BUNGE LTD
Form F-3
April 29, 2004

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As filed with the Securities and Exchange Commission on April 29, 2004

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM F-3

**REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933**

Bunge Limited

(Exact name of Registrant as specified in its charter and translation of Registrant's name into English)

Bermuda (State or other jurisdiction of incorporation or organization)	**N/A** (I.R.S. Employer Identification No.)

**50 Main Street
White Plains, New York 10606
(914) 684-2800**
(Address and telephone number of Registrant's principal executive offices)

**Bunge Limited
50 Main Street
White Plains, New York 10606
Attention: Carla L. Heiss, Assistant General Counsel
(914) 684-2800**
(Name, address and telephone number of agent for service)

with copies to:

Andrew B. Jánszky Shearman & Sterling LLP 599 Lexington Avenue New York, New York 10022 (212) 848-4000	**Jeffrey Small** Davis Polk & Wardwell 450 Lexington Avenue New York, New York 10017 (212) 450-4000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Shares to Be Registered(1)	Proposed Maximum Offering Price per Share(2)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Shares, par value $.01 per share	10,800,000	36.97	$399,276,000	$50,589
Series A Preference Share Purchase Rights(3)	N/A	N/A	N/A	N/A

(1) Includes value of common shares that the underwriters have the option to purchase to cover over-allotments, if any.

(2) Estimated pursuant to Rule 457(c) solely for the purpose of calculating the amount of the registration fee based on the average of the high and low prices of our common shares as reported on the New York Stock Exchange on April 27, 2004.

(3) A right to purchase a fraction of a Series A Preference Share of Bunge Limited is attached to each common share. See "Description of Share Capital." No value is attributable to a right.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 29, 2004

9,500,000 Shares

Bunge Limited

Common Shares

Our common shares are listed on The New York Stock Exchange under the symbol "BG." The last reported sale price on April 28, 2004 was $36.62 per share.

The underwriters have a 30-day option to purchase a maximum of 1,300,000 additional shares to cover over-allotments of shares.

Investing in our common shares involves risks. See "Risk Factors" on page 16.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Issuer
Per Share	$	$	$
Total	$	$	$

Delivery of the common shares will be made on or about , 2004.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse First Boston **Morgan Stanley**

Citigroup

Deutsche Bank Securities

Merrill Lynch & Co.

The date of this prospectus is , 2004.

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

This prospectus is based on information provided by us and by other sources that we believe are reliable. We cannot assure you that any information provided by other sources is accurate or complete. This prospectus summarizes certain documents and other information and we refer you to them for a more complete understanding of what we discuss in this prospectus. In making an investment decision, you must rely on your own examination of our company and the terms of this offering, including the merits and risks involved.

We have not taken any action to permit a public offering of the common shares outside the United States or to permit the possession or distribution of this prospectus outside the United States. Persons outside the United States who have come into possession of this prospectus must inform themselves about and observe restrictions relating to the offering of the common shares and the distribution of this prospectus outside of the United States.

Consent under the Exchange Control Act 1972 (and its related regulations) has been obtained from the Bermuda Monetary Authority for the issue and transfer of our common shares to and between non-residents of Bermuda for exchange control purposes provided our shares remain listed on an appointed stock exchange, which includes the New York Stock Exchange. This prospectus will be filed with the Registrar of Companies in Bermuda in accordance with Bermuda law. In granting such consent and in accepting this prospectus for filing, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this prospectus or the registration statement of which this prospectus forms a part.

References in this prospectus to "Bunge Limited," "Bunge," "we," "us" and "our" refer to Bunge Limited and its consolidated subsidiaries unless the context otherwise indicates. References in this prospectus to our "2003 Annual Report" refer to our Annual Report on Form 20-F for the year ended December 31, 2003, which is incorporated by reference in this prospectus.

This prospectus contains some of our trademarks, including our logo. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its respective holder.

SUMMARY

This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus. This is only a summary and therefore does not contain all the information that may be important to you. You should read the entire prospectus carefully, including the "Risk Factors" section, our consolidated financial statements and the related notes and the other information included and incorporated by reference in this prospectus before deciding whether or not to purchase our common shares. In this summary and this prospectus, we present the financial measure "total segment operating profit", which is the consolidated segment operating profit of each of our operating segments. Total segment operating profit is a financial measure that is not calculated and not presented in accordance with generally accepted accounting principles in the United States, or GAAP. For a discussion of total segment operating profit and a reconciliation of total segment operating profit to income before continuing operations before income tax and minority interest, the most comparable GAAP measure, see Note 3 to " Summary Historical Financial Data" on page 15.

Bunge Limited

Overview

We are an integrated, global agribusiness and food company operating throughout the farm-to-consumer food chain. Our operations range from sales of raw materials such as grains and fertilizers to retail food products such as margarine and mayonnaise. In 2003, we had total net sales of $22,165 million and total segment operating profit of $618 million. We believe we are:

- the world's leading oilseed processing company, based on processing capacity;
- the largest processor of soybeans in the Americas, the region in which 84% of the world's soybeans are grown, and one of the world's leading exporters of soybean products, based on volume;
- the largest producer and supplier of fertilizer to farmers in South America, based on volume; and
- the world's leading seller of bottled vegetable oils, based on sales.

We conduct our operations in three divisions: agribusiness, fertilizer and food products, and we have four reporting segments agribusiness, fertilizer, edible oil products and milling products.

Our Business

Agribusiness

Our agribusiness division is an integrated business involved in the purchase, sale and processing of grains and oilseeds. Our agribusiness origination and processing operations and assets are primarily located in the Americas and Europe, and we have international marketing offices throughout the world. The net sales in our agribusiness division were $17,345 million in 2003, or 78% of our total net sales, and the operating profit of our agribusiness segment in 2003 was $274 million, or 44% of our total segment operating profit.

Fertilizer

Our fertilizer division is involved in every stage of the fertilizer business, from mining of raw materials to the sale of retail fertilizer products. The activities of our fertilizer division are primarily located in Brazil. Net sales in our fertilizer division were $1,954 million in 2003, or 9% of our total net sales, and the operating profit of our fertilizer segment in 2003 was $242 million, or 39% of our total segment operating profit.

Food Products

Our food products division consists of two business lines: edible oil products and milling products. These businesses produce and sell food products such as edible oils, shortenings, margarine, mayonnaise and milled products such as wheat flours and corn products. The activities of our food products division are located in North America, Europe, Brazil and India. Net sales in our food products division were $2,866 million in 2003, or 13% of our total net sales. The operating profit of our edible oil products segment and our milling products segment in 2003 was $64 million and $30 million, or 10% and 5%, respectively, of total segment operating profit.

Industry Overview

Key industry trends that we believe are expanding our business opportunities include the following:

Agribusiness

Growth in income and population create increased global demand for food. Income and population growth contribute to demand for food and animal feed. As incomes rise and populations increase, people increase their food consumption and diversify their diets to include more products such as edible oils and meats. As a result, global consumption of agricultural commodities continues to grow.

Soybeans provide the principal protein meal for many animal feed industries. Soybean meal is the preferred and dominant protein source for many animal feed industries, particularly pork and poultry. Concern over mad cow disease and the use of animal products such as meat and bone meal in animal feeds reinforces these preferences.

Rapid expansion of agricultural production in South America and Eastern Europe provide growth opportunities. The availability of arable land, suitable climate and adequate infrastructure are essential to successful agricultural production. Countries, such as Brazil and Argentina, and regions, such as Eastern Europe, where agricultural production is growing rapidly can produce surplus oilseeds and grains cost-effectively and efficiently and will be well-positioned to supply countries that have oilseed and grain production deficits. We believe that an increase in global demand for agricultural commodities will likely result in an increase in exports of agricultural commodities and commodity products from these countries and regions.

Fertilizer

Growth of the Brazilian agricultural sector leads to increases in fertilizer consumption. While global fertilizer demand remains flat, Brazilian fertilizer consumption, driven by the country's rapid and broad-based agricultural expansion, has been growing significantly and is expected to continue to increase, primarily due to the efforts to improve crop yields in areas under cultivation and the continued conversion of Brazil's large reserve of arable land to agricultural production.

Expanding Brazilian fertilizer raw material production creates opportunities to increase profit. While Brazilian fertilizer consumption is growing rapidly, Brazil has not been able to produce sufficient phosphate to meet this demand. In the Brazilian fertilizer industry, participants with the ability to source their own fertilizer raw materials will have a competitive advantage over other market participants. We believe increasing mining and intermediate raw materials production capacity is the most efficient means of achieving this objective.

Food Products

Changes in consumption patterns. Changes in population, income levels and other demographic factors affect the quantity and type of food products consumed. As per capita incomes increase and consumers' buying decisions are less restricted, consumption of refined edible oils, margarines and shortenings also increases. In addition, as buying decisions become more convenience-oriented, consumption of prepared foods and foods consumed away from home and sold through retail and foodservice channels, which utilize more edible oils, increases.

Vegetable oil is a large and growing market. Currently, the world consumes approximately 100 million metric tons of vegetable oil per year. The global vegetable oil market is expected to grow at an estimated annual rate of 5.2% over the next seven years. Consumption of soybean oil is expected to grow annually at 4.7% per year, while consumption of softseed oils, including sunflower oil, is expected to grow at a rate of 5.2% per year over the same period.

Our Competitive Strengths

We believe our business benefits from the following competitive strengths:

Significant synergies within and among our businesses. By operating in complementary businesses throughout the food supply chain, we enjoy significant operating efficiencies. For example, in Brazil, we transport fertilizer raw materials from export-import points to our inland fertilizer plants and back-haul agricultural commodities from our inland locations to export import points. By using the same transportation resources across business lines, we are able to realize significant cost advantages and logistical efficiencies. In our fertilizer division, we also benefit from our internal sources of raw materials provided by the mines we operate. In our food products division, we capitalize on synergies with our agribusiness division by supplying a significant portion of our raw material requirements from our agribusiness operations, such as crude oils, wheat and corn, thereby helping to ensure an adequate supply of raw materials for these businesses.

Geographic and product balance and positioning. We have substantial agricultural commodities origination facilities in both the northern and southern hemispheres. This balance between the two hemispheres mitigates seasonal effects on agricultural production, allowing us to offer a constant supply of oilseeds, grains, meal and oil throughout the year. We also have product balance in oilseeds through our canola and sunflower seed product offerings. Our geographic and product balance mitigates the risks of exposure to adverse agricultural and other conditions in any one particular region or product line.

Scale, quality and strategic location of our facilities. In the United States, Brazil and Argentina, we operate large, efficient and well-maintained agricultural commodities storage, oilseed processing facilities and export terminals, generating economies of scale and reducing overall costs. We have also selectively located many of our grain elevators and processing and manufacturing facilities in close proximity to our suppliers, domestic customers, edible oil refineries and key export points to reduce transportation costs and delivery times for our products.

Well positioned in higher growth areas of our markets. We believe that we are well positioned in the higher growth areas of the markets in which we operate. For example, our leadership position in the Brazilian soybean origination and processing markets will allow us to benefit from continued rapid growth in Brazilian soybean cultivation. Our market leadership position in the Brazilian fertilizer industry enables us to capitalize on the accelerated growth that is anticipated in the fertilizer market associated with the expansion in the agricultural sector and increased fertilizer use. In our food products division, the leading consumer market position of our edible oil products business in Eastern Europe and Brazil will allow us to benefit from anticipated increases in per capita oil consumption in these markets.

