



JOHN DEERE

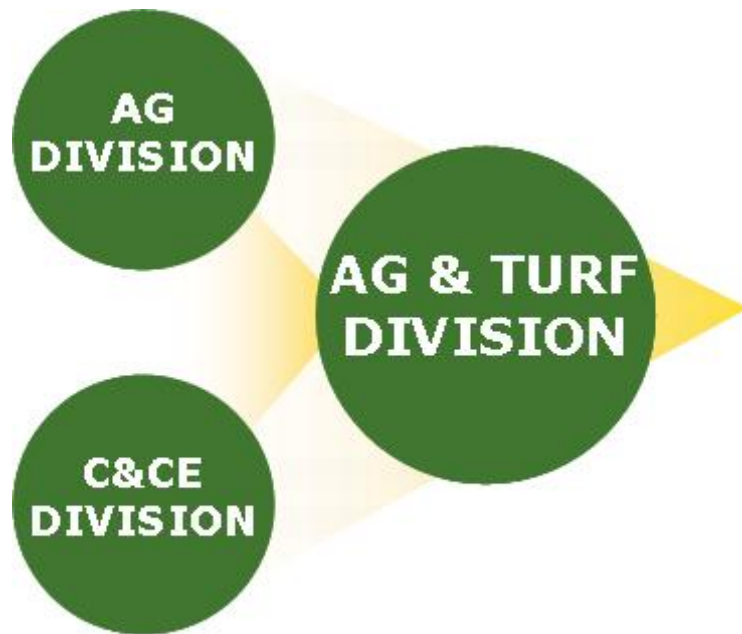
Second Quarter 2009 Earnings Conference Call

20 May 2009

Safe Harbor Statement & Disclosures

The earnings call and accompanying material include forward-looking comments and information concerning the company's projections, plans and objectives for the future, including estimates and assumptions with respect to economic, political, technological, weather, market acceptance and other factors that impact our businesses and customers. They also may include financial measures that are not in conformance with accounting principles generally accepted in the United States of America (GAAP). Words such as "forecast," "projection," "outlook," "prospects," "expected," "estimated," "will," "plan," "anticipate," "intend," "believe," or other similar words or phrases often identify forward-looking statements. Actual results may differ materially from those projected in these forward-looking statements based on a number of factors and uncertainties. Additional information concerning factors that could cause actual results to differ materially is contained in the company's most recent Form 8-K and periodic report filed with the Securities and Exchange Commission, and is incorporated by reference herein. Investors should refer to and consider the incorporated information on risks and uncertainties in addition to the information presented here. Investors should consider non-GAAP financial measures in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP. The company, except as required by law, undertakes no obligation to update or revise its forward-looking statements whether as a result of new developments or otherwise. The call and accompanying materials are not an offer to sell or a solicitation of offers to buy any of the company's securities.

A Great Global Business with Sustainable SVA Growth



- Act on global market opportunities
- Leverage global scale
- Optimize global product line results
- Standardize processes
- Share resources
- Reduce costs

Second Quarter Overview

<i>(in millions of dollars except per share amounts)</i>	Q2 2009	Q2 2008	Change
Net Sales and Revenues	\$6,748	\$8,097	-17%
Net Sales	\$6,187	\$7,469	-17%
Net Income	\$472	\$763	-38%
Diluted EPS	\$1.11	\$1.74	-36%

Second Quarter Overview

Net Sales

- Equipment operations net sales: Down ~ 17% in Q2 2009 vs. Q2 2008
 - Currency translation: ~ (6) points
 - Price realization: ~ +6 points

Production Tonnage*

% Change	Q2 2009 Actual	Q2 2009 Previous Forecast	Q3 2009 Forecast	FY 2009 Forecast	FY 2009 Previous Forecast
Total Worldwide	(19)	(17)	(28)	(22)	(12)
Worldwide AG	(6)				(8)
Worldwide C&CE	(36)				(21)
Worldwide A&T **				(18)	
Worldwide C&F	(62)			(44)	(23)
Total U.S. and Canada	(18)			(19)	(10)
Outside U.S. and Canada	(20)			(28)	(17)
U.S. and Canada AG	+3	(1)			(3)
US. and Canada A&T **			(9)	(14)	

*Percentage change from same period in previous year, excluding purchased product.

**Worldwide Agriculture and Turf Division, effective May 1, 2009.

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

2009 Company Outlook

- Third Quarter 2009 Forecast
 - Net sales down ~ 26% vs. Q3 2008
 - Currency translation: ~ (6) points
 - Price realization: ~ +5 points
- Fiscal Year 2009 Forecast
 - Net sales down ~ 19% vs. FY 2008
 - Currency translation: ~ (5) points
 - Price realization: ~ +6 points
 - Previous forecast down ~8% vs. FY 2008
 - Currency translation: ~ (6) points
 - Price realization: ~ +6 points
 - Net income of ~ \$1.1 billion, with more risk on the downside
 - Previous forecast of ~ \$1.5 billion

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Worldwide Agricultural Equipment Second Quarter Overview

<i>(in millions of dollars)</i>	Q2 2009	Q2 2008	Change
Net Sales	\$4,498	\$4,700	-4%
Operating Profit*	\$635	\$782	-19%
Production Tonnage			-6%

