



# **Second Quarter FY2010 Earnings Conference Call**

*February 2, 2010*

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Chairman & CEO

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EVP, Commercial & Production

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# Safe Harbor Statement

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Some of our comments constitute forward-looking statements that reflect management's current views and estimates of future economic circumstances, industry conditions, Company performance and financial results.

The statements are based on many assumptions and factors, including availability and prices of raw materials, market conditions, operating efficiencies, access to capital and actions of governments. Any changes in such assumptions or factors could produce significantly different results. To the extent permitted under applicable law, the Company assumes no obligation to update any forward-looking statements as a result of new information or future events.



# Table of Contents

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|   | <u>Page</u> |
|---|-------------|
| ✓ <b>Chairman's Perspective</b>           | 4           |
| ✓ <b>Financial Highlights</b>             | 5           |
| ✓ <b>Segment Operating Profit Summary</b> | 6           |
| ✓ <b>Segment Operating Profit</b>         | 7 – 10      |
| ✓ <b>Corporate Highlights</b>             | 11          |
| ✓ <b>Statement of Earnings Summary</b>    | 12          |
| ✓ <b>Balance Sheet Highlights</b>         | 13          |
| ✓ <b>Cash Flow Summary</b>                | 14          |
| ✓ <b>Financial Returns</b>                | 15          |
| ✓ <b>Q&amp;A</b>                          | 16          |
| ✓ <b>Upcoming Events</b>                  | 17          |
| ✓ <b>Appendix</b>                         | 18 – 24     |

# Chairman's Perspective

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- Safety
- Financial results
- Strategic update
- Operating conditions

*"I'm very pleased with the performance of our people and with our results this quarter.*

*While our earnings, in total, were comparable to last year's strong second quarter, the market conditions and the mix of earnings were markedly different.*

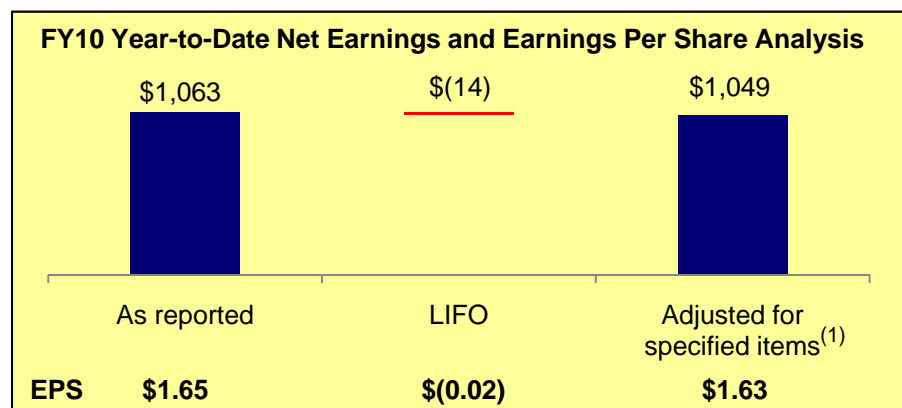
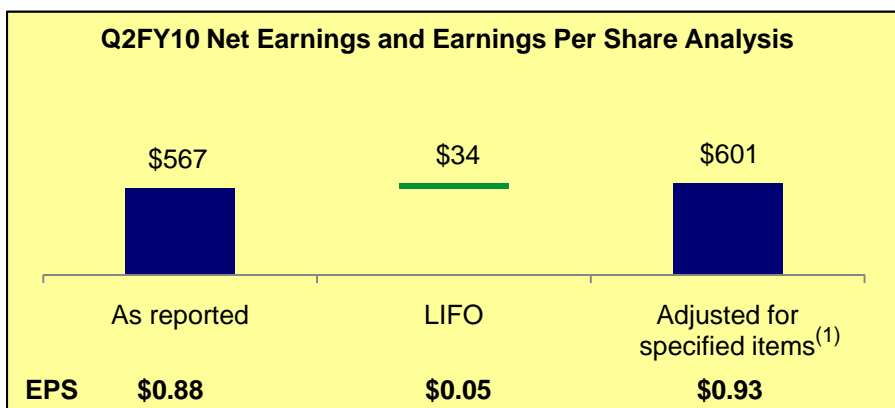
*This, once again, demonstrates the ability of the ADM team to utilize the geographic scope and diversity of our asset base to create value for our stockholders."*