Our Business Strategy

Our objective is to continue to expand our business and increase our profitability by focusing on the following key business strategies:

Grow our leadership position in the most attractive markets for our products. In our agribusiness division, we intend to maintain our leading positions in the fastest growing oilseed and grain production regions of South America and Eastern Europe while, at the same time, increasing our presence in areas of growing consumption in Asia. In our fertilizer division, we are focusing on Brazil, the world's fastest growing major fertilizer market, and we plan to significantly increase our mining and intermediate raw materials production capacity over the next five years. In our food products division, we are focusing our expansion on higher growth and higher consumption markets, such as in India and Eastern Europe. We believe that a combination of organic growth, achieved through increases in our internal origination, oilseed processing and fertilizer production capabilities, along with growth through selective acquisitions and alliances, will enable us to achieve these objectives.

Focus on operating efficiency. As the prices of many of our products are set in global commodity markets, our profitability is largely dependent on the cost efficiency of our production and product handling processes. As a result, in each of our divisions, we seek to locate assets that are efficient in terms of scale and function in close proximity to agricultural production areas, customers and transport networks to reduce our operating and logistics costs. This enables us to benefit from lower per-unit costs as production and processing volume increase. In addition, we have invested and will continue to invest in improving our logistics systems, including through technology enhancements, physical infrastructure development and our company-wide initiative focused on improving productivity, quality, safety and environmental standards.

Provide superior customized service and product offerings to customers and farmers. We intend to continue to focus on meeting the needs of our customers and suppliers by offering them value-added services. We offer crop financing and agronomics services to farmers. We also intend to continue to develop specialized products for our food processor and foodservice customers that allow our customers to improve the quality and nutritional profile of their products.

Capture value through integration of our businesses. The close integration of our businesses allows us to achieve raw material sourcing, logistic and product synergies that we believe enhance our competitiveness and profitability. We intend to continue to strengthen the coordination among our divisions in order to capitalize on opportunities to grow our customer and supplier base, lower our logistics and raw material costs and allow us to take advantage of new and developing market opportunities in each of our businesses.

Recent Developments

Buyback of Bunge Brasil Minority Interest

We intend to purchase all the outstanding ordinary and preferred shares of Bunge Brasil S.A. that we do not already own through a public tender offer under Brazilian law. Bunge Brasil is the holding company for all of our operations in Brazil. We currently own ordinary and preferred shares in Bunge Brasil representing approximately 83% of the capital stock of Bunge Brasil. The remaining ordinary and preferred shares of Bunge Brasil, all of which are the subject of the tender offer, are listed for trading on the São Paulo Stock Exchange (BOVESPA). If the threshold required under Brazilian law is met, we intend to delist the shares of Bunge Brasil from the São Paulo Stock Exchange as part of this buyback. We expect the aggregate purchase price for all the outstanding shares of Bunge Brasil that we do not already own will be approximately $295 million, which is based on the announced tender offer price of R$6.22 per share. We intend to use the proceeds of this offering to purchase the shares of Bunge Brasil tendered in the offer. See "Use of Proceeds" for additional information.

We have been advised by Caixa de Previdência dos Funcionários do Banco do Brasil PREVI, an institutional investor in Bunge Brasil, that it intends to tender all of its shares in the offer. PREVI, Bunge Brasil's largest minority shareholder, owns ordinary and preferred shares in Bunge Brasil representing approximately 43% of all the capital stock of Bunge Brasil that is held by the minority shareholders of Bunge Brasil and subject to the tender offer.

The tender offer was announced in Brazil on April 29, 2004; however, the tender offer must be reviewed and approved by the Comissão de Valores Mobiliários, the securities regulatory authority in Brazil, before the tender offer process may begin and, once commenced, the tender offer must remain open for at least 30 days. We expect the tender offer to be completed in the third quarter of 2004.

The buyback of all of the shares of Bunge Brasil that we do not already own, which we refer to as the minority interest, is part of our continuing strategy to consolidate and simplify the ownership and operational structure of our Brazilian subsidiaries. The buyback of the minority interest in Bunge Brasil will allow us to better manage our assets and achieve tax and administrative cost savings. Additionally, the buyback of the minority interest will eliminate the dividends that Bunge Brasil pays to its minority shareholders, thereby allowing us to retain more of the value generated by our Brazilian operations, which we plan to reinvest in our businesses.

Under Brazilian law, in connection with this tender offer, each minority shareholder of Bunge Brasil will have the option, but will not be required, to register such minority shareholder's ordinary and preferred shares of Bunge Brasil in the tender offer, indicating whether or not such shareholder is tendering into the offer and consenting to the delisting of the ordinary and preferred shares of Bunge Brasil from the São Paulo Stock Exchange. Under Brazilian law, we will have the right to delist all the shares of Bunge Brasil from the São Paulo Stock Exchange if, upon the expiration of the tender offer, we purchase shares of Bunge Brasil tendered in the offer equal to at least two-thirds of all the capital stock of Bunge Brasil that has been registered in the tender offer. Additionally, if, upon the expiration of the tender offer, we own shares representing 95% of the capital stock of Bunge Brasil, including those that we owned prior to the tender offer, we will have the right to conduct a "squeeze-out," enabling us to purchase all the remaining shares of Bunge Brasil not tendered in the offer at the same price that we purchased the shares of Bunge Brasil in the tender offer. If all the shares held by the minority shareholders are not tendered in the offer, we will purchase as many shares as are validly tendered in the offer; provided, however, that under Brazilian law we will be prohibited from purchasing shares representing more than one-third of the shares of Bunge Brasil registered in the tender offer if we are unable to delist the shares of Bunge Brasil from the São Paulo Stock Exchange.

The tender offer price was based on a valuation prepared by our financial advisor, who approached us with the proposal for this tender offer, and represents a premium to the current market price of shares of Bunge Brasil on the São Paulo Stock Exchange. We believe it represents a fair price to the minority shareholders in Bunge Brasil.

We refer to the tender offer for, and the purchase of, the minority interest held in Bunge Brasil in this prospectus as the Bunge Brasil buyback.

Financial Results for the First Quarter of 2004

Although complete financial statements for the first quarter of 2004 are not yet available, on April 29, 2004 we announced certain operating results for the quarterly period ended March 31, 2004. The following summarizes select items in our unaudited consolidated financial results for the three months ended March 31, 2004 and 2003. This summary should be read in conjunction with our

"Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements included elsewhere in this prospectus.

	Three Months Ended March 31,	
	2004	2003
	(US$ in millions, except share data)	
Consolidated Statements of Income Data:		
Net sales	$ 5,739	$ 4,842
Cost of goods sold	(5,374)	(4,569)
Gross profit	365	273
Selling, general and administrative expenses	(178)	(149)
Interest income	16	20
Interest expense	(52)	(54)
Foreign exchange gains (losses)	(16)	7
Other income (expense), net	11	1
Income from continuing operations before income tax and minority interest	146	98
Income tax expense	(58)	(37)
Income from continuing operations before minority interest	88	61
Minority interest	(18)	(20)
Income from continuing operations	70	41
Discontinued operations(1)		(1)
Net income	$ 70	$ 40
Per Share Data:		
Earnings per common share basic(2):		
Income from continuing operations	$ .70	$ .41
Discontinued operations		(.01)
Net income per share	$ .70	$ .40
Earnings per common share diluted(2):	$ .65	$ .41
Income from continuing operations		(.01)
Net income per share	$ .65	$ .40
Cash Flow and Other Data:		
Cash used for operating activities	$ (720)	$ (3)
Cash used for investing activities	(47)	(49)
Cash provided by (used for) financing activities	803	(40)
Depreciation, depletion and amortization	51	49
Segment Operating Profit(3):		
Agribusiness	$ 72	$ 44

	Three Months Ended March 31,	
Fertilizer	41	38
Edible oil products	17	17
Milling products	6	3
Other		9
Total segment operating profit(4)	$ 136	$ 111

	As of	
	March 31, 2004	December 31, 2003
	(US$ in millions)	
Consolidated Balance Sheet Data:		
Cash and cash equivalents	$ 523	$ 489
Inventories(5)	3,950	2,867
Working capital	2,485	2,481
Total assets	11,225	9,884
Short-term debt, including current portion of long-term debt	1,884	1,017
Long-term debt	2,331	2,377
Shareholders' equity	2,428	2,377

(1) In December 2003, we sold our North American bakery business to a third party. Accordingly, the operating results for the disposed division have been reported as discontinued operations for the three months ended March 31, 2003.

(2) Earnings per share are calculated on the basis of the following number of common shares outstanding:

	Three Months Ended March 31,	
	2004	2003
	(US$ in millions, except share data)	
Income from continuing operations basic	$ 70	$ 41
Interest on convertible notes, net of tax	1	
Income from continuing operations diluted	$ 71	$ 41
Weighted average number of common shares outstanding:		
Basic	100,016,833	99,585,790
Effect of diluted shares:		
Stock options and awards	1,770,441	916,340
Convertible notes	7,778,425	
Diluted	109,565,699	100,502,130
Income from continuing operations per share:		
Basic	$ .70	$ .41
Diluted	$ .65	$ .41

The calculation of diluted earnings per common share for the three months ended March 31, 2004, includes the 7,778,425 common shares that would be issuable upon conversion of our 3.75% convertible notes due 2022. The convertible notes became convertible as of March 31, 2004. The convertible notes are convertible at the option of the holder into our common shares, among other circumstances, during any calendar quarter in which the closing price of our common shares for at least 20 of the last 30 trading days of the immediately preceding calendar quarter is more than 120% of the conversion price of $32.1402, or approximately $38.57 per share. The closing price condition was satisfied as of March 31, 2004 and the convertible notes may be converted at the option of the holder. The convertible notes will remain convertible until June 30, 2004, unless the closing price condition described above is satisfied again at June 30, 2004, at which point the convertible notes will remain convertible for another calendar quarter.

(3)

In 2003, we changed the name of our "wheat milling and bakery products" segment to "milling products" in connection with the sale of our U.S. bakery business and the reclassification of our corn milling products business line from the "other" segment to the "milling products" segment. As a result of this change, our "other" segment reflects only our soy ingredients business line, which we sold to The Solae Company, our soy ingredients joint venture with E.I. duPont de Nemours and Company, in May 2003. In addition, certain agribusiness activities of our Canadian operations that were previously included in our edible oil products segment in 2002 were retroactively reclassified to the agribusiness segment to conform to this presentation.

(4)

Total segment operating profit is our consolidated income from continuing operations before income taxes and minority interest that includes an allocated portion of the foreign exchange gains and losses relating to debt financing operating working capital, including readily marketable inventories. Also included in total segment operating profit is interest income and interest expense attributable to the financing of operating working capital. Total segment operating profit is a non-GAAP measure and is not intended to replace income from continuing operations before income taxes and minority interest, the most directly comparable GAAP measure. Total segment operating profit is a key performance measurement used by our management to evaluate whether our operating activities cover the financing costs of our business. We believe total segment operating profit is a more complete measure of our operating profitability, since it allocates foreign exchange gains and losses and the cost of debt financing working capital to the appropriate operating segments. Total segment operating profit is not a measure of consolidated operating results under GAAP and should not be considered as an alternative to income from continuing operations before income taxes and minority interest or any other measure of consolidated operating results under GAAP.