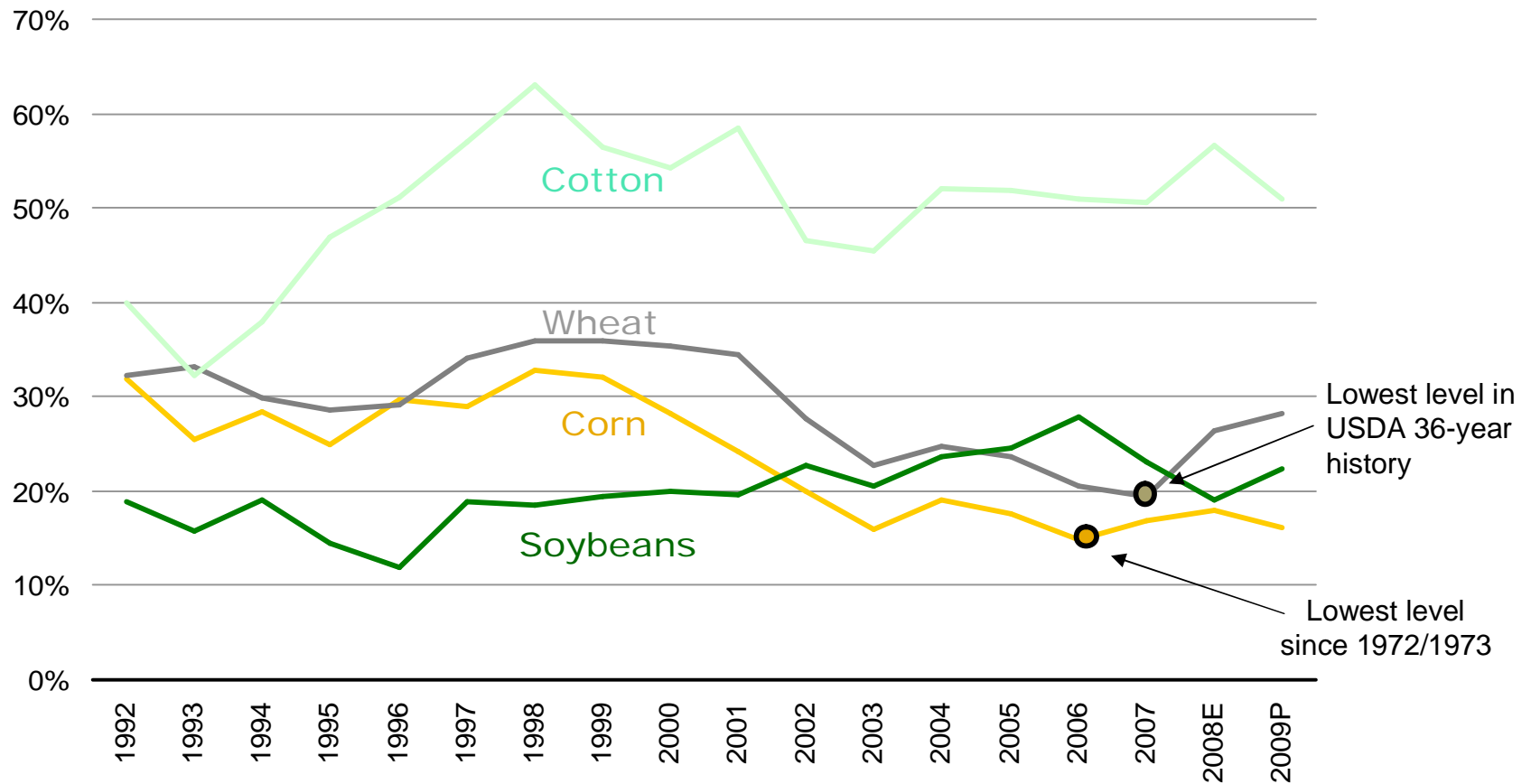
*Operating profit impacted by:

- Lower shipment and production volumes
- Higher raw-material costs
- Unfavorable impacts of foreign exchange
- Higher research and development expenses
- Improved price realization

