BUNGE LIMITED FINANCE CORP
Form 424B2
June 05, 2009

Use these links to rapidly review the document

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
8.50% Senior Notes due 2019	$600,000,000	$33,480

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED MARCH 12, 2008

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-138662

$600,000,000

Bunge Limited Finance Corp.

8.50% Senior Notes due 2019

Fully and Unconditionally Guaranteed by

BUNGE LIMITED

The notes will mature on June 15, 2019. Interest will accrue on the notes from June 9, 2009. Interest on the notes will be payable on June 15 and December 15 of each year, commencing on December 15, 2009. Bunge Limited Finance Corp. may redeem the notes at its option in whole or in part at any time prior to their maturity at the redemption prices described in this prospectus supplement.

The notes will be unsecured and rank equally in right of payment with all of Bunge Limited Finance Corp.'s other unsecured and unsubordinated indebtedness. The notes will be fully, unconditionally and irrevocably guaranteed on a senior unsecured basis by Bunge Limited, the indirect parent company of Bunge Limited Finance Corp. Bunge Limited's guarantee will rank equally in right of payment with its other unsecured and unsubordinated indebtedness and guarantees.

See "Risk Factors" beginning on page S-9 of this prospectus supplement for a discussion of certain risks you should consider in connection with an investment in the notes.

	Public Offering Price	Underwriting Discounts and Commissions	Proceeds to Bunge Limited Finance Corp.
Per note	99.997%	0.65%	99.347%
Total	$599,982,000	$ 3,900,000	$ 596,082,000

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

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company on or about June 9, 2009.

J.P. Morgan

BNP PARIBAS

HSBC

RBS

BBVA Securities **CALYON** **Citi** **ING Wholesale**

Mitsubishi UFJ Securities	**Rabo Securities USA, Inc.**	**SOCIETE GENERALE**	**Standard Chartered Bank**

The date of this prospectus supplement is June 4, 2009

You should rely only on the information contained in this document or to which we have referred you. 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.

The distribution of this prospectus supplement and the accompanying prospectus may be restricted by law in certain jurisdictions. You should inform yourself about and observe any of these restrictions. This prospectus supplement and the accompanying prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which the offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make the offer or solicitation.

Unless the context otherwise requires, references to "Bunge," "we," "us" or "our" refer collectively to Bunge Limited and its subsidiaries.

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

PROSPECTUS

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information to investors. This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein or therein include forward-looking statements that reflect our current expectations and projections about our future results, performance, prospects and opportunities. Forward-looking statements include all statements that are not historical in nature. We have tried to identify these forward-looking statements by using words including "may," "will," "should," "could," "expect," "anticipate," "believe," "plan," "intend," "estimate," "continue" and similar expressions. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause our actual results, performance, prospects or opportunities 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" in this prospectus supplement and in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," "Item 1. Business Business Overview," "Item 1A. Risk Factors" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2008 (the "2008 Annual Report") and "Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations," "Item 1A Risk Factors" and elsewhere in our Quarterly Report on Form 10-Q for the three-month period ended March 31, 2009 (the "Quarterly Report"), including:

- industry conditions, including fluctuations in supply, demand and prices for agricultural commodities and other raw materials and products that we sell or use in our business, fluctuations in energy and freight costs and competitive developments in our industries;
- the effects of weather conditions and the outbreak of crop and animal disease on our business;
- global and regional agricultural, economic, financial and commodities market, political, social and health conditions;
- the outcome of pending regulatory and legal proceedings;
- our ability to complete and benefit from acquisitions, dispositions, joint ventures and strategic alliances; and
- changes in government policies, laws and regulations affecting our business, including agricultural and trade policies, tax regulations and biofuels legislation.

In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements contained in this prospectus supplement, the accompanying prospectus or in any document incorporated by reference herein or therein. 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 supplement, the accompanying prospectus or any document incorporated by reference herein or therein 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 supplement.

Table of Contents

SUMMARY

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 supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus carefully, including the "Risk Factors" section elsewhere in this prospectus supplement, our consolidated financial statements and the related notes and the other information incorporated by reference into this prospectus supplement and the accompanying prospectus, before deciding whether or not to purchase the notes.