Below is a reconciliation of income from continuing operations before income taxes and minority interest to total segment profit:

	Three Months Ended March 31,	
	2004	2003
Income from continuing operations before income taxes and minority interest	$ 146	$ 98
Plus (minus) unallocated expenses net	(10)	13
Total segment operating profit	$ 136	$ 111

Unallocated expenses-net includes interest income, interest expense, foreign exchange gains and losses and other income and expense not directly attributable to our operating segments.

(5)

Included in inventories were readily marketable inventories of $2,879 million and $1,868 million at March 31, 2004 and December 31, 2003, respectively. Readily marketable inventories are agricultural commodities inventories that are readily convertible to cash because of their commodity characteristics, widely available markets and international pricing mechanisms.

Agribusiness. Agribusiness benefited from solid volume growth and improvements in margins, assisted by effective risk management. Efficiency improvements in logistics, favorable effects from freight risk management programs and better than expected margins in North America also contributed. Selling, general and administrative expenses increased compared to the first quarter of 2003 primarily due to increases in employee compensation and the appreciation of the Brazilian *real*. Interest expense increased, primarily due to an increase in inventory levels associated with higher commodity prices.

Fertilizer. Higher average selling prices for fertilizer offset weaker volumes. Volumes in the first quarter of 2003 benefited from farmers' accelerated purchases, which did not occur in 2004. Higher international prices for fertilizer raw materials boosted local selling prices and increased margins on local production, which is priced to import parity. Selling, general and administrative expenses increased, primarily due to the appreciation of the Brazilian *real*, increased labor and fiscal provisions and salary increases.

Edible oil products. Edible oil results benefited from margin improvements in our Eastern European businesses. These improvements were partially offset by increases in raw material costs, primarily soybean oil.

Milling products. Milling products results benefited from higher margins and sales volumes in our corn milling business and higher margins in our wheat milling business.

Financial costs. Interest income decreased, primarily due to lower interest rates in Brazil. Interest expense declined despite increases in average borrowings for the first quarter of 2004, compared to the same period in 2003, primarily due to lower average interest rates on long-term borrowings. During 2003, we replaced long-term debt assumed in the acquisition of Cereol in 2002 and long-term debt maturing in 2003 with lower interest rate debt.

Foreign exchange losses and related hedging costs, incurred primarily on the net U.S. dollar-denominated monetary liability position of our Brazilian subsidiaries, were $16 million in the first quarter of 2004, compared to foreign exchange gains of $7 million in the same period last year. The Brazilian *real* devalued 1% in value against the U.S. dollar in the first quarter of 2004, as compared to a 5% appreciation in the same period last year.

Other income (expense) net. In March 2004, we exchanged our Brazilian domestic retail flour assets for J. Macedo's industrial flour assets and $7 million in cash. The exchange resulted in a pre-tax gain of $5 million, which is included in other income (expense) net for the first quarter of 2004.

Other income (expense) net also benefited from increases in our share of earnings from our joint ventures in Argentina and with The Solae Company. The Solae Company was formed in the second quarter of 2003.

Income tax expense. Our effective tax rate for the first quarter of 2004 was 40%, compared to 38% in the first quarter of 2003. Our estimated effective tax rate for 2004 increased from 2003 due to reduced tax benefits on U.S. export sales and higher taxes payable in various tax jurisdictions.

Cash flow from operations. Cash flow from operations was negatively affected in the first quarter of 2004 by higher levels of working capital as a result of the 60% increase in soybean prices since mid-2003. We believe this effect is likely to reverse when soybean prices return to historical averages. Cash flow used for operations in the first quarter of 2004 was $720 million, which included the effect of higher agricultural commodity prices of approximately $793 million, as compared to cash flow used for operations for the first quarter of 2003 of $3 million.

Net income. Our net income in the first quarter of 2004 was $70 million, or $0.70 per share. In the first quarter of 2003, our net income was $40 million, or $0.40 per share.

Senior Notes Offering

On April 13, 2004, we completed the sale of $500 million aggregate principal amount of our unsecured senior notes bearing interest at a rate of 5.35% per year and maturing in 2014. The senior notes were issued by our wholly owned subsidiary, Bunge Limited Finance Corp., and are guaranteed by us. Interest is payable on the unsecured senior notes semi-annually in arrears on April 15 and October 15 of each year, commencing on October 15, 2004.

Organizational Structure

The following diagram shows our corporate structure and our material subsidiaries as of December 31, 2003.

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* Holding company for our European operations.

Our principal executive offices and corporate headquarters are located at 50 Main Street, White Plains, New York 10606, and our telephone number is (914) 684-2800. Our registered office is located at 2 Church Street, Hamilton, HM11, Bermuda.

Our web site address is www.bunge.com. Information contained in or connected to our web site is not a part of this prospectus.

This prospectus contains some of our trademarks, including our logo. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its respective holder.

The Offering

Unless otherwise indicated, all information in this prospectus assumes the underwriters do not exercise their over-allotment option. Please see "Description of Share Capital" for a summary of the terms of our common shares.

As a result of the filing of the registration statement relating to this offering, of which this prospectus forms a part, certain of our shareholders have the right, pursuant to a registration rights agreement, to offer shares of our common stock held by them as part of this offering. These shareholders, who collectively own approximately 47 million common shares, have not waived their rights under the registration rights agreement. If any such shareholder exercises its rights under the registration rights agreement, we will file an amendment to the registration statement, of which this prospectus forms a part, to include any such common shares. If we include any common shares of the selling shareholders in this offering, we will not receive any proceeds from the sale of such common shares. Please see "Shares Eligible for Future Sale   Registration Rights Agreement" for more information.

Common shares being offered by us	9,500,000 shares
Common shares subject to over-allotment option from us	1,300,000 shares
Common shares outstanding immediately after this offering	109,703,786 shares
Use of proceeds	We expect to receive net proceeds from this offering of approximately $ million, after deducting underwriting discounts and commissions and estimated expenses of this offering payable by us. We intend to use up to approximately $295 million of the net proceeds to purchase the shares of our subsidiary, Bunge Brasil, that we do not already own. See " Recent Developments Buyback of Bunge Brasil Minority Interest" for more information. We will use the remaining net proceeds for general corporate purposes, which may include acquisitions, capital expenditures and working capital purposes. We presently have no agreements or understandings for any material acquisitions. See "Use of Proceeds" for more information.
Dividend policy	We intend to pay cash dividends to our shareholders on a quarterly basis. However, any determination to pay dividends will, subject to the provisions of Bermuda law, be at the discretion of our board of directors and will depend on a variety of factors.
New York Stock Exchange symbol	BG
Risk factors	See "Risk Factors" beginning on page 16 and other information included and incorporated by reference in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common shares.

The number of common shares outstanding after this offering is based on 100,203,786 common shares issued and outstanding as of March 31, 2004, which amount excludes approximately 4,342,364 common shares issuable upon exercise of currently outstanding stock options, approximately 780,100 common shares issuable in respect of time-vested regular and performance-based restricted stock units, assuming all participants elect to receive shares and no adjustment is made by the compensation committee of the board of directors and an additional 7,778,425 common shares reserved for issuance upon the conversion of our 3.75% convertible notes due 2022.

Expected Timetable for the Offering

Commencement of marketing of the offering	, 2004
Announcement of offer price	, 2004
Allocation of common shares	, 2004
Settlement and delivery of common shares	, 2004

Depending on market conditions, this expected timetable may be modified.

SUMMARY HISTORICAL FINANCIAL DATA

The following table sets forth our summary historical financial data. The consolidated statements of income and cash flow data for the years ended December 31, 2003, 2002 and 2001 and the consolidated balance sheet data as of December 31, 2003 and 2002 are derived from our audited consolidated financial statements included herein and incorporated by reference in this prospectus. The consolidated statements of income and cash flow data for the years ended December 31, 2000 and 1999 and the consolidated balance sheet data as of December 31, 2001, 2000 and 1999 are derived from our audited consolidated financial statements that are not included herein or otherwise incorporated by reference in this prospectus. The historical results included below and elsewhere in this document are not necessarily indicative of our future performance. Our consolidated financial statements are prepared in U.S. dollars and in accordance with GAAP. In October 2002, we acquired a controlling interest in Cereol S.A., a French agribusiness company, and we now own 100% of Cereol's share capital and voting rights. Cereol's results of operations have been included in our historical financial statements since October 1, 2002. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Principal Capital Expenditures, Acquisitions and Divestitures Acquisitions."

Our net income for 2003 of $411 million included the $111 million gain we recognized on the sale of our Brazilian soy ingredients assets to The Solae Company. After excluding this gain on sale from our net income for 2003, our net income for 2003 would have been $300 million. We believe excluding this gain from the sale of our Brazilian soy ingredients operations from our net income for 2003 is useful for investors as this more closely reflects the performance of our operations. If we had completed this offering on January 1, 2003 and applied $295 million of the net proceeds from this offering to complete the Bunge Brasil buyback, assuming we purchased all of the outstanding shares of Bunge Brasil that we do not already own, as described in " Recent Developments Buyback of Bunge Brasil Minority Interest" and "Use of Proceeds", and without making any adjustments for anticipated tax and administrative cost savings, our net income in 2003 would have increased by $24 million.

You should read this information together with " Recent Developments Financial Results for the First Quarter of 2004," "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this prospectus and our consolidated financial statements and notes to the consolidated financial statements included in this prospectus.

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Consolidated Statements of Income Data:					
Net sales	$ 22,165	$ 13,882	$ 11,302	$ 9,500	$ 7,950
Cost of goods sold	(20,860)	(12,544)	(10,331)	(8,812)	(7,332)
Gross profit	1,305	1,338	971	688	618
Selling, general and administrative expenses	(691)	(579)	(423)	(375)	(321)
Gain on sale of soy ingredients business	111				
Interest income	102	71	91	114	132
Interest expense	(215)	(176)	(223)	(252)	(204)
Foreign exchange gain (loss)	92	(179)	(148)	(116)	(255)
Other income (expense)	19	6	(4)	7	9
Income (loss) from continuing operations before income tax and minority interest	723	481	264	66	(21)
Income tax (expense) benefit	(201)	(104)	(68)	(12)	27
Income from continuing operations before minority interest	522	377	196	54	6
Minority interest	(104)	(102)	(72)	(37)	4
Income from continuing operations	418	275	124	17	10
Discontinued operations, net of tax benefit (expense) of $5 (2003), $(1) (2002), $0 (2001), $1 (2000) and $3 (1999)	(7)	3	3	(5)	(15)
Income (loss) before cumulative effect of change in accounting principles	411	278	127	12	(5)

	Year Ended December 31,				
Cumulative effect of change in accounting principles, net of tax benefit (expense) of $0 (2003), $6 (2002), $(4) (2001), $0 (2000) and $0 (1999)		(23)	7		
Net income (loss)	$ 411	$ 255	$ 134	$ 12	$ (5)

