Lumentum Holdings Inc.
Form 424B3
June 01, 2018

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MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Dear Oclaro Stockholders:

On March 11, 2018, Lumentum Holdings Inc. (Lumentum), Prota Merger Sub, Inc. (Merger Sub), and Prota Merger, LLC (Merger Sub LLC), and Oclaro, Inc. (Oclaro) entered into an Agreement and Plan of Merger (the Merger Agreement), pursuant to which Lumentum will acquire Oclaro in a merger transaction.

Upon the terms and subject to the conditions of the Merger Agreement, Merger Sub will merge with and into Oclaro (the First Step Merger , and the time at which the First Step Merger is effective, the Effective Time). As soon as practicable following the First Step Merger, and as the second step in a single integrated transaction with the First Step Merger, Lumentum will cause Oclaro to merge with and into Merger Sub LLC (the Second Step Merger and, taken together with the First Step Merger, the Merger), with Merger Sub LLC surviving as a direct wholly owned subsidiary of Lumentum. If the Merger is completed, Oclaro stockholders will receive, in exchange for each outstanding share of Oclaro common stock owned immediately prior to the Merger (1) $5.60 in cash without interest (the Cash Consideration) and (2) 0.0636 of a share of Lumentum common stock, subject to the conditions and restrictions set forth in the Merger Agreement (the Stock Consideration and, together with the Cash Consideration, the Merger Consideration). The proportion of Cash Consideration and Stock Consideration is subject to adjustment in certain limited circumstances, as described in the accompanying proxy statement/prospectus.

Based on the closing stock price of Lumentum common stock on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement, the per share value of Oclaro common stock implied by the Merger Consideration was $9.99. Based on the closing stock price of Lumentum common stock on May 29, 2018, the most recent practicable date prior to the date of the accompanying proxy statement/prospectus, the per share value of Oclaro common stock implied by the Merger Consideration was $9.60. The implied value of the Merger Consideration will fluctuate as the market price of Lumentum common stock fluctuates because a portion of the Merger Consideration is payable in a fixed number of shares of Lumentum common stock. As a result, the value of the Merger Consideration that Oclaro stockholders will receive upon completion of the Merger could be greater than, less than or the same as the implied value of the Merger Consideration on May 29, 2018, or at the time of the Oclaro special meeting described in the accompanying proxy statement/prospectus (referred to as the special meeting).

It is expected that, immediately after completion of the Merger, former Oclaro stockholders will own approximately 16% of the outstanding shares of Lumentum common stock.

The Merger is intended to qualify as a reorganization for U.S. federal income tax purposes, but its qualification as such depends upon the value of the Stock Consideration relative to the value of the total Merger Consideration, which cannot be finally determined until after the closing of the Merger. It is possible that the Merger will not qualify as a reorganization for U.S. federal income tax purposes, in which case it would be a fully taxable transaction. On the date of the closing of the Merger, Lumentum and Oclaro will make a determination, in consultation with their tax counsel,

as to whether or not the Merger qualifies as a reorganization for U.S. federal income tax purposes, and Lumentum will inform the Oclaro stockholders of such determination as soon as practicable after the Closing. We encourage Oclaro stockholders to carefully review the information under the heading Material U.S. Federal Income Tax Consequences of this proxy statement/prospectus for a description of certain U.S. tax consequences of the Merger.

Oclaro will hold a special meeting of its stockholders to vote on matters related to the proposed Merger. The special meeting will be held on July 10, 2018, at 8:00 a.m., Pacific time, at Oclaro s headquarters located at 225 Charcot Avenue, San Jose, California 95131. At the special meeting, Oclaro stockholders will be asked to adopt the Merger Agreement (the Merger Proposal). In addition, Oclaro stockholders will be asked to approve, on a non-binding, advisory basis, the compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger (the Compensation Proposal) and to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to adopt the Merger Agreement (the Adjournment Proposal).

The Oclaro board of directors unanimously recommends that Oclaro stockholders vote FOR the Merger Proposal, FOR the Compensation Proposal and FOR the Adjournment Proposal.

Your vote is very important. We cannot complete the Merger without the adoption of the Merger Agreement by Oclaro stockholders. It is important that your shares be represented and voted regardless of the size of your holdings. A failure to vote will have the same effect as a vote AGAINST the adoption of the Merger Agreement. Whether or not you plan to attend the special meeting, we urge you to submit a proxy to have your shares voted in advance of the special meeting by using one of the methods described in the accompanying proxy statement/prospectus.

The accompanying proxy statement/prospectus provides important information regarding the special meeting and a detailed description of the Merger Agreement, the Merger and the matters to be presented at the special meeting. **We urge you to read the accompanying proxy statement/prospectus carefully and in its entirety. Please pay particular attention to the section titled Risk Factors beginning on page 57 of the accompanying proxy statement/prospectus.**

We look forward to seeing you at the special meeting and, on behalf of the Oclaro board of directors, thank you for your continued support.

Sincerely,

Marissa Peterson

Chairman of the Board of Directors

May 31, 2018

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Merger or the securities to be issued in connection with the Merger or determined if this proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated May 31, 2018 and is first being mailed to Oclaro stockholders on or about June 4, 2018.

OCLARO, INC.

225 Charcot Avenue

San Jose, California 95131

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on July 10, 2018

To the Stockholders of Oclaro, Inc.:

The special meeting of stockholders of Oclaro, Inc., a Delaware corporation (Oclaro), will be held on July 10, 2018 at 8:00 a.m., Pacific time, at Oclaro s headquarters located at 225 Charcot Avenue, San Jose, California 95131, for the purpose of considering and voting upon the following matters:

1. *Merger Proposal*. To vote on a proposal (the Merger Proposal) to adopt the Agreement and Plan of Merger, dated as of March 11, 2018, among Lumentum Holdings Inc. (Lumentum), Oclaro, Inc. (Oclaro), Prota Merger Sub, Inc. (Merger Sub), and Prota Merger, LLC (Merger Sub LLC), as it may be amended from time to time (the Merger Agreement), which provides for the acquisition of Oclaro through (1) a merger of Merger Sub with and into Oclaro (the First Step Merger) with Oclaro surviving the First Step Merger, and (2), as soon as reasonably practicable following the First Step Merger, a merger of Oclaro with and into Merger Sub LLC (the Second Step Merger, and, together with the First Step Merger, the Merger), with Merger Sub LLC surviving as a direct wholly owned subsidiary of Lumentum.

2. *Non-Binding, Advisory Approval of Compensation Payments*. To vote on a proposal (the Compensation Proposal) to approve, on a non-binding, advisory basis, the compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger.

3. *Adjournment of the Special Meeting*. To vote on a proposal (the Adjournment Proposal) to approve the adjournment of the special meeting, from time to time, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Merger Proposal.

The accompanying proxy statement/prospectus describes the proposals listed above in more detail. Please refer to the accompanying proxy statement/prospectus, including the Merger Agreement and the other annexes and documents included in, or incorporated by reference into, the accompanying proxy statement/prospectus, for further information with respect to the business to be transacted at the special meeting. You are encouraged to read the entire proxy statement/prospectus carefully before voting. In particular, see the section titled Risk Factors beginning on page 57 of this proxy statement/prospectus.

The Oclaro board of directors unanimously determined that the Merger, the Merger Agreement and the other transactions contemplated by the Merger Agreement are advisable, fair to and in the best interests of Oclaro and its stockholders and approved and declared advisable the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. **The Oclaro board of directors unanimously recommends that Oclaro stockholders vote FOR the Merger Proposal, FOR the Compensation Proposal and FOR the Adjournment**

Proposal.

The Oclaro board of directors has fixed the close of business on May 15, 2018 as the record date for determination of Oclaro stockholders entitled to receive notice of, and to vote at, the special meeting or any adjournments or postponements thereof. Only holders of record of Oclaro common stock as of the close of business on the record date are entitled to receive notice of, and to vote at, the special meeting.

YOUR VOTE IS VERY IMPORTANT, REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. The Merger cannot be completed unless the Merger Proposal is adopted by the affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Oclaro common stock as of the record date. The affirmative vote, in person or by proxy, of holders of a majority of the voting power of the shares of Oclaro common stock present in person or represented by proxy at the special meeting and voting on the matter is required to approve the Compensation Proposal and the Adjournment Proposal.

Whether or not you expect to attend the special meeting in person, Oclaro urges you to submit a proxy to have your shares voted as promptly as possible by either: (1) submitting your proxy by properly signing, dating and returning the enclosed proxy card in the accompanying prepaid reply envelope, which you should do early enough so that it is received before the date of the special meeting; (2) submitting your proxy by using the Internet at www.proxyvote.com; or (3) submitting your proxy by calling 1-800-690-6903, the toll-free (within the U.S. or Canada) phone number on your proxy card. If your shares are held in the name of a bank, brokerage firm or other nominee, please follow the instructions on the voting instruction card furnished by such bank, brokerage firm or other nominee. Any stockholder of record attending the special meeting may vote in person even if such stockholder has returned a proxy card.

If you have any questions about the special meeting, the Merger, the proposals or the accompanying proxy statement/prospectus, would like additional copies of the proxy statement/prospectus, need to obtain proxy cards or other information related to this proxy solicitation or need help submitting a proxy or voting your shares of Oclaro common stock, please contact Oclaro s proxy solicitor:

MacKenzie Partners, Inc.

1407 Broadway

New York, New York 10018

(212) 929-5500

or

Toll-Free (800) 322-2885

Oclaro will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement thereof. Our board of directors has no knowledge of any other business to be transacted at the special meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Marissa Peterson
Chairman of the Board of Directors

San Jose, California

May 31, 2018

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Lumentum and Oclaro from other documents that Lumentum and Oclaro have filed with the United States Securities and Exchange Commission (SEC) and that are not included in or delivered with this proxy statement/prospectus. This information is available for you to review at the SEC s public reference room located at 100 F Street, N.E., Room 1580, Washington, D.C. and through the SEC s website at www.sec.gov. You can obtain copies of this proxy statement/prospectus and the documents incorporated by reference into this proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

For Information Regarding Lumentum:

Lumentum Holdings Inc.

400 North McCarthy Boulevard

Milpitas, California 95035

Telephone: (408) 546-5483

Attn: Investor Relations

For Information Regarding Oclaro:

Oclaro, Inc.

225 Charcot Avenue

San Jose, California 95131

Telephone: (408) 383-1400

Attn: Investor Relations

or

MacKenzie Partners, Inc.

1407 Broadway

New York, New York 10018

(212) 929-5500

or

Toll-Free (800) 322-2885

Investors may also consult Lumentum s and Oclaro s websites for more information concerning the Merger described in this proxy statement/prospectus. Lumentum s website is www.lumentum.com and Oclaro s website is www.oclaro.com. Information included on these websites is not incorporated by reference into this proxy statement/prospectus.

In addition, if you have questions about the Merger, the special meeting, or the proposals to be considered at the special meeting, need additional copies of this document and the annexes to this document, or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Oclaro s proxy solicitor, MacKenzie Partners, Inc., at the address and telephone number set forth above. You will not be charged for any of these documents that you request.

If you would like to request any documents, please do so by July 2, 2018 in order to receive them before the special meeting.

For more information, please see the section titled Where You Can Find More Information beginning on page 169 of this proxy statement/prospectus.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the SEC by Lumentum, constitutes a prospectus of Lumentum under Section 5 of the Securities Act of 1933, as amended (the Securities Act), with respect to the shares of Lumentum common stock to be issued pursuant to the Merger. This proxy statement/prospectus also constitutes a proxy statement for Oclaro under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act). It also constitutes a notice of meeting with respect to the special meeting.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. Lumentum and Oclaro take no responsibility for, and can provide no assurances as to the reliability of, any other information that others may give you and, if given, such information must not be relied on as having been authorized. This proxy statement/prospectus is dated May 31, 2018. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of the incorporated document. Neither the mailing of this proxy statement/prospectus to Oclaro stockholders nor the issuance by Lumentum of shares of Lumentum common stock in connection with the Merger will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this proxy statement/prospectus regarding Lumentum has been provided by Lumentum and information contained in this proxy statement/prospectus regarding Oclaro has been provided by Oclaro.

All references in this proxy statement/prospectus to Lumentum refer to Lumentum Holdings Inc., a Delaware corporation, and its consolidated subsidiaries, unless the context requires otherwise; all references in this proxy statement/prospectus to Oclaro refer to Oclaro, Inc., a Delaware corporation, and its consolidated subsidiaries, unless the context requires otherwise; all references to Merger Sub refer to Prota Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Lumentum formed for the sole purpose of effecting the Merger; and all references to Merger Sub LLC refer to Prota Merger, LLC, a Delaware limited liability company and a wholly owned subsidiary of Lumentum; unless otherwise indicated or as the context requires, all references in this proxy statement/prospectus to we, our and us refer to Lumentum and Oclaro, collectively; unless otherwise indicated or as the context requires, all references to the Merger Agreement refer to the Agreement and Plan of Merger dated as of March 11, 2018, as it may be amended from time to time in accordance with its terms, by and among Lumentum, Merger Sub, Merger Sub LLC and Oclaro, a copy of which is included as Annex A to this proxy statement/prospectus. All summaries of, and references to, the Merger Agreement described in this proxy statement/prospectus are qualified by the full copy of and complete text of the Merger Agreement in the form attached hereto as an Annex A. Also, in this proxy statement/prospectus, $ refers to U.S. dollars.

Oclaro stockholders should not construe the contents of this proxy statement/prospectus as legal, tax or financial advice. Oclaro stockholders should consult with their own legal, tax, financial or other professional advisors.

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QUESTIONS AND ANSWERS

The following are some questions that you, as a stockholder of Oclaro, Inc. (Oclaro) may have regarding the Merger (as defined below) and the other matters being considered at the special meeting and the answers to those questions. Lumentum Holdings Inc. (Lumentum) and Oclaro urge you to carefully read the remainder of this proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the Merger and the other matters being considered at the special meeting. Additional important information is also contained in the Annexes to, and the documents incorporated by reference into, this proxy statement/prospectus.