Decremental Margin ~ 73%

World Farm Fundamentals

Global Stocks-To-Use Ratios



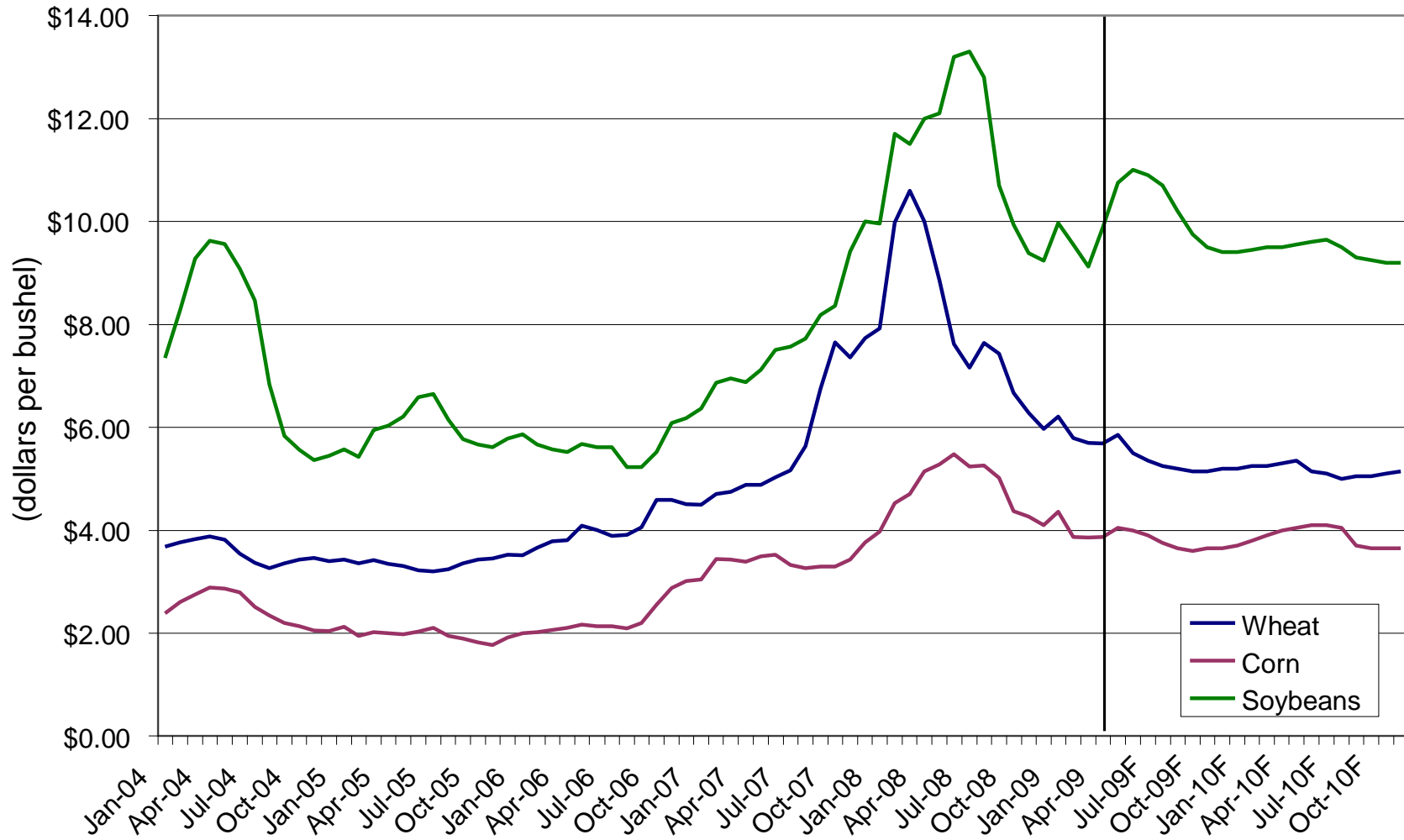
Source: USDA - 12 May 2009

U.S. Commodity Price Estimates

	2007/08	2008/09 Forecast	Previous 2008/09	2009/10 Forecast	Previous 2009/10
Corn (per bushel)	\$4.20	\$4.20	\$4.00	\$3.80	\$3.35
Wheat (per bushel)	\$7.35	\$6.80	\$6.85	\$5.25	\$5.35
Soybeans (per bushel)	\$10.10	\$10.00	\$9.35	\$9.60	\$8.00
Cotton (per pound)	\$0.59	\$0.50	\$0.55	\$0.54	\$0.57

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

U.S. Farm Prices



Source: Actual data from Wall Street Journal
 Deere & Company Forecast as of 20 May 2009

U.S. Farm Cash Receipts

<i>(in billions of dollars)</i>	2007	2008 Estimate	Previous 2008	2009 Forecast	Previous 2009	2010 Forecast
Crops	147.0	183.8	180.7	168.1	162.3	171.2
Livestock	137.9	137.8	138.2	123.1	137.3	134.5
Government Payments	11.9	12.4	13.2	12.1	13.5	10.2
Total Cash Receipts	296.8	334.0	332.1	303.3	313.1	315.9

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

U.S. Net Farm Cash Income

<i>(in billions of dollars)</i>	2007	2008 Estimate	2009 Forecast	2010 Forecast
Total Cash Receipts	296.8	334.0	303.3	315.9
Other Cash Income	16.6	17.7	18.0	18.8
Gross Cash Income	313.4	351.7	321.3	334.7
Cash Expenses	(226.0)	(260.9)	(246.7)	(249.0)
Net Cash Income	87.4	90.8	74.6	85.7

Deere & Company Forecast as of 20 May 2009

Farm Net Income Brazil and Argentina

<i>(in billions of U.S. dollars)</i>	Brazil			Argentina		
	2008	2009 Forecast	2010 Forecast	2008	2009 Forecast	2010 Forecast
	14.3	0.6	4.0	2.4	0.3	1.5

- Factors influencing farm net income in 2009:
 - Customers' access to credit
 - Increase in input costs
 - Reduction in planted area
 - Drought conditions
 - Future of Argentina's farming sector will depend more on political decisions than on economic conditions

Deere & Company Forecast as of 20 May 2009

Worldwide Agricultural Equipment Order Cancellations in Second Quarter

- U.S. and Canada: Very few cancellations
- Western Europe: Very few cancellations
- South America: Cancellations in Q2 2009 somewhat higher than typical
- Central Europe and the CIS* countries: Following high cancellations in Q1, cancellations in Q2 have moderated

* *Commonwealth of Independent States*

Worldwide Commercial & Consumer Equipment

Second Quarter Overview

<i>(in millions of dollars)</i>	Q2 2009	Q2 2008	Change
Net Sales	\$1,089	\$1,424	-24%
Operating Profit*	\$68	\$154	-56%
Production Tonnage			-36%

*Operating profit impacted by:

- Lower shipment and production volumes
- Unfavorable effects of foreign exchange
- Higher raw-material costs
- Improved price realization
- Lower SA&G expenses

Decremental Margin ~ 26%

Worldwide Agriculture & Turf Division Deere & Company Outlook

- Fiscal Year 2009 Forecast
 - Net sales projected to be down ~ 14%
 - Currency translation: ~ (6) points
 - Previous forecast:
 - Worldwide Agricultural Equipment down ~ 2%
 - Currency translation: ~ (7) points
 - Worldwide Commercial and Consumer Equipment down ~ 14%

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Agriculture & Turf Equipment Retail Sales Industry Outlook – Fiscal 2009

