1Q 2018 Earnings Call

16 February 2018

JOHN DEERE

Safe Harbor Statement & Disclosures

The earnings call and accompanying material include forward-looking comments and information concerning the company's plans and projections for the future, including estimates and assumptions with respect to economic, political, technological, weather, market acceptance, acquisitions and divestitures of businesses, anticipated transaction costs, the integration of new businesses, anticipated benefits of acquisitions, 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 U.S. 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. 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.

Non-GAAP Financial Measures

This presentation includes the following non-GAAP financial measures on an historical and forecasted basis: adjusted net income and adjusted diluted EPS. Please refer to the supplemental information located at the end of this presentation for a reconciliation of these historical and forecasted non-GAAP financial measures to the most directly comparable historical and forecasted GAAP financial measures and other important information.

1Q 2018 Overview

($ millions except where noted)	1Q 2018	1Q 2018 vs. 1Q 2017
Net Sales & Revenues	**$6,913**	⬆ **23%**
Net Sales (equipment operations)	**$5,974**	⬆ **27%**
Net Income (Loss) (attributable to Deere & Company)	**($535)***	
Diluted EPS ($ per share)	**($1.66)***	

** Excluding U.S. tax reform, adjusted net income $430 million and adjusted diluted EPS $1.31; for reconciliation to GAAP see slide 42 in Appendix*

Note: Wirtgen's results were included in the Company's consolidated financial statements beginning on the acquisition date of 1 December 2017. The results are incorporated with the Company's results using a 30-day lag period and are included in the construction and forestry segment.

1Q 2018 Overview
Equipment Operations

	1Q 2018 vs. 1Q 2017
Net Sales	**27%**
Price realization	Flat
Currency translation	3 points
Wirtgen	5 points

Worldwide Agriculture & Turf

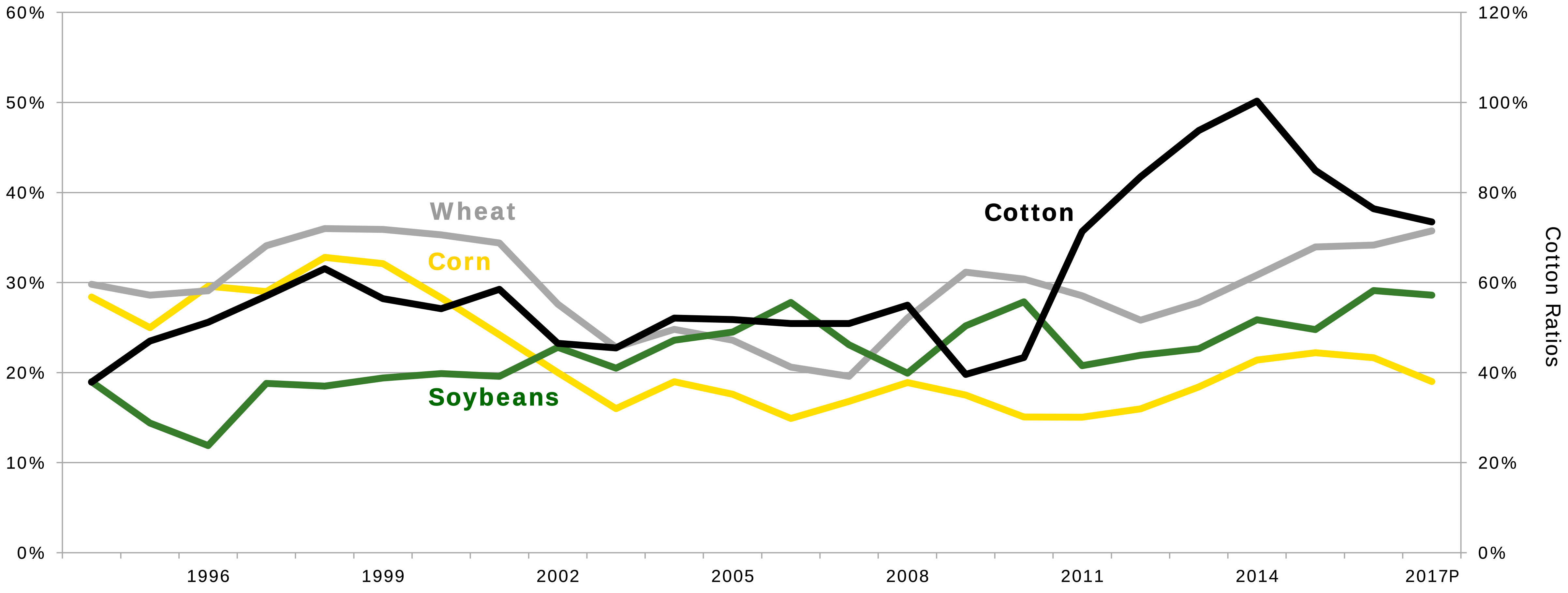
1Q 2018 Overview

($ millions)	1Q 2018	1Q 2018 vs. 1Q 2017
Net Sales	**$4,243**	**↑ 18%**
Operating Profit*	**$387**	**↑ 78%**

*1Q 2018 operating profit impacted by:

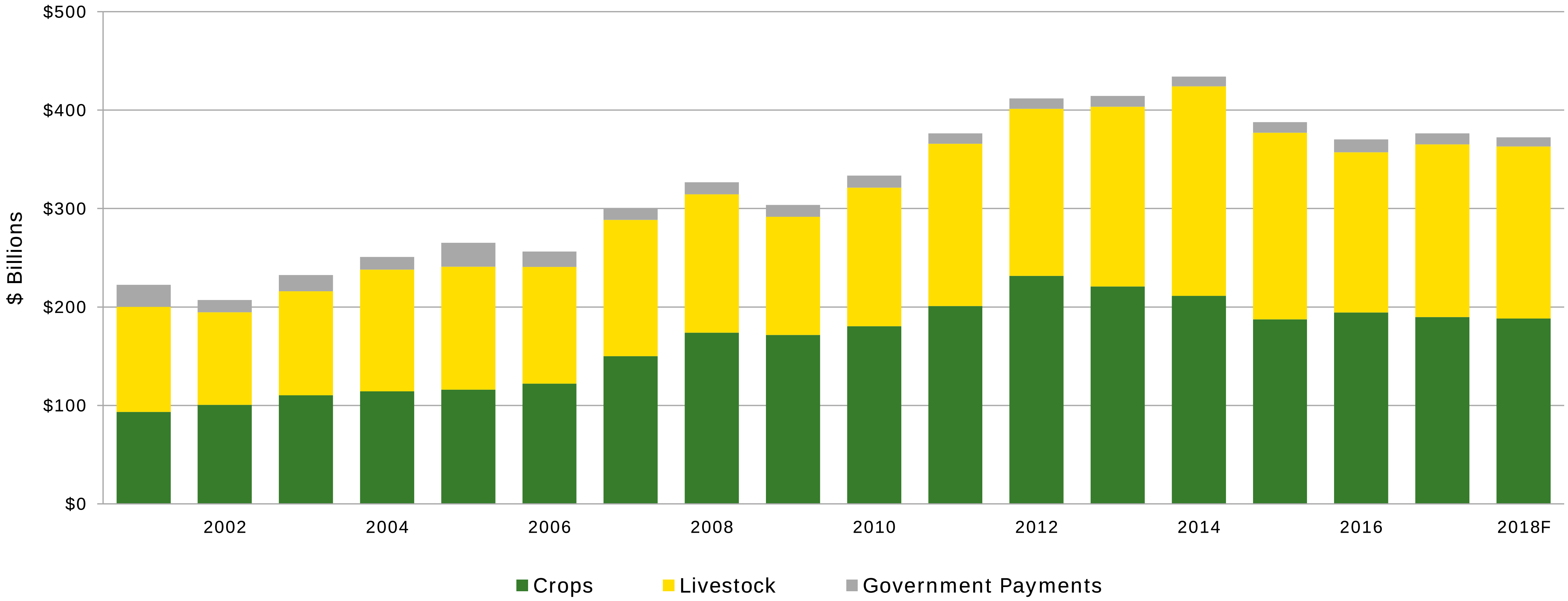
- \+ Shipment volumes
- \+ Voluntary employee-separation program expenses
- \+ Warranty costs
- – Gain on sale of partial interest in SiteOne Landscape Supply, Inc.
- – Production costs