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	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$, except share data)				
Per Share Data:					
Earnings per common share basic:					
Income from continuing operations	$ 4.19	$ 2.87	$ 1.73	$ .26	$ .16
Discontinued operations	(.07)	.03	.04	(.07)	(.24)
Cumulative effect of change in accounting principles		(.24)	.10		
Net income (loss) per share	$ 4.12	$ 2.66	$ 1.87	$ .19	$ (.08)
Earnings per common share diluted(1)					
Income from continuing operations	$ 4.14	$ 2.85	$ 1.72	$ .26	$ .16
Discontinued operations	(.07)	.03	.04	(.07)	(.24)
Cumulative effect of change in accounting principles		(.24)	.10		
Net income (loss) per share	$ 4.07	$ 2.64	$ 1.86	$ .19	$ (.08)
Cash dividends per common share	$ .420	$ .385	$ .095		
Weighted average common shares outstanding basic	99,745,825	95,895,338	71,844,895	64,380,000	64,380,000
Weighted average common shares outstanding diluted(1)	100,875,602	96,649,129	72,004,754	64,380,000	64,380,000

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions, except volumes)				
Cash Flows and Other Data:					
Cash (used for) provided by operating activities	$ (41)	$ 128	$ 205	$ (527)	$ 37
Cash provided by (used for) investing activities	60	(1,071)	(175)	(85)	(108)
Cash (used for) provided by financing activities	(61)	1,295	(224)	709	(253)
Capital expenditures	304	240	226	176	140
Depreciation, depletion and amortization	184	168	163	143	94
Segment operating profit(2)					
Agribusiness	$ 274	$ 283	$ 155	$ (17)	$ (25)
Fertilizer	242	192	137	108	39
Edible oil products	64	6	(4)	10	(34)
Milling products	30	18	7	(26)	(19)
Other	8	22	16	9	15
Total segment operating profit (loss) (3)	$ 618	$ 521	$ 311	$ 84	$ (24)
Volumes (in millions of metric tons)(2)					
Agribusiness	88.4	69.6	57.5	46.3	31.9
Fertilizer	11.5	10.7	9.0	9.1	4.2
Edible oil products	3.4	2.0	1.6	1.5	1.6
Milling products	3.5	3.3	3.3	2.9	3.0
Other	0.2	0.2	0.1	0.1	
Total food products	7.1	5.5	5.0	4.5	4.6

	Year Ended December 31,				
Total volume	107.0	85.8	71.5	59.9	40.7

	As of December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 489	$ 470	$ 199	$ 423	$ 363
Inventories(4)	2,867	2,407	1,368	1,311	923
Working capital	2,481	1,655	938	681	295
Total assets	9,884	8,349	5,443	5,854	4,611
Short-term debt, including current portion of long-term debt	1,017	1,499	983	1,522	1,036
Long-term debt	2,377	1,904	830	1,003	793
Redeemable preferred stock	171	171	171	170	
Minority interest in subsidiaries(5)	554	495	493	543	183
Common shares and additional paid in capital, net of receivable from former sole shareholder	2,011	1,945	1,631	1,303	1,303
Shareholders' equity	2,377	1,472	1,376	1,139	1,197

(1) The calculation of diluted earnings per common share for each period presented does not include the common shares that would be issuable on conversion of our 3.75% convertible notes due 2022, because, as of December 31, 2003, in accordance with their terms, these convertible notes had not yet become convertible. The convertible notes are convertible at the option of a holder into our common shares during, among other circumstances, any calendar quarter in which the closing price of our common shares for at least 20 of the last 30 trading days of the immediately preceding calendar quarter is more than 120% of the conversion price of $32.1402, or approximately $38.57 per share. The total amount of shares issuable upon conversion of these convertible notes is approximately 7.78 million. The closing price condition was satisfied as of March 31, 2004 and the convertible notes may be converted at the option of the holder. The convertible notes will remain convertible until June 30, 2004, unless the closing price condition described above is satisfied again at June 30, 2004, at which point the convertible notes will remain convertible for another calendar quarter.

(2) In 2003, we changed the name of our "wheat milling and bakery products" segment to "milling products" in connection with the sale of our U.S. bakery business and the reclassification of our corn milling products business line from the "other" segment to the "milling products" segment. As a result of this change, our "other" segment reflects only our soy ingredients business line, which we sold to The Solae Company, our soy ingredients joint venture with E.I. duPont de Nemours and Company, in May 2003. In addition, certain agribusiness activities of our Canadian operations that were previously included in our edible oil products segment in 2002 were retroactively reclassified to the agribusiness segment to conform to this presentation.

(3) Total segment operating profit is our consolidated income from continuing operations before income taxes and minority interest that includes an allocated portion of the foreign exchange gains and losses relating to debt financing operating working capital, including readily marketable inventories. Also included in total segment operating profit is interest income and interest expense attributable to the financing of operating working capital. Total segment operating profit is a non-GAAP measure and is not intended to replace income from continuing operations before income taxes and minority interest, the most directly comparable GAAP measure. Total segment operating profit is a key performance measurement used by our management to evaluate whether our operating activities cover the financing costs of our business. We believe total segment operating profit is a more complete measure of our operating profitability, since it allocates foreign exchange gains and losses and the cost of debt financing working capital to the appropriate operating segments. Total segment operating profit is not a measure of consolidated operating results under GAAP and should not be considered as an alternative to income from continuing operations before income taxes and minority interest or any other measure of consolidated operating results under GAAP.

Below is a reconciliation of income from continuing operations before income taxes and minority interest to total segment operating profit:

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Income (expense) from continuing operations before income taxes and minority interest	$ 723	$ 481	$ 264	$ 66	$ (21)

	Year Ended December 31,				
Plus (minus): Unallocated expenses	6	40	47	18	(3)
Minus: Gain on sale of soy ingredients business	(111)				
Total segment operating profit (loss)	$ 618	$ 521	$ 311	$ 84	$ (24)

(4) Included in inventories were readily marketable inventories of $1,868 million, $1,517 million, $764 million, $799 million, and $642 million at December 31, 2003, 2002, 2001, 2000, and 1999, respectively. Readily marketable inventories are agricultural commodities inventories that are readily convertible to cash because of their commodity characteristics, widely available markets and international pricing mechanisms.

(5) Minority interest in subsidiaries for each period includes the corresponding amount of redeemable preferred stock. See Note 21 to our audited financial statements included elsewhere in this prospectus.

RISK FACTORS

You should consider carefully the risks and uncertainties described below in addition to all the other information included or incorporated by reference in this prospectus before investing in the common shares. Our business, financial condition or results of operations could be materially adversely affected by any of the risks and uncertainties described herein or therein. There are a number of factors, including those described below, which may adversely affect our financial condition and business operations. Additional risks not presently known to us, or that we currently deem immaterial, may also impair our financial condition and business operations.

Risks Relating to Our Business and Industries

The availability and demand for the agricultural commodities and agricultural commodity products that we use and sell in our business can be affected by weather, disease and other factors beyond our control.

Weather conditions have historically caused volatility in the agricultural commodities industry and consequently in our operating results by causing crop failures or significantly reduced harvests, which can affect the supply and pricing of the agricultural commodities that we sell and use in our business, reduce the demand for our fertilizer products and negatively affect the creditworthiness of our customers and suppliers. Reduced supply of agricultural commodities due to weather related factors could adversely affect our profitability in the future.

In addition, our operating results can be influenced by sudden shifts in demand for our primary products. For example, in late 2003 and early 2004, a number of Asian countries reported outbreaks of a severe form of avian influenza in chickens and ducks that could be contracted by humans. Avian influenza, or "bird flu," is a contagious viral disease that normally infects birds and, less commonly, pigs. This outbreak necessitated the large scale slaughter of poultry flocks in Asia and had a temporary negative impact on our sales of soybean meal to Asia. Should a severe form of avian influenza become widespread in other regions, our sales of soybean meal could be adversely affected.

We are vulnerable to cyclicality in the oilseed processing industry and increases in raw material prices.

In the oilseed processing industry, the lead time required to build an oilseed processing plant can make it difficult to time capacity additions with market demand for oilseed products such as soybean meal and oil. When additional processing capacity becomes operational, a temporary imbalance between the supply and demand for oilseed processing capacity might exist, which until it is corrected, negatively impacts oilseed processing margins. Oilseed processing margins will continue to fluctuate following industry cycles, which could negatively impact our profitability.

Our food products and fertilizer divisions may also be adversely affected by increases in the price of agricultural commodities and fertilizer raw materials that are caused by market fluctuations outside of our control. Historically, in our fertilizer division, products have been priced to import parity, which has minimized the impact of these increases. However, because of competitive conditions in our industries, we may not be able to recoup any increases in the cost of raw materials through increases in sales prices for our products, which would adversely affect our profitability.

We are subject to economic and political instability and other risks of doing business in emerging markets.

We are a global business with substantial assets located outside of the United States from which we derive a significant portion of our revenue. Our operations in South America and Europe are a fundamental part of our business. In addition, a key part of our strategy involves expanding our business in several emerging markets, including Eastern Europe, India and China. Volatile economic, political and market conditions in these and other emerging market countries may have a negative impact on our operating results and our ability to achieve our business strategies.

We are exposed to currency exchange rate fluctuations because a portion of our net sales and expenses are denominated in currencies other than the U.S. dollar. Our financial performance may be negatively or positively affected by currency fluctuations. For example, changes in exchange rates between the U.S. dollar and other currencies, particularly the Brazilian *real*, the Argentine *peso* and the *euro*, affect our expenses that are denominated in local currencies and may have a negative impact on the value of our assets located outside of the United States.

We are also exposed to other risks of international operations, including:

- increased governmental ownership, including through expropriation, and regulation of the economy in the markets where we operate;
- inflation and adverse economic conditions resulting from governmental attempts to reduce inflation, such as imposition of higher interest rates and wage and price controls;
- trade barriers on imports or exports, such as higher tariffs and taxes on imports of agricultural commodities and commodity products;
- changes in the tax laws or inconsistent tax regulations in the countries where we operate;
- exchange controls or other currency restrictions; and
- civil unrest or significant political instability.

The occurrence of any of these events in the markets where we operate or in other markets where we plan to expand or develop our business could jeopardize or limit our ability to transact business in those markets and could adversely affect our revenues and operating results.

Government policies and regulations affecting the agricultural sector and related industries could adversely affect our operations and profitability.

Agricultural production and trade flows are significantly affected by government policies and regulations. Governmental policies affecting the agricultural industry, such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and commodity products, can influence industry profitability, the planting of certain crops versus other uses of agricultural resources, the location and size of crop production, whether processed or unprocessed commodity products are traded and the volume and types of imports and exports. Future government policies may adversely affect the supply, demand for and prices of our products, restrict our ability to do business in our existing and target markets and could cause our financial results to suffer.

We are dependent on access to external sources of financing to acquire and maintain the inventory, facilities and equipment necessary to run our business.

We require significant amounts of capital to operate our business and fund capital expenditures. We require significant working capital to purchase, process and market our agricultural commodities inventories. An interruption of our access to short-term credit or a significant increase in our cost of credit could materially increase our interest expense and impair our ability to compete effectively in our business.

We operate an extensive network of storage facilities, processing plants, refineries, mills, mines, ports, transportation assets and other facilities as part of our business. We are required to make substantial capital expenditures to maintain, upgrade and expand these facilities to keep pace with competitive developments, technological advances and changing safety standards in our industry. Significant unbudgeted increases in our capital expenditures could adversely affect our operating results. In addition, if we are unable to continue devoting substantial resources to maintaining and enhancing our infrastructure, we may not be able to compete effectively.