# Financial Highlights

(Amounts in millions, except per share data and percentages)

|   | Quarter Ended<br>December 31 |         |        | Six Months Ended<br>December 31 |         |        |
|---|------------------------------|---------|--------|---------------------------------|---------|--------|
|   | 2009                         | 2008    | Change | 2009                            | 2008    | Change |
| Segment operating profit <sup>(1)</sup>         | \$ 970                       | \$ 815  | 19%    | \$1,744                         | \$1,991 | (12%)  |
| Net earnings attributable to ADM <sup>(2)</sup> | \$ 567                       | \$ 578  | (2%)   | \$1,063                         | \$1,623 | (35%)  |
| Earnings per share <sup>(2)</sup>               | \$ 0.88                      | \$ 0.90 | (2%)   | \$ 1.65                         | \$ 2.52 | (35%)  |
| Effective tax rate                              | 28.4%                        | 29.1%   |        | 29.5%                           | 29.4%   |        |

|   |           |         |           |         |         |           |
|---|-----------|---------|-----------|---------|---------|-----------|
| LIFO impact per share (net of tax) <sup>(1)</sup> | \$ (0.05) | \$ 0.12 | \$ (0.17) | \$ 0.02 | \$ 0.56 | \$ (0.54) |
|---|-----------|---------|-----------|---------|---------|-----------|



<sup>(1)</sup> Non-GAAP measure; <sup>(2)</sup> FY2009 restated - see notes on page 24

# Segment Operating Profit Summary

(Amounts in millions)

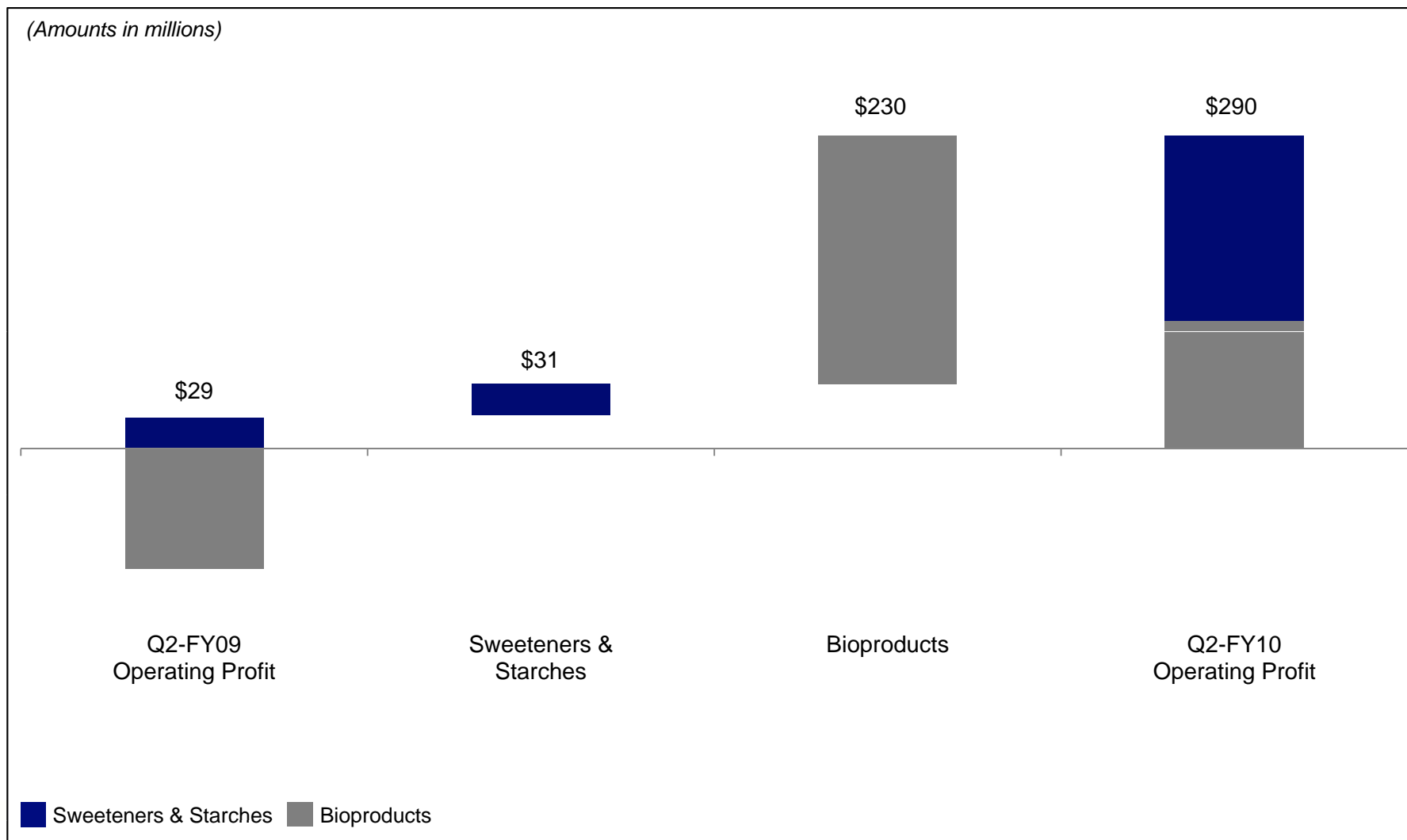
|   | Quarter Ended<br>December 31 |               |               | Six Months Ended<br>December 31 |                 |                 |
|---|------------------------------|---------------|---------------|---------------------------------|-----------------|-----------------|
|   | 2009                         | 2008          | Change        | 2009                            | 2008            | Change          |
| <b>Oilseeds Processing</b>                          |                              |               |               |                                 |                 |                 |
| Crushing & Origination                              | \$ 193                       | \$ 187        |               | \$ 328                          | \$ 526          |                 |
| Refining, Packaging, Biodiesel & Other              | 76                           | 86            |               | 146                             | 192             |                 |
| Asia  | 83                           | 46            |               | 162                             | 111             |                 |
|   | <u>352</u>                   | <u>319</u>    | \$ 33         | <u>636</u>                      | <u>829</u>      | \$ (193)        |
| <b>Corn Processing</b>                              |                              |               |               |                                 |                 |                 |
| Sweeteners & Starches                               | 171                          | 140           |               | 365                             | 205             |                 |
| Bioproducts   | 119                          | (111)         |               | 113                             | (58)            |                 |
|   | <u>290</u>                   | <u>29</u>     | 261           | <u>478</u>                      | <u>147</u>      | 331             |
| <b>Agricultural Services</b>                        |                              |               |               |                                 |                 |                 |
| Merchandising & Handling                            | 103                          | 385           |               | 260                             | 770             |                 |
| Transportation                                      | 47                           | 77            |               | 65                              | 120             |                 |
|   | <u>150</u>                   | <u>462</u>    | (312)         | <u>325</u>                      | <u>890</u>      | (565)           |
| <b>Other</b>  |                              |               |               |                                 |                 |                 |
| Processing  | 159                          | 51            |               | 266                             | 154             |                 |
| Financial   | 19                           | (46)          |               | 39                              | (29)            |                 |
|   | <u>178</u>                   | <u>5</u>      | 173           | <u>305</u>                      | <u>125</u>      | 180             |
| <b>Total Segment Operating Profit<sup>(1)</sup></b> | <b>\$ 970</b>                | <b>\$ 815</b> | <b>\$ 155</b> | <b>\$ 1,744</b>                 | <b>\$ 1,991</b> | <b>\$ (247)</b> |