- U.S. and Canada Ag: Flat to down slightly
 - Previous forecast flat to up ~ 5%
- Western Europe Ag: Down 10% - 15%
 - No change from previous forecast
- Central Europe and the CIS* countries Ag: Markets have continued to deteriorate, sales expected to be sharply lower
 - Previous forecast down significantly

** Commonwealth of Independent States*

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Agriculture & Turf Equipment Retail Sales Industry Outlook – Fiscal 2009

- South America Ag: Down 20% - 30%
 - Previous forecast down 15% - 25%
- North American turf equipment and compact utility tractors: Down ~ 20%

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Worldwide Construction & Forestry

Second Quarter Overview

<i>(in millions of dollars)</i>	Q2 2009	Q2 2008	Change
Net Sales	\$600	\$1,345	-55%
Operating Profit/(Loss)*	(\$75)	\$166	
Production Tonnage			-62%

*Operating loss impacted by:

- Significantly lower shipment and production volumes
- Higher raw-material costs
- Improved price realization
- Lower SA&G expenses

Decremental Margin ~ 32%

Worldwide Construction & Forestry Deere & Company Outlook

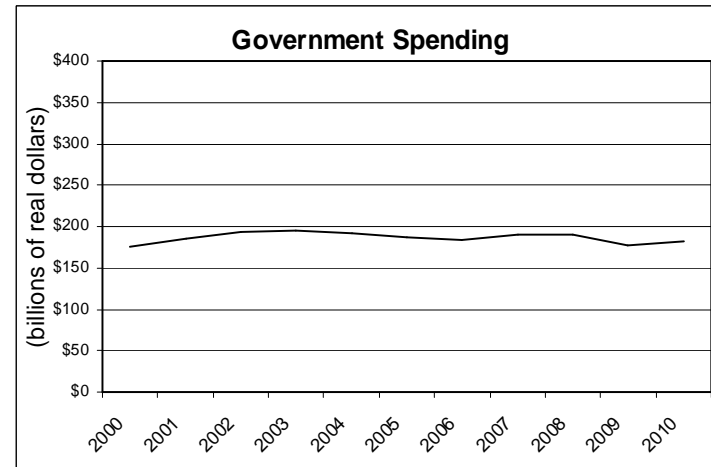
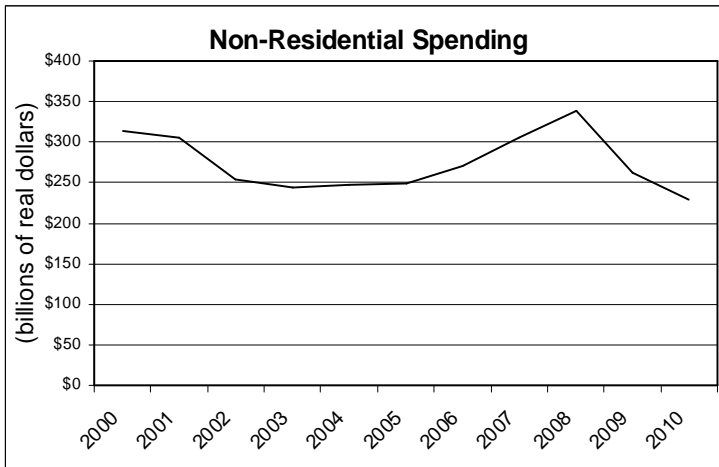
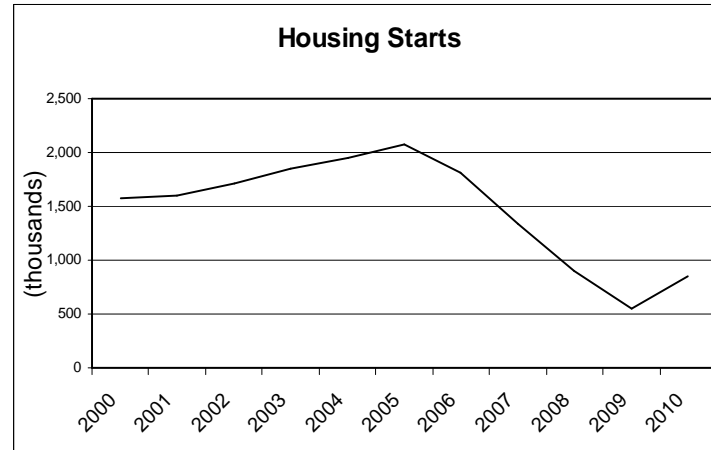
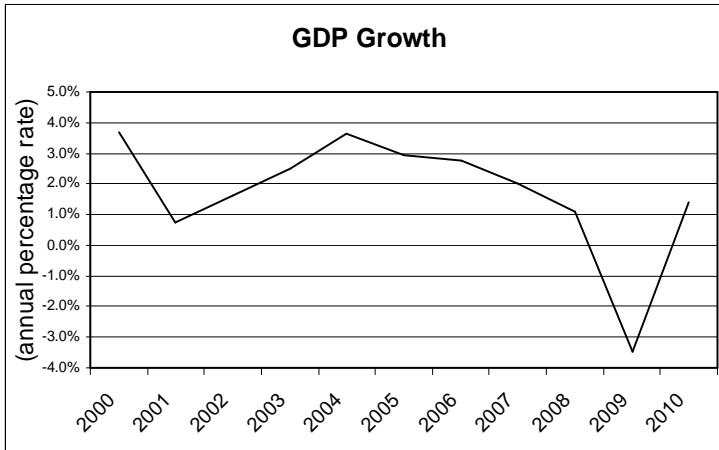
- Fiscal Year 2009 Forecast
 - Net sales projected to be down ~ 42%
 - Previous forecast down ~ 24%