Global Stocks-to-Use Ratios



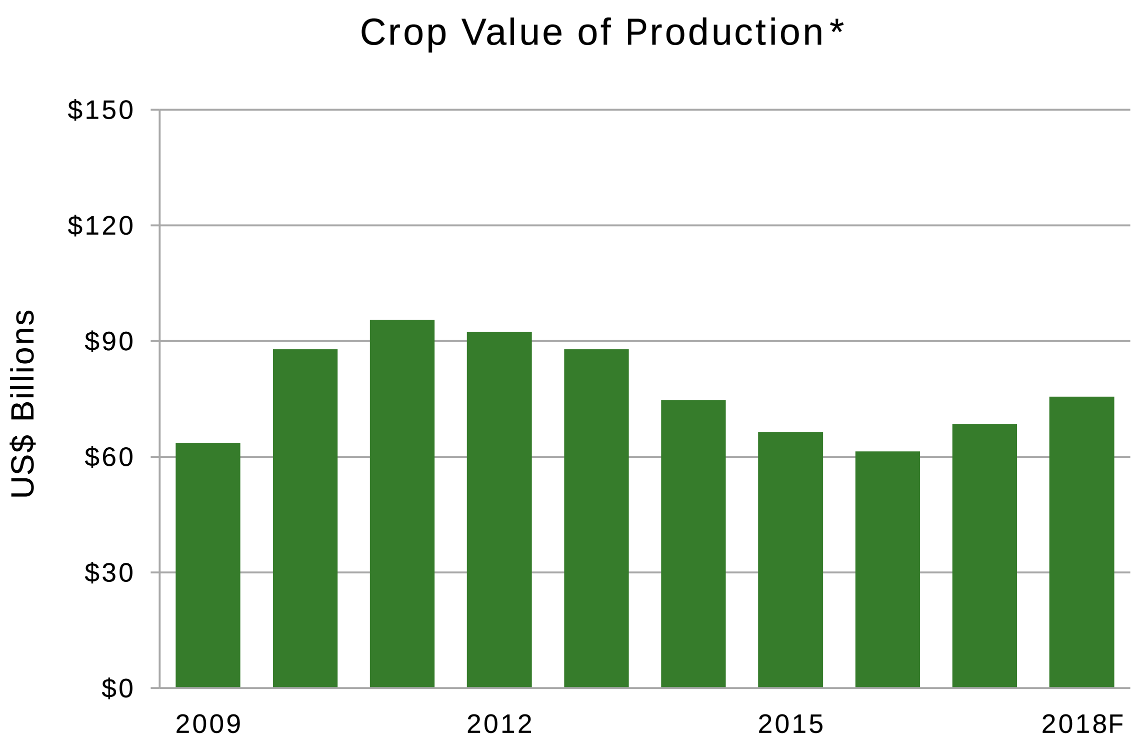
Source: USDA, 8 February 2018

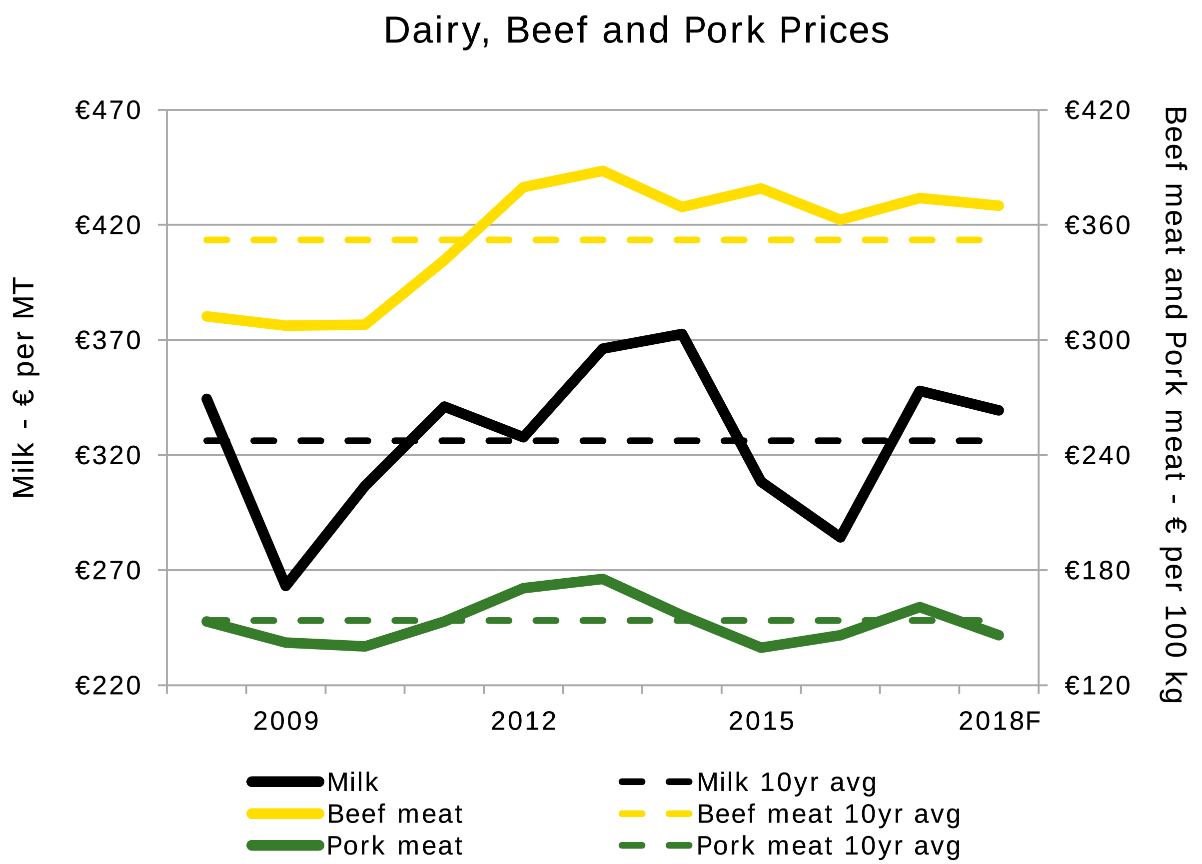
U.S. Farm Cash Receipts



Source: 2001–2016: USDA, 7 February 2018
2017F–2018F: Deere & Company forecast as of 16 February 2018