Our future funding requirements will depend, in large part, on our working capital requirements and the nature of our capital expenditures. In addition, the expansion of our business and pursuit of business opportunities may require us to have access to significant amounts of capital. As of March 31, 2004, we had approximately $4.2 billion in total indebtedness. Our indebtedness could limit our ability to obtain additional financing, limit our flexibility in planning for, or reacting to, changes in the markets in which we compete, place us at a competitive disadvantage compared to our competitors that are less leveraged than we are and require us to dedicate more cash on a relative basis to servicing our debt and less to developing our business. This may limit our ability to run our business and use our resources in the manner in which we would like.

Our risk management strategy may not be effective.

Our business is affected by fluctuations in agricultural commodities prices and in foreign currency exchange rates. We engage in hedging transactions to manage these risks. However, our hedging strategy may not be successful in minimizing our exposure to these fluctuations. In addition, our control procedures and risk management policies may not successfully prevent our traders from entering into unauthorized transactions that have the potential to impair our financial position. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Quantitative and Qualitative Disclosures About Market Risk."

The expansion of our business through acquisitions and strategic alliances poses risks that may reduce the benefits we anticipate from these transactions.

We have been an active acquirer of other companies, and we have strategic alliances with several partners. Part of our strategy involves acquisitions and alliances designed to expand and enhance our business. Our ability to benefit from acquisitions and alliances depends on many factors, including our ability to identify acquisition or alliance prospects, access capital markets at an acceptable cost of capital, negotiate favorable transaction terms and successfully integrate any businesses we acquire.

Integrating businesses we acquire into our operational framework may involve unanticipated delays, costs and other operational problems. If we encounter unexpected problems with one of our acquisitions or alliances, our senior management may be required to divert attention away from other aspects of our businesses to address these problems.

Acquisitions also pose the risk that we may be exposed to successor liability relating to actions by an acquired company and its management before the acquisition. The due diligence we conduct in connection with an acquisition, and any contractual guarantees or indemnities that we receive from the sellers of acquired companies, may not be sufficient to protect us from, or compensate us for, actual liabilities. A material liability associated with an acquisition could adversely affect our reputation and results of operations and reduce the benefits of the acquisition.

We could lose customers and incur liability if we fail to properly label or separate products that contain genetically modified organisms from those that do not.

The use of genetically modified organisms (GMOs) in food and animal feed has been met with varying acceptance in the different markets in which we operate. The United States and Argentina have approved the use of GMOs in food products and animal feed, and GMO and non-GMO grain are frequently commingled during the grain origination process. However, in some of the markets where we sell our products, most significantly the European Union and Brazil, government regulations limit sales or require labeling of GMO products. In Brazil, the government legalized the planting and sale of GMO soybeans in certain regions through January 2005. However, certain Brazilian states have banned the planting, sale or transport of GMO crops, which has resulted in the disruption of certain GMO crop shipments.

In general, we conduct no GMO testing in our U.S. or Argentine operations. Although we have done only limited GMO testing in Brazil in the past, due to new European Union labeling laws, which took effect as of April 15, 2004, we will conduct GMO testing in Brazil of all shipments to the European Union. Additionally, efforts by The Monsanto Company to collect royalties on its GMO soybeans from farmers in Brazil will likely result in increased testing going forward. Increased testing could disrupt our operations and increase our operating costs in Brazil. In our U.S. food products division, we are able to test only representative samples of our inventory. We may inadvertently deliver products that contain GMOs to customers that request GMO-free products. As a result, we could lose customers, incur liability and damage our reputation.

We face intense competition in each of our divisions, particularly in our agribusiness and food products divisions.

We face significant competition in each of our divisions, particularly in our agribusiness and food products divisions. We have numerous competitors, some of which may be larger and have greater financial resources than we have. In addition, we face significant competitive challenges outlined below.

Agribusiness. The markets for our products are highly price-competitive and are sensitive to product substitution. We compete against large multinational, regional and national suppliers, processors and distributors and farm cooperatives. Our principal competitors are The Archer Daniels Midland Co., or ADM, and Cargill, Inc. Competition with these and other suppliers, processors and distributors is based on price, service offerings and geographic location.

Food Products. Several of the markets in which our food products division operates, particularly those in which we sell consumer products, are mature and highly competitive. In addition, consolidation in the supermarket industry has resulted in our retail customers demanding lower prices and reducing the number of suppliers with which they do business. To compete effectively in our food products division, we must establish and maintain favorable brand recognition, efficiently manage distribution, gain sufficient market share, develop products sought by consumers and other customers, implement appropriate pricing, provide marketing support and obtain access to retail outlets and sufficient shelf space for our retail products. In addition, sales of our soybean oil products could be subject to increased competition as a result of the recent adverse publicity associated with trans-fatty acids. If our customers switch to products that do not contain trans-fatty acids or our competitors are able to offer or develop additional low trans-fatty acid products more economically or quickly than we can, our competitive position could suffer and our edible oil segment revenues could be negatively affected.

Competition could cause us to lose market share, exit certain lines of business, increase expenditures or reduce pricing, each of which could have an adverse effect on our revenues and profitability.

We are subject to regulation in numerous jurisdictions and may be exposed to liability as a result of our handling of hazardous materials and commodities storage operations.

Our business involves the handling and use of hazardous materials. In addition, the storage and processing of our products may create hazardous conditions. For example, we use hexane in our oilseed processing operations, and hexane can cause explosions that could harm our employees or damage our facilities. Our agricultural commodities storage operations also create dust that has caused explosions in our grain elevators. In addition, our mining operations and manufacturing of fertilizers require compliance with environmental regulations. Our operations are regulated by environmental laws and regulations in the countries where we operate, including those governing the labeling, use, storage, discharge and disposal of hazardous materials. These laws and regulations require us to implement procedures for the handling of hazardous materials and for operating in potentially hazardous conditions, and they impose liability on us for the cleanup of any environmental contamination. In addition, Brazilian law allocates liability for noncompliance with environmental laws by an acquired company to the acquiror for an indefinite period of time. Because we use and handle hazardous substances in our business, changes in environmental requirements or an unanticipated significant adverse environmental event could have a material adverse effect on our business. See "Business Government Regulation and Environmental Matters."

Risks Relating to Our Common Shares

We are a Bermuda company, and it may be difficult for you to enforce judgments against us and our directors and executive officers.

We are a Bermuda exempted company. As a result, the rights of holders of our common shares will be governed by Bermuda law and our memorandum of association and bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies or corporations incorporated in other jurisdictions. Most of our directors and some of our officers and some of the named experts referred to in this prospectus are not residents of the United States, and a substantial portion of our assets and the assets of those directors, officers and named experts are located outside the United States. As a result, it may be difficult for you to effect service of process on those persons in the United States or to enforce in the United States judgments obtained in U.S. courts against us or those persons based on the civil liability provisions of the U.S. securities laws. We have been advised by our special Bermuda counsel, Conyers Dill & Pearman, that uncertainty exists as to whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against us or our directors or officers under the securities laws of those jurisdictions or entertain actions in Bermuda against us or our directors or officers under the securities laws of other jurisdictions.

Our bye-laws restrict shareholders from bringing legal action against our officers and directors.

Our bye-laws contain a broad waiver by our shareholders of any claim or right of action, both individually and on our behalf, against any of our officers or directors. The waiver applies to any action taken by an officer or director, or the failure of an officer or director to take any action, in the performance of his or her duties, except with respect to any matter involving any fraud or dishonesty on the part of the officer or director. This waiver limits the right of shareholders to assert claims against our officers and directors unless the act or failure to act involves fraud or dishonesty. See "Description of Share Capital Waiver of Claims by Shareholders; Indemnification of Directors and Officers" for more information.

We have anti-takeover provisions in our bye-laws and have adopted a shareholder rights plan that may discourage a change of control.

Our bye-laws contain provisions that could make it more difficult for a third party to acquire us without the consent of our board of directors. These provisions provide for:

- a classified board of directors with staggered three-year terms;
- directors to be removed without cause only upon the affirmative vote of at least 66% of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution;
- restrictions on the time period in which directors may be nominated;
- our board of directors to determine the powers, preferences and rights of our preference shares and to issue the preference shares without shareholder approval; and

an affirmative vote of 66% of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution for some business combination transactions which have not been approved by our board of directors.

In addition, our board of directors has adopted a shareholder rights plan which will entitle shareholders to purchase our Series A Preference Shares if a third party acquires beneficial ownership of 20% or more of our common shares. In some circumstances, shareholders are also entitled to purchase the common stock of a company issuing shares in exchange for our common shares in a merger, amalgamation or tender offer or a company acquiring most of our assets.

These provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many shareholders. As a result, shareholders may be limited in their ability to obtain a premium for their shares.

Common shares eligible for future sale may harm our share price.

Sales of substantial numbers of additional common shares, or the perception that such sales could occur, may have a harmful effect on prevailing market prices of our common shares and our ability to raise additional capital in the financial markets at a time and price favorable to us. As of March 31, 2004, 100,203,786 common shares were issued and outstanding, which amount excludes approximately 4,342,364 common shares issuable upon exercise of currently outstanding stock options, approximately 780,100 common shares issuable in respect of time-vested regular and performance-based restricted stock units, assuming all participants elect to receive shares and no adjustment is made by the compensation committee of the board of directors and an additional 7,778,425 common shares were reserved for issuance upon the conversion of our 3.75% convertible notes due 2022.

The convertible notes are convertible at the option of a holder into our common shares during, among other circumstances, any calendar quarter in which the closing price of our common shares for at least 20 of the last 30 trading days of the immediately preceding calendar quarter is more than 120% of the conversion price of $32.1402, or approximately $38.57 per share. The closing price condition was satisfied as of March 31, 2004 and the convertible notes may be converted at the option of the holder. The convertible notes will remain convertible until June 30, 2004, unless the closing price condition described above is satisfied again at June 30, 2004, at which point the convertible notes will remain convertible for another calendar quarter.

In addition, we entered into a registration rights agreement with certain of our shareholders. The registration rights agreement provides, among other things, that these shareholders may request that we register all or any portion of the common shares they hold and that they may include all or any portion of their common shares in certain registration statements we file for equity securities, including the registration statement of which this prospectus forms a part. If these shareholders exercise their registration rights under this agreement to sell substantial amounts of our common shares in the public market, or if it is perceived that such exercise and sale could occur, the market price of our common shares could fall. See "Shares Eligible for Future Sale Registration Rights Agreement" for more information.

We may become a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to U.S. investors.