<sup>(1)</sup>Non-GAAP measure - see notes on page 24

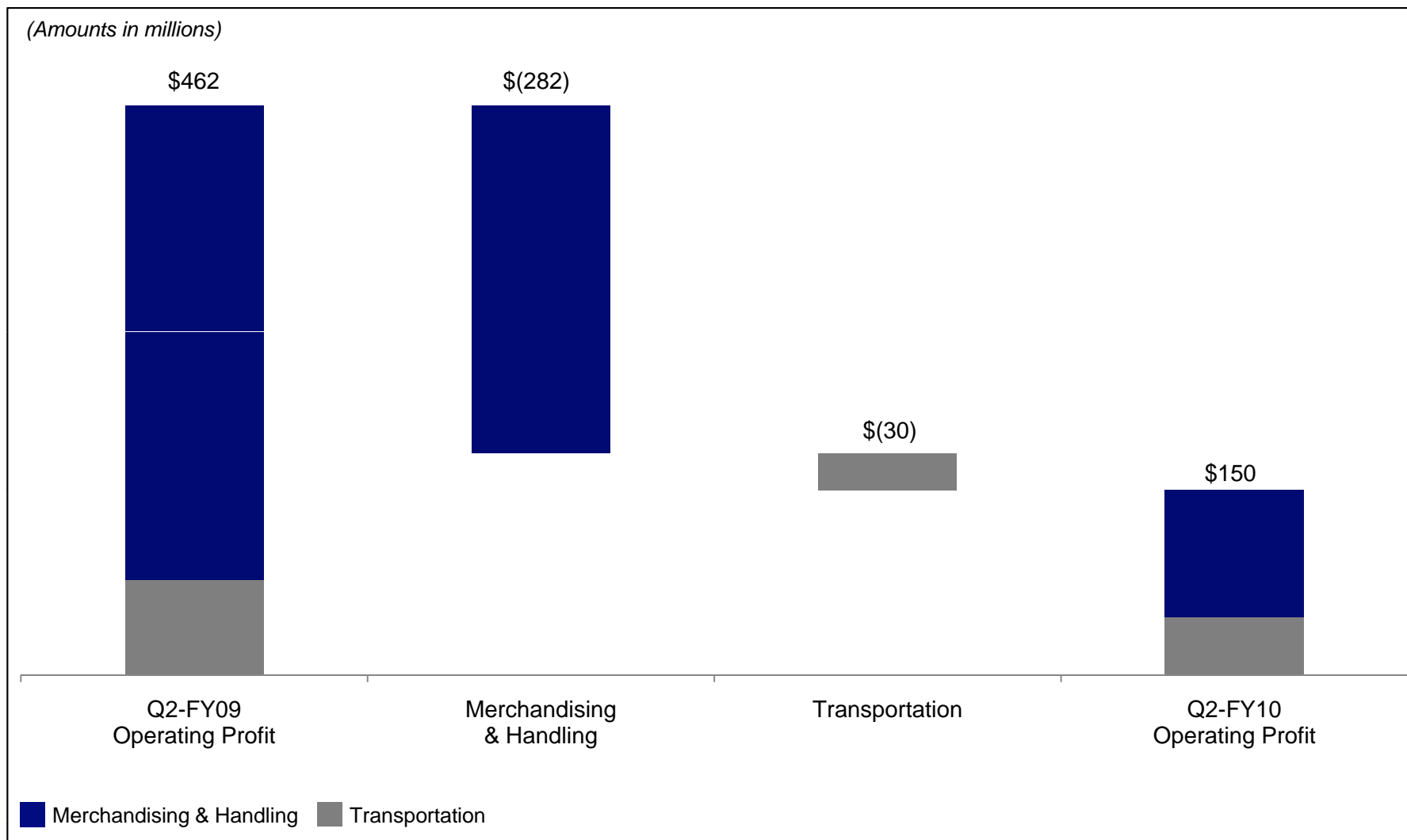
# Segment Operating Profit – Oilseeds Processing