BUNGE LIMITED FINANCE CORP.

Bunge Limited Finance Corp. ("BLFC") is an indirect, 100%-owned subsidiary of Bunge Limited and was formed for the sole purpose of issuing debt obligations, other than commercial paper, primarily in the U.S. markets, and investing the proceeds of the issuances in a master trust structure that Bunge created to centralize its financing operations. The master trust, in turn, acquires loans made to Bunge Limited and certain of its subsidiaries with the proceeds from debt incurred by BLFC and other finance subsidiaries. BLFC's only assets are a trust certificate entitling it to a fractional undivided interest in a pool of intercompany loans held by the Bunge master trust structure and related hedging agreements. Among other things, the master trust structure is intended to allow creditors of BLFC, including holders of the notes, to have the benefit of claims in respect of Bunge's subsidiaries which are equal in right of payment to indebtedness owed or payable to other creditors of these subsidiaries. See "Description of Master Trust Structure" in the accompanying prospectus for a discussion of the Bunge master trust structure and the assets it holds. BLFC is incorporated under the laws of the State of Delaware.

BUNGE LIMITED

Bunge Limited will fully, unconditionally and irrevocably guarantee the payment of the principal of, premium, if any, and interest on the notes offered hereby when due and payable. Bunge Limited is a limited liability company incorporated under the laws of Bermuda.

Overview

We are a leading global agribusiness and food company operating in the farm-to-consumer food chain. We believe we are:

- a world leading oilseed processing company, based on processing capacity;
- the largest producer and supplier of fertilizer to farmers in South America, based on volume; and
- a leading seller of packaged vegetable oils worldwide, based on sales.

We conduct our operations in three divisions: agribusiness, fertilizer and food and ingredients. These divisions include 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, storage, transport, processing and sale of agricultural commodities and commodity products. The principal agricultural commodities that we handle and/or process are oilseeds and grains, primarily soybeans, rapeseed or canola, sunflower seed, wheat and corn. We process oilseeds into vegetable oils and protein meals, principally for the food and animal feed industries. In addition to our principal agribusiness operations in oilseeds and grains, we also participate in the sugar and sugarcane-based ethanol industries through our sugar origination, trading and marketing business, as well as our sugarcane milling and ethanol production operations in Brazil. Our agribusiness operations and assets are primarily located in North and South America, Europe and China, and we have marketing and distribution offices throughout the world.

Fertilizer Our fertilizer division is involved in every stage of the fertilizer business, from mining of phosphate-based raw materials to the sale of retail fertilizer products. The activities of our fertilizer division are primarily located in Brazil.

Food and Ingredients Our food and ingredients division consists of two business segments: edible oil products and milling products. These segments include businesses that produce and sell food products such as edible oils, shortenings, margarines, mayonnaise and milled products such as wheat flours and corn-based products. The activities of our food and ingredients division are primarily located in North America, Europe, Brazil, China and India.

BLFC and Bunge Limited have their principal executive offices and corporate headquarters at 50 Main Street, White Plains, New York 10606, and their telephone number is (914) 684-2800. Bunge Limited's registered office is located at 2 Church Street, Hamilton, HM11, Bermuda.

Table of Contents

SUMMARY CONSOLIDATED HISTORICAL FINANCIAL DATA

The following tables set forth Bunge's selected consolidated financial information for the periods indicated. The consolidated statements of income and cash flow data for each of the three years ended December 31, 2008, 2007 and 2006 and the consolidated balance sheet data as of December 31, 2008 and 2007 are derived from our audited consolidated financial statements incorporated by reference in this prospectus supplement.

The selected historical financial data as of March 31, 2009 and for the three months ended March 31, 2009 and 2008 are derived from our unaudited consolidated financial statements incorporated by reference in this prospectus supplement. The unaudited consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and, in the opinion of Bunge's management, include all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the financial position and results of operations for such period.

You should read this information together with the information included in "Management's Discussion and Analysis of Financial Condition and Results of Operations " and the consolidated financial statements and notes to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on June 4, 2009 and our Quarterly Report for the three-month period ended March 31, 2009, which are incorporated by reference in this prospectus supplement. See "Incorporation of Certain Documents by Reference."