Adverse U.S. federal income tax rules apply to U.S. persons owning shares of a "passive foreign investment company," or PFIC, directly or indirectly. We will be classified as a PFIC for U.S. federal income tax purposes if 50% or more of our assets, including goodwill (based on an annual quarterly average) are passive assets, or 75% or more of our annual gross income is derived from passive assets. The calculation of goodwill will be based, in part, on the then market value of our common shares, which is subject to change. Based on certain estimates of our gross income and gross assets available as of December 31, 2003 and relying on certain exceptions in the applicable U.S. Treasury regulations, we do not believe that we are currently a PFIC. Such a characterization could result in adverse U.S. federal income tax consequences to U.S. investors in our common shares. In particular, absent an election described below, a U.S. investor would be subject to U.S. federal income tax at ordinary income tax rates, plus a possible interest charge, in respect of gain derived from a disposition of our shares, as well as certain distributions by us. In addition, a step-up in the tax basis of our shares would not be available upon the death of an individual shareholder, and the preferential U.S. federal income tax rates applicable to dividend income of certain U.S. investors for periods prior to our being treated as a PFIC would not apply. Since PFIC status is determined by us on an annual basis and will depend on the composition of our income and assets from time to time, we cannot assure you that we will not be considered a PFIC for the current or any future taxable year. If we are treated as a PFIC for any taxable year U.S. investors may desire to make an election to treat us as a "qualified electing fund" with respect to shares owned (a "QEF election"), in which case U.S. investors will be required to take into account a pro rata share of our earnings and net capital gain for each year, regardless of whether we make any distributions. As an alternative to the QEF election, a U.S. investor may be able to make an election to "mark-to-market" our shares each taxable year and recognize ordinary income pursuant to such election based upon increases in the value of our shares. See "Certain Tax Considerations" for more information regarding PFIC status.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus and the other documents incorporated by reference herein include forward-looking statements that reflect our current expectations and projections about our future results, performance, prospects and opportunities. We have tried to identify these forward-looking statements by using words such as "may," "will," "expect," "anticipate," "believe," "intend," "estimate," "continue" and similar expressions. These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause our actual results, performance, prospects or opportunities, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or implied by, these forward-looking statements. These factors include the risks, uncertainties, trends and other factors discussed under the headings "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" in this prospectus and the other documents incorporated by reference herein. Examples of forward-looking statements include all statements that are not historical in nature, including statements regarding:

- our operations, competitive position, strategy and prospects;
- industry conditions, including the cyclicality of the agribusiness industry and unpredictability of the weather;
- estimated demand for the commodities and other products that we sell and use in our business;
- the effects of adverse economic, political or social conditions and changes in foreign exchange policy or rates;
- our ability to complete, integrate and benefit from acquisitions, joint ventures and strategic alliances;
- governmental policies affecting our business, including agricultural and trade policies and laws governing environmental liabilities;
- our funding needs and financing sources; and
- the outcome of pending regulatory and legal proceedings.

In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements. Additional risks that we may currently deem immaterial or that are not presently known to us could also cause the forward-looking events discussed in this prospectus and the other documents incorporated by reference herein not to occur. Except as otherwise required by applicable securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this prospectus.

USE OF PROCEEDS

We estimate we will receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriter's over-allotment option is exercised in full, after deducting underwriting discounts and commissions and estimated expenses of this offering payable by us. This estimate is based upon an assumed offering price per common share of $, which was the last reported price of our common shares on the New York Stock Exchange on , 2004.

We intend to use up to approximately $295 million of the net proceeds we receive in this offering to purchase the shares of our subsidiary, Bunge Brasil, that we do not already own from the minority shareholders through a tender offer pursuant to Brazilian law. See "Summary Recent Developments Buyback of Bunge Brasil Minority Interest" for more information. We will use the remaining net proceeds for general corporate purposes, which may include acquisitions, capital expenditures and working capital purposes. We presently have no agreements or understandings for any material acquisitions.

PRICE RANGE OF OUR COMMON SHARES

Our common shares are listed on the New York Stock Exchange under the symbol "BG." On April 28, 2004, the last reported closing price of our common shares on the New York Stock Exchange was $36.62 per share. The following table sets forth, for the periods indicated, the high and low closing prices of our common shares as reported on the New York Stock Exchange.

	High	Low
2001:		
Full year (from August 2, 2001)	$ 24.15	$ 15.85
2002:		
Full year	$ 26.00	$ 17.79
First quarter	$ 24.00	$ 18.60
Second quarter	$ 23.88	$ 19.65
Third quarter	$ 24.20	$ 17.79
Fourth quarter	$ 26.00	$ 21.77
2003:		
Full year	$ 33.00	$ 23.90
First quarter	$ 27.30	$ 23.90
Second quarter	$ 30.35	$ 24.73
Third Quarter	$ 30.95	$ 27.37
Fourth Quarter	$ 33.00	$ 26.29
October	$ 28.18	$ 27.10
November	$ 28.48	$ 26.29
December	$ 33.00	$ 28.27
2004:		
First quarter	$ 40.22	$ 32.99
January	$ 35.34	$ 32.99
February	$ 39.05	$ 33.30
March	$ 40.22	$ 38.37
Second quarter	$ 41.27	$ 36.56
April (through April 28, 2004)	$ 41.27	$ 36.56

At March 31, 2004, there were 100,203,786 of our common shares issued and outstanding, held by approximately 173 shareholders of record, which does not include persons whose common shares are held of record by a bank, brokerage house or clearing agency.

DIVIDEND POLICY

We intend to pay cash dividends to our shareholders on a quarterly basis. However, any future determination to pay dividends will, subject to the provisions of Bermuda law, be at the discretion of our board of directors and will depend upon then existing conditions, including our financial condition, results of operations, contractual and other relevant legal or regulatory restrictions, capital requirements, business prospects and other factors our board of directors deems relevant.

Under Bermuda law, a company's board of directors may declare and pay dividends from time to time unless there are reasonable grounds for believing that the company is or would, after the payment, be unable to pay its liabilities as they become due or that the realizable value of its assets would thereby be less than the aggregate of its liabilities and issued share capital and share premium accounts. Under our bye-laws, each common share is entitled to dividends if, as and when dividends are declared by our board of directors, subject to any preferred dividend right of the holders of any preference shares. There are no restrictions on our ability to transfer funds (other than funds denominated in Bermuda dollars) in or out of Bermuda or to pay dividends to U.S. residents who are holders of our common shares.

We paid quarterly dividends of $0.10 per share in the first quarter of 2003 and $0.11 per share in the last three quarters of 2003. In addition, we paid a regular quarterly cash dividend of $0.11 per share on February 27, 2004 to shareholders of record on February 13, 2004. On March 12, 2004, we announced that we will pay a regular quarterly cash dividend of $0.11 per share on June 1, 2004 to shareholders of record on May 17, 2004.

CAPITALIZATION

The following table sets forth our cash and capitalization as of March 31, 2004 on an actual basis and an as adjusted basis to give effect to this offering and the application of the net proceeds of this offering as discussed under "Use of Proceeds" and our issuance of $500 million aggregate principal amount of 5.35% senior notes due 2014 on April 13, 2004, including the application of the net proceeds therefrom to reduce indebtedness. See "Summary Recent Developments Senior Notes Offering" for more information. The information presented in this table assumes the underwriters have not exercised their over-allotment option. This table should be read in conjunction with "Summary Recent Developments Financial Results for the First Quarter of 2004," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus.

	As of March 31, 2004	
	Actual	**As Adjusted**
	(US$ in millions, except share data)	
Cash and cash equivalents	$ 523	$
Debt:		
Short-term debt, including current portion of long-term debt	$ 1,884	
Long-term debt:		
Secured	308	
Unsecured	287	
6.31% Senior Guaranteed Notes, Series A, due 2007	82	
6.78% Senior Guaranteed Notes, Series B, due 2009	53	
7.44% Senior Guaranteed Notes, Series C, due 2012	351	
7.80% Senior Notes due 2012	200	
3.75% Convertible Notes due 2022	250	
5.875% Senior Notes due 2013	300	
4.375% Senior Notes due 2008	500	
5.35% Senior Notes due 2014		
Total long-term debt	2,331	
Redeemable preferred stock	171	
Minority interest	393	
Shareholders' equity:		
Preference shares, par value $.01; 10,000,000 shares authorized; no shares issued and outstanding, actual and as adjusted		
Common shares, par value $.01; 240,000,000 shares authorized; 100,203,786 shares issued and outstanding, actual; shares issued and outstanding, as adjusted(1)	1	
Additional paid in capital	2,017	
Retained earnings	1,081	
Accumulated other comprehensive loss	(671)	
Total shareholders' equity	2,428	
Total capitalization	$ 7,207	$

	As of March 31, 2004

(1) The number of shares outstanding excludes 4,342,364 shares issuable upon the exercise of stock options, the issuance of 780,100 shares issuable in respect of time-vested regular and performance-based restricted stock units and, with respect to performance-based restricted stock units, assumes all participants elect to receive shares and no adjustment by the compensation committee of the board of directors, and also excludes 7,778,425 shares issuable upon conversion of our 3.75% convertible notes due 2022, which notes are presently convertible at the option of the holder.

DILUTION

Our net tangible book value as of December 31, 2003 was $2,137 million or $21.39 per share. Net tangible book value per share represents the amount of our total tangible assets less total liabilities, divided by the number of common shares issued and outstanding. After giving effect to the sale of 9,500,000 common shares in this offering at an assumed public offering price of $ per share, which was the last reported sale price of our common shares on the New York Stock Exchange on , 2004, and after deducting the estimated underwriting discounts and commissions and offering expenses payable by us and assuming the underwriters do not exercise the overallotment option, our adjusted net tangible book value as of December 31, 2003 would have been $ million, or $ per share.

Dilution per share represents the difference between the price per share paid by new investors for the shares issued in this offering and the net tangible book value per share immediately after the completion of the offering. The following table illustrates per share dilution:

Assumed public offering price per share		$
Net tangible book value per share as of December 31, 2003	$ 21.39	
Increase per share attributable to this offering		
Adjusted net tangible book value per share after this offering		
Dilution per share to new investors		$

The following table summarizes, on a pro forma basis as of December 31, 2003, the number of common shares purchased from us, the total consideration paid and the average price per share paid by our directors and senior management and by new investors purchasing common shares from us in this offering at an assumed public offering price of $ per share, after deducting the estimated underwriting discounts and commissions and offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Value Per Share
	Number	Percent	Amount	Percent	
Directors and senior management	2,307,376	19.5%	$ 49,457,127	%	$ 21.43
New investors	9,500,000	80.5			
Total	11,807,376	100.0%		100.0%	

The above table assumes the underwriters have not exercised the overallotment option. The above table also assumes, with respect to 359,486 performance-based restricted stock units and time-vested regular restricted stock units awarded to our senior management included in the 2,307,376 share amount, that all recipients elect to receive common shares, rather than cash, and that there is no adjustment of these awards by the compensation committee of the board of directors. Additionally, the table assumes that recipients of the 11,266 common share units, awarded pursuant to our Non- Employee Director Deferred Compensation Plan included in the 2,307,376 share amount, elect to receive common shares.

SELECTED FINANCIAL DATA

The following table sets forth our summary historical financial data. The consolidated statements of income and cash flow data for the years ended December 31, 2003, 2002 and 2001 and the consolidated balance sheet data as of December 31, 2003 and 2002 are derived from our audited consolidated financial statements incorporated by reference in this prospectus. The consolidated statements of income and cash flow data for the years ended December 31, 2000 and 1999 and the consolidated balance sheet data as of December 31, 2001, 2000 and 1999 are derived from our audited consolidated financial statements that are not included in our 2003 Annual Report or otherwise incorporated by reference in this prospectus. The historical results included below and elsewhere in this document are not necessarily indicative of our future performance. Our consolidated financial statements are prepared in U.S. dollars and in accordance with GAAP.

In October 2002, we acquired a controlling interest in Cereol S.A., a French agribusiness company, and we now own 100% of Cereol's share capital and voting rights. Cereol's results of operations have been included in our historical financial statements since October 1, 2002. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Principal Capital Expenditures, Acquisitions and Divestitures Acquisitions."