Questions and Answers about the Merger

Q: **What is the proposed transaction on which I am being asked to vote?**

A: You are being asked to vote to adopt the Agreement and Plan of Merger, dated as of March 11, 2018 (as it may be amended from time to time, the Merger Agreement), entered into by and among Lumentum, Prota Merger Sub, Inc., a direct wholly owned subsidiary of Lumentum (Merger Sub), Prota Merger, LLC, a direct wholly owned subsidiary of Lumentum (Merger Sub LLC), and Oclaro. A copy of the Merger Agreement is included as **Annex A** to this proxy statement/prospectus. Upon the terms and subject to the conditions of the Merger Agreement, Merger Sub will merge with and into Oclaro (the First Step Merger). As soon as practicable following the First Step Merger, and as the second step in a single integrated transaction with the First Step Merger, Lumentum will cause Oclaro to merge with and into Merger Sub LLC (the Second Step Merger and, taken together with the First Step Merger, the Merger) in accordance with the applicable provisions of the Delaware General Corporation Law (the DGCL), with Merger Sub LLC surviving as a direct wholly owned subsidiary of Lumentum.

The Merger cannot be completed unless, among other things, holders of a majority of shares of outstanding Oclaro common stock as of the Record Date (as defined below) for the special meeting of Oclaro stockholders (the special meeting) vote to adopt the Merger Agreement. The Oclaro board of directors (the Oclaro Board) unanimously recommends that stockholders vote **FOR** the adoption of the Merger Agreement. Your failing to submit a proxy or vote in person at the special meeting, your abstaining from voting, or your failing to provide your bank, brokerage firm or other nominee with instructions on how to vote your shares, as applicable, will have the same effect as a vote **AGAINST** the adoption of the Merger Agreement.

Q: **Why am I receiving this proxy statement/prospectus?**

A: This proxy statement/prospectus contains important information about the Merger and the other proposals being voted on at the special meeting, and you should read it carefully. This document constitutes both a proxy statement of Oclaro and a prospectus of Lumentum. It is a proxy statement because the Oclaro Board is soliciting proxies from its stockholders. It is a prospectus because Lumentum will issue shares of Lumentum common stock in connection with the Merger. These materials provide instructions on how to vote your shares at the special meeting or to grant your proxy and give voting instructions to the proxyholders named herein so your shares will be voted without requiring you to attend the special meeting in person. Your vote is important. We encourage you to submit your proxy as soon as possible.

Q: **What will Oclaro stockholders receive for their shares of Oclaro common stock in the Merger?**

A: If the Merger is completed, Oclaro stockholders will be entitled to receive, in exchange for each share of Oclaro common stock they hold at the Effective Time (as defined below), merger consideration equal to $5.60 in cash without interest (the Cash Consideration), plus 0.0636 of a share of Lumentum common stock (such ratio, the Exchange Ratio), subject to the conditions and restrictions set forth in the Merger Agreement (the Stock Consideration and, together with the Cash Consideration, the Merger

Consideration). If the aggregate number of shares of Lumentum common stock that you are entitled to receive as part of the Merger Consideration otherwise would include a fraction of a share of Lumentum common stock, you will receive cash in lieu of that fractional share.

Q: **Is the Merger Consideration guaranteed to have the implied value per share of Oclaro common stock described in the press release announcing the Merger?**

A: No. As detailed below, the implied value of the Merger Consideration will fluctuate as the market price of Lumentum common stock fluctuates because a portion of the Merger Consideration is payable in a fixed number of shares of Lumentum common stock. For example, based on the closing price of Lumentum common stock on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement, the per share value of Oclaro common stock implied by the Merger Consideration was $9.99. In comparison, based on the closing price of Lumentum common stock on May 29, 2018, the most recent practicable date prior to the date of the accompanying proxy statement/prospectus, the per share value of Oclaro common stock implied by the Merger Consideration was $9.60. This calculation does not provide for an adjustment to the Merger Consideration to the extent that the number of shares of Lumentum common stock issuable in the Merger would exceed the Stock Threshold, as discussed below.

Accordingly, the value of the Merger Consideration that Oclaro stockholders will receive upon completion of the Merger could be greater than, less than or the same as the implied value of the Merger Consideration on March 9, 2018, on May 29, 2018, the most recent practicable date prior to the date of the accompanying proxy statement/prospectus, or at the time of the special meeting. Accordingly, you should obtain current stock price quotations for Lumentum common stock and Oclaro common stock before deciding whether to vote in favor of the Merger. Lumentum common stock and Oclaro common stock trade on the NASDAQ Global Select Market (NASDAQ) under the symbols LITE and OCLR, respectively.

Q: **What happens if circumstances occur such that more than 19.9% of the issued and outstanding shares of Lumentum common stock immediately prior to the Effective Time would be issued pursuant to the Exchange Ratio?**

A: The maximum number of shares of Lumentum common stock that will be issued in connection with the Merger is 19.9% of the issued and outstanding shares of Lumentum common stock immediately prior to the Effective Time (the Stock Threshold), and to the extent that the number of shares of Lumentum common stock issuable in the Merger would exceed the Stock Threshold, (i) the Exchange Ratio will be reduced to the minimum extent necessary (rounded down to the nearest one thousandth) such that the aggregate number of shares of Lumentum common stock to be issued in connection with the Merger (including all shares of Lumentum common stock which may be issued after the Effective Time pursuant to certain outstanding Oclaro equity awards) does not exceed the Stock Threshold and (ii) the Cash Consideration for all purposes under the Merger Agreement will be increased on a per share basis by an amount equal to $68.975 (the closing sales price of a share of Lumentum common stock on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement), multiplied by the difference between the initial Exchange Ratio and the Exchange Ratio (any such increase, the Supplemental Cash Consideration).

Factors that could give rise to the Stock Threshold being exceeded include, among others, (i) there being more shares of Oclaro common stock outstanding at the Effective Time than on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement, (ii) there being less shares of Lumentum common stock outstanding at the Effective Time than on March 9, 2018, or (iii) the Parent Average

Closing Price (which is used to calculate the exchange ratio for conversion of Oclaro s outstanding equity awards, as described and defined below) being lower than $68.975, the closing price of Lumentum common stock on March 9, 2018. For example, (a) if the Parent Average Closing Price at the Effective Time is $60.00, (b) Oclaro issues all equity awards it is entitled to issue under the Merger Agreement and (c) there are not more shares of Lumentum common stock outstanding at the Effective Time than were outstanding on March 9, 2018, the Stock Threshold would be

exceeded because more than 19.9% of the outstanding shares of Lumentum common stock would need to be issued in connection with the Merger Consideration and the assumption and conversion of Oclaro s outstanding equity awards. As such, the Exchange Ratio would be decreased from 0.0636 to 0.0620 and $0.11 of Supplemental Cash Consideration would be payable per share of Oclaro common stock, which would be added to the Cash Consideration for a total amount of cash of $5.71 payable per share of Oclaro common stock.

Q: **How will I receive the Merger Consideration to which I am entitled?**

A: After receiving the proper documentation from you, following completion of the Merger, the exchange agent for the Merger will forward to you the Lumentum common stock and cash to which you are entitled. More information on the documentation you are required to deliver to the exchange agent may be found in the section titled The Merger Agreement Exchange Agent; Letter of Transmittal beginning on page 127.

Q: **After the Merger, how much of Lumentum will Oclaro stockholders own?**

A: It is expected that, immediately after completion of the Merger, former Oclaro stockholders will own approximately 16% of the outstanding shares of Lumentum common stock.

Q: **Will Oclaro stockholders be able to trade the shares of Lumentum common stock that they receive in the Merger?**

A: Yes. Shares of Lumentum common stock are listed on NASDAQ under the symbol LITE. Shares of Lumentum common stock received in exchange for shares of Oclaro common stock in the Merger will be freely transferable under U.S. federal securities laws.

Q: **Are there any risks that I should consider in deciding whether to vote for the adoption of the Merger Agreement?**

A: Yes. You should read and carefully consider the risk factors set forth in the section titled Risk Factors beginning on page 57 of this proxy statement/prospectus. You also should read and carefully consider the risk factors of Oclaro and Lumentum contained in the documents that are incorporated by reference into this proxy statement/prospectus.

Q: **What will I receive in the Merger in exchange for my Oclaro equity awards?**

A: At the Effective Time, each unit or award denominated in units (or portion thereof) with respect to which the holder may acquire Oclaro shares or cash upon vesting (each, an Oclaro RSU) that is outstanding and unvested immediately before the Effective Time (and does not vest as a result of the Merger) will be assumed by Lumentum (each, an Assumed RSU) on substantially the same terms and conditions as applied to the related

Oclaro RSU immediately before the Effective Time (including the applicable vesting schedule), except the number of shares of Lumentum common stock subject to each Assumed RSU will equal the product of (i) the number of shares of Oclaro common stock underlying the applicable unvested Oclaro RSU immediately before the Effective Time (with any performance milestones deemed achieved based on maximum level of performance) multiplied by (ii) a customary exchange ratio specified in the Merger Agreement and intended to preserve the aggregate value of such Oclaro RSU as of the Effective Time (the Equity Award Exchange Ratio) (rounded down to the nearest whole share).

In addition, any Oclaro RSU that is vested and unsettled will be treated as outstanding Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding.

Each share of Oclaro common stock subject to vesting or lapse restrictions (Oclaro Restricted Stock) that is outstanding and unvested immediately before the Effective Time shall become fully vested at the Effective Time and will be treated as outstanding Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding.

Except as provided in the next paragraph, each option (or portion thereof) to purchase shares of Oclaro common stock (each, an Oclaro Option) that is outstanding, whether vested or unvested, immediately before the Effective Time will be assumed by Lumentum (each, an Assumed Option) on substantially the same terms and conditions as applied to the related Oclaro Option immediately before the Effective Time (including the applicable vesting schedule), except (A) the number of shares of Lumentum common stock subject to each Assumed Option will equal the product of (x) the number of shares of Oclaro common stock underlying such Assumed Option immediately before the Effective Time multiplied by (y) the Equity Award Exchange Ratio (rounded down to the nearest whole share), and (B) the per share exercise price of each Assumed Option will equal the quotient determined by dividing (x) the exercise price per share of such Assumed Option immediately before the Effective Time by (y) the Equity Award Exchange Ratio (rounded up to the nearest whole cent).

Each Oclaro Option (or portion thereof) that is outstanding and vested immediately before the Effective Time (or vests as a result of the Merger) and held by a holder who is not an employee of Oclaro or its subsidiaries immediately before the Effective Time (each, a Cancelled Oclaro Option) will be cancelled and converted into the right to receive the Merger Consideration in respect of each net option share of Oclaro common stock covered by such Cancelled Oclaro Option, subject to applicable tax withholding. The number of net option shares will be determined under a formula specified in the Merger Agreement that takes into account the exercise price of such Cancelled Oclaro Option. Any fractional net option shares (after aggregating all shares represented by all Cancelled Oclaro Options held by such holder) will be settled in cash based on the cash equivalent value of the Merger Consideration, subject to applicable tax withholding. If the exercise price per share of any Cancelled Oclaro Option is equal to or greater than the Merger Consideration, such Cancelled Oclaro Option will be cancelled without payment of any consideration.

Each stock appreciation right (or portion thereof) related to Oclaro common stock (each, an Oclaro SAR) that is outstanding, whether vested or unvested, will be cancelled and converted into the right to receive a cash amount equal to the product of (x) the number of shares of Oclaro common stock issuable upon exercise of the Oclaro SAR, multiplied by (y) the excess, if any of (1) the cash equivalent value of the Merger Consideration over (2) the strike price of such Oclaro SAR, subject to applicable tax withholding.

Any applicable taxes required to be withheld from the Merger Consideration payable in respect of vested Oclaro RSUs, Oclaro Restricted Stock, and/or Cancelled Oclaro Options will first reduce the Cash Consideration portion of the Merger Consideration, with any remaining amount reducing the Stock Consideration portion of the Merger Consideration (with the value of the stock portion for purposes of such deduction determined based on Lumentum s average closing sale price (rounded to the nearest one tenth of a cent), as reported on NASDAQ for the ten most recent trading days ending on the third trading day before the Effective Time (the Parent Average Closing Price)).

Q: **What is required to complete the Merger?**

A: Each of Lumentum s and Oclaro s obligation to consummate the Merger is subject, as relevant, to a number of conditions specified in the Merger Agreement, including the following: (1) adoption of the Merger Agreement by the Oclaro stockholders; (2) receipt of antitrust approvals in the United States and the People s Republic of China, which closing condition was satisfied with respect to the United States on April 4, 2018 when Lumentum and Oclaro received early termination of the waiting period under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act); (3) absence of laws, orders, judgments and injunctions that enjoin or otherwise prohibit consummation of the Merger in any jurisdiction that is material to the business or operations of Oclaro or Lumentum; (4) effectiveness under the Securities Act of this registration statement of which this proxy statement/prospectus forms a part; (5) approval for listing on NASDAQ of the shares of Lumentum

common stock to be issued in the Merger; (6) subject to certain materiality related standards contained in the Merger Agreement, the accuracy of representations and warranties of Oclaro and Lumentum, and material performance by Oclaro and

Lumentum of their respective obligations contained in the Merger Agreement; and (7) the absence of a material adverse effect with respect to the other party. **The consummation of the Merger is not subject to a financing condition.** See the section titled The Merger Agreement Conditions to Closing beginning on page 146 of this proxy statement/prospectus.

Q: **When do you expect the Merger to be completed?**

A: Lumentum and Oclaro expect the closing of the Merger (the Closing) to occur in the second half of calendar year 2018. However, the Merger is subject to various regulatory approvals and the satisfaction or waiver of other conditions, and it is possible that factors outside the control of Lumentum and Oclaro could result in the Merger being completed at an earlier time, a later time or not at all. There may be a substantial amount of time between the date on which the special meeting is held and the date of the completion of the Merger. The First Step Merger will become effective at such time as the certificate of merger relating to the First Step Merger is duly filed with the Secretary of State of the State of Delaware on the date that the Closing takes place (the Closing Date), or at such subsequent date or time as Oclaro, Lumentum and Merger Sub agree and specify in the certificate of merger (the Effective Time). As a result of the Merger, Oclaro will no longer be a publicly held company and will cease to exist. Following the Merger, Oclaro common stock will be delisted from NASDAQ and will be deregistered under the Exchange Act.