	Three Months Ended March 31,		Year Ended December 31,		
	2009	2008	2008	2007	2006
	(in millions, except per share amounts)				
Consolidated Statements of Income Data					
Net sales	$ 9,198	$ 12,469	$ 52,574	$ 37,842	$ 26,274
Cost of goods sold	(9,063)	(11,602)	(48,538)	(35,327)	(24,703)
Gross profit	135	867	4,036	2,515	1,571
Selling, general and administrative expenses	(294)	(402)	(1,613)	(1,359)	(978)
Interest income	36	48	214	166	119
Interest expense	(67)	(98)	(361)	(353)	(280)
Foreign exchange (loss) gain	(19)	7	(749)	217	59
Other income (expense) net	(7)	(3)	10	15	31
(Loss) income from operations before income tax	(216)	419	1,537	1,201	522
Income tax benefit (expense)	34	(117)	(245)	(310)	36
(Loss) income from operations after income tax	(182)	302	1,292	891	558
Equity in earnings of affiliates	6	20	34	33	23
Net (loss) income	(176)	322	1,326	924	581
Net income attributable to noncontrolling interest	(19)	(33)	(262)	(146)	(60)
Net (loss) income attributable to Bunge	(195)	289	1,064	778	521
Convertible preference share dividends	(19)	(19)	(78)	(40)	(4)
Net (loss) income available to Bunge common shareholders	$ (214)	$ 270	$ 986	$ 738	$ 517

Table of Contents

	Three Months Ended March 31, 2009	2008	Year Ended December 31, 2008	2007	2006
	(in millions, except per share amounts)				
(Loss) earnings per common share basic (1):					
(Loss) earnings to Bunge common shareholders	$ (1.76)	$ 2.23	$ 8.11	$ 6.11	$ 4.32
(Loss) earnings per common share diluted (2):					
(Loss) earnings to Bunge common shareholders	(1.76)	2.10	7.73	5.95	4.28
Cash dividends declared per common share	$ .19	$ 0.17	$ 0.74	$ 0.67	$ 0.63
Weighted average common shares outstanding basic	121,730,058	121,299,803	121,527,580	120,718,134	119,566,423
Weighted average common shares outstanding diluted (2)	121,730,058	137,605,437	137,591,266	130,753,807	120,849,357
Other Data					
Ratio of earnings to fixed charges and preference share dividends (3)		3.64x	3.90x	3.60x	2.49x

	As of March 31, 2009	As of December 31, 2008	2007	2006
	(in millions)			
Consolidated Balance Sheet Data				
Cash and cash equivalents	$ 498	$ 1,004	$ 981	$ 365
Inventories (4)	4,961	5,653	5,924	3,684
Working capital	4,628	5,102	5,684	3,878
Total assets	18,189	20,230	21,991	14,347
Short-term debt, including current portion of long term debt	685	551	1,112	610
Long-term debt	2,998	3,032	3,435	2,874
Mandatory convertible preference shares (2)	863	863	863	
Convertible perpetual preference shares (2)	690	690	690	690
Common shares and additional paid-in-capital	2,852	2,850	2,761	2,691
Total equity	$ 7,776	$ 8,128	$ 8,697	$ 6,078

(1) Earnings per common share basic is computed by dividing net income available to Bunge common shareholders by the weighted average number of common shares outstanding for the period.

(2) The annual dividend on each mandatory convertible preference share is $51.25, payable quarterly. Each mandatory convertible preference share has an initial liquidation preference of $1,000, plus accumulated and unpaid dividends. As a result of adjustments to the initial conversion rates because cash dividends paid on Bunge Limited's common shares exceeded certain specified thresholds, each mandatory convertible preference share will automatically convert on December 1, 2010 into between 8.2246 and 9.7051 Bunge Limited common shares. Each mandatory convertible preference share is also convertible at any time before December 1, 2010, at the holder's option, into 8.2246 Bunge Limited common shares. These conversion rates are subject to certain additional anti-dilutive adjustments. Bunge also has 6,900,000 4.875% cumulative convertible perpetual preference shares outstanding. Each cumulative convertible preference share has an initial liquidation preference of $100 per share plus accumulated and unpaid dividends up to a maximum of an additional $25 per share. As a result of adjustments made to the initial conversion price because cash dividends paid on Bunge Limited's common shares exceeded certain specified thresholds, each cumulative convertible preference share is convertible,

at the holder's option, at any time, into approximately 1.0861 Bunge Limited common shares (7,494,090 Bunge Limited common shares), subject to certain additional anti-dilution adjustments. The calculation of diluted earnings per common share for the three months ended