Our net income for 2003 of $411 million included the $111 million gain we recognized on the sale of our Brazilian soy ingredients operations to The Solae Company. After excluding this gain on sale from our net income for 2003, our net income for 2003 would have been $300 million. We believe excluding this gain from the sale of our Brazilian soy ingredients operations from our net income for 2003 is useful for investors as this more closely reflects the performance of our operations. If we had completed this offering on January 1, 2003 and applied $295 million of the net proceeds from this offering to complete the Bunge Brasil buyback, assuming we purchased all of the outstanding shares of Bunge Brasil that we do not already own, as described in "Summary Recent Developments Buyback of Bunge Brasil Minority Interest" and "Use of Proceeds," and without making any adjustments for anticipated tax and administrative cost savings, our net income in 2003 would have increased by $24 million.

You should read this information together with "Summary Recent Developments Financial Results for the First Quarter of 2004," "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this prospectus and our consolidated financial statements and notes to the consolidated financial statements included in our 2003 Annual Report incorporated by reference in this prospectus.

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Consolidated Statements of Income Data:					
Net sales	$ 22,165	$ 13,882	$ 11,302	$ 9,500	$ 7,950
Cost of goods sold	(20,860)	(12,544)	(10,331)	(8,812)	(7,332)
Gross profit	1,305	1,338	971	688	618
Selling, general and administrative expenses	(691)	(579)	(423)	(375)	(321)
Gain on sale of soy ingredients business	111				
Interest income	102	71	91	114	132
Interest expense	(215)	(176)	(223)	(252)	(204)
Foreign exchange gain (loss)	92	(179)	(148)	(116)	(255)
Other income (expense)	19	6	(4)	7	9
Income (loss) from continuing operations before income tax and minority interest	723	481	264	66	(21)
Income tax (expense) benefit	(201)	(104)	(68)	(12)	27
Income from continuing operations before minority interest	522	377	196	54	6
Minority interest	(104)	(102)	(72)	(37)	4
Income from continuing operations	418	275	124	17	10
Discontinued operations, net of tax benefit (expense) of $5 (2003), $(1) (2002), $0 (2001), $1 (2000) and $3 (1999)	(7)	3	3	(5)	(15)

	Year Ended December 31,				
Income (loss) before cumulative effect of change in accounting principles	411	278	127	12	(5)
Cumulative effect of change in accounting principles, net of tax benefit (expense) of $0 (2003), $6 (2002), $(4) (2001), $0 (2000) and $0 (1999)		(23)	7		
Net income (loss)	$ 411	$ 255	$ 134	$ 12	$ (5)

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$, except share data)				
Per Share Data:					
Earnings per common share basic:					
Income from continuing operations	$ 4.19	$ 2.87	$ 1.73	$ .26	$ .16
Discontinued operations	(.07)	.03	.04	(.07)	(.24)
Cumulative effect of change in accounting principles		(.24)	.10		
Net income (loss) per share	$ 4.12	$ 2.66	$ 1.87	$ .19	$ (.08)
Earnings per common share diluted(1)					
Income from continuing operations	$ 4.14	$ 2.85	$ 1.72	$ .26	$ .16
Discontinued operations	(.07)	.03	.04	(.07)	(.24)
Cumulative effect of change in accounting principles		(.24)	.10		
Net income (loss) per share	$ 4.07	$ 2.64	$ 1.86	$ .19	$ (.08)
Cash dividends per common share	$ .420	$ .385	$ .095		
Weighted average common shares outstanding basic	99,745,825	95,895,338	71,844,895	64,380,000	64,380,000
Weighted average common shares outstanding diluted(1)	100,875,602	96,649,129	72,004,754	64,380,000	64,380,000

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions, except volumes)				
Cash Flows and Other Data:					
Cash (used for) provided by operating activities	$ (41)	$ 128	$ 205	$ (527)	$ 37
Cash provided by (used for) investing activities	60	(1,071)	(175)	(85)	(108)
Cash (used for) provided by financing activities	(61)	1,295	(224)	709	(253)
Capital expenditures	304	240	226	176	140
Depreciation, depletion and amortization	184	168	163	143	94
Segment operating profit(2):					
Agribusiness	$ 274	$ 283	$ 155	$ (17)	$ (25)
Fertilizer	242	192	137	108	39
Edible oil products	64	6	(4)	10	(34)
Milling products	30	18	7	(26)	(19)
Other	8	22	16	9	15
Total segment operating profit (loss)(3)	$ 618	$ 521	$ 311	$ 84	$ (24)
Volumes (in millions of metric tons)(2):					
Agribusiness	88.4	69.6	57.5	46.3	31.9
Fertilizer	11.5	10.7	9.0	9.1	4.2
Edible oil products	3.4	2.0	1.6	1.5	1.6
Milling products	3.5	3.3	3.3	2.9	3.0
Other	0.2	0.2	0.1	0.1	
Total food products	7.1	5.5	5.0	4.5	4.6

	Year Ended December 31,				
Total volume	107.0	85.8	71.5	59.9	40.7

	As of December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 489	$ 470	$ 199	$ 423	$ 363
Inventories(4)	2,867	2,407	1,368	1,311	923
Working capital	2,481	1,655	938	681	295
Total assets	9,884	8,349	5,443	5,854	4,611
Short-term debt, including current portion of long-term debt	1,017	1,499	983	1,522	1,036
Long-term debt	2,377	1,904	830	1,003	793
Redeemable preferred stock	171	171	171	170	
Minority interest in subsidiaries(5)	554	495	493	543	183
Common shares and additional paid in capital, net of receivable from former sole shareholder	2,011	1,945	1,631	1,303	1,303
Shareholders' equity	2,377	1,472	1,376	1,139	1,197

(1) The calculation of diluted earnings per common share for each period presented does not include the common shares that would be issuable on conversion of our 3.75% convertible notes due 2022, because, as of December 31, 2003, in accordance with their terms, these convertible notes had not yet become convertible. The convertible notes are convertible at the option of a holder into our common shares during, among other circumstances, any calendar quarter in which the closing price of our common shares for at least 20 of the last 30 trading days of the immediately preceding calendar quarter is more than 120% of the conversion price of $32.1402, or approximately $38.57 per share. The total amount of shares issuable upon conversion of these convertible notes is approximately 7.78 million. The closing price condition was satisfied as of March 31, 2004 and the convertible notes may be converted at the option of the holder. The convertible notes will remain convertible until June 30, 2004, unless the closing price condition described above is satisfied at June 30, 2004, at which point the convertible notes will remain convertible for another calendar quarter.

(2) In 2003, we changed the name of our "wheat milling and bakery products" segment to "milling products" in connection with the sale of our U.S. bakery business and the reclassification of our corn milling products business line from the "other" segment to the "milling products" segment. As a result of this change, our "other" segment reflects only our soy ingredients business line, which we sold to The Solae Company, our soy ingredients joint venture with E.I. duPont de Nemours and Company, in May 2003. In addition, certain agribusiness activities of our Canadian operations that were previously included in our edible oil products segment in 2002 were retroactively reclassified to the agribusiness segment to conform to this presentation.

(3) Total segment operating profit is our consolidated income from continuing operations before income taxes and minority interest that includes an allocated portion of the foreign exchange gains and losses relating to debt financing operating working capital, including readily marketable inventories. Also included in total segment operating profit is interest income and interest expense attributable to the financing of operating working capital. Total segment operating profit is a non-GAAP measure and is not intended to replace income from continuing operations before income taxes and minority interest, the most directly comparable GAAP measure. Total segment operating profit is a key performance measurement used by our management to evaluate whether our operating activities cover the financing costs of our business. We believe total segment operating profit is a more complete measure of our operating profitability, since it allocates foreign exchange gains and losses and the cost of debt financing working capital to the appropriate operating segments. Total segment operating profit is not a measure of consolidated operating results under GAAP and should not be considered as an alternative to income from continuing operations before income taxes and minority interest or any other measure of consolidated operating results under GAAP.

Below is a reconciliation of income from continuing operations before income taxes and minority interest to total segment profit:

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(US$ in millions)				
Income (expense) from continuing operations before income taxes and minority interest	$ 723	$ 481	$ 264	$ 66	$ (21)

	Year Ended December 31,				
Plus (minus): Unallocated expenses	6	40	47	18	(3)
Minus: Gain on sale of soy ingredients business	(111)				
Total segment operating profit (loss)	$ 618	$ 521	$ 311	$ 84	$ (24)

(4) Included in inventories were readily marketable inventories of $1,868 million, $1,517 million, $764 million, $799 million, and $642 million at December 31, 2003, 2002, 2001, 2000, and 1999, respectively. Readily marketable inventories are agricultural commodities inventories that are readily convertible to cash because of their commodity characteristics, widely available markets and international pricing mechanisms.

(5) Minority interest in subsidiaries for each period includes the corresponding amount of redeemable preferred stock. See Note 21 to our audited financial statements included elsewhere in this prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion along with our consolidated financial statements and the notes to our consolidated financial statements incorporated by reference in this prospectus. The following discussion contains forward-looking statements that are subject to risks, uncertainties and assumptions, including those discussed under "Risk Factors" and described elsewhere in this prospectus and the documents incorporated by reference in this prospectus. Our actual results, performance and achievements may differ materially from those expressed in, or implied by, these forward-looking statements. See "Cautionary Statement Regarding Forward-Looking Statements."

We are an integrated, global agribusiness and food company operating in the farm-to-consumer food chain, with operations ranging from sales of raw materials such as grains and fertilizers to retail food products such as margarine and mayonnaise. We have primary operations in North America, South America and Europe and worldwide distribution capabilities. In 2003, we had total net sales of $22,165 million and total segment operating profit of $618 million.

We conduct our operations in three divisions: agribusiness, fertilizer and food products, which divisions include four reporting segments agribusiness, fertilizer, edible oil products and milling products. Our agribusiness division is an integrated business involved in the purchase, sale and processing of grains and oilseeds. Our agribusiness operations and assets are primarily located in the United States, Brazil, Argentina and Europe, and we have international marketing offices throughout the world. Our fertilizer division is involved in every stage of the fertilizer business, from mining of raw materials to the sale of fertilizer products. The activities of our fertilizer division are primarily located in Brazil and Argentina. Our food products division consists of two business lines: edible oil products and milling products. These businesses produce and sell food products such as edible oils, shortenings, margarine, mayonnaise and milled products such as wheat flours and corn products. The activities of our food products division are primarily located in North America, Europe, Brazil and India.

Factors Affecting Operating Results

Our results of operations are affected by the following key factors in each of our business divisions:

Agribusiness

In the agribusiness division, we purchase, store, process, transport, sell and finance agricultural commodities, principally soy commodity products. In this division, profitability is principally affected by the relative prices of soy commodity products, which are largely determined by capacity utilization. Profitability is also affected by energy costs, as we use a substantial amount of energy in the operation of our facilities, and by the availability and cost of transportation and logistic services, including truck, barge and rail services. Relative prices, in turn, are also affected by the perceived and actual supply of, and demand for, soy commodity products. Availability is affected by weather conditions, governmental trade policies and growing patterns, including substitution by farmers of other agricultural commodities for soybeans. Demand is affected by growth in worldwide consumption of food products and the price of substitute agricultural products. Global soybean meal consumption grew by approximately 5% per year on average over the last 15 years. We expect that population growth and rising standards of living will continue to have a positive impact on global demand for our agribusiness products.

