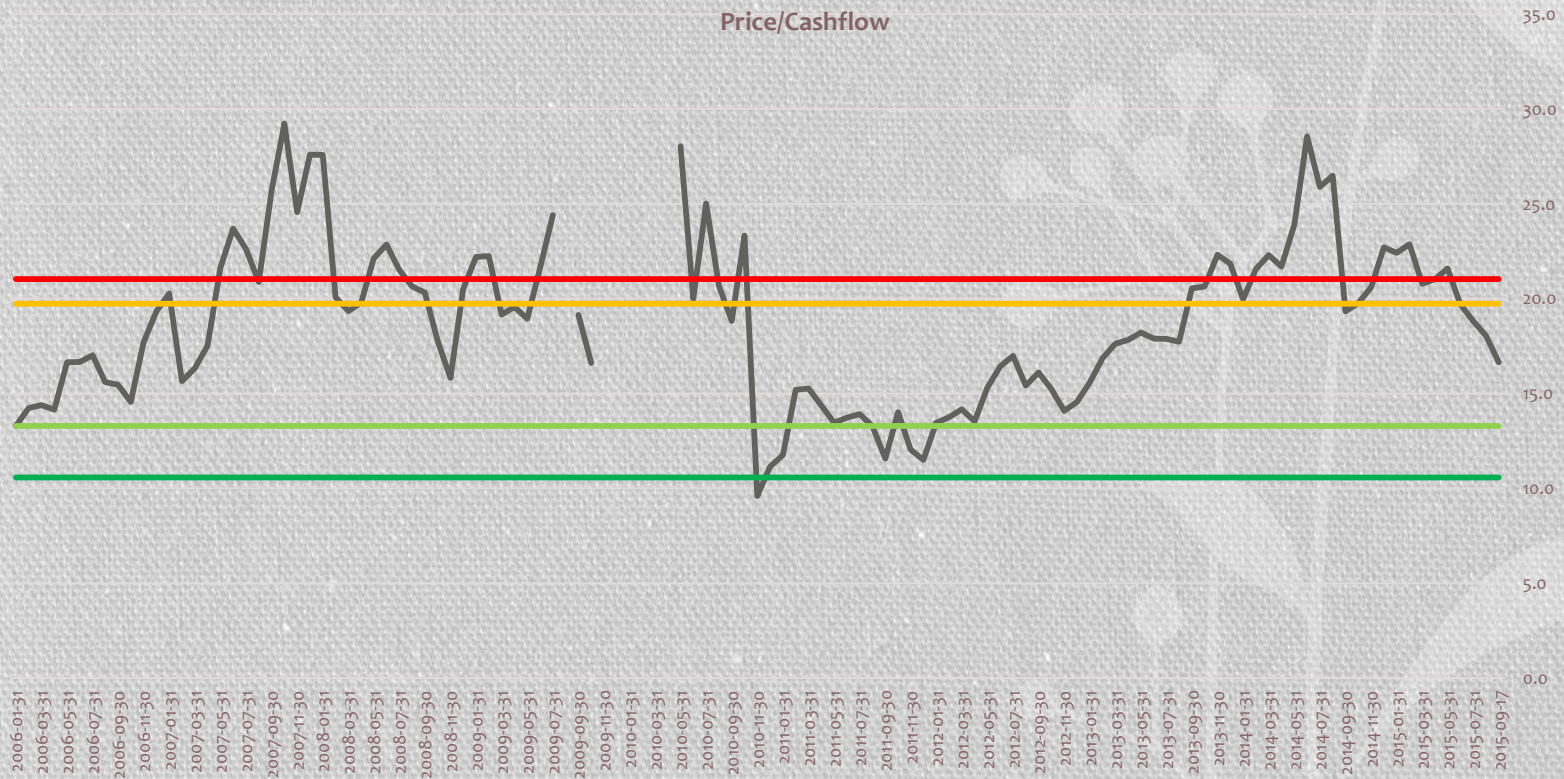
Price to Book



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