Table of Contents

March 31, 2009 and the year ended December 31, 2006 does not include the weighted average common shares that were issuable upon conversion of the preference shares as they were not dilutive for such periods.

(3) For the purpose of determining the ratio of earnings to fixed charges and preference share dividends, earnings are defined as income from operations before income tax plus fixed charges and amortization of capitalized interest less capitalized interest and preference share dividend requirements. Fixed charges consist of interest expense (capitalized and expensed), amortization of deferred debt issuance costs, portion of rental expense that is representative of the interest factor and preferred stock dividend requirements of the registrant and consolidated subsidiaries. For the three months ended March 31, 2009, earnings were inadequate to cover fixed charges and preference share dividends by $94 million.

(4) Included in inventories were readily marketable inventories of $2,671 million at March 31, 2009 and of $2,741 million, $3,358 million and $2,325 million at December 31, 2008, 2007 and 2006, respectively. Readily marketable inventories are agricultural commodity inventories that are readily convertible to cash because of their commodity characteristics, widely available markets and international pricing mechanisms.

Table of Contents

THE OFFERING

Issuer	Bunge Limited Finance Corp.
Guarantor	Bunge Limited
Notes	$600,000,000 aggregate principal amount of 8.50% Senior Notes due 2019.
Maturity date	The notes will mature on June 15, 2019.
Interest	The notes will bear interest at the rate of 8.50% per annum, payable semiannually in arrears on June 15 and December 15, commencing on December 15, 2009.
Interest rate adjustment	The interest rate payable on the notes will be subject to adjustment from time to time if a rating assigned to the notes is downgraded (or subsequently upgraded) as described under "Description of the Notes Interest Rate Adjustment."
Ranking	The notes will be unsecured obligations of BLFC and will rank equally in right of payment with all other existing and future unsecured and unsubordinated indebtedness of BLFC.
Guarantee	All payments on the notes, including principal and interest, will be fully, unconditionally and irrevocably guaranteed by Bunge Limited. Bunge Limited's guarantee will rank equally in right of payment with its other unsecured and unsubordinated indebtedness and guarantees.
Further issuances	BLFC may, without the consent of the holders of the notes, from time to time issue other senior notes, including notes of the same series that have the same ranking as the notes.
Optional redemption	BLFC may redeem any of the notes at any time, in whole or in part, in cash at the redemption prices described in this prospectus supplement, plus accrued and unpaid interest to the date of redemption.
Change of control offer	Upon the occurrence of a change of control of Bunge Limited that results in the notes no longer having an investment grade rating, you will have the right, as holders of the notes, subject to certain exceptions, to require BLFC to repurchase some or all of your notes at 101% of their principal amount, plus accrued and unpaid interest, if any. See "Description of Notes Repurchase at the Option of Holders."
Certain covenants	The indenture will contain covenants that will limit BLFC's ability to engage in any transactions other than those allowed under the master trust structure as described in "Description of Master Trust Structure" in the accompanying prospectus. The indenture will also contain covenants that will, among other things, limit Bunge Limited's ability, and the ability of certain of its subsidiaries, to:
	incur certain liens;
	engage in sale-leaseback transactions; or