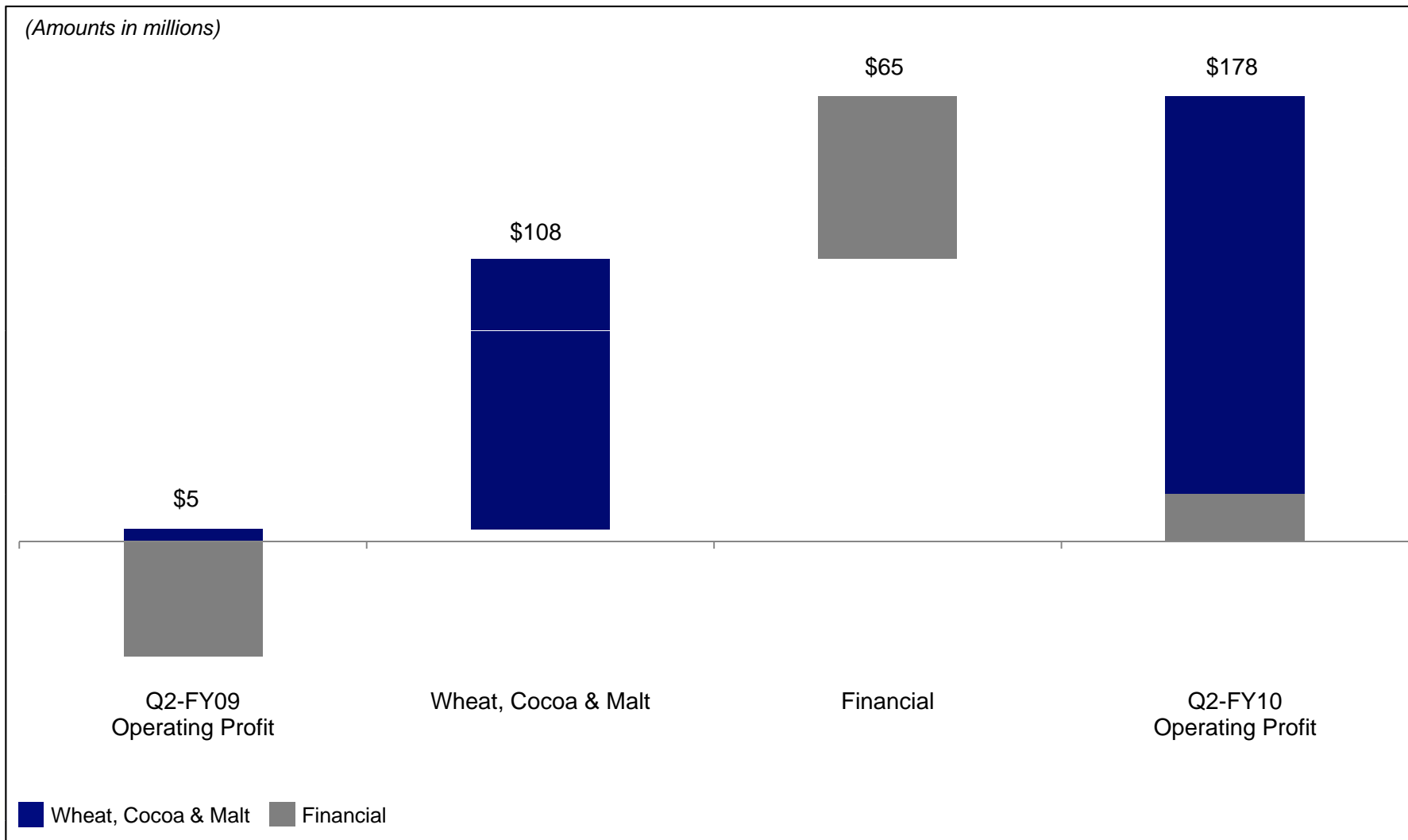
# Segment Operating Profit – Corn Processing