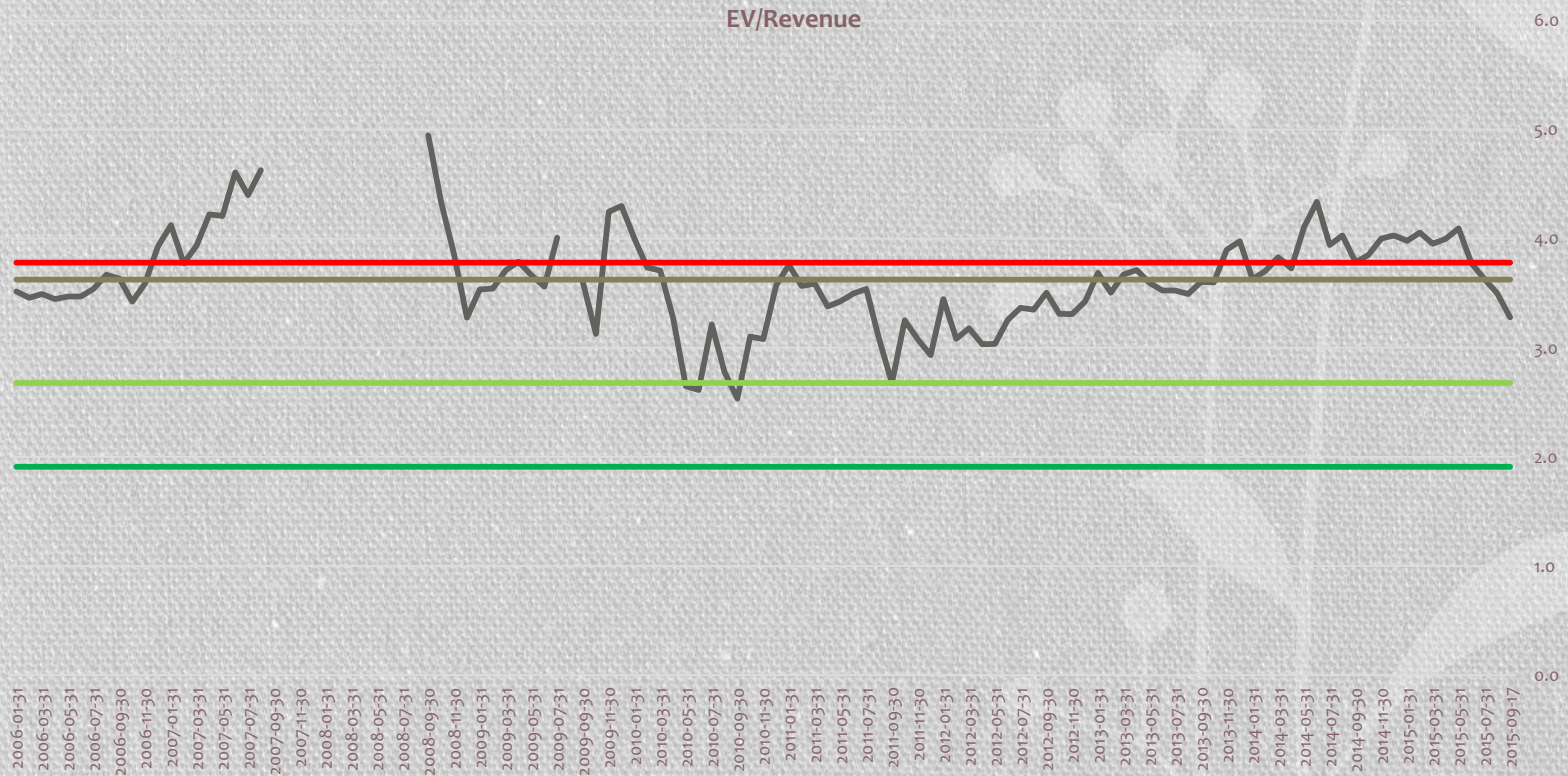
Price to Cashflow