Table of Contents

	merge, amalgamate or consolidate or sell all or substantially all of its assets.				
	These limitations will be subject to a number of important qualifications and exceptions. See "Description of the Notes Covenants."				
No prior market	The notes will be new securities for which there is no market. Although the underwriters have informed BLFC that they currently intend to make a market in the notes, they are not obligated to do so and may discontinue	**Number**	**Amount $**	**Number**	**Amount $**
Balance, December 31, 2004	31,915,496	66,643,325	2,855,340	3,347,630	
Issued for cash pursuant to December 29, 2005 private placement	3,200,000	14,176,000	1,920,000	2,908,800	
Exercise of warrants	771,252	3,417,271	(771,252)	(329,984)	
Expired warrants		1,496,514	(1,219,288)	(1,496,514)	
Exercise of options	350,000	297,500			
Share issue costs		(1,689,398)			
Balance, December 31, 2005 and March 31, 2006	**36,236,748**	**84,341,212**	**2,784,800**	**4,429,932**	

The following table summarizes the Company s outstanding warrants as at March 31, 2006:

Exercise Price	**Outstanding, Beginning of the Period**	**Granted During the Period**	**Exercised During the Period**	**Expired During the Period**	**Outstanding, End of Period**	**Weighted Average Remaining Contractual Life (years)**
$5.65	320,000				320,000	2.75
$6.15	1,600,000				1,600,000	2.75
$7.06	112,800				112,800	0.15
$8.00	752,000				752,000	1.65
	2,784,800				2,784,800	2.35

Table of Contents

Oncolytics Biotech Inc.
NOTES TO FINANCIAL STATEMENTS

March 31, 2006 *(unaudited)*

Stock Based Compensation

As the Company is following the fair value based method of accounting for stock options, the Company recorded compensation expense of $36,833 (March 31, 2005 $13,375) for the period with respect to the vesting of options issued in prior periods with an offsetting credit to contributed surplus.

3. ADDITIONAL CASH FLOW DISCLOSURE

Net Change In Non-Cash Working Capital

For the three month period ending March 31,

	2006 $	2005 $	Cumulative from inception on April 2, 1998 to March 31, 2006 $
Change in:			
Accounts receivable	**(69,921)**	7,183	(117,311)
Prepaid expenses	**12,772**	(165,762)	(527,596)
Accounts payable and accrued liabilities	**323,454**	318,027	2,015,935
Change in non-cash working capital	**266,305**	159,448	1,371,028
Net change associated with investing activities	**4,467**	6,997	(7,317)
Net change associated with operating activities	**270,772**	166,445	1,363,771

Other Non-Cash Items

	2006 $	2005 $	Cumulative from inception on April 2, 1998 to March 31, 2006 $
Foreign exchange loss		30,479	425,186
Donation of medical equipment			66,069
Loss on sale of Transition Therapeutics Inc.			2,156,685
Gain on sale of BCY LifeSciences Inc.		(765)	(299,403)
Cancellation of contingent payment obligation settled in common shares			150,000
Future income tax recovery			(1,115,000)
		29,714	1,383,537

4. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period s presentation.

Table of Contents

About Oncolytics Biotech Inc.

Oncolytics is a Calgary-based biotechnology company focused on the development of oncolytic viruses as potential cancer therapeutics. Oncolytics clinical program includes a variety of Phase I and Phase I/II human trials using REOLYSIN®, its proprietary formulation of the human reovirus, alone and in combination with radiation. For further information about Oncolytics please visit www.oncolyticsbiotech.com

FOR FURTHER INFORMATION PLEASE CONTACT:

Oncolytics Biotech Inc.
Cathy Ward
210, 1167 Kensington Cr NW
Calgary, Alberta T2N 1X7
Tel: 403.670.7377
Fax: 403.283.0858
cathy.ward@oncolytics.ca
www.oncolyticsbiotech.com

The Equicom Group
Nick Hurst
20 Toronto Street
Toronto, Ontario M5C 2B8
Tel: 416.815.0700 ext.226
Fax: 416.815.0080
nhurst@equicomgroup.com

The Investor Relations Group
Damian McIntosh
11 Stone St, 3rd Floor
New York, NY 10004
Tel: 212.825.3210
Fax: 212.825.3229
dmcintosh@investorrelationsgroup.com

RenMark Financial Communications
John Boidman
2080 Rene Levesque Blvd. W.
Montreal, PQ H3H 1R6
Tel: 514.939.3989
Fax: 514.939.3717
jboidman@renmarkfinancial.com

-30-