# Segment Operating Profit – Ag Services



# Segment Operating Profit – Other



# Corporate Highlights

(Amounts in millions)

|                         | Quarter Ended<br>December 31 |                           |                 | Six Months Ended<br>December 31 |                             |                 |
|-------------------------|------------------------------|---------------------------|-----------------|---------------------------------|-----------------------------|-----------------|
|                         | 2009                         | 2008                      | Change          | 2009                            | 2008                        | Change          |
| LIFO credit (charge)    | \$ (54)                      | \$ 123                    | \$ (177)        | \$ 22                           | \$ 576                      | \$ (554)        |
| Interest expense - net  | (71)                         | (42) <sup>(1)</sup>       | (29)            | (136)                           | (70) <sup>(1)</sup>         | (66)            |
| Corporate costs & other | (61)                         | (79)                      | 18              | (129)                           | (194)                       | 65              |
| <b>Total Corporate</b>  | <b>\$ (186)</b>              | <b>\$ 2<sup>(1)</sup></b> | <b>\$ (188)</b> | <b>\$ (243)</b>                 | <b>\$ 312<sup>(1)</sup></b> | <b>\$ (555)</b> |

<sup>(1)</sup>FY2009 restated - see notes on page 24

# Statement of Earnings Summary

|  | Quarter Ended |                     |        | Six Months Ended |                     |        |
|--|---------------|---------------------|--------|------------------|---------------------|--------|
|  | December 31   |                     |        | December 31      |                     |        |
|  | 2009          | 2008 <sup>(1)</sup> | Change | 2009             | 2008 <sup>(1)</sup> | Change |
| (Amounts in millions, except per share data and percentages)         |               |                     |        |                  |                     |        |
| Net sales and other operating income                                 | \$ 15,913     | \$ 16,673           | (5%)   | \$ 30,834        | \$ 37,833           | (18%)  |
| Gross profit   | 1,053         | 1,212               | (13%)  | 2,026            | 3,079               | (34%)  |
| Selling, general and administrative expenses                         | 358           | 337                 | 6%     | 712              | 746                 | (5%)   |
| Other (income) expense - net   | (89)          | 58                  | (253%) | (187)            | 30                  | (723%) |
| Earnings before taxes  | 784           | 817                 | (4%)   | 1,501            | 2,303               | (35%)  |
| Income taxes   | 223           | 238                 | (6%)   | 443              | 678                 | (35%)  |
| Net earnings including noncontrolling interests                      | 561           | 579                 | (3%)   | \$ 1,058         | \$ 1,625            | (35%)  |
| Less: Net earnings (losses) attributable to noncontrolling interests | (6)           | 1                   | -      | (5)              | 2                   | -      |
| Net earnings attributable to ADM                                     | \$ 567        | \$ 578              | (2%)   | 1,063            | 1,623               | (35%)  |
| Earnings per share   | \$ 0.88       | \$ 0.90             | (2%)   | \$ 1.65          | \$ 2.52             | (35%)  |

<sup>(1)</sup>FY2009 restated - see notes on page 24

Second Quarter FY2010



# Balance Sheet Highlights

(Amounts in millions)

|  | December 31<br>2009 | June 30<br>2009             |
|--|---------------------|-----------------------------|
| <b>Cash<sup>(1)</sup></b>                      | <b>\$ 1,634</b>     | <b>\$ 1,555</b>             |
| <b>Net property, plant and equipment</b>       | <b>8,636</b>        | <b>7,950</b>                |
| <b>Operating working capital<sup>(2)</sup></b> | <b>9,621</b>        | <b>9,372</b>                |
| - Total inventories                            | 9,126               | 7,782                       |
| <b>Total debt</b>                              | <b>7,865</b>        | <b>7,996<sup>(3)</sup></b>  |
| - CP outstanding                               | 0                   | 0                           |
| <b>Shareholders' equity</b>                    | <b>14,795</b>       | <b>13,653<sup>(3)</sup></b> |

<sup>(1)</sup>Cash = cash and cash equivalents and short-term marketable securities

<sup>(2)</sup>Current assets (excluding cash and cash equivalents and short-term marketable securities) less current liabilities (excluding short-term debt and current maturities of long-term debt)