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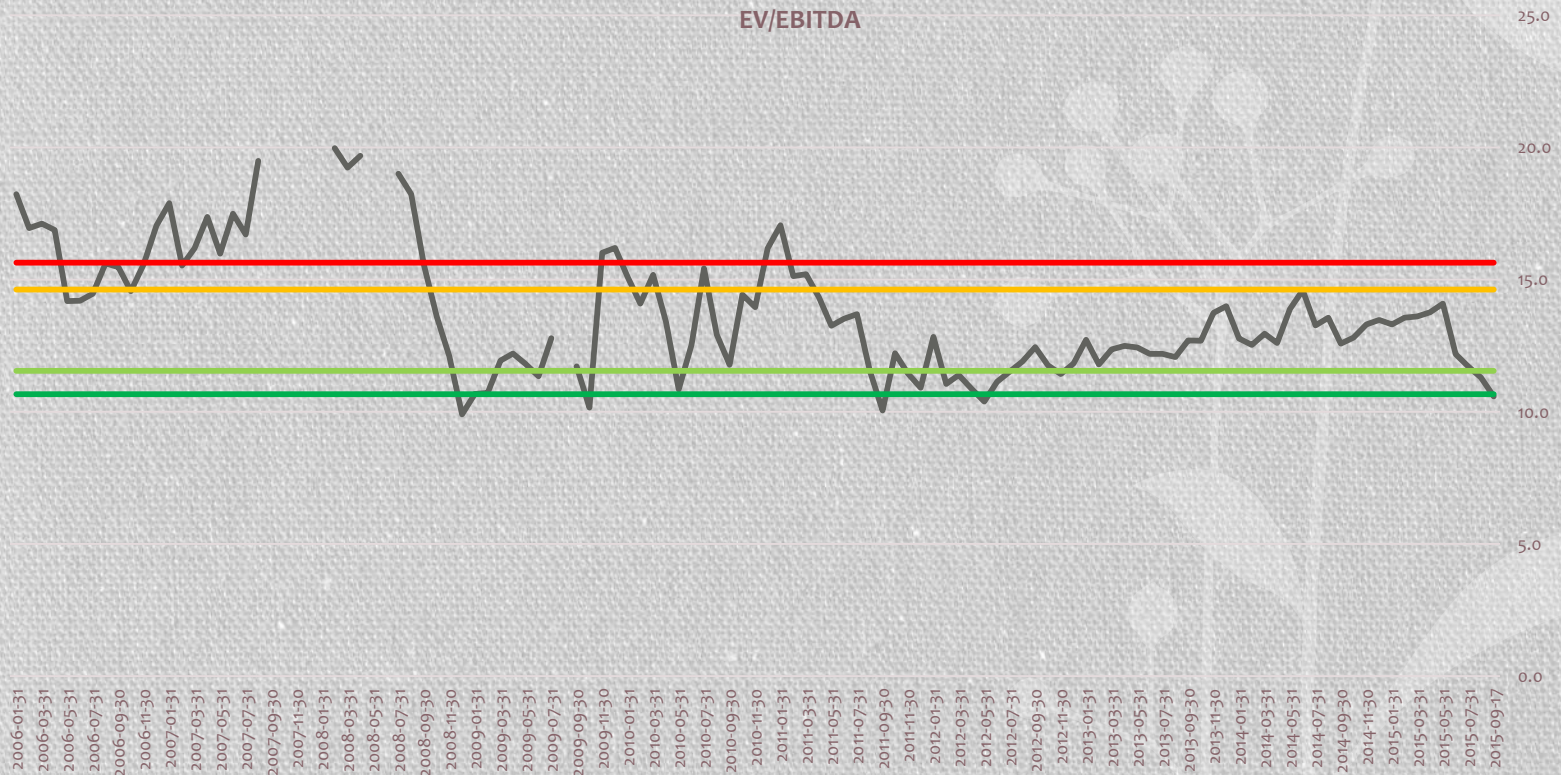
Enterprise Value to Revenue