Q: **Will I be subject to U.S. federal income tax upon the exchange of shares of Oclaro common stock for the Merger Consideration?**

A: The U.S. federal income tax consequences of the Merger depend on whether the Merger qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). One of the requirements that must be satisfied in order for the Merger to qualify as a reorganization is the continuity of interest test, which requires that a sufficient amount of the proprietary interests in Oclaro are preserved by being exchanged in the Merger for Lumentum common stock. The continuity of interest test generally would be satisfied if the Stock Consideration received in the Merger represented at least 40% of the value of the total Merger Consideration, determined based on the value of the Lumentum common stock on the Closing Date. No assurances can be given that the continuity of interest test will be met. As a result, in deciding whether to approve the Merger, you should consider the possibility that it may be taxable to you because the continuity of interest test is not satisfied. You will not be entitled to change your vote in the event the Merger is taxable. On the Closing Date, Lumentum and Oclaro will make a determination, in consultation with their tax counsel, as to whether or not the Merger qualifies as a reorganization for U.S. federal income tax purposes, and Lumentum will inform the Oclaro stockholders of such determination as soon as practicable after the Closing.

If the Merger qualifies as a reorganization, a U.S. Holder (as defined below in this proxy statement/prospectus) of Oclaro common stock receiving Lumentum common stock and cash in exchange for Oclaro common stock will generally recognize gain equal to the lesser of (i) the amount of cash received by the U.S. Holder (excluding any cash received in lieu of fractional shares of Lumentum common stock) and (ii) the excess of the amount realized by the U.S. Holder over the U.S. Holder s tax basis in the Oclaro common stock. The amount realized by the U.S. Holder will equal the sum of the fair market value of the Lumentum common stock and the amount of cash (including any cash received in lieu of fractional shares of Lumentum common stock) received by the U.S. Holder. Losses will not be permitted to be recognized. Realized gain or loss must be calculated separately for each identifiable block of shares (i.e. shares acquired at different times and prices) exchanged in the Merger, and a loss realized on the exchange of one block cannot be used to offset a gain recognized on the exchange of another block.

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If the Merger does not qualify as a reorganization, the exchange of Oclaro common stock for Lumentum common stock and cash in the First Step Merger will be a fully taxable transaction, in which a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized (as defined above) and the U.S. Holder s tax basis in the Oclaro common stock. Gain or loss must be calculated separately for each identifiable block of shares exchanged in the First Step Merger. Long-term capital gains of non-corporate taxpayers are generally eligible for preferential rates of taxation. Deductions for capital losses are subject to limitations. Any gain recognized by a non-corporate U.S. holder may be subject to a 3.8% Medicare tax on net investment income.

You should consult your own tax advisor to determine the U.S. federal income tax consequences to you relating to the Merger in light of your own particular circumstances and the consequences to you arising under U.S. federal non-income tax laws or the laws of any state, local or non-U.S. taxing jurisdiction. A more complete description of material U.S. federal income tax consequences of the Merger is provided in the section titled Material U.S. Federal Income Tax Consequences beginning on page 152 of this proxy statement/prospectus.

Q: **What happens if the Merger is not completed?**

A: If the Merger Agreement is not adopted by Oclaro stockholders or if the Merger is not completed for any other reason, Oclaro stockholders will not receive the Merger Consideration in exchange for their shares of Oclaro common stock. Instead, Oclaro will remain an independent public company and Oclaro common stock will continue to be listed and traded on NASDAQ. Under specified circumstances, Oclaro may be required to pay Lumentum a termination fee, or Lumentum may be required to pay Oclaro a termination fee, as described in the section titled The Merger Agreement Termination Fees beginning on page 150 of this proxy statement/prospectus.

Q: **What do I need to do?**

A: After you have carefully read and considered the information contained in, or incorporated by reference into, this proxy statement/prospectus, please vote by submitting your proxy card or voting instruction form by following the instructions set forth below under the section titled Questions and Answers about the Special Meeting How do I vote? If you hold your shares in street name, please refer to the voting instruction forms provided by your broker, bank or other nominee to vote your shares.

Q: **Should I send in my share certificate(s) now?**

A: **No. Please DO NOT send any share certificates with your proxy card.** After the Merger is completed, you will receive written instructions, including a letter of transmittal, for exchanging your shares of Oclaro common stock for the cash payment and shares of Lumentum common stock you are entitled to receive in connection with the Merger.

Questions and Answers about the Special Meeting

Q: **When and where will the special meeting be held?**

A: The special meeting will be held on July 10, 2018 at 8:00 a.m., Pacific time, at Oclaro s headquarters located at 225 Charcot Avenue, San Jose, California 95131.

Q: **Who is soliciting my proxy to vote at the special meeting?**

A: The Oclaro Board is soliciting your proxy to vote at the special meeting. This proxy statement/prospectus summarizes the information you need to know to vote on the proposals to be presented at the special meeting.

Q: **Who is entitled to vote at the special meeting?**

A: Only holders of record of Oclaro common stock at the close of business on May 15, 2018, the record date for the meeting (the Record Date), are entitled to notice of, and to vote at, the special meeting and any postponements or adjournments of the meeting. On the Record Date, 170,656,367 shares of Oclaro common stock were issued and outstanding and no shares of Oclaro s preferred stock were outstanding.

Q: **What are the proposals on which I am being asked to vote?**

A: There are three proposals that will be voted on at the special meeting:

Merger Proposal: The proposal to adopt the Merger Agreement, which provides for (1) the merger of Merger Sub with and into Oclaro with Oclaro surviving the First Step Merger, and (2), as soon as reasonably practicable following the First Step Merger, the merger of Oclaro with and into Merger Sub LLC with Merger Sub LLC continuing as the surviving entity (the Merger Proposal).

Compensation Proposal: The proposal to approve, on a non-binding, advisory basis, the compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger (the Compensation Proposal).

Adjournment Proposal: The proposal to approve the adjournment of the special meeting, from time to time, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Merger Proposal (the Adjournment Proposal).

Approval by Oclaro stockholders of the Merger Proposal (the Oclaro Stockholder Approval) is required for completion of the Merger. Approval by Oclaro stockholders of the Compensation Proposal and the Adjournment Proposal is not required for completion of the Merger. No other matters are intended to be brought before the special meeting by Oclaro. However, if other matters are properly brought before the special meeting or at any adjournment or postponement of the special meeting, the persons whom the Oclaro Board has appointed to vote proxies will vote on such matters in their discretion.

Q: **What vote is required for approval of the proposals in this proxy statement/prospectus, and what happens if I abstain or fail to instruct my broker, bank or other nominee how to vote my shares?**

A: The following are the vote requirements:

Merger Proposal: The affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Oclaro common stock as of the Record Date is required to approve the Merger Proposal. If you abstain from voting, fail to vote at the special meeting (in person or by proxy), or fail to instruct your broker, bank or other nominee how to vote on the Merger Proposal, it will have the same effect as a vote cast **AGAINST** the Merger Proposal.

Compensation Proposal: The affirmative vote, in person or by proxy, of holders of a majority of the voting power of the outstanding shares of Oclaro common stock present in person or represented by proxy at the special meeting and voting on the matter is required to approve the Compensation Proposal. If you abstain from voting, attend the special meeting and fail to vote, do not attend the special meeting (in person or by proxy) or fail to instruct your broker, bank or other nominee how to vote on the Compensation Proposal, it will have no effect on the outcome of the vote on the Compensation Proposal, assuming a quorum is present.

Adjournment Proposal: The affirmative vote, in person or by proxy, of holders of a majority of the voting power of the outstanding shares of Oclaro common stock present in person or represented by proxy at the special meeting and voting on the matter is required to approve the Adjournment Proposal. If you abstain from voting, attend the special meeting and fail to vote, do not attend the special meeting (in person or by proxy) or fail to instruct your broker, bank or other nominee how to vote on the Adjournment Proposal, it will have no effect on the outcome of the vote on the Adjournment Proposal, assuming a quorum is present.

Q: **How does the Oclaro Board recommend that I vote my shares of Oclaro common stock on the proposals?**

A: The Oclaro Board unanimously recommends that stockholders vote their shares of Oclaro common stock:

FOR the Merger Proposal;

FOR the Compensation Proposal; and

FOR the Adjournment Proposal.

Q: **How do I vote?**

A: If you are an Oclaro stockholder of record (that is, if your shares of Oclaro common stock are registered in your name with Computershare Trust Company, N.A., Oclaro s transfer agent), you may vote your shares of Oclaro common stock or submit a proxy to have your shares of Oclaro common stock voted at the special meeting in one of the following ways:

Mail: You may submit your proxy by properly signing, dating and returning the enclosed proxy card in the accompanying prepaid reply envelope, which you should do early enough so that it is received before the date of the special meeting.

Internet: You may submit your proxy by using the Internet at www.proxyvote.com. Internet voting is available 24 hours a day and will be accessible until 11:59 p.m., Eastern time, on July 9, 2018, the day before the special meeting.

Telephone: You may submit your proxy by calling 1-800-690-6903, the toll-free (within the U.S. or Canada) phone number on your proxy card. Telephone voting is available 24 hours a day and will be accessible until 11:59 p.m., Eastern time, on July 9, 2018, the day before the special meeting; or

In Person: You may vote your shares of Oclaro common stock by attending the special meeting and voting in person by ballot. Attendance at the special meeting will not, however, in and of itself constitute a vote.

A control number, located on your proxy card, is designed to verify your identity and allow you to vote your shares of Oclaro common stock and to confirm that your voting instructions have been properly recorded when voting electronically over the Internet or by telephone. Although there is no charge for voting your shares of Oclaro common stock, if you vote electronically over the Internet or by telephone, you may incur costs such as Internet access and telephone charges for which you will be responsible.

Even if you plan to attend the special meeting in person, you are strongly encouraged to vote your shares of Oclaro common stock by proxy. If you are a record holder or if you obtain a proxy to vote shares of Oclaro common stock that you beneficially own, you may still vote your shares of Oclaro common stock in person by ballot at the special

meeting even if you have previously voted by proxy. If you are present at the special meeting and vote in person by ballot, your previous vote by proxy will not be counted.

If your shares of Oclaro common stock are held in street name through a broker, bank or other nominee, you may vote through your broker, bank or other nominee by completing and returning the voting instruction form provided by your broker, bank or other nominee, or, if such a service is provided by your broker, bank or other nominee, electronically over the Internet or by telephone. To vote over the Internet or by telephone through your broker, bank or other nominee, you should follow the instructions on the voting instruction form provided by your broker, bank or nominee. However, because you are not the stockholder of record, you may not vote your shares of Oclaro common stock in person by ballot at the special meeting unless you obtain a proxy from your broker, bank or other nominee giving you the right to vote your shares at the special meeting. Please refer to the voting instruction card provided with these proxy materials by your broker, bank or other nominee or contact your broker, bank or other nominee to obtain instructions on how to instruct them with respect to the voting of your shares of Oclaro common stock.

Q: **If my shares are held in a stock brokerage account, or in street name by my broker, bank or nominee, will my broker, bank or nominee automatically vote my shares for me?**

A: No. If your shares of Oclaro common stock are held in the name of a broker, bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. You are not the record holder of such shares. If this is the case, this proxy statement/prospectus has been forwarded to you by your broker, bank or other nominee.

Your broker, bank or other nominee is permitted to vote your shares of Oclaro common stock on any proposal currently scheduled to be considered at the special meeting only if you instruct your broker, bank or other nominee how to vote. You should follow the procedures provided by your broker, bank or other nominee to vote your shares of Oclaro common stock. Without instructions, your shares will not be voted on such proposals, which will have the same effect as if you voted **AGAINST** the Merger Proposal, but will have no effect on the Compensation Proposal or the Adjournment Proposal. The Oclaro Board strongly encourages you to provide voting instructions to your bank, brokerage firm or other nominee so that your vote will be counted on all matters.

Q: **How many votes do I have?**

A: Oclaro stockholders are entitled to cast one vote for each share of Oclaro common stock held as of the Record Date on all matters properly submitted for voting. On the Record Date, 170,656,367 shares of Oclaro common stock were issued and outstanding and no shares of Oclaro s preferred stock were outstanding.

Q: **What if I sell my shares of Oclaro common stock before the special meeting?**

A: The Record Date is earlier than both the date of the special meeting and the Effective Time. If you transfer your shares of Oclaro common stock after the Record Date but before the special meeting, you will, unless you provide the transferee of your shares with a proxy, retain your right to vote at the special meeting, but will have transferred the right to receive the Merger Consideration. In order to receive the Merger Consideration, you must hold your shares through the Effective Time.

Q: **What does it mean if I get more than one proxy card or set of voting materials to vote my shares of Oclaro common stock?**

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple paper proxy cards or voting instruction cards. For example, if you hold your shares of Oclaro common stock in more than one brokerage account, you may receive a set of proxy materials for each brokerage account in which you hold shares. If you are an Oclaro stockholder of record and your shares of Oclaro common stock are registered in more than one name, you will receive more than one set of proxy materials. Please sign, date and return each proxy card and voting instruction card that you receive and follow the voting instructions set forth in this proxy statement/prospectus to ensure that all your shares of Oclaro common stock are voted at the special meeting.

Q: **Can I revoke my proxy and change my vote?**

A: Yes, if you are an Oclaro stockholder of record as of the Record Date, you may revoke your proxy in any of the following ways:

by delivering to Oclaro (Attention: Corporate Secretary, 225 Charcot Avenue, San Jose, California 95131), prior to your shares being voted at the special meeting, a later dated written notice of revocation or a later dated properly executed proxy card (in which case only the later-dated proxy is counted and the earlier proxy is revoked);

by attending the special meeting and voting in person (although attendance at the special meeting will not, by itself, revoke a proxy); or

by submitting a proxy on the Internet or by telephone at a later date but prior to your shares being voted at the special meeting (in which case only the later-dated proxy is counted and the earlier proxy is revoked).