Economic Update
EU 28



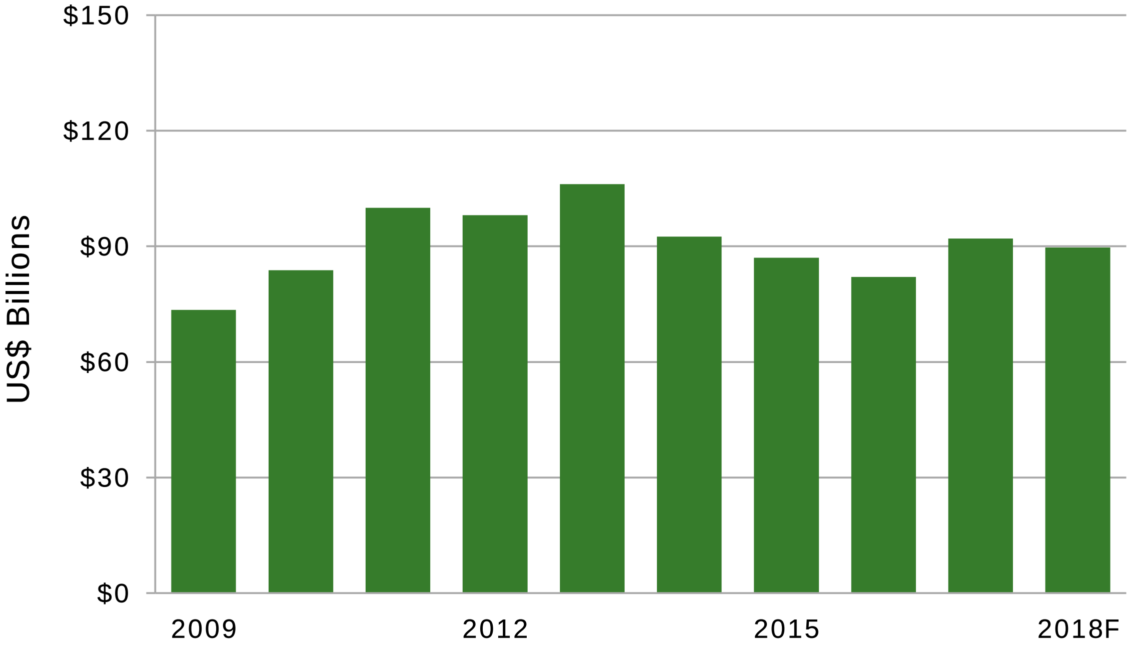


** Includes wheat, barley, corn, sunflower seed, rapeseed, soybean, sugar beet, cotton, rice*
Source: IHS Global Insight, February 2018

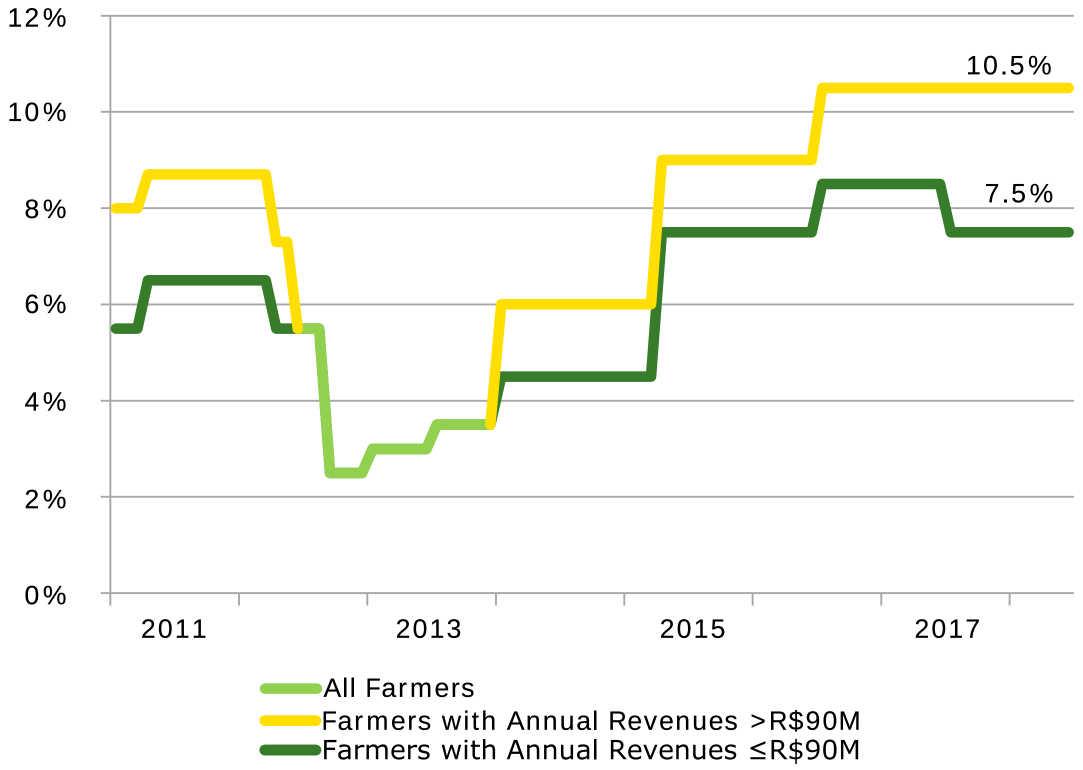
Source: EU Com, LTO, IFCN, January 2018
Deere & Company forecast as of 16 February 2018

Economic Update
Brazil

Crop Value of Production*



Eligible Finance Rates for Agriculture Equipment



** Includes key grains, ethanol, sugar*
Source: IHS Global Insight, February 2018

Note: PSI-FINAME was key credit line for machinery acquisition 2011–2014; Moderfrota is currently the most attractive credit line
Source: ABIMAQ (Brazilian Association of Machinery & Equipment) and BNDES

Agriculture & Turf Retail Sales

Industry Outlook

	Fiscal 2018 Forecast	Previous Forecast
U.S. and Canada Ag	**~ 10%**	5-10%
EU 28 Ag	**~ 5%**	~ 5%
South America Ag (tractors and combines)	**Flat to up 5%**	Flat to up 5%
Asia Ag	**~ Flat**	~ Flat
U.S. and Canada Turf and Utility	**Flat to up 5%**	~ Flat

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Worldwide Agriculture & Turf
Deere & Company Outlook

	Fiscal 2018 Forecast	Previous Forecast
Net Sales	**~ 15%**	~ 9%
Currency translation	~ 3 points	~ 2 points

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Worldwide Construction & Forestry

1Q 2018 Overview

($ millions)	1Q 2018	1Q 2018 vs. 1Q 2017
Net Sales	**$1,731**	**↑ 57%**
Operating Profit*	**$32**	**↓ 14%**

*1Q 2018 operating profit impacted by:

– Wirtgen purchase accounting and acquisition costs

Excluding Wirtgen:

+ Shipment volumes
+ Voluntary employee-separation program expenses
– Production costs

Worldwide Construction & Forestry

U.S. Economic Indicators

(annual percentage rate* except where noted)	Fiscal 2018 Forecast	Previous Forecast
GDP Growth	↑ **2.6%**	↑ 2.4%
Housing Starts (thousands)	**1,276**	1,254
Total Construction Investment	↑ **2.2%**	↑ 1.4%
Government Construction Investment	↓ **0.6%**	↑ 0.8%
Crude Oil Price (per barrel)**	**$58.00**	$51.25

** Change from prior year, Bureau of Economic Analysis, 2009 real dollars*
*** West Texas Intermediate, annual average*
Source: IHS Markit, Calendar Year Estimates – January 2018 (previous forecast as of October 2017)

