# MONSANTO CHEMICAL COMPANY

GENERAL OFFICES

SAINT LOUIS

CABLE ADDRESS
MONSANTO-ST. LOUIS

April 27, 1934.

TO THE STOCKHOLDERS OF
MONSANTO CHEMICAL COMPANY:

There is annexed to this quarterly report a summary of the minutes of the annual meeting of stockholders of Monsanto Chemical Company, held on March 27, 1934. With reference to issuance of additional shares to stockholders, I am pleased to announce that this listing application has now been approved by the Committee on Stock List of the New York Stock Exchange, and consequently our transfer agent, Guaranty Trust Company of New York, will proceed with this issuance on April 30, 1934. New certificates representing the 100% stock distribution out of Paid-In Surplus will be issued to holders of record at the close of business on April 20, 1934, without the necessity of shareholders surrendering old certificates for exchange.

The Board of Directors, on April 24, 1934, voted a quarterly dividend of 25c a share (inclusive of shares comprising 100% stock distribution), payable June 15, 1934, to stockholders of record at the close of business on May 25, 1934.

* * * * *

Our sales and profits levels of the last six months of 1933 were maintained during the first quarter of 1934, when net earnings amounted to $674,117, equivalent to $1.56 per share on the 432,000 shares outstanding. First quarter of 1933 net earnings were $296,920, or 69.5c per share.

Substantial improvement in current position reflects the conversion of $509,066 of the quarter's realized profits into working capital. Also plant facilities were further expanded and improved by expenditure of $371,362 during the three months.

Consolidated Balance Sheet, Income and Surplus Statements at March 31, 1934, are submitted, and in connection with the asset "Investments in Controlled Companies" it should be known that no portion of our share in undistributed earnings of these companies has been taken into our income accounts.

Edgar M. Queeny

*President.*

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# SUMMARY OF MINUTES
# ANNUAL MEETING OF STOCKHOLDERS

OF

## MONSANTO CHEMICAL COMPANY

ST. LOUIS, U. S. A.

## March 27, 1934

At this Annual Meeting resolutions were adopted (*a*) approving all actions of the Board of Directors during the year 1933, as disclosed by the Minute Book, (*b*) amending Article Fourth of the Certificate of Incorporation of Monsanto Chemical Company so that the corporation shall have authority to issue a total of 1,250,000 shares of a par value of $10 each, and (*c*) authorizing, subject to approval of the listing of same on the New York Stock Exchange, the issuance of additional shares of common stock of a par value of $10 each, on April 30, 1934, to the stockholders of record at the close of business on April 20, 1934, so that each stockholder shall receive an additional share for each share then held, the required addition to capital account to be charged against paid-in surplus account.

The following directors were re-elected to serve for the ensuing year:

Edgar M. Queeny
Charles Belknap
Gaston Du Bois
Theodore Rassieur
G. Lee Camp
J. W. Livingston
L. F. Nickell
Joseph D. Lumaghi
William M. Rand

W. W. SCHNEIDER,
Secretary.

# MONSANTO CH
# AND SUBSIDI

## Comparative Consolidated Balance Shee

### ASSETS

| | March 31, 1934 | December 31, 1933 | Increase *Decrease* |
|---|---|---|---|
| ***Current Assets:*** | | | |
| Cash and U. S. Certificates | $ 1,999,203.17 | $ 2,055,361.85 | *$ 56,158.68* |
| Marketable Securities at Market | 437,509.18 | 250,281.25 | 187,227.93 |
| Customers' Notes and Accounts Receivable, Less Reserve | 1,753,585.80 | 1,590,405.93 | 163,179.87 |
| Miscellaneous Accounts Receivable | 51,751.12 | 67,430.36 | *15,679.24* |
| Inventories | 3,195,750.66 | 3,227,824.03 | *32,073.37* |
| | $ 7,437,799.93 | $ 7,191,303.42 | $246,496.51 |
| ***Other Assets:*** | | | |
| Due from Officers and Employees | | | |
| On Purchases of Stock and Monsanto, Illinois Bonds | $ 75,700.07 | $ 73,025.21 | $ 2,674.86 |
| Advances | 22,195.33 | 20,125.29 | 2,070.04 |
| Investments in Controlled Companies | 797,467.67 | 799,073.30 | *1,605.63* |
| Miscellaneous Investments | 476,190.74 | 455,041.72 | 21,149.02 |
| Frozen Deposits and Stocks in Banks, Less Reserve | 15,839.28 | 15,839.28 | |
| | $ 1,387,393.09 | $1,363,104.80 | $24,288.29 |
| ***Plant Property:*** | | | |
| Land | $ 1,253,472.48 | $ 1,249,972.48 | $ 3,500.00 |
| Buildings | 3,260,879.56 | 3,250,652.33 | 10,227.23 |
| Machinery and Equipment | 9,915,803.95 | 9,630,431.71 | 285,372.24 |
| | $14,430,155.99 | $14,131,056.52 | $299,099.47 |
| ***Patents and Processes:*** | $2.00 | $2.00 | |
| ***Deferred Charges:*** | | | |
| Prepaid Items | $ 105,963.95 | $ 122,887.83 | *$ 16,923.88* |
| Other | 5,850.00 | 11,700.00 | *5,850.00* |
| | $ 111,813.95 | $ 134,587.83 | *$ 22,773.88* |
| | $23,367,164.96 | $22,820,054.57 | $547,110.39 |

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## March 31, 1934, and December 31, 1933