If you are a beneficial owner of shares held in street name by a broker, bank or other nominee, you may revoke your proxy and vote your shares in person at the special meeting only in accordance with the applicable rules and procedures employed by such broker, bank or other nominee. If your shares are held in an account at a broker, bank or other nominee, you should contact your broker, bank or other nominee to change your vote.

Q: **How many shares must be present to hold the special meeting?**

A: Holders of a majority in voting power of the issued and outstanding shares of Oclaro common stock entitled to vote at the special meeting must be present in person or represented by proxy at the special meeting in order to have the required quorum for transacting business. Stockholders are counted as present at the meeting if they are present in person at the special meeting or have properly submitted a proxy card or submitted a proxy by telephone or over the Internet. Abstaining votes are considered present and entitled to vote and, therefore, are included for purposes of determining whether a quorum is present at the special meeting. Broker non-votes are not considered entitled to vote at the special meeting and, therefore, are not included for purposes of determining whether a quorum is present at the special meeting.

Q: **Are Oclaro stockholders entitled to appraisal rights?**

A: Record holders of Oclaro common stock who do not vote in favor of the Merger Proposal, who continuously hold such shares through the Effective Time, and who otherwise comply with the requirements and procedures of Section 262 of the Delaware General Corporation Law (the DGCL), may be entitled to exercise appraisal rights, which generally entitle stockholders to receive in lieu of the Merger Consideration a cash payment of an amount determined by the Court of Chancery of the State of Delaware (the Court of Chancery) to be the fair value of their Oclaro common stock, exclusive of any elements of value arising from the accomplishment or expectation of the Merger, together with interest to be paid on the amount determined to be fair value, if any, as determined by the Court of Chancery, if certain conditions, including as related to ownership thresholds, are met. The fair value of Oclaro common stock could be less than, more than or the same as the Merger Consideration. A detailed description of the procedures required to be followed in order to perfect appraisal rights by Oclaro stockholders if desired is included in the section titled The Merger Appraisal Rights beginning on page 117 of this proxy statement/prospectus, which detailed description is qualified by reference to the full text of Section 262 of the DGCL as attached as **Annex C** to this proxy statement/prospectus. Due to the complexity of the procedures described above, Oclaro stockholders who are considering exercising such rights are encouraged to carefully review **Annex C** and seek the advice of legal counsel.

Q: **Why am I being asked to approve, on a non-binding, advisory basis, the compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger?**

A: The SEC has adopted rules that require Oclaro to seek a non-binding, advisory vote on the compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger. Oclaro urges its stockholders to read the section titled The Merger Interests of Oclaro s Directors and Executive Officers in the Merger beginning on page 108 of this proxy statement/prospectus, which describes in more detail Oclaro s

compensation payments that will or may be made to Oclaro s named executive officers in connection with the Merger.

Q: **What happens if the Compensation Proposal is not approved?**

A: Approval of the Compensation Proposal is not a condition to completion of the Merger. The vote is a non-binding, advisory vote and is therefore not binding on Oclaro, the Oclaro Board, the compensation

committee of the Oclaro Board, Lumentum, Lumentum s Board of Directors (the Lumentum Board) or the compensation committee of the Lumentum Board. Since compensation and benefits to be paid or provided in connection with the Merger are based on contractual arrangements with the named executive officers, the outcome of this advisory vote will not affect the obligation to make these payments and these payments may still be made even if the Oclaro stockholders do not approve, on a non-binding, advisory basis, the Compensation Proposal.

Q: **Who pays for the solicitation of proxies to vote at the special meeting?**

A: Oclaro will bear the entire cost of proxy solicitation, including preparation, assembly, printing and mailing of the notice of special meeting, proxy card, this proxy statement/prospectus and any additional materials furnished to Oclaro stockholders. Copies of these materials will be furnished to brokerage houses, fiduciaries and custodians holding shares in their names that are beneficially owned by others to forward to those beneficial owners. In addition, Oclaro may reimburse the costs of forwarding these materials to those beneficial owners. Solicitation of proxies by mail may be supplemented by one or more of telephone, email, facsimile or personal solicitation by Oclaro s directors, officers or employees. No additional compensation will be paid for such services. Oclaro has engaged MacKenzie Partners, Inc. to aid in the solicitation of proxies from brokers, bank nominees and other institutional owners for approximately $17,500, plus reimbursement of related expenses.

Q: **Whom should I call if I have questions?**

A: If you have questions or if you need assistance submitting your proxy or voting your shares or need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact Oclaro s proxy solicitor at:

MacKenzie Partners, Inc.

1407 Broadway

New York, New York 10018

(212) 929-5500

or

Toll-Free (800) 322-2885

You may also contact the Oclaro Investor Relations department at:

Oclaro, Inc.

225 Charcot Avenue

San Jose, California 95131

Telephone: (408) 383-1400

Attn: Investor Relations

SUMMARY

This summary highlights information described in more detail elsewhere and incorporated by reference into this proxy statement/prospectus, and may not contain all the information that is important to you with respect to the Merger and the other matters being considered at the special meeting. To understand the Merger and the matters being voted on by Oclaro stockholders at the special meeting more fully, and to obtain a more complete description of the legal terms of the Merger Agreement, you are urged to read the remainder of this proxy statement/prospectus carefully, including the attached Annexes, and the other documents referred to or incorporated by reference herein. See also the section titled Where You Can Find More Information beginning on page 169 of this proxy statement/prospectus. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.

The Companies

Lumentum Holdings Inc. (see page 26)

Lumentum is an industry leading provider of optical and photonic products addressing a range of end market applications including data communications and telecommunications networking and commercial lasers for manufacturing, inspection and life-science applications, as defined by revenue and market share. In addition, Lumentum is using its core optical and photonic technology and its volume manufacturing capability to expand into emerging markets that benefit from advantages that optical or photonics-based solutions provide, including 3D sensing for consumer electronics and diode light sources for a variety of consumer and industrial applications. The majority of Lumentum s customers are original equipment manufacturers that incorporate Lumentum s products into their products which address end-market applications. For example, Lumentum sells fiber optic components that its network equipment manufacturer customers assemble into communications networking systems, which they sell to network service providers or enterprises with their own networks. Increasingly, Lumentum is also selling data communications products to owners and operators of large data centers, which Lumentum refers to as hyperscale datacenters. Similarly, many of Lumentum s customers for its lasers products incorporate Lumentum s products into tools they produce, which are used for manufacturing processes by their customers. Lumentum operates in two reportable segments: optical communications and commercial lasers. Lumentum has a global marketing and sales footprint that enables it to address global market opportunities for its products. Lumentum has manufacturing capabilities and facilities in North America, Asia-Pacific and Europe, the Middle East and Africa with employees engaged in R&D, administration, manufacturing, support and sales and marketing activities.

The principal executive offices of Lumentum are located at 400 North McCarthy Boulevard, Milpitas, California 95035, and Lumentum s telephone number is (408) 546-5483. Additional information about Lumentum and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See the section titled Where You Can Find More Information beginning on page 169 of this proxy statement/prospectus.

Oclaro, Inc. (see page 26)

Oclaro is one of the leading providers of optical components and modules for the long-haul, metro and data center markets. Leveraging more than three decades of laser technology innovation and photonics integration, Oclaro provides differentiated solutions for optical networks and high-speed interconnects driving the next wave of streaming video, cloud computing, application virtualization and other bandwidth-intensive and high-speed applications.

The principal executive offices of Oclaro are located at 225 Charcot Avenue, San Jose, California 95131, and Oclaro s telephone number is (408) 383-1400. Additional information about Oclaro is included in documents

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incorporated by reference into this proxy statement/prospectus. See the section titled Where You Can Find More Information beginning on page 169 of this proxy statement/prospectus.

Prota Merger Sub, Inc. (see page 27)

Prota Merger Sub, Inc., or Merger Sub, is a direct wholly owned subsidiary of Lumentum and is a Delaware corporation. Merger Sub was formed on March 9, 2018, for the sole purpose of effecting the First Step Merger. In the First Step Merger, Merger Sub will be merged with and into Oclaro, with Oclaro surviving as a direct wholly owned subsidiary of Lumentum.

The principal executive offices of Merger Sub are located at 400 North McCarthy Boulevard, Milpitas, California 95035, and Merger Sub s telephone number is (408) 546-5483.

Prota Merger, LLC (see page 27)

Prota Merger, LLC, or Merger Sub LLC, is a direct wholly owned subsidiary of Lumentum and is a Delaware limited liability company. Merger Sub LLC was formed on March 9, 2018, for the sole purpose of effecting the Second Step Merger. In the Second Step Merger, Oclaro will be merged with and into Merger Sub LLC, with Merger Sub LLC surviving as a direct wholly owned subsidiary of Lumentum.

The principal executive offices of Merger Sub LLC are located at 400 North McCarthy Boulevard, Milpitas, California 95035, and Merger Sub LLC s telephone number is (408) 546-5483.

Comparative Market Price and Dividend Information (see page 54)

Shares of Lumentum common stock are listed for trading on NASDAQ under the symbol LITE and shares of Oclaro common stock are listed for trading on NASDAQ under the symbol OCLR. The following table sets forth the closing sales prices of a share of Lumentum common stock (as reported on NASDAQ) and of a share of Oclaro common stock (as reported on NASDAQ), each on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement, and on May 29, 2018, the last practicable trading day before the date of this proxy statement/prospectus.

	Lumentum Common Stock Price per Share	Oclaro Common Stock Price per Share
March 9, 2018	$ 68.975	$ 7.85
May 29, 2018	$ 62.95	$ 9.04

The market prices of Lumentum common stock and Oclaro common stock will fluctuate before the special meeting and before the Merger is consummated. You should obtain current stock price quotations from a newspaper, the Internet or your broker or banker.

Lumentum s Dividend Policy. Lumentum has never paid cash dividends on its common stock and does not currently expect to pay dividends on its common stock. The holders of Lumentum common stock will receive dividends if and when declared by the Lumentum Board out of legally available funds or, in the case of stock dividends, out of authorized and available shares of Lumentum common stock. The payment of any dividends to Lumentum s

stockholders in the future, and the timing and amount thereof, if any, is within the discretion of the Lumentum Board. The Lumentum Board s decisions regarding the payment of dividends will depend on many factors, such as Lumentum s financial condition, earnings, capital requirements, potential debt service obligations or restrictive covenants, industry practice, legal requirements, regulatory constraints and other factors that the Lumentum Board deems relevant.

Oclaro s Dividend Policy. Oclaro has never paid cash dividends on its common stock. To the extent Oclaro generates earnings, it intends to retain them for use in its business and, therefore, does not anticipate paying any cash dividends on its common stock in the foreseeable future. The Merger Agreement prohibits Oclaro from setting aside or paying any dividends or other distributions on its capital stock, so Oclaro does not expect to pay dividends for as long as the Merger Agreement is in effect.

Risk Factors (see page 57)

Before voting at the special meeting, you should carefully consider all of the information contained in or incorporated by reference into this proxy statement/prospectus, as well as the specific factors included under the section titled Risk Factors beginning on page 57 of this proxy statement/prospectus.

The Oclaro Special Meeting (see page 70)

Time and Place

The special meeting will be held on July 10, 2018 at 8:00 a.m., Pacific time, at Oclaro s headquarters located at 225 Charcot Avenue, San Jose, California 95131.

Purpose

At the special meeting, holders of Oclaro common stock as of the Record Date will be asked to consider and approve the following proposals:

1. The Merger Proposal;

2. The Compensation Proposal; and

3. The Adjournment Proposal.

Record Date and Quorum

Only Oclaro stockholders of record as of the Record Date are entitled to notice of and to vote at the special meeting. As of the close of business on the Record Date, 170,656,367 shares of Oclaro common stock were issued and outstanding and there were 1,780 holders of record of Oclaro common stock. Each Oclaro stockholder is entitled to one vote for each share of Oclaro common stock held by such stockholder as of the Record Date.

Holders of a majority of the outstanding shares of Oclaro common stock entitled to vote as of the Record Date must be present in person or represented by proxy at the special meeting in order to have the required quorum for transacting business. Abstentions are counted as present for purposes of determining the presence or absence of a quorum for the transaction of business.

Required Vote

The affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Oclaro common stock as of the Record Date is required to approve the Merger Proposal. The affirmative vote, in person or by proxy, of the holders of a majority of the voting power of the outstanding shares of Oclaro common stock present in person

or represented by proxy at the special meeting and voting on the matter is required to approve the Compensation Proposal. The affirmative vote, in person or by proxy, of the holders of a majority of the voting power of the outstanding shares of Oclaro common stock present in person or represented by proxy at the special meeting and voting on the matter is required to approve the Adjournment Proposal.

If you abstain from voting, fail to vote at the special meeting (in person or by proxy), or fail to instruct your broker, bank or other nominee how to vote on the Merger Proposal, it will have the same effect as a vote cast **AGAINST** the Merger Proposal. If you abstain from voting, attend the special meeting and fail to vote, do not attend the special meeting (in person or by proxy) or fail to instruct your broker, bank or other nominee how to vote on the Compensation Proposal or Adjournment Proposal, it will have no effect on the outcome of the vote on the Compensation Proposal, assuming a quorum is present.

The Merger

Effects of the Merger (see page 79)

Subject to the terms and conditions of the Merger Agreement and the applicable provisions of Delaware law, at the Effective Time, Merger Sub will be merged with and into Oclaro, with Oclaro surviving the First Step Merger as a direct wholly owned subsidiary of Lumentum. As the second step in a single integrated transaction with the First Step Merger, as soon as practicable following the Effective Time, Oclaro will be merged with and into Merger Sub LLC, with Merger Sub LLC surviving the Second Step Merger as a direct wholly owned subsidiary of Lumentum.

Recommendation of the Oclaro Board; Oclaro s Reasons for the Merger (see page 91)

After careful evaluation of the Merger Agreement and the transactions contemplated thereby, the Oclaro Board unanimously determined that the Merger, the Merger Agreement and the other transactions contemplated by the Merger Agreement are advisable, fair to, and in the best interests of, Oclaro and its stockholders and approved and declared advisable the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement.