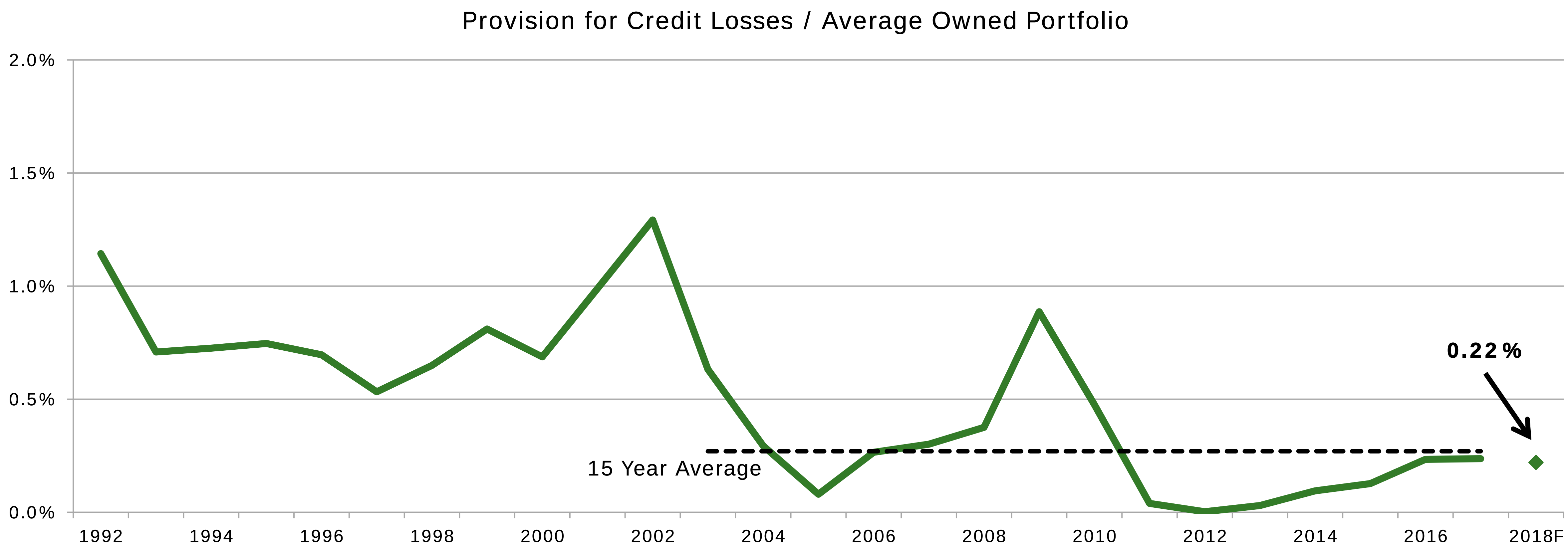
Worldwide Construction & Forestry

Deere & Company Outlook

	Fiscal 2018 Forecast	Previous Forecast
Net Sales	**~ 80%**	~ 69%
Currency translation	~ 2 points	~ 1 point
Wirtgen	~ 56 points	~ 54 points

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Worldwide Financial Services
Credit Loss History



Source: Deere & Company forecast as of 16 February 2018

Worldwide Financial Services

($ millions)	1Q 2018	Fiscal 2018 Forecast	Previous Forecast
Net Income (Loss) (attributable to Deere & Company)	**$425***	**~ $840***	~ $515

** Adjusted net income of $147 million in the quarter and ~ $520 million for the full year excluding the favorable changes associated with U.S. tax reform of $278 million and ~ $320 million, respectively*

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Consolidated Trade Receivables & Inventory

($ millions)	1Q 2018*	Fiscal 2018 Forecast**
Agriculture & Turf	↑ $1,752	↓ ~ $50
Construction & Forestry	↑ $2,351	↑ ~ $1,750
Total (as reported)	↑ $4,103	↑ ~ $1,700
Total (constant exchange)	↑ $3,747	↑ ~ $1,525

** Change at 28 January 2018 vs. 29 January 2017*
*** Change at 28 October 2018 vs. 29 October 2017*
Note: Before the sale of receivables to John Deere Financial
Source: Deere & Company forecast as of 16 February 2018

Cost of Sales
Equipment Operations

	1Q 2018	Fiscal 2018 Forecast	Previous Forecast
COS (percent of Net Sales)	**78.8%**	**~ 75%**	~ 75%

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Research & Development Expense

Equipment Operations

	1Q 2018 vs. 1Q 2017	Fiscal 2018 Forecast	Previous Forecast
R&D Expense	⬆ **14%**	⬆ **~ 20%**	⬆ ~ 18%
Currency translation	⬆ 2 points	⬆ ~ 1 point	⬆ ~ 1 point
Acquisition-related activities	⬆ 5 points	⬆ ~ 9 points	⬆ ~ 9 points

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Selling, Administrative & General Expense

Equipment Operations

	1Q 2018 vs. 1Q 2017	Fiscal 2018 Forecast	Previous Forecast
SA&G Expense	**8%**	**~ 23%**	~ 26%
Acquisition-related activities	11 points	~ 21 points	~ 24 points
Incentive compensation	3 points	~ 2 points	~ 1 point
Currency translation	2 points	~ 2 points	~ 1 point
Voluntary separation program	8 points	~ 2 points	~ 2 points
Pension/OPEB	Flat	~ Flat	~ 1 point
Commissions paid to dealers	Flat	~ 2 points	~ 1 point

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Income Taxes
Equipment Operations

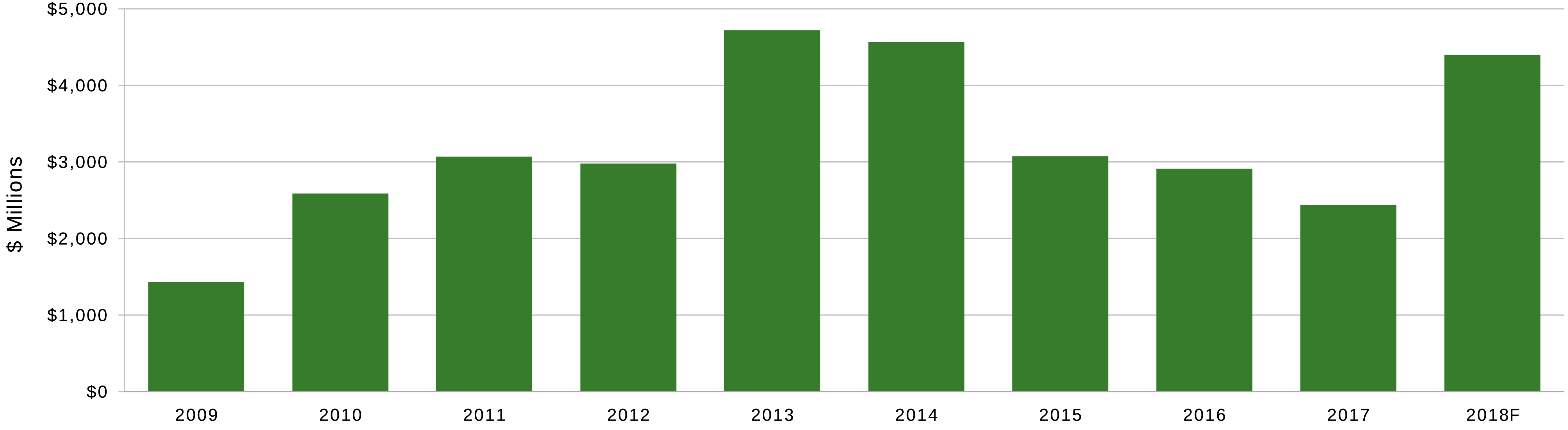
	1Q 2018	Rest of Year 2018 Forecast	Fiscal 2018 Forecast*	Fiscal 2019 Forecast
Effective Tax Rate	**422%**	**25-27%**	**~ 62%**	**25-27%**