	2009 Forecast	2010 Forecast
U.S. Economic Indicators*		
GDP Growth (annual percentage rate)	-3.5%	+1.4%
Housing Starts (thousands)	551	848
Non-Residential Spending (annual percentage rate)	-22.5%	-12.8%
Government Spending (annual percentage rate)	-6.9%	+3.1%

*Source: Global Insight – April 2009

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

U.S. Economic Indicators



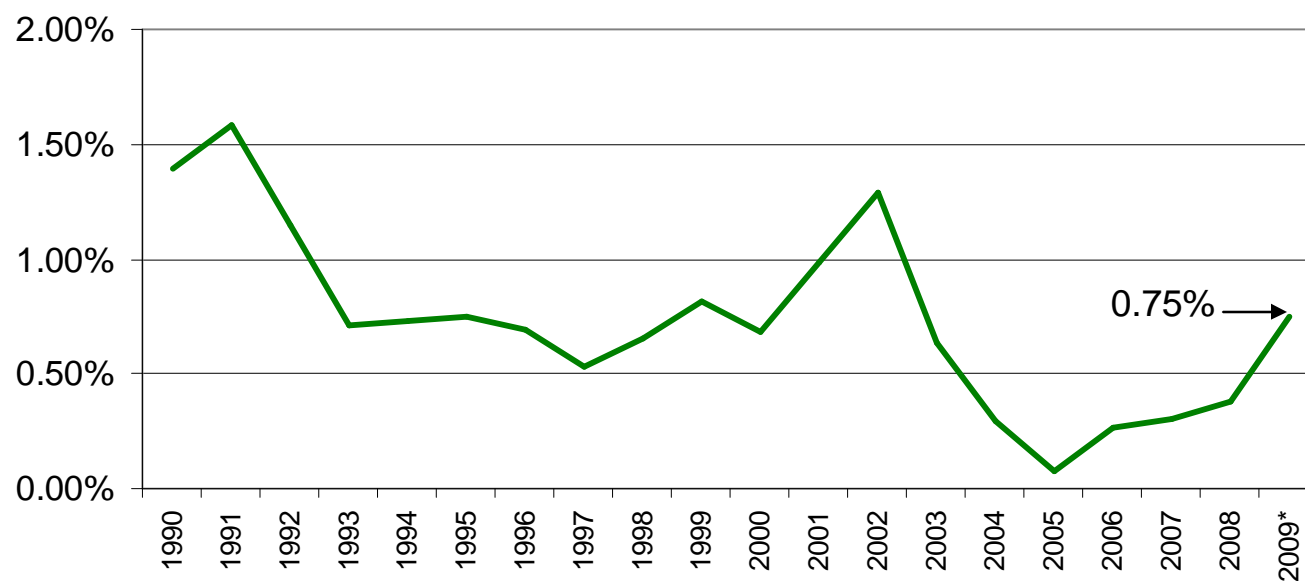
*Source: Global Insight – April 2009

Credit

Credit Loss History

- Low losses driven by:
 - Strong farmer cash flows
 - Rigorous underwriting standards
 - Historically strong used Ag equipment values
 - Ag and C&CE dealer reserves
 - Robust collection practices