The Oclaro Board unanimously recommends that Oclaro stockholders vote **FOR** the Merger Proposal, **FOR** the Compensation Proposal and **FOR** the Adjournment Proposal.

In the course of reaching its recommendation, the Oclaro Board consulted with Oclaro s senior management and financial advisor, Jefferies LLC (Jefferies), and outside legal counsel, Jones Day, and considered a number of factors. See the section titled The Merger Oclaro s Reasons for the Merger; Recommendation of the Oclaro Board of Directors beginning on page 91 of this proxy statement/prospectus.

Opinion of Oclaro s Financial Advisor (see page 96 and Annex B)

On May 22, 2014, Oclaro entered into an engagement letter with Jefferies to act as Oclaro s exclusive financial advisor to provide Oclaro with financial advice and assistance in connection with the possible sale, disposition or other business transaction involving all or a material portion of its equity or assets and the possible acquisition of all or a material portion of one or more third parties. At the meeting of the Oclaro Board on March 11, 2018, Jefferies rendered its opinion to the Oclaro Board to the effect that, as of that date and based upon and subject to the various assumptions made, procedures followed, matters considered and limitations on the scope of the review undertaken as set forth in its opinion, the Merger Consideration to be received by the holders of shares of Oclaro common stock pursuant to the Merger Agreement was fair, from a financial point of view, to such holders. Oclaro encourages you to read carefully and in its entirety the full text of Jefferies written opinion attached as **Annex B** to this proxy statement/prospectus, which is subject to the assumptions, limitations, qualifications and other conditions contained in such opinion and is necessarily based on economic, capital markets and other conditions, and the information made available to Jefferies, as of the date of such opinion. For a description of the opinion that the Oclaro Board received from Jefferies, see the section titled The Merger Opinion of Oclaro s Financial Advisor beginning on page 96 of this proxy statement/prospectus.

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Share Ownership and Voting by Oclaro Directors and Executive Officers (see page 73)

As of the Record Date, the directors and executive officers of Oclaro beneficially own and are entitled to vote, in the aggregate, approximately 1.8% of the aggregate voting power of the outstanding shares of Oclaro common stock. Oclaro currently expects that all of its directors and executive officers will vote their shares of Oclaro common stock in favor of the Merger Proposal, the Compensation Proposal and the Adjournment Proposal, although none of them has entered into any agreement obligating them to do so.

Regulatory Clearances Required for the Merger (see page 116)

Lumentum and Oclaro have each agreed to take certain actions in order to obtain regulatory clearances required to consummate the Merger. The Merger is subject to review by the Antitrust Division of the Department of Justice (DOJ) and U.S. Federal Trade Commission (the FTC) under the HSR Act. Under the HSR Act, Lumentum and Oclaro are required to make pre-merger notification filings and to await the expiration or early termination of the statutory waiting period prior to completing the Merger. Lumentum and Oclaro submitted pre-merger notification filings under the HSR Act on March 23, 2018 and received early termination of the waiting period on April 4, 2018, which satisfies the closing conditions under the Merger Agreement related to receipt of antitrust approval in the United States. The Merger is also subject to review by governmental authorities in the People s Republic of China and requires pre-merger notification and the observance of an applicable waiting period in the People s Republic of China. See the section titled The Merger Regulatory Clearances Required for the Merger beginning on page 116 of this proxy statement/prospectus for more information.

Listing of Shares of Lumentum Common Stock; Delisting and Deregistration of Shares of Oclaro Common Stock (see page 117)

Lumentum is obligated to cause the shares of Lumentum common stock to be issued to Oclaro stockholders pursuant to the Merger Agreement to be authorized for listing on NASDAQ at the Effective Time, subject to official notice of issuance. Upon completion of the Merger, shares of Oclaro common stock will be delisted on NASDAQ and will subsequently be deregistered under the Exchange Act.

See the sections titled The Merger Listing of Shares of Lumentum Common Stock beginning on page 117 of this proxy statement/prospectus and The Merger Delisting and Deregistration of Oclaro Common Stock beginning on page 117 of this proxy statement/prospectus for a further discussion of the listing of shares of Lumentum common stock and the delisting of Oclaro common stock in connection with the Merger.

The Merger Agreement (see page 124)

The Merger Agreement is attached as **Annex A** to this proxy statement/prospectus. Lumentum and Oclaro encourage you to read the entire Merger Agreement carefully because it is the principal document governing the Merger and the issuance of shares of Lumentum common stock.

Merger Consideration (see page 124)

Upon the terms and subject to the conditions set forth in the Merger Agreement, at the Effective Time, each share of Oclaro common stock that is issued and outstanding immediately prior to the Effective Time (other than (x) Oclaro common stock held by Lumentum, Oclaro or any direct or indirect wholly owned subsidiary of Lumentum or Oclaro, in each case immediately prior to the Effective Time and (y) shares held by Oclaro stockholders who are entitled to and who properly exercise appraisal rights under Section 262 of the DGCL) will be canceled and extinguished and automatically converted into the right to receive, without interest thereon,

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$5.60 in cash (the Cash Consideration), plus 0.0636 of a share of Lumentum common stock (such ratio, the Exchange Ratio), subject to the conditions and restrictions set forth in the Merger Agreement (the Stock Consideration).

The maximum number of shares of Lumentum common stock that will be issued in connection with the Merger is 19.9% of the issued and outstanding shares of Lumentum common stock immediately prior to the Effective Time, and to the extent that the number of shares of Lumentum common stock issuable in the Merger would exceed the Stock Threshold, (1) the Exchange Ratio will be reduced to the minimum extent necessary (rounded down to the nearest one thousandth) such that the aggregate number of shares of Lumentum common stock to be issued in connection with the Merger (including all shares of Lumentum common stock which may be issued after the Effective Time pursuant to certain outstanding Oclaro equity awards) does not exceed the Stock Threshold and (2) the Cash Consideration for all purposes under the Merger Agreement will be increased on a per share basis by an amount equal to $68.975 (the closing sales price of a share of Lumentum common stock on March 9, 2018, the last trading day before the day on which Lumentum and Oclaro announced the execution of the Merger Agreement), multiplied by the difference between the initial Exchange Ratio and the Exchange Ratio. See the section titled The Merger Agreement Merger Consideration beginning on page 124 of this proxy/statement prospectus for more information.

It is expected that, immediately after completion of the Merger, former Oclaro stockholders will own approximately 16% of the outstanding shares of Lumentum common stock.

Treatment of Oclaro Options and Other Equity-Based Awards (see page 125)

At the Effective Time, each Oclaro RSU that is outstanding and unvested immediately before the Effective Time (and does not vest as a result of the Merger) will be assumed by Lumentum on substantially the same terms and conditions as applied to the related Oclaro RSU immediately before the Effective Time (including the applicable vesting schedule), except the number of shares of Lumentum common stock subject to each Assumed RSU will equal the product of (x) the number of shares of Oclaro common stock underlying the applicable unvested Oclaro RSU immediately before the Effective Time (with any performance milestones deemed achieved based on maximum level of performance) multiplied by (y) the Equity Award Exchange Ratio (rounded down to the nearest whole share). In addition, any Oclaro RSU that is vested and unsettled will be treated as outstanding Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding. Each share of Oclaro Restricted Stock that is outstanding and unvested immediately before the Effective Time shall become fully vested at the Effective Time and will be treated as outstanding Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding.

Except as provided in the next paragraph, each Oclaro Option that is outstanding, whether vested or unvested, immediately before the Effective Time will be assumed by Lumentum on substantially the same terms and conditions as applied to the related Oclaro Option immediately before the Effective Time (including the applicable vesting schedule), except (1) the number of shares of Lumentum common stock subject to each Assumed Option will equal the product of (x) the number of shares of Oclaro common stock underlying such Assumed Option immediately before the Effective Time multiplied by (y) the Equity Award Exchange Ratio (rounded down to the nearest whole share), and (2) the per share exercise price of each Assumed Option will equal the quotient determined by dividing (x) the exercise price per share of such Assumed Option immediately before the Effective Time by (y) the Equity Award Exchange Ratio (rounded up to the nearest whole cent).

Each Cancelled Oclaro Option will be cancelled and converted into the right to receive the Merger Consideration in respect of each net option share of Oclaro common stock covered by such Cancelled Oclaro Option, subject to applicable tax withholding. The number of net option shares will be determined under a formula specified in the Merger Agreement that takes into account the exercise price of such Cancelled Oclaro

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EXPERTS

The consolidated financial statements and the related financial statement schedule incorporated in this Prospectus by reference from Bunge Limited's Annual Report for the year ended December 31, 2008, included in a Current Report on Form 8-K dated June 4, 2009, and the effectiveness of Bunge Limited's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference (which reports (1) express an unqualified opinion on the financial statements and financial statement schedule and include an explanatory paragraph referring to the adoptions of Statement of Financial Accounting Standards No. 160, *Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51*, on January 1, 2009, Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, on January 1, 2008, Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes an Interpretation of FASB Statement No. 109*, on January 1, 2007, and Statement of Financial Accounting Standards No. 158, *Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106 and 132(R)*, on December 31, 2006 and (2) express an unqualified opinion on the effectiveness of Bunge Limited's internal control over financial reporting). Such consolidated financial statements and financial statement schedule have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

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WHERE YOU CAN FIND MORE INFORMATION

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, and, accordingly, we file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy and information statements and other information with the SEC. We have filed a registration statement on Form S-3 with the SEC regarding this offering. The registration statement of which this prospectus supplement and the accompanying prospectus is a part contains additional important information about us. We are permitted to omit from this prospectus supplement and the accompanying prospectus certain information that is included in the registration statement of which this prospectus supplement and the accompanying prospectus forms a part. You should refer to the registration statement and its exhibits to read that information.

You may read any document we file with the SEC, including the documents incorporated by reference into this prospectus supplement and the accompanying prospectus, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. In addition, you may access our SEC filings through the SEC's website at *www.sec.gov*, and our website, *www.bunge.com*. Information contained in or connected to our website is not part of this prospectus supplement or the accompanying prospectus. Copies of reports and other information may also be inspected in the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We are incorporating by reference certain documents we file with the SEC, which means that we can disclose important information to you by referring you to those documents. Any information that we reference this way is considered part of this prospectus supplement and the accompanying prospectus. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus, except for any information that is superseded by information that is included directly in this prospectus supplement and the accompanying prospectus.

We incorporate by reference into this prospectus supplement and the accompanying prospectus the documents listed below and any future filings we make with the SEC under sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 between the date of this prospectus supplement and the date of the closing of the offering. These additional documents include periodic reports, such as annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K (other than information furnished under Items 2.02 and 7.01, which is deemed not to be incorporated by reference in this prospectus supplement or the accompanying prospectus), as well as proxy statements. You should review these filings as they may disclose a change in our business, prospects, financial condition or other affairs after the date of this prospectus supplement.

This prospectus supplement and the accompanying prospectus incorporate by reference the documents listed below that we have filed with the SEC but have not been included or delivered with this document:

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2008, filed on March 2, 2009.

Our Quarterly Reports on Form 10-Q for the three-month period ended March 31, 2009, filed on May 11, 2009 and for the three-month period ended June 30, 2009, filed on August 10, 2009.

Our Current Reports on Form 8-K dated and filed on May 13, 2009, May 21, 2009, June 3, 2009, June 4, 2009 (which updates certain information in our 2008 Annual Report), June 9, 2009 and June 26, 2009.

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We will provide, without charge, to any person who receives a copy of this prospectus supplement and the accompanying prospectus, upon such recipient's written or oral request, a copy of any document this prospectus supplement incorporates by reference, other than exhibits to such incorporated documents, unless such exhibits are specifically incorporated by reference in such incorporated document. Requests should be directed to:

Bunge Limited
50 Main Street
White Plains, New York 10606
Attention: Investor Relations
(914) 684-2800

Except as provided above, no other information, including, but not limited to, information on our website is incorporated by reference in this prospectus supplement or the accompanying prospectus.

Any statement contained in this prospectus supplement or the accompanying prospectus or in a document incorporated by reference into this prospectus supplement or the accompanying prospectus shall be deemed to be modified or superseded to the extent that such statement is made in any subsequently filed document. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement or the accompanying prospectus.

PROSPECTUS

Common Shares and Preference Shares of
BUNGE LIMITED

Debt Securities of
BUNGE N.A. FINANCE L.P.
BUNGE LIMITED FINANCE CORP.
fully, unconditionally and irrevocably guaranteed by Bunge Limited

Bunge Limited may offer from time to time common shares or preference shares.

Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. may offer from time to time debt securities, which will be fully, unconditionally and irrevocably guaranteed by Bunge Limited.

This prospectus provides you with a general description of the common shares and preference shares of Bunge Limited. The common shares may be offered directly or may be issued upon the exercise, conversion or exchange of, or as dividends or bonus issues on, as the case may be, the preference shares offered hereby and the debt securities of each of Bunge N.A. Finance L.P and Bunge Limited Finance Corp. The specific terms of the offered securities will be described in a prospectus supplement or other offering material, which may add to or update the information in this prospectus.

For a discussion of certain factors that you should consider before investing in the offered securities, see "Risk Factors" in our periodic reports filed with the Securities and Exchange Commission or in the applicable prospectus supplement or other offering material.

You should read this prospectus and the applicable prospectus supplement or other offering material carefully before you invest. We will not use this prospectus to confirm sales of any securities unless it is attached to a prospectus supplement.

The offered securities may be offered in amounts, at prices and on terms determined by market conditions at the time of the offering. The issuer may sell the offered securities through agents it selects or through underwriters and dealers it selects. If the issuer uses agents, underwriters or dealers to sell the offered securities, it will name them and describe their compensation in a prospectus supplement or other offering material.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is August 10, 2009.

We have not authorized any other person to provide you with any information or to make any representation that is different from, or in addition to, the information and representations contained in this prospectus and any prospectus supplement or in any of the documents that are incorporated by reference in this prospectus or in any prospectus supplement or other offering material. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus and any prospectus supplement, as well as the information contained in any document incorporated by reference, is accurate as of the date of each such document only, unless the information specifically indicates that another date applies.