<sup>(3)</sup>FY2009 restated - see notes on page 24

# Cash Flow Summary

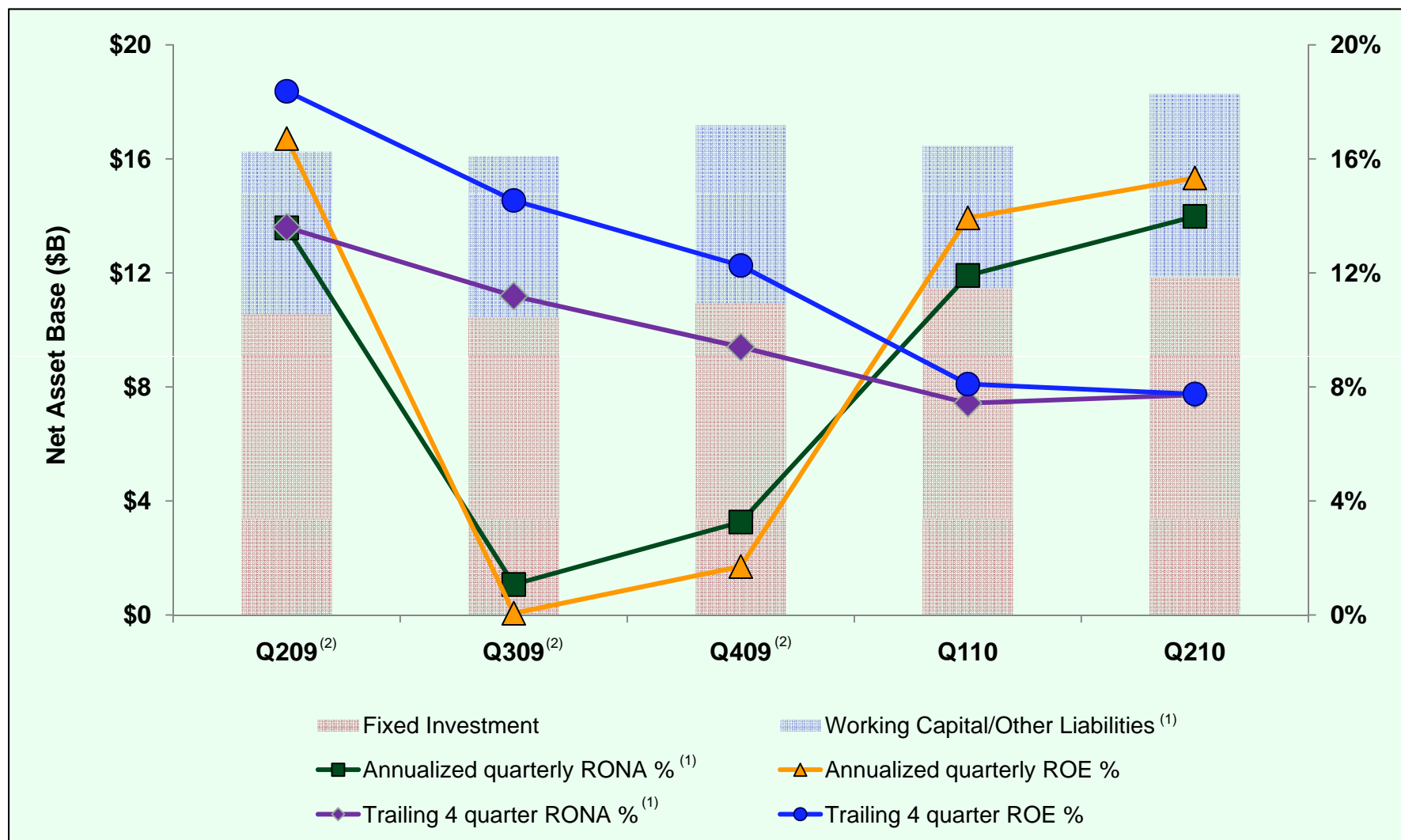
|   | <b>Six Months Ended<br/>December 31</b> |                           |
|---|---|---------------------------|
|   | <b>2009</b>                             | <b>2008<sup>(1)</sup></b> |
| (Amounts in millions)                               |   |                           |
| Cash from operations before working capital changes | \$ 1,660                                | \$ 1,572                  |
| Changes in working capital                          | (280)                                   | 4,293                     |
| Purchases of property, plant and equipment          | (939)                                   | (1,069)                   |
| Business acquisitions                               | (57)                                    | (24)                      |
| Business disposals                                  | -                                       | 237                       |
| Marketable securities                               | 198                                     | (737)                     |
| Debt increase/(decrease) - net                      | (166)                                   | (2,612)                   |
| Dividends   | (180)                                   | (167)                     |
| Stock buyback                                       | -                                       | (100)                     |
| Other   | 26                                      | 45                        |
| <b>Increase in cash and cash equivalents</b>        | <b>\$ 262</b>                           | <b>\$ 1,438</b>           |

<sup>(1)</sup>FY2009 restated - see notes on page 24

Second Quarter FY2010



# Financial Returns



<sup>(1)</sup>Adjusted for LIFO

<sup>(2)</sup>FY2009 restated - see notes on page 24

Second Quarter FY2010



# Q&A



# Upcoming Events

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- CAGNY - Boca Raton, FL February 16, 2010
- CLSA (Calyon) Conference - San Francisco, CA March 3, 2010