Provision for Credit Losses / Average Owned Portfolio



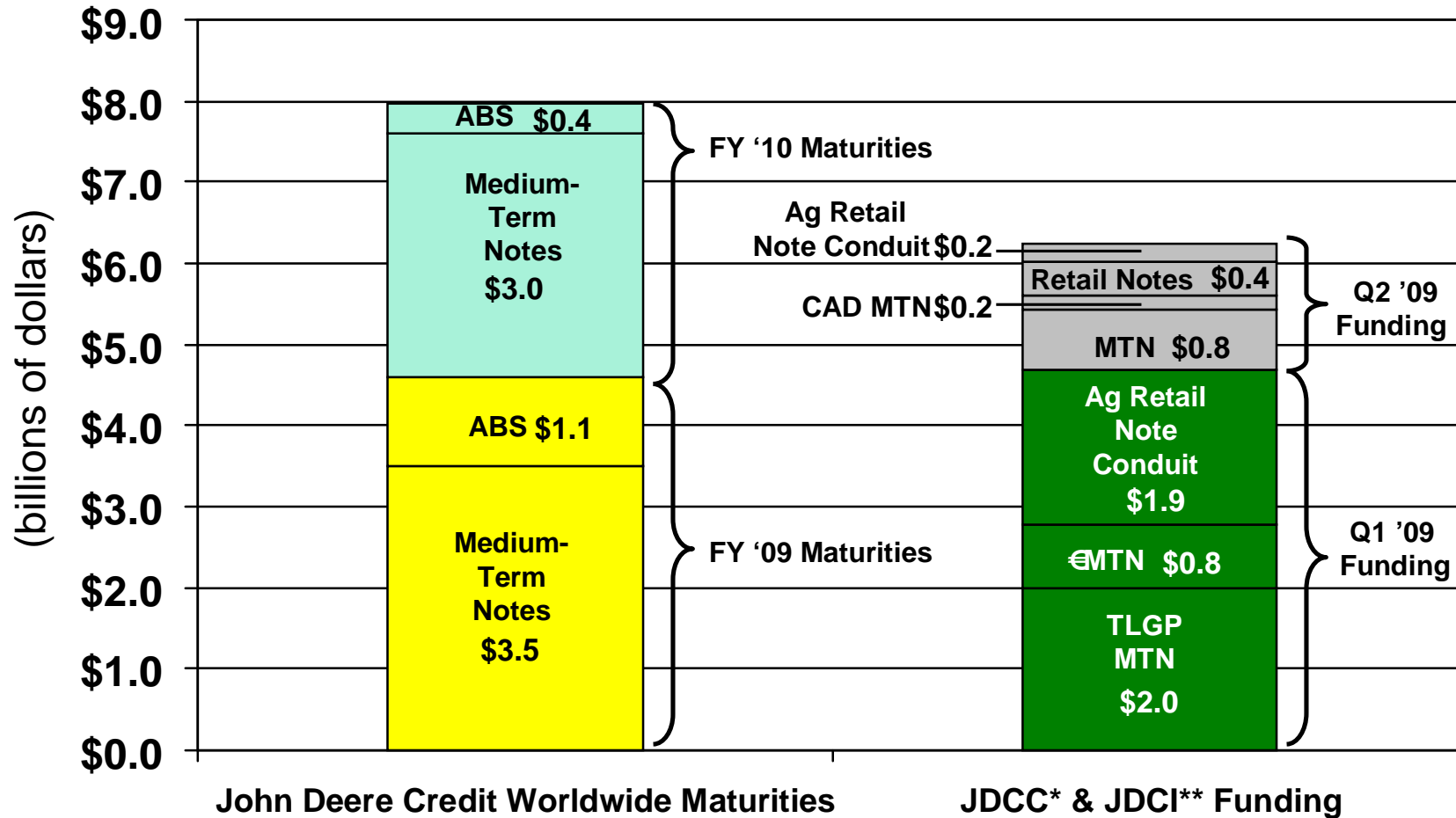
* Year-to-date April 2009 annualized

Credit

Owned Portfolio Write-offs

	Annualized		10-Year Annual Average	10-Year Annual Peak
	Q2 2009	Q2 2008		
AG – Retail	0.07%	0.03%	0.17%	0.48%
C&CE – Retail	1.93%	1.20%	0.76%	1.08%
C&F – Retail	2.94%	1.25%	1.22%	2.95%
Total Owned Write-offs	0.67%	0.35%	0.52%	1.19%

Liquidity Management



* John Deere Capital Corporation (United States)

** John Deere Credit Inc. (Canada)

Note: As of 30 April 2009, Enterprise incremental capacity to issue commercial paper was \$2.4 billion

Credit

- Second Quarter 2009

- Net income of ~ \$68 million vs. ~ \$84 million in Q2 2008
 - Higher provision for credit losses
 - Lower commissions from crop insurance
 - Narrower financing spreads
 - Benefits from investment tax credits related to wind energy projects

- Fiscal Year 2009 Forecast

- Net income of ~ \$250 million
- No change from previous forecast

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Consolidated Trade Receivables & Inventory

<i>(in millions of dollars)</i>	Q2 2009* Actual	2009** Forecast	2009** Previous Forecast
AG	↑ 571		↑ 75
C&CE	↓ 302		↓ 150
A&T		↓ 375	
C&F	↓ 545	↓ 325	↓ 175
Total, as reported	↓ 276	↓ 700	↓ 250
Total, constant exchange	↑ 400	↓ 700	↓ 250

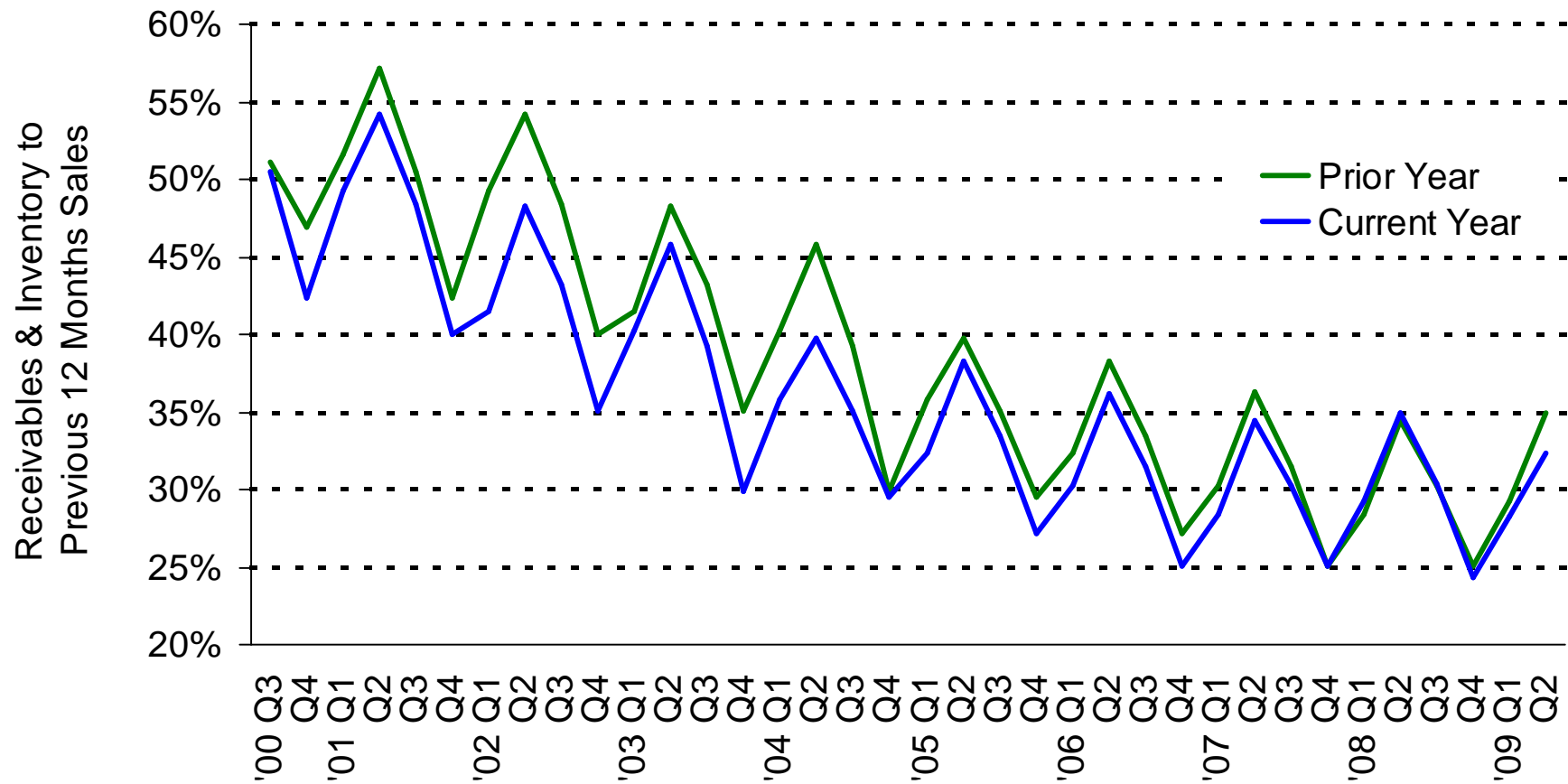
* Change at 30 April 2009 vs. 30 April 2008