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The distribution of this prospectus may be restricted by law in certain jurisdictions. You should inform yourself about and observe any of these restrictions. This 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, the terms "Bunge," "Bunge Limited," "we," "us" and "our" mean, unless otherwise indicated, Bunge Limited and its consolidated subsidiaries.

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 the common shares and preference shares of Bunge Limited 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 may 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.

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus 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 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 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 heading "Risk Factors" and elsewhere in our periodic reports filed with the Securities and Exchange Commission or in the applicable prospectus supplement or other offering material. Examples of forward-looking statements include all statements that are not historical in nature, including statements regarding:

changes in governmental policies and laws affecting our business, including agricultural and trade policies, as well as tax regulations and biofuels legislation;

our funding needs and financing sources;

changes in foreign exchange policy or rates;

the outcome of pending regulatory and legal proceedings;

our ability to complete, integrate and benefit from acquisitions, divestitures, joint ventures and strategic alliances;

industry conditions, including fluctuations in supply, demand and prices for agricultural commodities and other raw materials and products that we sell and use in our business, fluctuations in energy and freight costs and competitive developments in our industries;

weather conditions and the impact of crop and animal disease on our business;

global and regional agricultural, economic, financial and commodities market, political, social, and health conditions; and

other factors affecting our business generally.

In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements contained in this prospectus, any prospectus supplement, any other offering material 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, any accompanying prospectus supplement, any other offering material 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.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their companies without fear of litigation. We would like to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act in connection with the forward-looking statements included in this prospectus, in any prospectus supplement, any other offering material or any document incorporated by reference herein or therein.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that Bunge Limited, Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. have filed with the Securities and Exchange Commission, referred to as the Commission or the SEC in this prospectus, using a "shelf" registration process. Under this shelf registration process, Bunge Limited may, from time to time, sell common shares and/or preference shares described in the prospectus, in one or more offerings and Bunge N.A. Finance L.P. or Bunge Limited Finance Corp. may, from time to time, separately or jointly, sell debt securities guaranteed by Bunge Limited as described in the prospectus, in one or more offerings. The common shares and preference shares of Bunge Limited and the debt securities of Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. are collectively referred to as "offered securities" and each of Bunge Limited, Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. is referred to as a "Registrant," and collectively as "Registrants," in this prospectus. This prospectus provides you with a general description of the offered securities the Registrants may offer. Each time a Registrant sells offered securities, it may provide a prospectus supplement, or more than one prospectus supplement, that will contain specific information about the terms of the offered securities. Each prospectus supplement may also add to, update or change the information contained or incorporated by reference in this prospectus. To the extent that any statement a Registrant makes in a prospectus supplement is inconsistent with statements made in this prospectus, the statements made in this prospectus will be deemed modified or superseded by those made in the prospectus supplement. You should read both this prospectus and any applicable prospectus supplement or other offering material together with the information described under the heading "Where You Can Find More Information."

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational reporting requirements of the Exchange Act, and accordingly we file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy and information statements and other information with the SEC.

Neither Bunge N.A. Finance L.P. nor Bunge Limited Finance Corp. is required under the Exchange Act to file annual, quarterly and current reports, proxy statements and other information with the SEC. Accordingly, Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. do not, and will not, file separate financial statements with the SEC. The financial condition, results of operations and cash flows of Bunge N.A. Finance L.P. and Bunge Limited Finance Corp. are consolidated into our financial statements.

You may read any document we file with the SEC, including the documents incorporated by reference into this prospectus, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. In addition, you may access our SEC filings through the SEC's website at *www.sec.gov*, and our website, *www.bunge.com*. Information contained in or connected to our website is not part of this prospectus. Copies of reports and other information may also be inspected in the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We are incorporating by reference certain documents we file with the SEC, which means that we can disclose important information to you by referring you to those documents. Any information that we reference this way is considered part of this prospectus. The information incorporated by reference is considered to be part of this prospectus, except for any information that is superseded by information that is included directly in this prospectus or any prospectus supplement relating to an offering of our securities.

We incorporate by reference into this prospectus the documents listed below and any future filings we make with the SEC under sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 between the date of this prospectus and the date of the closing of each offering. These additional documents include periodic reports, such as annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K (other than information furnished under Items 2.02 and 7.01, which is deemed not to be incorporated by reference in this prospectus). You should review these filings as they may disclose a change in our business, prospects, financial condition or other affairs after the date of this prospectus.

This prospectus incorporates by reference the documents listed below that we have filed with the SEC but have not been included or delivered with this document:

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Our Current Reports on Form 8-K dated and filed on May 13, 2009, May 21, 2009, June 3, 2009, June 4, 2009 (which updates certain information in our 2008 Annual Report), June 9, 2009 and June 26, 2009.

We will provide, without charge, to any person who receives a copy of this prospectus, upon such recipient's written or oral request, a copy of any document this prospectus incorporates by reference, other than exhibits to such incorporated documents, unless such exhibits are specifically incorporated by reference in such incorporated document. Requests should be directed to:

Bunge Limited
50 Main Street
White Plains, New York 10606
Attention: Investor Relations
(914) 684-2800

Except as provided above, no other information, including, but not limited to, information on our website, is incorporated by reference in this prospectus.

Any statement contained in this prospectus or in a document incorporated by reference into this prospectus shall be deemed to be modified or superseded to the extent that such statement is made in any subsequently filed document. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

BUNGE LIMITED

Our Business

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.

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.

Bunge Limited is an exempted company incorporated under the laws of Bermuda. Bunge Limited's principal executive office and corporate headquarters is at 50 Main Street, White Plains, New York 10606, and its telephone number is (914) 684-2800. Bunge Limited's registered office is located at 2 Church Street, Hamilton, HM 11, Bermuda.

BUNGE N.A. FINANCE L.P.

Bunge N.A. Finance L.P., a Delaware limited partnership, is an indirect, 100%-owned subsidiary of Bunge Limited. Bunge N.A. Finance L.P. has no independent operations other than acting as a finance company for Bunge. Bunge N.A. Finance L.P. does not, and will not, file separate reports with the SEC.

Bunge N.A. Finance L.P. has its principal executive offices and corporate headquarters at 50 Main Street, White Plains, New York 10606, and its telephone number is (914) 684-2800.

BUNGE LIMITED FINANCE CORP.

Bunge Limited Finance Corp. is an indirect, 100%-owned subsidiary of Bunge Limited and was formed for the sole purpose of issuing debt of Bunge, 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 Bunge through Bunge Limited Finance Corp. and other finance subsidiaries. Bunge Limited Finance Corp.'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 Bunge Limited Finance Corp., including holders of the debt securities issued by Bunge Limited Finance Corp., 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" for a discussion of the Bunge master trust structure and the assets it holds. Bunge Limited Finance Corp. is incorporated under the laws of the State of Delaware.

Bunge Limited Finance Corp. has its principal executive offices and corporate headquarters at 50 Main Street, White Plains, New York 10606, and its telephone number is (914) 684-2800.

USE OF PROCEEDS

Except as may be described otherwise in a prospectus supplement or other offering material, the Registrants will use the net proceeds from the sale of common shares, preference shares or debt securities under this prospectus for working capital and other general corporate purposes, which may include, among other things, funding acquisitions and/or reducing indebtedness.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERENCE SHARE DIVIDENDS

The ratio of earnings to fixed charges and preference share dividends for Bunge are set forth below for the six-month periods ended June 30, 2009 and 2008 and for each year in the five-year period ended December 31, 2008.

For purposes of computing the following ratios, 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 preference share dividend requirements.

	Six Months Ended June 30,		Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
Ratio of earnings to fixed charges and preference share dividends	1.66x	7.23x	3.90x	3.60x	2.49x	2.66x	4.41x

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DESCRIPTION OF SHARE CAPITAL

The following description of our share capital briefly summarizes certain provisions of our memorandum of association, our bye-laws and applicable provisions of Bermuda law that would be important to holders of our common shares and preference shares. The following description may not be complete, may be supplemented in prospectus supplements and/or other offering material and is subject to, and qualified in its entirety by reference to, the terms and provisions of our memorandum of association and bye-laws that are exhibits to the registration statement that contains this prospectus. Prospective investors are urged to read the exhibits for a complete understanding of our memorandum of association and bye-laws.

Share Capital

Our authorized share capital consists of 400,000,000 common shares, par value $.01 per share, 6,900,000 4.875% cumulative convertible perpetual preference shares, par value $0.01 per share, 862,500 5.125% cumulative mandatory convertible preference shares, par value $0.01 per share, and 13,237,500 undesignated preference shares, par value $0.01 per share. As of June 30, 2009, we had 122,036,920 common shares issued and outstanding, 6,900,000 4.875% cumulative convertible perpetual preference shares and 862,455 5.125% cumulative mandatory convertible preference shares were issued and outstanding. All of our issued and outstanding shares are fully paid. Our common shares are traded on the New York Stock Exchange under the symbol "BG."

Pursuant to our bye-laws, and subject to the requirements of any stock exchange on which our shares are listed, our board of directors is authorized to issue any of our authorized but unissued shares. Pursuant to NYSE requirements, subject to certain exceptions, including public offers for cash, any issuance of common shares or securities convertible into common shares in excess of 20% of the voting power or number of the common shares outstanding before such issuance requires shareholder approval. There are no limitations on the right of non-Bermudians or non-residents of Bermuda to hold or vote our shares.

Common Shares

Holders of common shares have no pre-emptive, redemption, conversion or sinking fund rights. Holders of common shares are entitled to one vote per share on all matters submitted to a vote of holders of common shares. Unless a different majority is required by law or by our bye-laws, resolutions to be approved by holders of common shares require approval by a simple majority of votes cast at a meeting at which a quorum is present.

In the event of our liquidation, dissolution or winding-up, the holders of common shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all of our debts and liabilities, subject to any liquidation preference on any outstanding preference shares.

Preference Shares

Pursuant to Bermuda law and our bye-laws, our board of directors by resolution may establish one or more series of preference shares having such number of shares, designations, dividend rates, relative voting rights, conversion or exchange rights, redemption rights, liquidation rights and other relative participation, optional or other special rights, qualifications, limitations or restrictions as may be fixed by the board without any further shareholder approval. Such rights, preferences, powers and limitations as may be established could also have the effect of discouraging an attempt to obtain control of us.

Our board of directors has designated 6,900,000 preference shares as 4.875% cumulative convertible perpetual preference shares, par value $0.01 per share and 862,500 preference shares as 5.125% cumulative mandatory convertible preference shares, par value $0.01 per share. The terms of

our issued and outstanding 4.875% cumulative convertible perpetual preference shares and 5.125% cumulative mandatory convertible preference shares are described in the related Certificates of Designation filed as exhibits to this registration statement that contains this prospectus. See "Where You Can Find More Information."

A Prospectus Supplement Will Describe the Specific Terms of a Series of Preference Shares. If we decide to issue preference shares, our board of directors will determine the financial and other specific terms of the series under a certificate of designation, which we will describe in a prospectus supplement accompanying this prospectus and in other offering material. Those terms may vary from the general terms described below. If there are differences between the prospectus supplement for a series and this prospectus, the prospectus supplement will control.

Without limitation, the preference shares may be convertible into, or exchangeable for, common shares or shares of any other class or series of shares, if our board of directors so determines.

The prospectus supplement and other offering material relating to a particular series of preference shares will contain a description of the specific terms of that series as fixed by our board of directors, including, as applicable:

the offering price at which we will issue the preference shares;

the title, designation of number of preference shares and par value of the preference shares;

if our board of directors decides to pay dividends on a series of preference shares, the dividend rate, form of payment or method of calculation, the payment dates for dividends and the place or places where the dividends will be paid, whether (and if so, on what terms and conditions) dividends will be cumulative, and, if cumulative, the dates from which dividends will begin to accumulate and whether unpaid dividends will compound or accrue interest;

any conversion or exchange rights and, if so, the terms and conditions on which those preference shares may be converted or exchanged;

whether the preference shares will be subject to redemption (either at our option or at the option of their holders) and the redemption price and other terms and conditions relative to the redemption rights;

any liquidation rights or amounts payable in preference of shares of any other class or series in the event of our voluntary or involuntary liquidation, dissolution or winding-up, and whether the preference shares will be entitled to participate generally in distributions on the common shares under those circumstances;

any sinking fund provisions with respect to the redemption or purchase of the preference shares;

any voting rights in addition to the voting rights provided by Bermuda law and, if so, the terms and extent of those voting rights;

a discussion of U.S. federal income tax considerations applicable to a specific series of preference shares; and

any other relative rights, powers, preferences, privileges, limitations and restrictions that are not inconsistent with our bye-laws, including whether the preference shares are subject to mandatory or optional remarketing or other mandatory or optional resale provisions, and, if applicable, the date or period during which a resale may occur, any conditions to the resale and any right of a holder to substitute securities for the preference shares subject to resale.

Dividends. Holders of a series of preference shares will be entitled to receive dividends only when, as and if declared by our board of directors from funds available for payment of dividends under Bermuda law. The rates and dates of payment of dividends, if any, will be set forth in the applicable prospectus supplement relating to each series of preference shares. Dividends will be payable to holders of record of preference shares as they appear in our register of members on the record dates fixed by the board of directors. Dividends on any series of preference shares may be cumulative or noncumulative, as set forth in the applicable prospectus supplement. Under Bermuda law, we may not declare or pay a dividend if there are reasonable grounds for believing that we are, or would after the payment be, unable to pay our liabilities as they become due, or the realizable value of our assets would thereby be less than the aggregate of our liabilities and our issued share capital and share premium accounts. See " General Provisions Applicable to Our Share Capital Dividend Rights" for more information.

Voting Rights; Transfer Restrictions. The holders of a series of preference shares will have voting rights as set out in the applicable certificate of designation and described in the applicable prospectus supplement, and any such voting rights will be subject to limitations on voting rights as set out in the applicable certificate of designation and described in that prospectus supplement. In addition, any transfer restrictions applicable to a series of preference shares will also be described in the prospectus supplement applicable thereto.