# Appendix



# LIFO Adjusted RONA Assets – FY2010

(Amounts in millions)

|                                   | Quarter Ended               |                             |              |              | Four Quarter<br>Average |
|-----------------------------------|-----------------------------|-----------------------------|--------------|--------------|-------------------------|
|                                   | Mar 31, 2009 <sup>(1)</sup> | Jun 30, 2009 <sup>(1)</sup> | Sep 30, 2009 | Dec 31, 2009 |                         |
| Investment in affiliates          | \$ 2,369                    | \$ 2,459                    | \$ 2,559     | \$ 2,693     | 2,520                   |
| Goodwill                          | 493                         | 532                         | 531          | 524          | 520                     |
| Net PP&E                          | 7,583                       | 7,950                       | 8,366        | 8,636        | 8,134                   |
| Fixed Investment                  | 10,445                      | 10,941                      | 11,456       | 11,853       | 11,174                  |
| Receivables                       | 7,236                       | 7,311                       | 6,600        | 7,075        | 7,055                   |
| Inventories                       | 7,840                       | 7,782                       | 7,139        | 9,126        | 7,972                   |
| LIFO adjustment (net of tax)      | 133                         | 166                         | 119          | 153          | 143                     |
| Prepaid expenses                  | 430                         | 330                         | 313          | 366          | 360                     |
| Other assets                      | 594                         | 607                         | 606          | 637          | 611                     |
| Accounts payable                  | (6,450)                     | (5,786)                     | (5,812)      | (6,832)      | (6,220)                 |
| Accrued expenses                  | (2,663)                     | (2,695)                     | (2,431)      | (2,301)      | (2,523)                 |
| Other liabilities                 | (1,466)                     | (1,478)                     | (1,534)      | (1,766)      | (1,561)                 |
| Working Capital/Other Liabilities | 5,654                       | 6,237                       | 5,000        | 6,458        | 5,837                   |
| Total LIFO adjusted RONA Assets   | \$ 16,099                   | \$ 17,178                   | \$ 16,456    | \$ 18,311    | \$ 17,011               |

<sup>(1)</sup>FY2009 restated - see notes on page 24

# LIFO Adjusted RONA Earnings – FY2010

(Amounts in millions)

|   | Quarter Ended               |                             |              |              | Four Quarters Ended |
|---|-----------------------------|-----------------------------|--------------|--------------|---------------------|
|   | Mar 31, 2009 <sup>(1)</sup> | Jun 30, 2009 <sup>(1)</sup> | Sep 30, 2009 | Dec 31, 2009 | Dec 31, 2009        |
| Net earnings attributable to ADM                      | \$ 2                        | \$ 58                       | \$ 496       | \$ 567       | \$ 1,123            |
| Adjustments   |                             |                             |              |              |                     |
| Investment Income                                     | (43)                        | (36)                        | (30)         | (36)         | (145)               |
| Interest Expense                                      | 103                         | 98                          | 98           | 105          | 404                 |
| Net (Gain)/Loss on Marketable Securities Transactions | -                           | 15                          | (1)          | (6)          | 8                   |
| LIFO  | 5                           | 54                          | (76)         | 54           | 37                  |
| Total Adjustments                                     | 65                          | 131                         | (9)          | 117          | 304                 |
| Tax on Adjustments                                    | (24)                        | (49)                        | 3            | (44)         | (114)               |
| Net Adjustments                                       | 41                          | 82                          | (6)          | 73           | 190                 |
| Total LIFO Adjusted RONA Earnings                     | \$ 43                       | \$ 140                      | \$ 490       | \$ 640       | \$ 1,313            |

<sup>(1)</sup>FY2009 restated - see notes on page 24

Second Quarter FY2010



# Summary of Specified Items

(Amounts in millions)

|  | <u>Oilseeds<br/>Processing</u> | <u>Corn<br/>Processing</u> | <u>Ag<br/>Services</u> | <u>Other</u> | <u>Corporate</u> | <u>Impact<br/>Before Tax</u> | <u>Impact<br/>After Tax</u> |
|--|--------------------------------|----------------------------|------------------------|--------------|------------------|------------------------------|-----------------------------|
| <b>Quarter ended<br/>December 31, 2009</b> |                                |                            |                        |              |                  |                              |                             |
| LIFO charge                                | \$ -                           | \$ -                       | \$ -                   | \$ -         | \$ (54)          | \$ (54)                      | \$ (34)                     |
| <b>Quarter ended<br/>December 31, 2008</b> |                                |                            |                        |              |                  |                              |                             |
| LIFO credit                                | \$ -                           | \$ -                       | \$ -                   | \$ -         | \$ 123           | \$ 123                       | \$ 77                       |
| Asset impairments                          | -                              | -                          | -                      | (9)          | -                | (9)                          | (6)                         |
| Gain on asset and business disposal        | -                              | -                          | -                      | -            | 7                | 7                            | 4                           |