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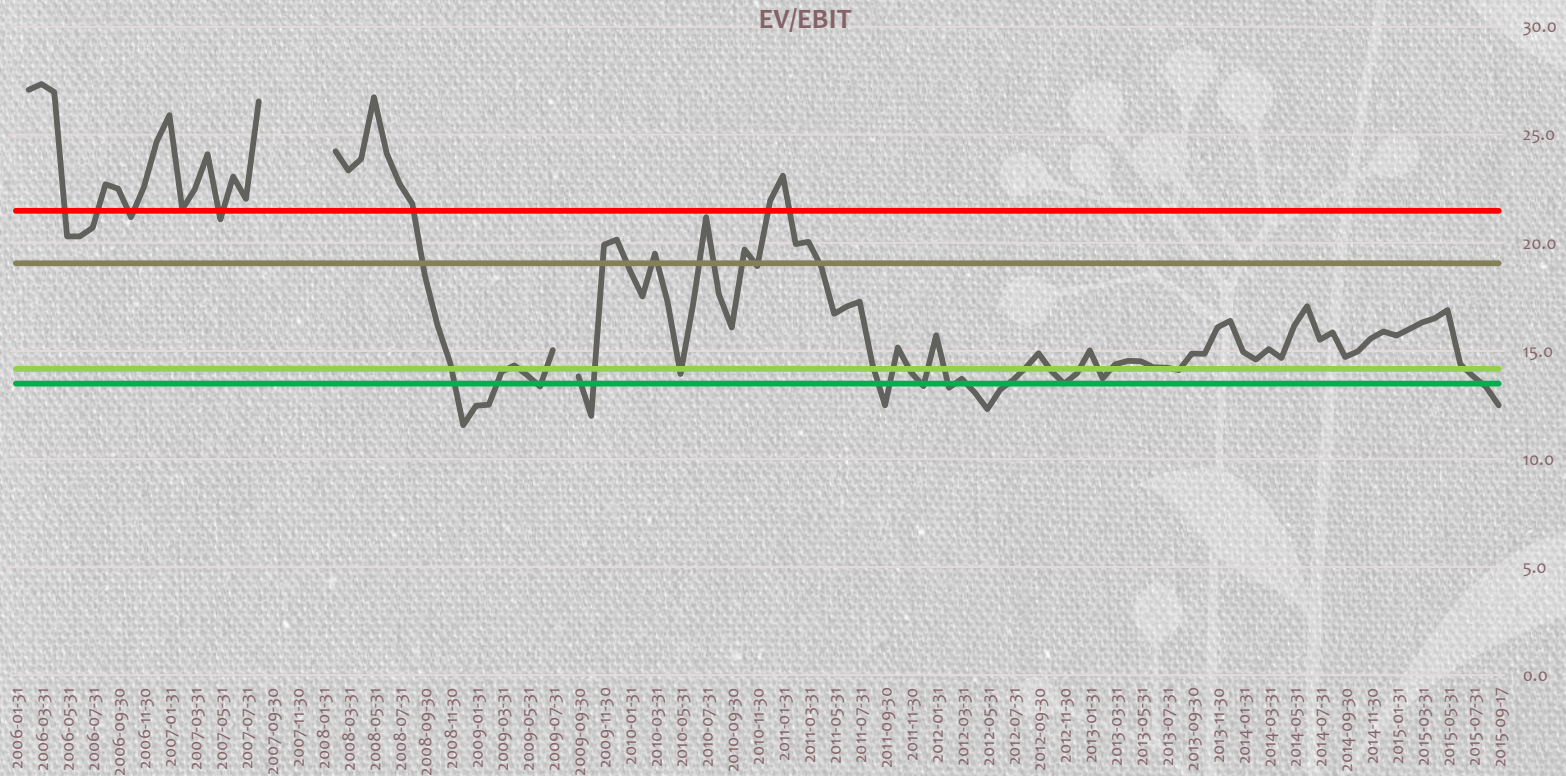
EV/EBITDA



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EV/EBIT



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Valuation Summary

| Ticker: | MON | | <u>P/S</u> | <u>P/E</u> | <u>P/B</u> | <u>P/CFO</u> | <u>EV/Rev</u> | <u>EV/EBITDA</u> | <u>EV/EBIT</u> |
|---------|----------|--|------------|------------|------------|--------------|---------------|------------------|----------------|
| Name: | Monsanto | | 2.89 | 16.39 | 5.06 | 16.65 | 3.28 | 10.58 | 12.49 |
| Price: | \$90.10 | | 29% | 5% | 98% | 54% | 47% | 18% | 12% |



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Competitors



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DuPont

| Monsanto | Total Asset Turnover (Revenue/Total Assets) | Net Profit Margin (Net Income/ Revenue) | Financial Leverage Multiplier (Total Assets/ Total Equity) | Return On Equity |
|----------|--|---|--|------------------|
| TTM | 0.7 | 17.4% | 2.7 | 28.8% |
| 2014 | 0.7 | 17.3% | 2.8 | 26.8% |
| 2013 | 0.7 | 16.7% | 1.6 | 18.7% |
| 2012 | 0.6 | 15.1% | 1.7 | 15.4% |

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DuPont - Competitors

| Company | Total Asset Turnover (Revenue/Total Assets) | Net Profit Margin (Net Income/ Revenue) | Financial Leverage Multiplier (Total Assets/ Total Equity) | Return On Equity |
|------------------------|--|---|--|------------------|
| Monsanto | 0.7 | 17.4% | 2.7 | 28.8% |
| Syngenta | 0.8 | 10.6% | 2.2 | 17.9% |
| Dow Chemicals | 0.8 | 8.4% | 2.9 | 19.3% |
| Archer-Daniels Midland | 1.8 | 3.2% | 2.3 | 12.8% |