** Change at 31 October 2009 vs. 31 October 2008

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Consolidated Trade Receivables & Inventory

- Continued strong asset management in 2009



April 2009 Retail Sales U.S. and Canada

	Industry*	Deere**
Utility Tractors	↓ 26%	↓ low double digits
Row-Crop Tractors	↓ 12%	↓ a single digit
4WD Tractors	Flat	↑ a single digit
Combines	↑ 17%	↑ more than industry

* As reported by the Association of Equipment Manufacturers

** As reported to the Association of Equipment Manufacturers

Deere Dealer Inventories

U.S. and Canada

(at 30 April – in units as a % of trailing 12 months retail sales)

	2009	2008
Row-Crop Tractors	25%	18%
Combines	15%	12%

As reported to the Association of Equipment Manufacturers

April 2009 Retail Sales Western Europe

	Deere
Tractors	↓ double digits
Combines	↑ double digits

Based on EU Government Reporting of Registrations

April 2009 Retail Sales U.S. and Canada

	Deere
Commercial & Consumer Equipment	↓ double digits
Construction & Forestry	
First-in-the-Dirt	↓ double digits
Settlements	↓ double digits

Material Costs and Freight Equipment Operations

- Second Quarter 2009
 - Up ~ \$180 million vs. Q2 2008
- Third Quarter 2009 Forecast
 - Flat vs. Q3 2008
- Fiscal Year 2009 Forecast
 - Up ~ \$300 million vs. FY2008
 - By division
 - Agriculture & Turf ~ \$250 million
 - Construction & Forestry: ~ \$ 50 million
 - Previous forecast up \$400 - \$500 million vs. FY2008

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Research & Development Expense Equipment Operations

- Second Quarter 2009
 - Up ~ 11% vs. Q2 2008
 - Currency translation ~ (4) points
- Fiscal Year 2009 Forecast
 - Up ~ 2% vs. FY2008
 - Currency translation ~ (3) points
 - Previous forecast up ~ 3%

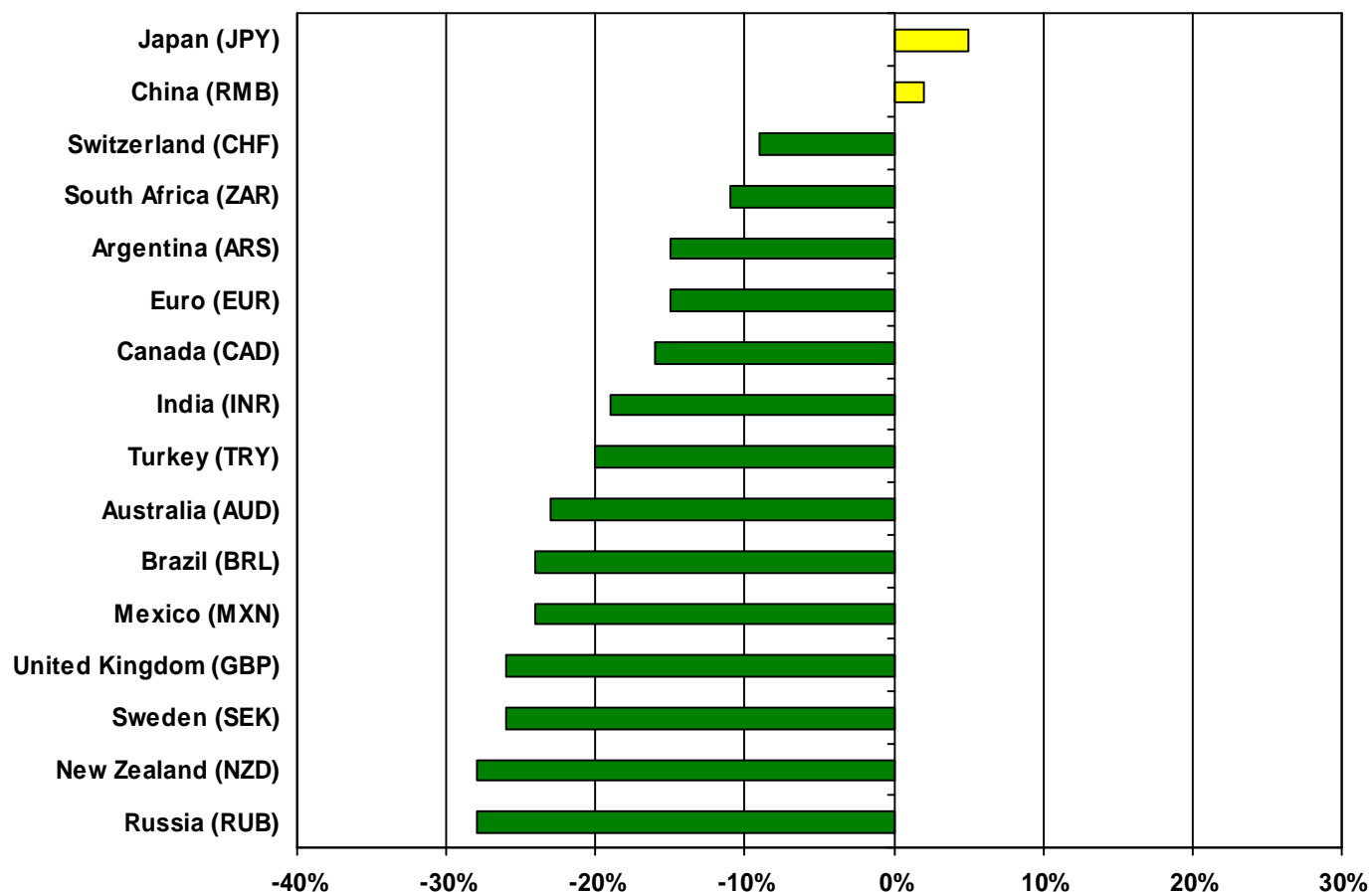
Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Selling, Administrative & General Expense Equipment Operations