Liquidation Preferences. In the event of our voluntary or involuntary liquidation, dissolution or winding-up, holders of each series of our preference shares will have the rights as set out in the applicable certificate of designation and described in the applicable prospectus supplement to receive distributions upon liquidation in the amount specified, plus an amount equal to any accrued and unpaid dividends. These distributions will be made before any distribution is made on our common shares or on any securities ranking junior to the preference shares upon liquidation, dissolution or winding-up.

Redemption. If so specified in the applicable certificate of designation and described in the applicable prospectus supplement, a series of preference shares may be redeemable at any time, in whole or in part, at our option or the holder's, and may be mandatorily redeemed. Any restriction on the repurchase or redemption by us of our preference shares while we are in arrears in the payment of dividends will be described in the applicable prospectus supplement.

Unless we default in the payment of the redemption price, dividends, if applicable, will cease to accrue after the redemption date on preference shares called for redemption and all rights of holders of these shares will terminate except for the right to receive the redemption price.

Conversion or Exchange Rights. The prospectus supplement relating to any series of preference shares that is convertible, exercisable or exchangeable will state the terms on which shares of that series are convertible into or exercisable or exchangeable for common shares, another series of our preference shares or any other securities registered pursuant to the registration statement of which this prospectus forms a part, or for securities of any third party.

See also " General Provisions Applicable to Our Share Capital" for additional information.

General Provisions Applicable to Our Share Capital

Dividend Rights. Under Bermuda law, a company's board of directors may not declare or pay dividends if 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 its issued share capital and share premium accounts. Issued share capital is the aggregate par value of our issued shares, and the share premium account is the aggregate amount paid for issued shares over and above their par value. Share premium

accounts may be reduced in certain limited circumstances. 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 preference 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 or preference shares.

Variation of Rights. If at any time we have more than one class of shares, the rights attaching to any class, unless otherwise provided for by the terms of issue of the relevant class, may be varied either: (1) with the consent in writing of the holders of 75% of the issued shares of that class; or (2) with the sanction of a resolution passed by a majority of the votes cast at a general meeting of the relevant class of shareholders at which a quorum shall be two or more persons holding or representing by proxy one-third of the issued shares of the class. Our bye-laws specify that the creation or issue of shares ranking equally with existing shares will not, unless expressly provided by the terms of issue of existing shares, vary the rights attached to existing shares. In addition, the creation or issue of preference shares ranking senior to common shares will not be deemed to vary the rights attached to common shares.

Transfer of Shares. Our board of directors may, in its absolute discretion and without assigning any reason, refuse to register the transfer of a share that is not fully paid. Our board of directors may also refuse to recognize an instrument of transfer of a share unless it is accompanied by the relevant share certificate and such other evidence of the transferor's right to make the transfer as our board of directors shall reasonably require. Subject to these restrictions, a holder of common shares or preference shares may transfer the title to all or any of his common shares or his preference shares by completing a form of transfer in the form set out in our bye-laws (or as near thereto as circumstances admit) or in such other form as the board may accept. The instrument of transfer must be signed by the transferor and transferee, although, in the case of a fully paid share, our board of directors may accept the instrument signed only by the transferor. The board may also accept mechanically executed transfers. Share transfers may also be effected through our transfer agent and may be made electronically.

Meetings of Shareholders. Under Bermuda law, a company is required to convene at least one general meeting of shareholders each calendar year. Bermuda law provides that a special general meeting of shareholders may be called by the board of directors of a company and must be called upon the request of shareholders holding not less than 10% of the paid-up capital of the company carrying the right to vote at general meetings of the company. Our bye-laws provide that either the chairman or our board of directors may convene an annual general meeting or a special general meeting. Bermuda law also requires that shareholders be given at least five days' advance notice of a general meeting; however, our bye-laws provide that the accidental omission to give notice to any person does not invalidate the proceedings at a meeting. Under our bye-laws, at least twenty-one days' notice of an annual general meeting or a special general meeting must be given to each shareholder entitled to vote at such meeting. This notice requirement is subject to the ability to hold such meetings on shorter notice if such notice is agreed: (i) in the case of an annual general meeting, by all of the shareholders entitled to attend and vote at such meeting; or (ii) in the case of a special general meeting, by a majority in number of the shareholders entitled to attend and vote at the meeting holding not less than 95% in nominal value of the shares entitled to attend and vote at such meeting. The quorum required for a general meeting of shareholders is two or more persons present in person at the start of the meeting and representing in person or by proxy in excess of 50% of the paid-up voting share capital.

Any shareholder who wishes to propose business that may properly be moved by a shareholder at a general meeting (other than nomination of persons for election as directors) must give notice to us in writing in accordance with our bye-laws. The notice must be given not later than 120 days before the first anniversary of the date on which our proxy statement was distributed to shareholders in

connection with our prior year's annual general meeting. If we did not hold an annual general meeting in the prior year or if the date of the annual general meeting has been changed by more than 30 days from the date contemplated in the prior year's proxy statement, the notice must be given before the later of 150 days prior to the contemplated date of the annual general meeting and the date which is ten days after the date of the first public announcement or other notification of the actual date of the annual general meeting. In the case of business to be proposed at a special general meeting, such notice must be given before the later of 120 days before the date of the special general meeting and the date which is ten days after the date of the first public announcement or other notification of the date of the special general meeting. The notice must include the matters set out in our bye-laws.

Access to Books and Records and Dissemination of Information. Members of the general public have the right to inspect the public documents of a company available at the office of the Registrar of Companies in Bermuda. These documents include the company's memorandum of association, including its objects and powers, and certain alterations to its memorandum of association. The shareholders have the additional right to inspect the bye-laws of the company, minutes of general meetings and the company's audited financial statements, which must be laid before each annual general meeting. The register of shareholders of a company is also open to inspection by shareholders and by members of the general public without charge. The register of shareholders is required to be open for inspection for not less than two hours in any business day (subject to the ability of a company to close the register of shareholders for not more than thirty days in a year). A company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act 1981 of Bermuda (the "Companies Act"), establish a branch register outside Bermuda. A company is required to keep at its registered office a register of directors and officers that is open for inspection by members of the public without charge for not less than two hours in any business day. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

Election and Removal of Directors. Our bye-laws provide that our board may consist of between seven and 15 directors, the actual number to be determined by the board from time to time. Our board of directors currently consists of eleven directors. No more than two of our directors may be employed by us or by any other entity in our group. Our board is divided into three classes that are, as nearly as possible, of equal size. Each class of directors is elected for a three-year term of office, but the terms are staggered so that the term of only one class of directors expires at each annual general meeting. There is also no requirement in our bye-laws or Bermuda law that our directors must retire at a certain age. However, our Corporate Governance Guidelines provide that no director having attained the age of 70 shall be nominated for re-election or re-appointment to our board.

Only persons who are nominated in accordance with our bye-laws are eligible for election as directors. Any shareholder who wishes to nominate a person for election as a director must give notice to us in writing in accordance with our bye-laws. The notice must be given not later than 120 days before the first anniversary of the date on which our proxy statement was distributed to shareholders in connection with our prior year's annual general meeting. If we did not hold an annual general meeting in the prior year or if the date of the annual general meeting has been changed by more than 30 days from the date contemplated in the prior year's proxy statement, the notice must be given before the later of 150 days prior to the contemplated date of the annual general meeting and the date which is ten days after the date of the first public announcement or other notification of the actual date of the annual general meeting. In the case of any notice of a nomination of a person by a shareholder for election as a director at a special general meeting, such notice must be given before the later of 120 days before the date of the special general meeting and the date which is ten days after the date of the first public announcement or other notification of the date of the special general meeting. The notice must include the information set out in our bye-laws and, in addition, we may require any

nominee to furnish such other information as we may reasonably require to determine the eligibility of such nominee to serve as a director.

A director may be removed for cause by a majority of shareholder votes cast at a meeting at which a quorum is present, provided notice is given to the director of the shareholders' meeting convened to remove the director. A director may be removed without cause 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, provided notice is given to the director of the shareholders' meeting convened to remove the director. The notice must contain a statement of the intention to remove the director and, if the removal is for cause, a summary of the facts justifying the removal and must be served on the director not less than fourteen days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

Our board of directors can fill any vacancy occurring as a result of the removal, resignation, insolvency, death or incapacity of a director. Our board of directors also can appoint persons to fill any newly created directorships, provided that such appointment requires the affirmative vote of not less than 66% of the directors then in office.

Proceedings of Board of Directors. Our bye-laws provide that our business is to be managed and conducted by our board of directors. Bermuda law requires that our directors be individuals. There is no requirement in our bye-laws or Bermuda law that directors hold any of our shares.

The remuneration of our directors is determined by our board of directors. Our directors may also be paid all travel, hotel and other expenses properly incurred by them in connection with our business or their duties as directors.

Provided a director discloses a direct or indirect interest in any contract or arrangement with us as required by Bermuda law, such director is entitled to vote in respect of any such contract or arrangement in which he or she is interested, unless he or she is disqualified from voting by the chairman of the relevant board meeting. Under Bermuda law, a director (including the spouse or children of the director or any company of which such director, spouse or children own or control more than 20% of the capital or loan debt) cannot borrow from us (except loans made to directors who are bona fide employees or former employees pursuant to an employees' share scheme), unless shareholders holding 90% of the total voting rights have consented to the loan.

Waiver of Claims by Shareholders; Indemnification of Directors and Officers. Our bye-laws contain a provision by virtue of which our shareholders waive any claim or right of action that they have, both individually and on our behalf, against any director or officer in relation to any action or failure to take action by such director or officer, except in respect of any fraud or dishonesty of such director or officer. We have been advised by the SEC that, in the opinion of the SEC, the operation of this provision as a waiver of the right to sue for violations of federal securities laws would likely be unenforceable in U.S. courts. Our bye-laws also indemnify our directors and officers and any person appointed to a committee by our board of directors in respect of their actions and omissions in relation to any of the affairs of Bunge Limited, except in respect of their fraud or dishonesty.

Merger, Amalgamations and Business Combinations. The merger or amalgamation of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the merger or amalgamation agreement to be approved by the company's board of directors and by its shareholders. Such shareholder approval, unless the bye-laws otherwise provide, requires 75% of the shareholders voting at such meeting in respect of which the quorum shall be two persons at least holding or representing by proxy more than one-third of the issued shares of the company. Our bye-laws provide that a merger or amalgamation (other than with certain affiliated companies) that has been approved by our board must only be approved by a majority of the votes cast at a general

meeting of our shareholders at which the quorum shall be two or more persons representing in person or by proxy more than one-half of the paid-up share capital carrying the right to vote. Any merger, amalgamation or other business combination (as defined in our bye-laws) not approved by our board must be approved by the holders of not less than 66% of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution.

Amendment of Memorandum of Association and Bye-Laws. Bermuda law provides that the memorandum of association of a company may be amended by a resolution passed at a general meeting of shareholders of which due notice has been given. Our bye-laws provide that no bye-law shall be rescinded, altered or amended, and no new bye-law shall be made, unless it shall have been approved by a resolution of our board of directors and by a resolution of the shareholders. In the case of the bye-laws relating to election of directors, approval of business combinations and amendment of bye-law provisions, the required resolutions must include the affirmative vote of at least 66% of our directors then in office and of at least 66% percent of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution, and, in the case of the bye-law relating to the removal of directors, the requisite affirmative votes are a simple majority of the directors then in office and at least 66% of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution, and, in the case of the bye-laws relating to the issuance of shares or other securities or instruments, the requisite affirmative votes are a simple majority of the directors then in office and at least 66% of the shares voting.

Under Bermuda law, the holders of an aggregate of not less than 20% in par value of the company's issued share capital or any class thereof have the right to apply to the Supreme Court of Bermuda for an annulment of any amendment of the memorandum of association adopted by shareholders at any general meeting, other than an amendment which alters or reduces a company's share capital as provided in the Companies Act. Where such an application is made, the amendment becomes effective only to the extent that it is confirmed by the Bermuda court. An application for an annulment of an amendment of the memorandum of association must be made within twenty-one days after the date on which the resolution altering the company's memorandum of association is passed and may be made on behalf of persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. No application may be made by shareholders voting in favor of the amendment.

Appraisal Rights and Shareholder Suits. Under Bermuda law, in the event of an amalgamation of a Bermuda company with another company or corporation, a shareholder of the Bermuda company who did not vote in favor of the amalgamation and who is not satisfied that fair value has been offered for such shareholder's shares may apply to a Bermuda court within one month of notice of the shareholders meeting to appraise the fair value of those shares.

Class actions and derivative actions are generally not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or is illegal or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.

When the affairs of a company are being conducted in a manner which is oppressive or prejudicial to the interests of some part of the shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company.

Capitalization of Profits and Reserves. Pursuant to our bye-laws, our board of directors may (i) capitalize any part of the amount of our share premium or other reserve accounts or any amount credited to our profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata (except in connection with the conversion of shares) to the shareholders; or (ii) capitalize any sum credited to a reserve account or sums otherwise available for dividend or distribution by paying up in full partly paid shares of those shareholders who would have been entitled to such sums if they were distributed by way of dividend or distribution.

Registrar or Transfer Agent. A register of holders of the common shares, the 4.875% cumulative convertible perpetual preference shares and the 5.125% cumulative mandatory convertible preference shares is, and of any other preference shares we may issue will be, maintained by Codan Services Limited in Bermuda, and a branch register is maintained in the United States by Mellon Investor Services L.L.C., which does and will serve as branch registrar and transfer agent for the common shares, the 4.875% cumulative convertible perpetual preference shares, the 5.125% cumulative mandatory convertible preference shares and any other preference shares we may issue.

Untraced Shareholders. Our bye-laws provide that our board of directors may forfeit any dividend or other monies payable in respect of any shares which remain unclaimed for twelve years from the date when such monies became due for payment. In addition, we are entitled to cease sending checks or dividend warrants by post or otherwise to a shareholder if such instruments have been returned undelivered to, or left uncashed by, such shareholder on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish the shareholder's new address. This entitlement ceases if the shareholder claims a dividend or cashes a dividend check or a warrant.