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Intra Portfolio – Price to Earnings

| | Ticker | ▲ Pric... Earnings |
|---|------------|-----------------------|
| ▷ | OWW | - |
| ▷ | AIG-WT | - |
| ▷ | IBM | 9.9 |
| ▷ | AIG | 11.5 |
| ▷ | BBBY | 12.1 |
| ▷ | <i>CMI</i> | 12.6 |
| ▷ | WMT | 12.9 |
| ▷ | <i>UNP</i> | 15.4 |
| ▷ | ORCL | 16.6 |
| ▷ | MON | 16.8 |
| ▷ | BRK.B | 18.1 |
| ▷ | CHRW | 21.0 |
| ▷ | PEP | 21.6 |
| ▷ | MDT | 22.7 |
| ▷ | WBA | 23.1 |
| ▷ | KO | 23.1 |
| ▷ | NSRGY | 25.4 |
| ▷ | AAP | 26.0 |
| ▷ | MSFT | 30.0 |

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Intra Portfolio – Price to Sales

| Ticker | ▲ ... Sales |
|--------------|----------------|
| ▷ AIG-WT | - |
| ▷ WMT | 0.4 |
| ▷ CHRW | 0.7 |
| ▷ BBBY | 0.9 |
| ▷ WBA | 1.0 |
| ▷ CMI | 1.1 |
| ▷ AIG | 1.3 |
| ▷ AAP | 1.3 |
| ▷ OWW | 1.4 |
| ▷ BRK.B | 1.6 |
| ▷ IBM | 1.7 |
| ▷ PEP | 2.2 |
| ▷ NSRGY | 2.7 |
| ▷ MON | 2.9 |
| ▷ UNP | 3.4 |
| ▷ KO | 3.8 |
| ▷ MSFT | 3.9 |
| ▷ MDT | 4.1 |
| ▷ ORCL | 4.3 |

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Intra Portfolio – Earnings per Share

| | Ticker | EPS |
|---|------------|---------|
| ▷ | IBM | \$11.43 |
| ▷ | CMI | \$9.54 |
| ▷ | BRK.B | \$7.28 |
| ▷ | AAP | \$6.89 |
| ▷ | UNP | \$5.84 |
| ▷ | MON | \$5.55 |
| ▷ | BBBY | \$5.19 |
| ▷ | AIG | \$5.17 |
| ▷ | WMT | \$4.99 |
| ▷ | NSRGY | \$4.75 |
| ▷ | PEP | \$4.37 |
| ▷ | WBA | \$3.78 |
| ▷ | CHRW | \$3.29 |
| ▷ | MDT | \$2.71 |
| ▷ | ORCL | \$2.26 |
| ▷ | KO | \$1.73 |
| ▷ | MSFT | \$1.47 |
| ▷ | AIG-WT | - |
| ▷ | OWW | -\$0.08 |

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Intra Portfolio – PEG

| Ticker | ▲ PEG Forward |
|--------------|------------------|
| ▷ BRK.B | - |
| ▷ AIG-WT | - |
| ▷ OWW | - |
| ▷ AIG | 1.1 |
| ▷ <i>CMI</i> | 1.2 |
| ▷ MON | 1.3 |
| ▷ IBM | 1.4 |
| ▷ AAP | 1.6 |
| ▷ WBA | 1.6 |
| ▷ <i>UNP</i> | 1.8 |
| ▷ BBBY | 1.9 |
| ▷ ORCL | 1.9 |
| ▷ CHRW | 1.9 |
| ▷ MSFT | 2.2 |
| ▷ MDT | 2.4 |
| ▷ WMT | 3.2 |
| ▷ PEP | 3.5 |
| ▷ KO | 4.6 |
| ▷ NSRGY | 4.8 |

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Industry Breakdown

| Company | MON | SYT | DOW | ADM |
|----------------------|--------|--------|--------|-------|
| Market Cap | 42B | 32B | 51B | 26B |
| Revenue | 15B | 15B | 54B | 73B |
| P/E | 16.4 | 19.7 | 12.6 | 12.3 |
| P/S | 2.9 | 2.1 | 1.0 | 0.4 |
| EV/EBIT | 12.7 | 16.8 | 10.17 | 9.5 |
| ROE | 28.9% | 17.9% | 19.3% | 12.8% |
| ROC | 20.19% | 14.61% | 10.42% | 8.98% |
| Net Margin | 17.37% | 10.43% | 8.24% | 3.16% |
| Dividend Yield | 2.17% | 3.40% | 3.61% | 2.42% |
| # of Guru's | 10 | 5 | 5 | 5 |
| Predictability Stars | 3 | 1 | 1 | 1 |