- Second Quarter 2009
 - Down ~ 14% vs. Q2 2008
 - Global growth initiatives: ~ 3 points
 - Variable incentive compensation ~ (8) points
 - Currency translation ~ (5) points
- Fiscal Year 2009 Forecast
 - Down ~ 10% vs. FY 2008
 - Global growth initiatives ~ 3 points
 - Variable incentive compensation ~ (6) points
 - Currency translation ~ (4) points
 - Previous forecast down ~ 4% vs. FY 2008

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Foreign Currency Spot Rate Change vs. USD 30 April 2009 vs. 30 April 2008*



- Second quarter pretax impact of translation and transaction (trade flow) currency movements ~ \$150 million

*Based on daily closing rates from Reuters

Tax Rate

Equipment Operations

- Second Quarter 2009
 - Effective tax rate of ~ 27%
 - Discrete items
- Third and Fourth Quarter 2009 Forecast
 - Effective tax rate of ~ 36%
- Fiscal Year 2009 Forecast
 - Assumes tax rate of ~ 31%
 - Previous forecast ~ 35%

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Other Information

Fiscal Year 2009 Forecast

- Equipment Operations
 - Capital Expenditures ~ \$800 million
 - No change from previous forecast
 - Depreciation and Amortization ~ \$500 million
 - No change from previous forecast
 - Pension/OPEB Contributions ~ \$185 million
 - Previous forecast ~ \$180 million
 - Pretax cost related to voluntary separation program ~ \$50 million
 - Preliminary estimate, application window still open
 - Pretax cost associated with Welland facility closure ~ \$60 million
- Financial Services
 - Capital Expenditures
 - ~ \$100 million, primarily Wind
 - No change from previous forecast

Deere & Company Forecast as of 20 May 2009 (Previous Forecast as of 18 February 2009)

Appendix

Credit

Owned Portfolio 60+ Past Dues

			5-Year Annual Average	5-Year Annual Peak
	April 2009	April 2008		
AG – Retail	0.24%	0.20%	0.23%	0.28%
C&CE – Retail	0.61%	0.48%	0.40%	0.61%
C&F – Retail	0.56%	0.40%	0.35%	0.56%
Total Owned 60+ Past Dues	0.36%	0.26%	0.29%	0.36%

Credit

Owned Portfolio Non-Accruals

			5-Year Annual Average	5-Year Annual Peak
	April 2009	April 2008		
AG – Retail	0.45%	0.58%	0.54%	0.59%
C&CE – Retail	2.64%	0.32%	1.16%	2.64%
C&F – Retail	1.23%	0.54%	0.53%	1.23%
Total Owned Non-Accruals	0.60%	0.41%	0.45%	0.60%

Share Repurchase as Part of Publicly Announced Plans

- Cumulative cost of repurchases since 2004: \$5.6 billion
- Balance remaining on May 2007 40-million share authorization: 13.7 million
- May 2008 share authorization: \$5.0 billion
- 30 April 2009 period ending shares: 422.8 million

FY2009	Shares Repurchased* <i>(in millions)</i>	Total \$ Amount <i>(in billions)</i>
Q1	0.0	\$0.0
Q2	0.0	\$0.0
Q3		
Q4		
Total	0.0	\$0.0

Actual	Shares Repurchased* <i>(in millions)</i>	Total \$ Amount <i>(in billions)</i>
2004	5.9	\$0.2
2005	27.7	\$0.9
2006	34.0	\$1.3
2007	25.7	\$1.5
2008	21.2	\$1.7
Total	114.5	\$5.6

* All shares adjusted for two-for-one stock split effective 26 November 2007

**Deere's third quarter 2009 conference call
is scheduled for 9:00 a.m. central time
on Wednesday, August 19, 2009**



JOHN DEERE