** Previous forecast 31-33% prior to U.S. tax reform, pro-forma 2018 rate ~ 29.5%*
Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Net Operating Cash Flows

Equipment Operations

Fiscal 2018 Forecast* ~ $4.4 billion



** Previous forecast ~ $3.8 billion*

Note: 2009-2016 adjusted with the adoption of FASB ASU No. 2016-09 "Improvements to Employee Share-Based Payment Accounting"

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Deere & Company Outlook

Fiscal 2018 Forecast

($ billions except where noted)	2Q 2018 Forecast	Fiscal 2018 Forecast	Previous Forecast
Net Sales (equipment operations)	↑ **30-40%**	↑ **~ 29%**	↑ ~ 22%
Price realization	↔ ~ Flat	↑ ~ 1 point	↑ ~ 1 point
Currency translation	↑ ~ 4 points	↑ ~ 3 points	↑ ~ 2 points
Wirtgen	↑ ~ 16 points	↑ ~ 12 points	↑ ~ 12 points
Net Income (Loss) (attributable to Deere & Company)		**~ $2.1***	~ $2.6

** Excluding U.S. tax reform, adjusted net income ~ $2.85 billion; for reconciliation to GAAP see slide 42 in Appendix*

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Appendix

THE JOHN DEERE STRATEGY

OUR PURPOSE Committed to those linked to the land

GLOBAL AGRICULTURAL EQUIPMENT SOLUTIONS PREEMINENCE

GLOBAL CONSTRUCTION EQUIPMENT SOLUTIONS

OUTPACE INDUSTRY IN GROWTH

12% OPERATING MARGIN (AT MID-CYCLE)

2.5 ASSET TURNS (AT MID-CYCLE)

OUR ASPIRATIONS
Realizing sustainable SVA growth through innovation and disciplined expansion

DELIVER MEASURABLE CUSTOMER VALUE | TECHNOLOGY AND ANALYTICS LEADERSHIP | BEST-IN-CLASS INTEGRATED SOLUTIONS | WORLD-CLASS DISTRIBUTION SYSTEM | WIN IN AFTERMARKET

CRITICAL SUCCESS FACTORS
Further developing the capabilities essential to reaching our goals

EXCEPTIONAL OPERATING PERFORMANCE | MANUFACTURING AND SUPPLY EXCELLENCE | DISTINCTIVE PRODUCT QUALITY | EXTRAORDINARY GLOBAL TALENT | CIVIC AND ENVIRONMENTAL STEWARDSHIP

FOUNDATIONAL SUCCESS FACTORS
Investing in the core strengths that have guided our success

GLOBAL GROWTH BUSINESSES

COMPLEMENTARY BUSINESSES

SUPPORTING BUSINESSES

INTEGRATED ENTERPRISE
Leveraging the strengths and unique capabilities of three types of businesses through aligned, high-performance teamwork

INTEGRITY | QUALITY | COMMITMENT | INNOVATION

CORE VALUES
Unwavering adherence to the values that unite and differentiate us

Deere Use-of-Cash Priorities

Cash from Operations

Committed to "A" Rating

- Manage the balance sheet, including liquidity, to support a rating that provides access to low-cost and readily available short- and long-term funding mechanisms
  - Reflects the strategic nature of our financial services operation

Fund Operating and Growth Needs

- Fund value-creating investments in our businesses

Common Stock Dividend

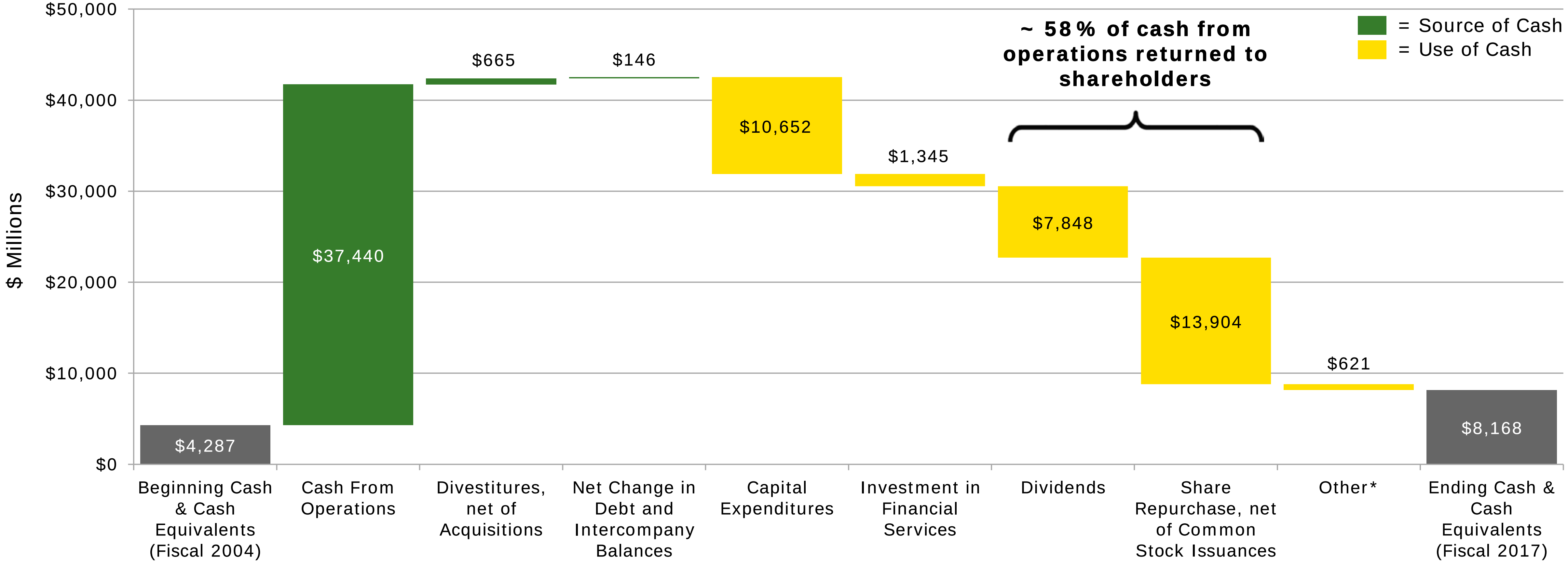
- Consistently and moderately raise dividend targeting a 25%-35% payout ratio of mid-cycle earnings

Share Repurchase

- Consider share repurchase as a means to deploy excess cash to shareholders, once above requirements are met and repurchase is viewed as value-enhancing

Sources and Uses of Cash Fiscal 2004-2017

Equipment Operations



** Other includes proceeds from maturities and sales of marketable securities and purchases of marketable securities and reconciliation for non-cash items including the effect of exchange rates on cash and cash equivalents*