From time to time, there may be imbalances between industry-wide levels of oilseed processing capacity and demand for soy commodity products. Relative prices for soy commodity products are affected by these imbalances, which, in turn, affect our decisions regarding whether and when to purchase, store, process, transport or sell these commodities, including whether to reduce our own oilseed processing capacity. For instance, in March and April 2004, we temporarily idled production at three of our U.S. soybean processing facilities due to increased U.S. exports of soybean meal and a smaller than anticipated 2003 U.S. soybean crop due to adverse weather conditions.

Fertilizer

In the fertilizer division, demand for our products is affected by the profitability of the Brazilian agricultural sector, agricultural commodity prices, the types of crops planted, the number of acres planted and weather-related issues affecting the success of the harvest. For the past ten years the Brazilian fertilizer industry has grown on average at a rate of over 8% per year. The continued growth of the Brazilian agricultural sector has had, and we expect will continue to have, a positive impact on demand for our fertilizer products. In addition, our selling prices are influenced by international selling prices for imported fertilizers and raw materials, such as phosphate, ammonia and urea, as our products are priced to import parity.

Food Products

In the food products division, which consists of our edible oil products and milling products segments, our operations are affected by competition, changes in eating habits and changes in general economic conditions in Europe, North America and Brazil, the principal markets for our food products division. Competition in this industry has intensified in the past several years due to consolidation in the supermarket industry and attempts by our competitors to increase market share. Profitability in this division is also affected by the mix of products that we sell.

Foreign Currency Exchange Rates

Translation of Foreign Currency Financial Statements. Our reporting currency is the U.S. dollar. However, the functional currency of the majority of our foreign subsidiaries is their local currency. We translate the amounts included in the consolidated statements of income of our foreign subsidiaries into U.S. dollars on a monthly basis at weighted average exchange rates, which we believe approximate the actual exchange rates on the dates of the transactions. Our foreign subsidiaries' assets and liabilities are translated into U.S. dollars from local currency at year-end exchange rates, and we record the resulting foreign exchange translation adjustments in our consolidated balance sheets as a component of accumulated other comprehensive income (loss).

Included in other comprehensive income for the year ended December 31, 2003 were foreign exchange net translation gains of $489 million representing the net gains from the translation of our foreign subsidiaries' assets and liabilities. Included in other comprehensive loss for the year ended December 31, 2002 and 2001 were foreign exchange net translation losses of $403 million and $222 million, respectively, representing the net loss from the translation of our foreign subsidiaries' assets and liabilities.

Foreign Currency Transactions. Certain of our foreign subsidiaries, most significantly in Brazil and Argentina, have monetary assets and liabilities that are denominated in U.S. dollars. These U.S. dollar monetary items are remeasured into their respective functional currencies at exchange rates in effect at the balance sheet date. The resulting gains or losses are included in our consolidated statements of income as foreign exchange gains or losses.

Due to the global nature of our operations, our operating results are vulnerable to foreign exchange rate changes. However, our agricultural commodities inventories, because of their international pricing in U.S. dollars, provide a natural hedge to our exposure to fluctuations in currency exchange rates. Historically, our fertilizer and food product divisions also have been able to link sales prices to those of U.S. dollar-linked imported raw material costs, thereby minimizing the effect of exchange rate fluctuations in those segments.

Argentina and Brazil. The volatility of the Argentine *peso* and Brazilian *real* has affected our 2003 and 2002 financial performance. Devaluations of these currencies against the U.S. dollar generally have a positive effect on our results when local currency costs are translated to U.S. dollars at weaker *real* or *peso* to dollar exchange rates. In addition, commodity inventories in our agribusiness segment are stated at market value, which is generally linked to U.S. dollar-based international prices. As a result, devaluations cause gains based on the changes in the local currency value of the agribusiness inventories. Conversely, devaluations generate offsetting net foreign exchange losses on the net U.S. dollar monetary position of our Brazilian and Argentine subsidiaries, which are reflected in foreign exchange losses in our consolidated statements of income. Our effective tax rate is also favorably affected by the devaluation of the Brazilian *real* as we recognize tax benefits related to foreign exchange losses on certain long-term intercompany loans.

Appreciations generally have a corresponding negative effect on our results when local currency costs are translated to U.S. dollars at stronger *real* or *peso* to U.S. dollar exchange rates and losses are generated based on changes in the local currency value of our agribusiness segment commodity inventories. Conversely, the appreciation generates offsetting net foreign exchange gains on the net U.S. dollar monetary position of our Brazilian and Argentine subsidiaries, which are reflected in foreign exchange gains in our consolidated statements of income. Our effective tax rate is unfavorably affected by the appreciation of the Brazilian *real* as we incur income taxes related to foreign exchange gains on certain intercompany loans.

The *real* and *peso* appreciated 22% and 15%, respectively, against the U.S. dollar in the year ended December 31, 2003, compared to a devaluation of 34% and 51%, respectively, in the same period in 2002. Our 2003 results included exchange gains of $75 million and net exchange losses of $186 million in 2002 relating to our Brazilian and Argentine subsidiaries, which were substantially offset by changes in the local currency value of our agribusiness commodity inventories.

We use long-term intercompany loans to reduce our exposure to foreign currency fluctuations in Brazil, particularly their effects on our results of operations. These loans do not require cash payment of principal and are treated as analogous to equity for accounting purposes. As a result, the foreign exchange gains or losses on these intercompany loans are recorded in other comprehensive income (loss) in contrast to foreign exchange gains or losses on third-party debt and short-term intercompany debt, which are recorded in foreign exchange gains (losses) in our consolidated statements of income.

European Operations. We operate in the EU and several countries that are not members of the EU. Our risk management policy is to fully hedge our monetary exposures in those countries to minimize the financial effects of fluctuations in the *euro* and other European currencies.

Principal Capital Expenditures, Acquisitions and Divestitures

Capital Expenditures

Our capital expenditures were $304 million in 2003, $240 million in 2002 and $226 million in 2001. In 2003, major projects included expansion of our edible oil products facilities in Europe, the construction of a new margarine plant and an oilseed processing plant in Brazil, logistics investments, primarily in Brazil, expansion of our grain origination facilities in Brazil and expansion of our fertilizer mixing capacity. In addition, we expanded our Indian operations through the buyout of a joint venture partner in India and the purchase of a small crushing and refining facility. In 2002, we completed the upgrades to several of our oilseed processing and corn dry milling facilities in Brazil and the United States and the modernization of an acidulation plant for fertilizers in Brazil. In 2001, we completed a number of revenue enhancing projects which we began in 2000, including constructing a sulfuric acid plant in Brazil for our fertilizer segment, as well as the completion of additional agricultural commodities storage facilities in North America and Brazil and the upgrade of our Destrehan, Louisiana export elevator. Also in 2001, we completed the expansion of our oilseed processing plant in Rondonopolis, Brazil, which is the largest oilseed processing plant in Brazil.

Although we have no specific material commitments for capital expenditures, we intend to invest approximately $350 million to $400 million in 2004. The majority will be used to improve oilseed processing logistics and operating efficiencies in Europe, expand and upgrade our mining and port facilities in Brazil, expand or acquire grain origination facilities in the United States and Europe, modernize certain of our edible oil refineries in the United States and Europe and pursue strategic equity investments. We intend to fund these capital expenditures with cash flows from operations and available borrowings.

Acquisitions, Dispositions and Alliances

Acquisition of Cereol. In 2002, we acquired 97.38% of the shares of Cereol S.A. and in April 2003, we acquired the remaining 2.62% of the shares of Cereol, resulting in 100% ownership of Cereol for $810 million in cash (net of cash acquired of $90 million). Cereol's results of operations have been included in our consolidated financial statements since October 1, 2002. We accounted for the acquisition under the purchase method.

Alliance with DuPont. In April 2003, we entered into an alliance with DuPont and together formed Solae by contributing DuPont's Protein Technologies business and our North American and European soy ingredients operations. Solae is a soy ingredients joint venture and a key component in our broader strategic alliance with DuPont. We have a 28% interest in Solae. In May, 2003, we sold our Brazilian soy ingredients operations to Solae for $251 million in cash, net of sale-related expenses of approximately $5 million. Based on an independent appraisal, we recognized a tax-free gain on sale of $111 million in the second quarter of 2003 relating to this sale. We did not recognize any gain on this sale to the extent of the 28% interest retained through our ownership interest in Solae. We used the proceeds from the sale to reduce indebtedness. As a result of these transactions, our consolidated balance sheet at December 31, 2003 reflects a long-term investment in Solae, which is accounted for under the equity method.

Saipol Joint Venture. In July 2003, we sold Lesieur, a French producer of branded bottled vegetable oils, to Saipol, an oilseed processing joint venture between Bunge and Sofiproteol. We received approximately $240 million in cash, which included the repayment of Lesieur's intercompany debt owed to us of $72 million, and a note receivable from Saipol of $31 million. We own 33% of Saipol, which we account for under the equity method. We did not recognize a gain or loss on the sale. The proceeds from the sale were used to reduce outstanding indebtedness. The $31 million note receivable is due July 2009 with interest payable annually at a rate of 5.55%.

Sale of U.S. Bakery Business. In December 2003, we sold our U.S. bakery business to Dawn Food Products, Inc. The total cash proceeds from the transaction were approximately $82 million, including an adjustment for working capital. We recognized a gain on the sale of $2 million net of tax in the fourth quarter of 2003 that is included in discontinued operations in the consolidated statements of income. We used the net proceeds from the sale to reduce outstanding indebtedness.

Critical Accounting Policies and Estimates

We believe that the application of the following accounting policies, which are important to our financial position and results of operations, requires significant judgments and estimates on the part of management. For a summary of all of our accounting policies, including the accounting policies discussed below, see Note 1 of our consolidated financial statements included elsewhere in this prospectus.

Recoverable Taxes

We evaluate the collectibility of our recoverable taxes and record valuation allowances if we determine that collection is doubtful. Recoverable taxes primarily represent value added taxes paid on the acquisition of raw materials and other services which can be recovered in cash or as compensation of outstanding balances against income taxes or certain other taxes we may owe. In 2002, we commenced recording valuation allowances against certain recoverable taxes owed to us by the Argentine government due to delayed payment and uncertainty regarding the local economic environment. Management's assumption about the collectibility of recoverable taxes requires significant judgment because it involves an assessment of the ability and willingness of the Argentine government to refund the taxes. The balance of these allowances fluctuates depending on the sales activity of existing inventories, purchases of new inventories, seasonality, changes in applicable tax rates, cash payment by the Argentine government and compensation of outstanding balances against income or certain other taxes owed to the Argentine government. At December 31, 2003 and 2002, our allowances for recoverable taxes were $25 million and $64 million, respectively. The balance declined from December 31, 2002 to December 31, 2003, as a result of either cash received by us or compensation against taxes owed by us to the Argentine government.

Goodwill

Goodwill represents the excess of costs of businesses acquired over the fair market value of net tangible and identifiable intangible assets. Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets* (SFAS No. 142), requires that goodwill be tested for impairment annually. In assessing the recovery of goodwill, projections regarding estimated discounted future cash flows and other factors are used to determine the fair value of the reporting units and the respective assets. These projections are based on historical data, anticipated market conditions and management plans. If these estimates or related projections change in the future, we may be required to record additional impairment charges. In the fourth quarter of 2003, we performed our annual impairment test and an impairment charge of $16 million was recorded on goodwill relating to our Austrian oilseed processing operations. The write-down resulted from deterioration in the operating environment due to increases in raw material and freight costs and increased competitive pressure. No other impairment charges resulted from the required impairment evaluations on the rest of