Conclusion

- Large Industry Player
- Leader in all markets
- Constant Innovation
- Valuations at historical low
- Commitment to shareholder
 - Consistently increasing dividends and buybacks

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Recommendation

- Limit order at \$85

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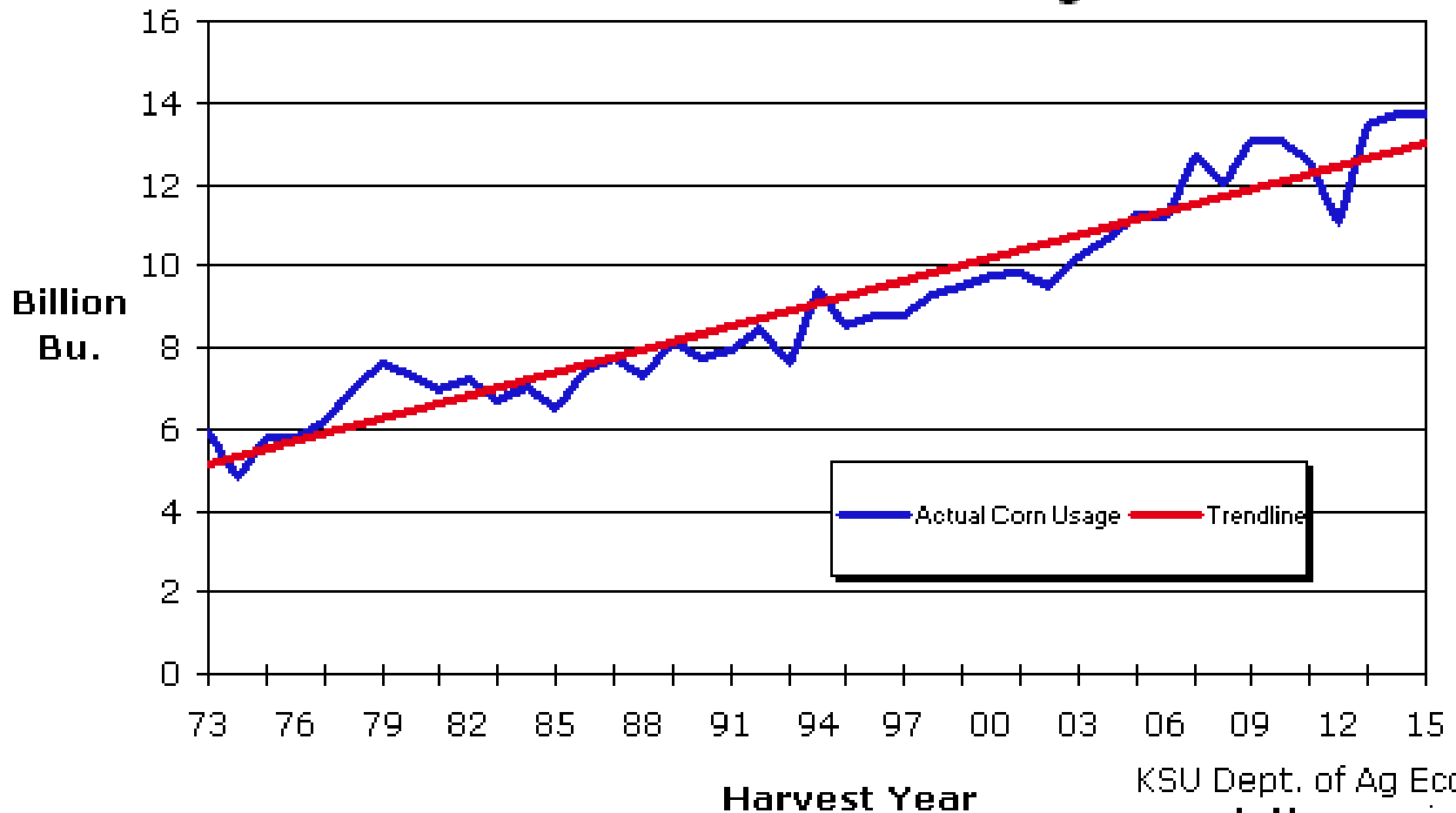


QUESTIONS?