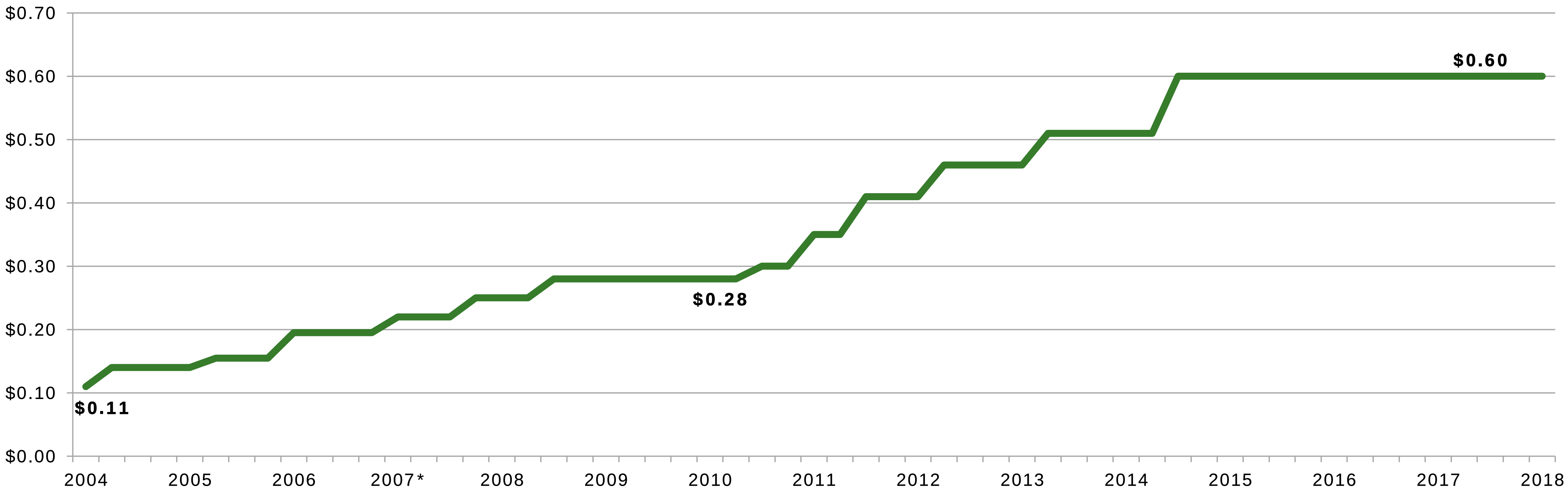
Note: "Cash from Operations" adjusted with the adoption of FASB ASU No. 2016-09 "Improvements to Employee Share-Based Payment Accounting"

Source: Deere & Company SEC filings

Deere Quarterly Dividends Declared

1Q 2004 – 1Q 2018

Dividend raised 114% since 2010



** Adjusted for 2 for 1 stock split on 26 November 2007*

Share Repurchase
As Part of Publicly Announced Plans

35% net share reduction since 2004

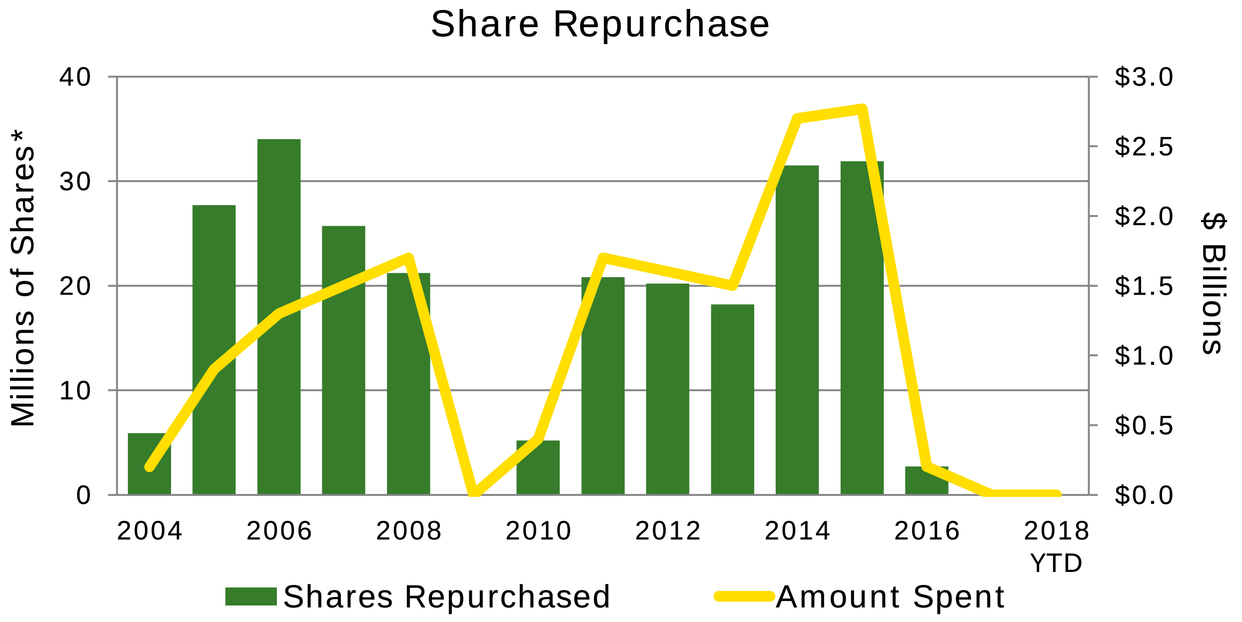
<u>2004–1Q 2018:</u>

Cumulative cost of repurchases	$16.4 billion
Shares repurchased	245.0 million
Average repurchase price	$66.96

<u>December 2013 authorization of $8 billion:</u>

Amount remaining	$3.3 billion

28 January 2018 period ended basic shares	323.8 million
1Q 2018 average diluted shares	322.8 million



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

Pension and OPEB Expense

($ millions)	1Q 2018	Fiscal 2018 Forecast	Previous Forecast
Pension and OPEB Expense	**$6**	**~ $15**	~ $10

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

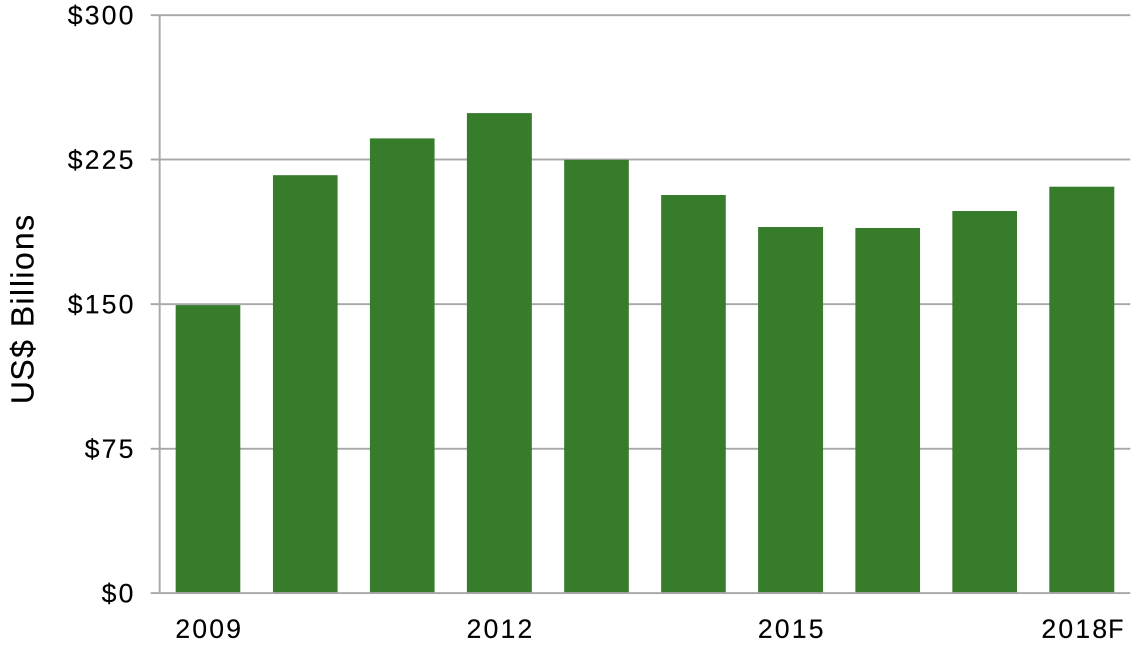
Other Information
Equipment Operations

($ millions)	Fiscal 2018 Forecast	Previous Forecast
Capital Expenditures	**~ $925**	~ $925
Depreciation and Amortization	**~ $1,050**	~ $1,050
Pension / OPEB Contributions	**~ $140**	~ $140