### LIABILITIES

| | March 31, 1934 | December 31, 1933 | Increase *Decrease* |
|---|---|---|---|
| ***Current Liabilities:*** | | | |
| Accounts Payable | $ 847,361.00 | $ 1,089,864.35 | *$242,503.35* |
| Accrued Accounts | 215,420.23 | 231,611.82 | *16,191.59* |
| Estimated Income Taxes | 549,410.98 | 553,286.07 | *3,875.09* |
| | $ 1,612,192.21 | $1,874,762.24 | *$262,570.03* |
| ***Funded Debt:*** | | | |
| First Mortgage 5½% Sinking Fund Gold Bonds, due November 1, 1942; Annual Sinking Fund Requirement, $80,000.00 | $1,073,000.00 | $ 1,073,000.00 | |
| Less—In Treasury | 43,000.00 | 42,500.00 | $500.00 |
| | $ 1,030,000.00 | $ 1,030,500.00 | *$500.00* |
| ***Reserves:*** | | | |
| Depreciation and Obsolescence | $5,042,117.26 | $ 4,893,846.75 | $148,270.51 |
| For Redemption of Returnable Containers | 584,054.51 | 552,219.50 | 31,835.01 |
| For Fluctuations of Exchange | 234,298.05 | 234,298.05 | |
| For Contingencies | 291,625.25 | 204,238.48 | 87,386.77 |
| | $ 6,152,095.07 | $ 5,884,602.78 | $267,492.29 |
| ***Capital Stock and Surplus:*** | | | |
| Capital Stock— Authorized 500,000 Shares of $10.00 Each; Outstanding 432,000 Shares, Including 31,681 Shares at March 31, 1934, Held for Exchange of Stock of Predecessor Corporation | $ 4,320,000.00 | $ 4,320,000.00 | |
| Paid-in Surplus | 5,393,063.03 | 5,389,206.04 | 3,856.99 |
| Earned Surplus acquired from predecessor Corporation | 2,582,772.19 | 2,718,058.14 | *135,285.95* |
| Earned Surplus | 2,277,042.46 | 1,602,925.37 | 674,117.09 |
| | $14,572,877.68 | $14,030,189.55 | $542,688.13 |
| | $23,367,164.96 | $22,820,054.57 | $547,110.39 |

*Notation.*—Current Assets and Liabilities of the British subsidiary have been converted at $4.85 per £.

# MONSANTO CHEMICAL COMPANY
# AND PREDECESSOR CORPORATION
# AND SUBSIDIARY COMPANIES

## Statement of Consolidated Income for the Three Months Ended March 31, 1934, and 1933, and Comparison

| | Three Months ended March 31, 1934 | Three Months ended March 31, 1933 | Increase *Decrease* |
|---|---|---|---|
| Gross Profit from operations before Depreciation and Obsolescence | $1,586,561.45 | $ 995,234.97 | $591,326.48 |
| **Deduct:** | | | |
| Selling and administrative expenses | $ 409,732.73 | $ 297,043.93 | $112,688.80 |
| Depreciation and obsolescence | 220,533.91 | 208,334.26 | 12,199.65 |
| Research expenses | 81,000.70 | 96,850.95 | *15,850.25* |
| Total | $ 711,267.34 | $ 602,229.14 | $109,038.20 |
| Net Profit from Operations | $ 875,294.11 | $ 393,005.83 | $482,288.28 |
| **Other Income:** | | | |
| Interest Earned | $ 5,027.65 | $ 9,619.33 | *$ 4,591.68* |
| Other | 81,334.79 | 40,047.60 | 41,287.19 |
| Total | $ 86,362.44 | $ 49,666.93 | $ 36,695.51 |
| Gross Income | $ 961,656.55 | $ 442,672.76 | $518,983.79 |
| **Income Charges:** | | | |
| Bond Interest | $ 14,162.53 | $ 21,236.88 | *$ 7,074.35* |
| Other Charges | 128,157.32 | 63,148.47 | 65,008.85 |
| Total | $ 142,319.85 | $ 84,385.35 | $ 57,934.50 |
| Net Income before provision for income taxes | $ 819,336.70 | $ 358,287.41 | $461,049.29 |
| Provision for income taxes | $ 145,219.61 | $ 61,367.00 | $ 83,852.61 |
| Net Income transferred to Surplus | $ 674,117.09 | $ 296,920.41 | $377,196.68 |
| Per Share of Outstanding Stock | $1.56 | $0.695 | $0.865 |

*Notation.*—The earnings of the British Subsidiary have been converted for the three months ended March 31, 1934 at $4.85 per £, and for the three months ended March 31, 1933, at $3.40 per £.

# MONSANTO CHEMICAL COMPANY AND SUBSIDIARY COMPANIES

## Statement of Consolidated Paid-In Surplus March 31, 1934

| | |
|---|---|
| Paid-In Surplus December 31, 1933 | $5,389,206.04 |
| Net premium on purchases and sales of treasury stock and scrip | 3,856.99 |
| Paid-In Surplus March 31, 1934 | $5,393,063.03 |

## Statement of Consolidated Earned Surplus Acquired from Predecessor Corporation March 31, 1934

| | | |
|---|---|---|
| Earned Surplus Acquired from Predecessor Corporation December 31, 1933 | | $2,718,058.14 |
| Deduct: | | |
| Dividends paid during the three months ended March 31, 1934 | $135,000.00 | |
| Expenses incident to the incorporation of Monsanto Chemical Company in the State of Delaware | 285.95 | 135,285.95 |
| Earned Surplus Acquired from Predecessor Corporation March 31, 1934 | | $2,582,772.19 |

## Statement of Consolidated Earned Surplus March 31, 1934

| | |
|---|---|
| Consolidated Earned Surplus December 31, 1933 | $1,602,925.37 |
| Add—Net Income for the three months ended March 31, 1934 | 674,117.09 |
| Earned Surplus, March 31, 1934 | $2,277,042.46 |