# Summary of Specified Items

(Amounts in millions)

|   | <u>Oilseeds<br/>Processing</u> | <u>Corn<br/>Processing</u> | <u>Ag<br/>Services</u> | <u>Other</u> | <u>Corporate</u> | <u>Impact<br/>Before Tax</u> | <u>Impact<br/>After Tax</u> |
|---|--------------------------------|----------------------------|------------------------|--------------|------------------|------------------------------|-----------------------------|
| <b>Six Months ended<br/>December 31, 2009</b> |                                |                            |                        |              |                  |                              |                             |
| LIFO credit                                   | \$ -                           | \$ -                       | \$ -                   | \$ -         | \$ 22            | \$ 22                        | \$ 14                       |
| <b>Six Months ended<br/>December 31, 2008</b> |                                |                            |                        |              |                  |                              |                             |
| LIFO credit                                   | \$ -                           | \$ -                       | \$ -                   | \$ -         | \$ 576           | \$ 576                       | \$ 359                      |
| Asset impairments                             | -                              | -                          | -                      | (9)          | -                | (9)                          | (6)                         |
| Gain on asset and business disposal           | 3                              | -                          | 2                      | 5            | 7                | 17                           | 11                          |
| Gain on securities                            | -                              | -                          | -                      | 9            | -                | 9                            | 6                           |

# Processed Volumes

Metric Tons Processed (000s)

|                                      | Fiscal Year   |               |               |               |               |               |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                      | 2004          | 2005          | 2006          | 2007          | 2008          | 2009          |
| Oilseeds Processing                  | 26,397        | 27,079        | 28,004        | 28,439        | 29,532        | 28,248        |
| Corn Processing                      | 17,217        | 17,321        | 17,918        | 18,043        | 17,666        | 17,833        |
| Wheat, Cocoa and Malt <sup>(1)</sup> | 7,948         | 7,660         | 7,690         | 7,248         | 7,369         | 7,165         |
|                                      | <u>51,562</u> | <u>52,060</u> | <u>53,612</u> | <u>53,730</u> | <u>54,567</u> | <u>53,246</u> |

|                                      | FY09          |               |               |               | FY10          |               |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                      | Q1            | Q2            | Q3            | Q4            | Q1            | Q2            |
| Oilseeds Processing                  | 7,024         | 7,136         | 7,018         | 7,070         | 6,372         | 7,799         |
| Corn Processing                      | 4,589         | 4,416         | 4,377         | 4,451         | 4,621         | 4,767         |
| Wheat, Cocoa and Malt <sup>(1)</sup> | 1,877         | 1,847         | 1,716         | 1,725         | 1,910         | 1,874         |
|                                      | <u>13,490</u> | <u>13,399</u> | <u>13,111</u> | <u>13,246</u> | <u>12,903</u> | <u>14,440</u> |

<sup>(1)</sup>Wheat, Cocoa and Malt volumes exclude Malt in light of the sale of the Company's Malt business on July 31, 2008.

# Notes: Non-GAAP Reconciliation and Restatement Information

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- (1) The Company uses certain “Non-GAAP” financial measures as defined by the Securities and Exchange Commission. These are measures of performance not defined by accounting principles generally accepted in the United States, and should be considered in addition to, not in lieu of, GAAP reported measures.

## Earnings adjusted for specified items

Earnings adjusted for specified items is ADM’s net earnings after removal of the effect on earnings of certain specified items. Management believes that earnings adjusted for specified items represents a useful measure of ADM’s performance. Earnings adjusted for specified items is a non-GAAP financial measure and is not intended to replace net earnings, the most directly comparable GAAP financial measure, and should not be considered as an alternative to net earnings or any other measure of operating results under GAAP.

## Total segment operating profit

Total segment operating profit, which is the consolidated segment operating profit of all of ADM’s operating segments, is ADM’s consolidated income from operations before income tax that includes interest income and expense of each segment relating to financing operating working capital. Total segment operating profit is a non-GAAP financial measure and is not intended to replace earnings before income tax, the most directly comparable GAAP financial measure. Total segment operating profit is not a measure of consolidated operating results under U.S. GAAP and should not be considered as an alternative to income from operations before income tax or any other measure of consolidated operating results under U.S. GAAP.

## LIFO impact per share (net of tax)

The Company values certain inventories using the lower of cost, determined by either the first-in, first-out (FIFO) or last-in, first-out (LIFO) methods, or market. This document contains non-GAAP financial measures, including the after tax impact of LIFO on diluted earnings per share and LIFO adjusted return on net assets. We believe the inclusion of the impact of changes in the LIFO reserve, net of tax, in this document helps investors gain a meaningful understanding of operating results, and is consistent with how management measures the Company’s performance, especially when comparing such results to prior periods.

- (2) Earnings for FY2009 have been restated following the adoption of ASC Topic 470-20 - *Debt with Conversion and Other Options*, and ASC Topic 810 – *Consolidation*. Effective July 1, 2009, the Company adopted this amended guidance which required retrospective application to all periods presented.