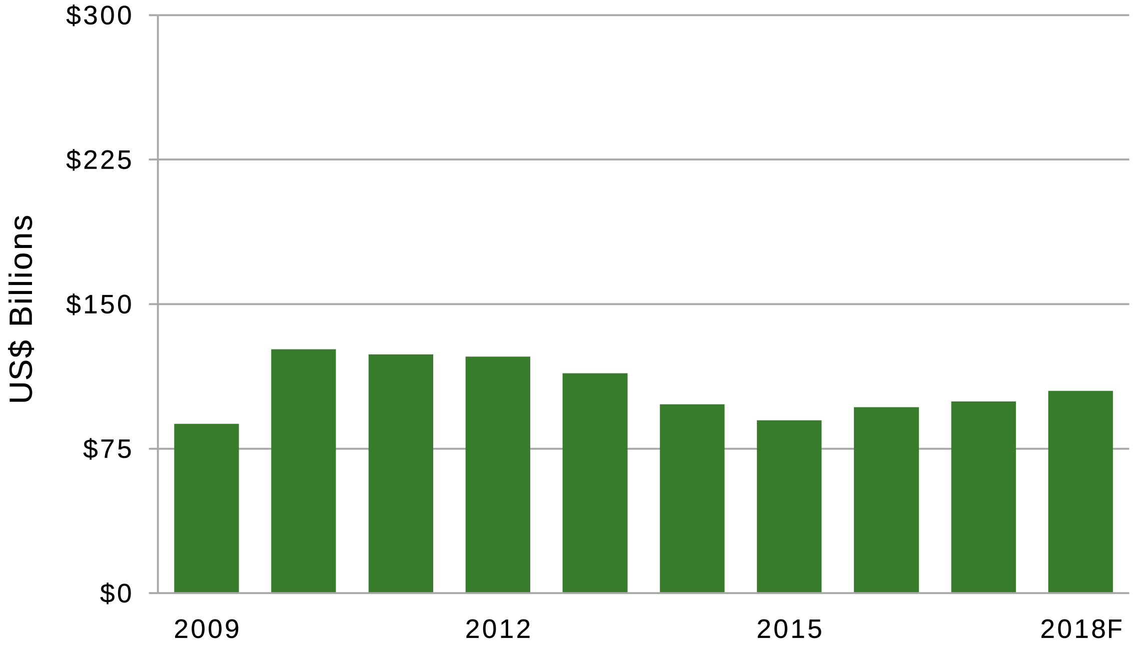
Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

Economic Update
Other Selected Markets

China - Crop Value of Production*

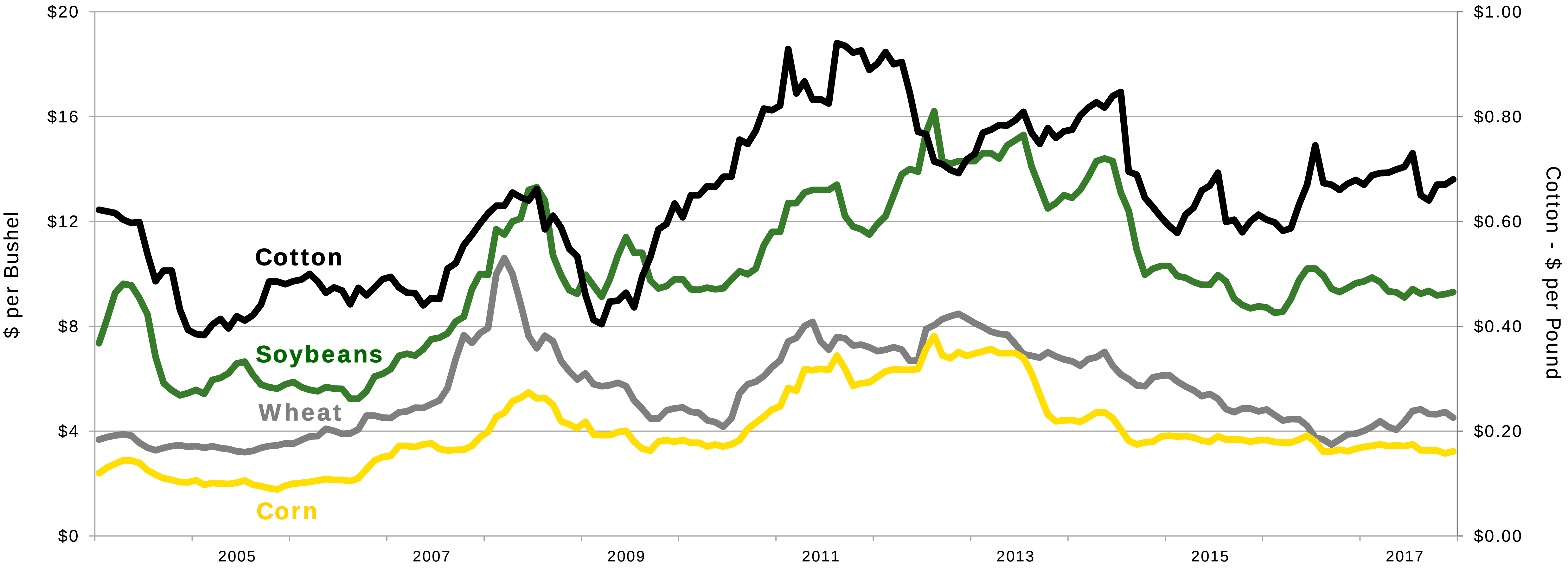


India - Crop Value of Production*



** Includes corn, wheat, rice, barley, sorghum, oilseeds, peanut, sugar, cotton*
Source: IHS Global Insight, February 2018

U.S. Farm Commodity Prices



Source: USDA, 8 February 2018

U.S. Farm Commodity Prices

($ per bushel except where noted)	2015/16	2016/17 Estimate	2017/18 Projection	Previous 2017/18
Corn	**$3.61**	**$3.36**	**$3.30**	$3.20
Soybeans	**$8.95**	**$9.50**	**$9.10**	$9.10
Wheat	**$4.89**	**$3.89**	**$4.65**	$4.60
Cotton ($ per pound)	**$0.58**	**$0.68**	**$0.69**	$0.60

Source: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

U.S. Acres Planted

(millions)	2016/17 Estimate	2017/18 Projection
Corn	94.0	90.2
Soybeans	83.4	90.1
Wheat	50.1	46.0
Cotton	10.1	12.6