Total U.S. Corn Usage

U.S. Total Corn Usage



Source: USDA WASDE Report 9.11.15

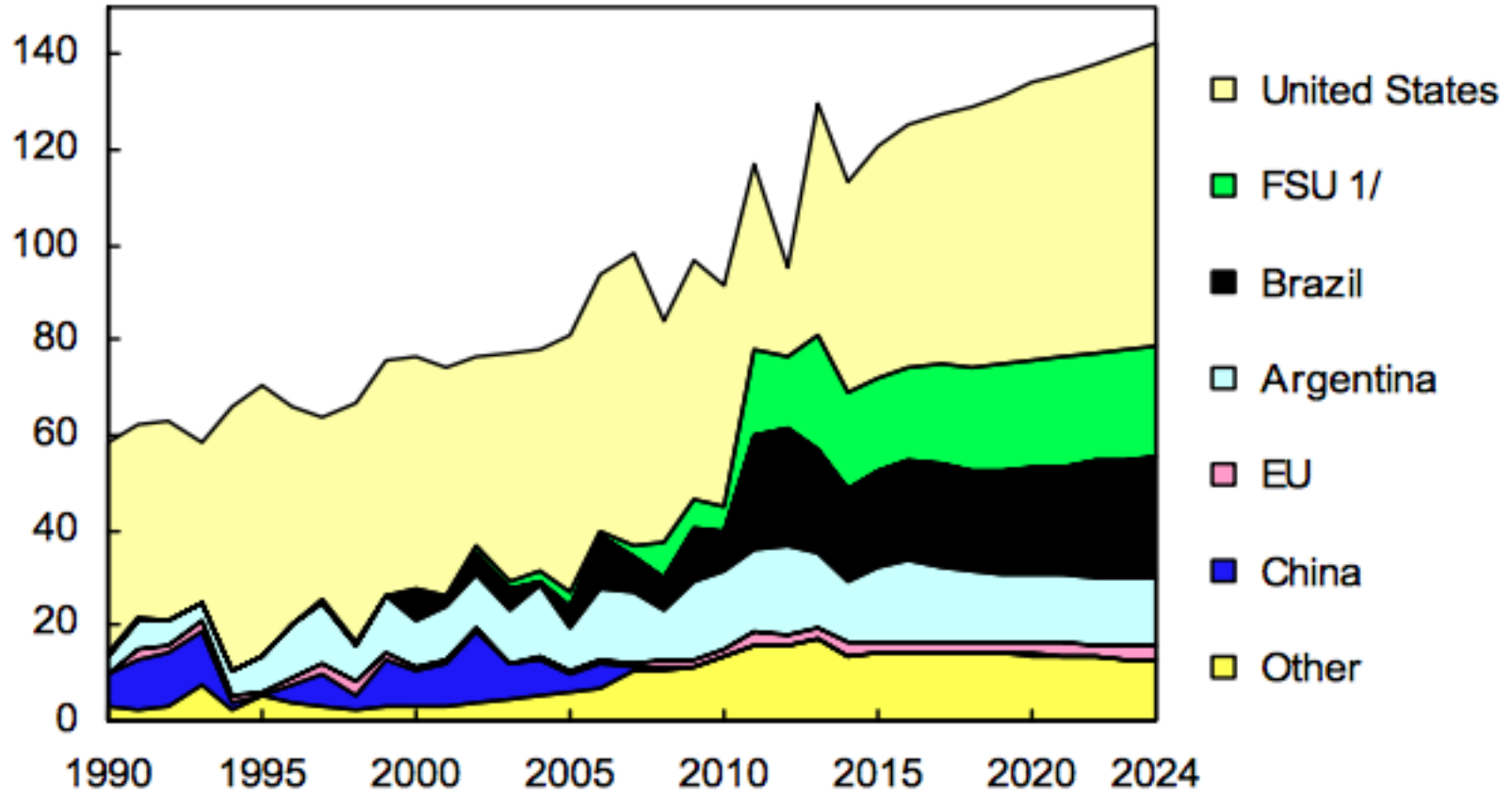
KSU Dept. of Ag Econ
www.AgManager.info

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Global corn exports

Million metric tons



1/ Former Soviet Union.

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