Source: Deere & Company forecast as of 16 February 2018

U.S. Crop Yields

(bushels per acre except where noted)	2016/17 Estimate	2017/18 Projection
Corn	**174.6**	**176.6**
Soybeans	**52.1**	**49.1**
Wheat	**52.7**	**46.3**
Cotton (pounds per harvested acre)	**867**	**899**

Source: Deere & Company forecast as of 16 February 2018

U.S. Farm Cash Receipts

($ billions)	2016	2017 Forecast	2018 Forecast	Previous 2018
Crops	**$194.4**	**$189.7**	**$188.2**	$187.6
Livestock	**$162.9**	**$175.4**	**$174.9**	$169.6
Government Payments	**$13.0**	**$11.4**	**$9.3**	$11.1
Total Cash Receipts	**$370.2**	**$376.5**	**$372.4**	$368.3

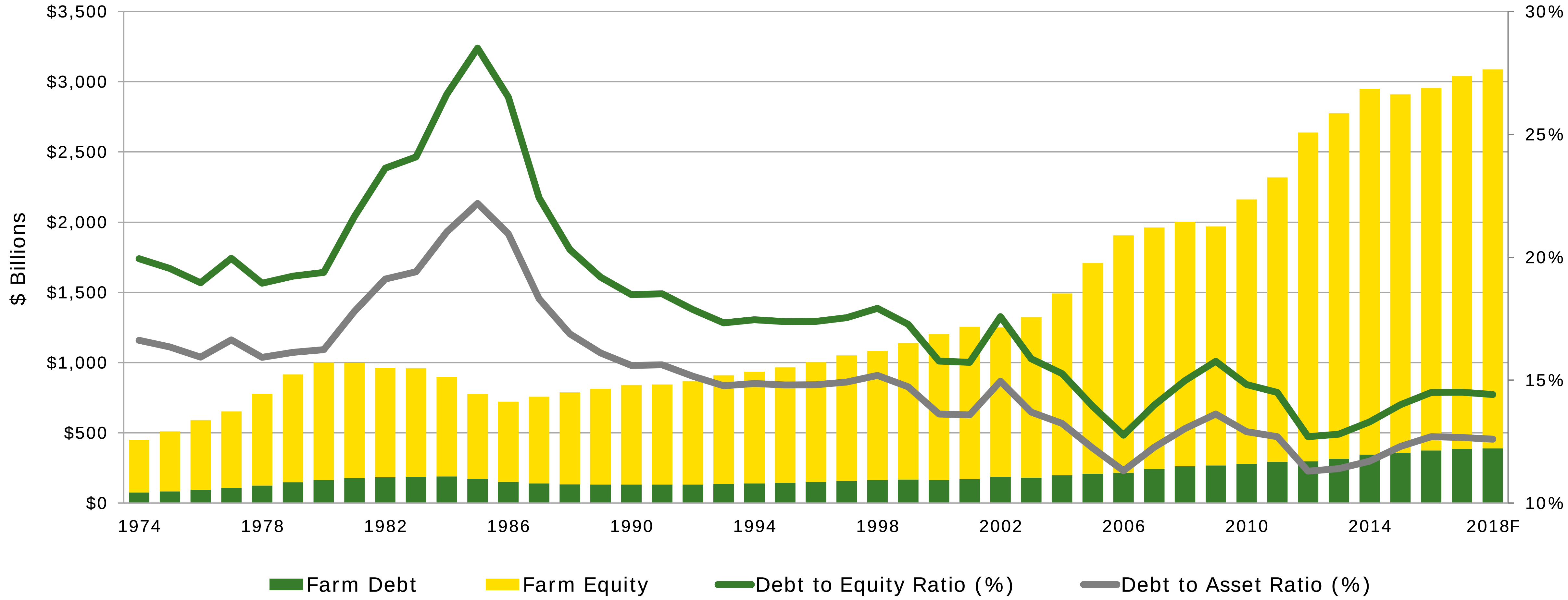
Source: 2016: USDA, 7 February 2018
2017F–2018F: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

U.S. Net Farm Cash Income

($ billions)	2016	2017 Forecast	2018 Forecast	Previous 2018
Total Cash Receipts	**$370.2**	**$376.5**	**$372.4**	$368.3
Other Farm-Related Income	**$27.9**	**$29.7**	**$31.8**	$32.0
Gross Cash Income	**$398.1**	**$406.2**	**$404.2**	$400.3
Cash Expenses	**($304.1)**	**($309.3)**	**($312.2)**	($310.0)
Net Cash Income	**$94.0**	**$96.9**	**$92.0**	$90.3

Source: 2016: USDA, 7 February 2018
2017F–2018F: Deere & Company forecast as of 16 February 2018 (previous forecast as of 22 November 2017)

U.S. Farm Balance Sheet



Source: 1974–2016: USDA, 7 February 2018
2017F–2018F: Deere & Company forecast as of 16 February 2018

January 2018 Retail Sales and Dealer Inventories

Retail Sales U.S. and Canada Ag	Industry*	Deere**
2WD Tractors (< 40 PTO hp)	↑ 6%	↑ Double digits
2WD Tractors (40 < 100 PTO hp)	↑ 3%	↓ Low double digits
2WD Tractors (100+ PTO hp)	↑ 2%	↑ In line with the industry
4WD Tractors	↑ 33%	↑ More than the industry
Combines	↓ 5%	↓ More than the industry

Deere Dealer Inventories*** U.S. and Canada Ag	2018	2017
2WD Tractors (100+ PTO hp)	33%	38%
Combines	16%	14%

As reported by the Association of Equipment Manufacturers
*** As reported to the Association of Equipment Manufacturers*
**** In units as a % of trailing 12 months retail sales, as reported to the Association of Equipment Manufacturers*

January 2018 Retail Sales

Retail Sales EU 28 Ag	Deere*
Tractors	⬆ Double digits
Combines	⬇ Double digits

Retail Sales U.S. and Canada	Deere*
Selected Turf & Utility Equipment	⬇ Double digits
Construction & Forestry	
First-in-the-Dirt	⬆ Double digits
Settlements	⬆ Single digit

** Based on internal sales reports*

Supplemental Statement of Consolidated Income Information

Reconciliation of GAAP to Non-GAAP Financial Measures

In addition to reporting financial results in conformity with accounting principles generally accepted in the United States (GAAP), the company also discusses non-GAAP measures that exclude adjustments related to U.S. tax reform legislation. Net income (loss) attributable to Deere & Company and diluted earnings per share measures that exclude this item is not in accordance with, nor is it a substitute for, GAAP measures. The company believes that discussion of results excluding this item provides a useful analysis of ongoing operating trends.

Investors should consider non-GAAP financial measures in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP.

The table below provides a reconciliation of the non-GAAP financial measure with the most directly comparable GAAP financial measure for the three months ended January 28, 2018, and the outlook for the twelve months ended October 28, 2018. (Millions, except per-share amounts) (Unaudited)

	Three Months Ended January 28, 2018	
	Net Income (Loss) Attributable to Deere & Company	Diluted Earnings Per Share
GAAP measure	$ (535.1)	$ (1.66)
U.S. tax reform legislation	965.1	2.97
Non-GAAP measure	$ 430.0	$ 1.31

	Twelve Months Ended October 28, 2018
	Net Income Attributable to Deere & Company
GAAP measure	$ 2,100.0
U.S. tax reform legislation	750.0
Non-GAAP measure	$ 2,850.0

Deere & Company's 2Q 2018 earnings call is scheduled for 9:00 a.m. central time on Friday, 18 May 2018