Certain Provisions of Bermuda Law. We have been designated by the Bermuda Monetary Authority as a non-resident for Bermuda exchange control purposes. This designation allows us to engage in transactions in currencies other than the Bermuda dollar, and there are no restrictions on our ability to transfer funds (other than funds denominated in Bermuda dollars) in and out of Bermuda or to pay dividends to U.S. residents who are holders of our common shares or preference shares.

The Bermuda Monetary Authority has given its consent for the issue and free transferability of our common shares and preference 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. Approvals or permissions given by the Bermuda Monetary Authority do not constitute a guarantee by the Bermuda Monetary Authority as to our performance or our creditworthiness. Accordingly, in giving such consent or permissions, the Bermuda Monetary Authority shall not be liable for the financial soundness, performance or default of our business or for the correctness of any opinions or statements expressed in this prospectus. Certain issues and transfers of common shares or preference shares involving persons deemed resident in Bermuda for exchange control purposes may require the specific consent of the Bermuda Monetary Authority.

This prospectus will be filed with the Registrar of Companies in Bermuda pursuant to Part III of the Companies Act. In accepting this prospectus for filing, the Registrar of Companies in Bermuda shall not be liable for the financial soundness, performance or default of our business or for the correctness of any opinions or statements expressed in this prospectus.

In accordance with Bermuda law, share certificates are only issued in the names of companies, partnerships or individuals. In the case of a shareholder acting in a special capacity (for example as a trustee), certificates may, at the request of the shareholder, record the capacity in which the shareholder is acting. Notwithstanding such recording of any special capacity, we are not bound to investigate or see to the execution of any such trust. We will take no notice of any trust applicable to any of our shares, whether or not we have been notified of such trust.

DESCRIPTION OF MASTER TRUST STRUCTURE

Bunge Limited formed a master trust in order to permit it and its subsidiaries to borrow funds on both a short-term and long-term basis more efficiently. The master trust was created under New York law pursuant to a pooling agreement among Bunge Funding, Inc., Bunge Management Services, Inc., as servicer, and The Bank of New York, as trustee. The primary assets of the master trust consist of intercompany loans made to Bunge Limited and its subsidiaries with the proceeds of funds raised by the master trust through the issuance of variable funding certificates.

A conceptual illustration of the master trust structure is set forth below:

The intercompany loans held by the master trust are made by two of Bunge Limited's subsidiaries. Bunge Finance Limited, Bunge Limited's 100%-owned subsidiary incorporated under the laws of Bermuda, makes loans to Bunge Limited and its non-U.S. subsidiaries. Bunge Finance North America, Inc., a Delaware corporation and a 100%-owned subsidiary of Bunge N.A. Holdings, Inc. (which is, in turn, wholly owned by us), makes loans to Bunge Limited's U.S. subsidiaries. Each intercompany loan bears interest at a floating rate specified from time to time by the Bunge subsidiary making the loan which generally is established based on the estimated blended cost of funds of the master trust (plus a small profit margin). Bunge Finance Limited and Bunge Finance North America, Inc. are parties to a sale agreement with Bunge Funding, Inc. under which each intercompany loan, together with all property and proceeds related thereto, is sold to Bunge Funding, Inc. Bunge Funding, Inc., in turn, immediately sells the intercompany loans to the master trust pursuant to a pooling agreement. Bunge Management Services, Inc. services the intercompany loans held by the master trust in accordance with the terms of a servicing agreement among Bunge Management Services, Inc., Bunge Funding, Inc. and The Bank of New York, as trustee.

We raise the funds to fund the intercompany loans by having the master trust issue trust certificates either to a special purpose subsidiary that is incurring indebtedness or directly to third-party investors. As of the date of this prospectus, the master trust has issued three outstanding series of trust certificates under series supplements to the pooling agreement, including a series 2002-1 variable funding certificate held by Bunge Limited Finance Corp. The trustee under the master trust is required to allocate collections on the intercompany loans to the trust certificates, including the series 2002-1

variable funding certificate, on an equal basis based upon the principal and accrued interest outstanding with respect to all trust certificates. The master trust may from time to time issue additional series of trust certificates which rank equal in right of payment with the outstanding trust certificates.

The maximum face amount of the series 2002-1 variable funding certificate held by Bunge Limited Finance Corp. is $7,000,000,000. The outstanding amount of the series 2002-1 variable funding certificate varies based on the outstanding amount of indebtedness of Bunge Limited Finance Corp. Under the master trust structure documentation, all of the proceeds borrowed under Bunge Limited Finance Corp.'s current facilities were used to fund intercompany loans which are acquired by the master trust (except to the extent such proceeds were used to repay outstanding indebtedness of Bunge Limited Finance Corp. or used to pay expenses incurred in connection with any such indebtedness). In the case of the notes, Bunge Limited Finance Corp. will be required to use all of the net proceeds from the sale of the notes to either increase its investment in the series 2002-1 variable funding certificate, repay its outstanding indebtedness or pay expenses incurred in connection with any such indebtedness, and the master trust will use such proceeds advanced under the series 2002-1 variable funding certificate to acquire intercompany loans. The principal and interest outstanding on the series 2002-1 variable funding certificate together with cash held by Bunge Limited Finance Corp. must at all times equal or exceed the aggregate principal and interest outstanding on all of Bunge Limited Finance Corp.'s debt, including, without limitation, the notes. Accordingly, the holders of the notes will benefit to the extent that payments of principal and interest are made by the borrowers on the intercompany loans held by the master trust. The master trust is intended to allow creditors of Bunge Limited Finance Corp. and other holders of master trust certificates to have the benefit of claims on Bunge Limited's subsidiaries obligated under intercompany loans. However, intercompany loans made under the master trust structure directly to Bunge Limited do not create any claims against its subsidiaries for the benefit of the holders of the notes. Although the series 2002-1 variable funding certificate is not pledged to the holders of the notes, the series 2002-1 variable funding certificate and related hedging agreements are the only assets held by Bunge Limited Finance Corp. and may not be pledged by Bunge Limited Finance Corp. to any of its creditors or any other person. Under the design of the master trust structure, the notes have the benefit of the series 2002-1 variable funding certificate and the holders of the notes thus have the benefit of access on an equal basis with other creditors holding indebtedness owed or payable by Bunge Limited Finance Corp. to the payments made on the series 2002-1 variable funding certificate.

Bunge Limited Finance Corp. has been organized and structured to be a bankruptcy remote entity. As part of the bankruptcy remote structure of Bunge Limited Finance Corp., the certificate of incorporation of Bunge Limited Finance Corp. requires the vote of at least two directors who are individuals that are "independent" (within the meaning of the certificate of incorporation of Bunge Limited Finance Corp.) of Bunge Limited and its affiliates (except that such independent directors of Bunge Limited Finance Corp. may also be the independent directors of Bunge Asset Funding Corp., Bunge Funding, Inc., Bunge Finance Europe B.V. and any other financing subsidiary established to advance funds to the master trust) in order to, among other things, (1) file a voluntary petition for bankruptcy under the U.S. bankruptcy code or (2) change the voting requirement with respect to the filing of such a voluntary petition for bankruptcy. Each of Bunge Limited Finance Corp.'s creditors has made "non-petition" agreements agreeing not to institute, or join any other person in instituting, against Bunge Limited Finance Corp., any bankruptcy or similar insolvency proceeding under the laws of any jurisdiction for a period of one year and one day after all outstanding debt of Bunge Limited Finance Corp. has been paid in full.

If Bunge Limited Finance Corp. were to become subject, for any reason, to any voluntary or involuntary bankruptcy proceeding, the proceeds of payments to the master trust on the intercompany loans would be subject to such bankruptcy proceedings. In such event, the holders of the notes would

experience delays in recovering principal and interest on their notes from the proceeds of such intercompany loans. The holders of the notes would, however, be able to make a claim on Bunge Limited's guarantee in such circumstances unless the guarantee is unavailable for any reason (whether due to our bankruptcy or otherwise).

Credit facilities and debt issuances that use the master trust structure as of June 30, 2009 include the following:

$575 million commercial paper facility, backed by a five-year revolving credit facility of the same amount that matures on June 11, 2012;

$600 million three-year revolving credit facility that matures on January 16, 2010;

$650 million three-year revolving credit facility that matures on April 16, 2011;

$1 billion three-year revolving credit facility that matures on June 1, 2012;

$645 million 364-day revolving credit facility that matures on June 2, 2010;

$250 million three-year term loan facility that matures on February 26, 2011;

$475 million three-year term loan facilities that mature in August 2011;

¥10 billion three-year term loan facility that matures on October 6, 2011;

$53 million 6.78% Senior Guaranteed Notes, Series B, due September 30, 2009;

$351 million 7.44% Senior Guaranteed Notes, Series C, due September 30, 2012;

$200 million 7.80% Senior Notes due 2012;

$300 million 5.875% Senior Notes due 2013;

$500 million 5.35% Senior Notes due 2014;

$382 million 5.10% Senior Notes due 2015;

$600 million 8.50% Senior Notes due 2019; and

$325 million of bilateral credit facilities, with maturities ranging from 1 month to 12 months.

Our financings under the master trust structure contain various restrictive covenants that in some cases include limitations on, among other things, our ability to (1) merge, amalgamate or sell all or substantially all of our assets, (2) incur certain liens, (3) enter into certain sale-leaseback transactions and (4) incur certain indebtedness by subsidiaries. In addition, Bunge Limited must comply with certain financial covenants as of the end of each fiscal quarter. All of the restrictive covenants in the master trust financings are subject to significant

qualifications and exceptions.

DESCRIPTION OF DEBT SECURITIES

Bunge N.A. Finance L.P. ("BNAF") and Bunge Limited Finance Corp. ("BLFC") may issue debt securities from time to time in one or more distinct series. This section summarizes only certain of the terms of any debt securities that BNAF and BLFC anticipate will be common to all series of debt securities that they may issue. The terms of any series of debt securities that BNAF or BLFC may offer may differ significantly from the common terms described in this prospectus. The specific terms of any series of debt securities that BNAF or BLFC will offer, and any differences from the common terms for an issuance of debt securities by BNAF or BLFC described in this prospectus, will be described in the prospectus supplement for such debt securities that will accompany this prospectus. The debt securities of BNAF and BLFC will be issued under an indenture among BNAF or BLFC, as the case may be, Bunge Limited and a banking or financial institution, as trustee. We have filed forms of indenture for debt securities to be issued by BNAF or BLFC as exhibits to the registration statement of which this prospectus forms a part. The actual indenture that BNAF and BLFC, as the case may be, and Bunge Limited will enter into in connection with an offering of debt securities may differ significantly from the form of indenture we have filed.

As this section is a summary of some of the terms of the debt securities that BNAF or BLFC may offer under this prospectus, it does not describe every aspect of the debt securities. We urge you to read the prospectus supplement and other offering material relating to an issuance of debt securities and the indenture relating to an issuance and the other documents we file with the SEC relating to the debt securities of BNAF or BLFC, as the case may be, because the indenture for those debt securities and those other documents, and not this description, will define your rights as a holder of the debt securities of BNAF or BLFC. See "Where You Can Find More Information," for information on how to obtain copies of the indenture and any such other documents.

General

Unless otherwise stated in a prospectus supplement or in other offering material for an offering of debt securities by BNAF or BLFC, as the case may be, debt securities will not be secured by any property or assets of BNAF or BLFC or of Bunge Limited and the securities will be senior debt securities, ranking equally with all of the other unsecured and unsubordinated indebtedness of BNAF or BLFC, as the case may be.

You should read the prospectus supplement and other offering material for the following terms of the series of debt securities offered by the prospectus supplement. BNAF or BLFC, as the case may be, will establish the following terms before issuance of the series:

the title of the debt securities;

whether the debt securities will be senior or subordinated debt securities;

the ranking of the debt securities;

if the debt securities are subordinated, the terms of subordination;

the aggregate principal amount of the debt securities, the percentage of their principal amount at which the debt securities will be issued, and the date or dates when the principal of the debt securities will be payable or how those dates will be determined or extended;

the interest rate or rates, which may be fixed or variable, that the debt securities will bear, if any, how the rate or rates will be determined, and the periods when the rate or rates will be in effect;

the date or dates from which any interest will accrue or how the date or dates will be determined, the date or dates on which any interest will be payable, whether and the terms under which payment of interest may be deferred, any regular record dates for these payments

or how these dates will be determined and the basis on which any interest will be calculated, if other than on the basis of a 360-day year of twelve 30-day months;

if the debt securities will be convertible into or exchangeable for common shares or preference shares of Bunge Limited or other debt securities at the option of BNAF or BLFC, as the case may be, or the option of the holders, the provisions relating to such conversion or exchange;

the place or places, if any, other than or in addition to New York City, of payment, transfer or exchange of the debt securities, and where notices or demands to or upon us in respect of the debt securities may be served;

any optional redemption provisions and any restrictions on the sources of funds for redemption payments, which may benefit the holders of other securities;

any sinking fund or other provisions that would obligate us to repurchase or redeem the debt securities;

whether the amount of payments of principal of, any premium on, or interest on the debt securities will be determined with reference to an index, formula or other method, which could be based on one or more commodities, equity indices or other indices, and how these amounts will be determined;

any covenants with respect to the debt securities and any changes or additions to the events of default described in this prospectus;

if not the principal amount of the debt securities, the portion of the principal amount that will be payable upon acceleration of the maturity of the debt securities or how that portion will be determined;

any changes or additions to the provisions concerning legal defeasance and covenant defeasance to be contained in the applicable indenture that will be applicable to the debt securities;

any provisions granting special rights to the holders of the debt securities upon the occurrence of specified events;

if other than the trustee, the name of the paying agent, security registrar or transfer agent for the debt securities;

if BNAF or BLFC, as the case may be, does not issue the debt securities in book-entry form only to be held by The Depository Trust Company, as depositary, whether BNAF or BLFC will issue the debt securities in certificated form or the identity of any alternative depositary;

the person to whom any interest in a debt security will be payable, if other than the registered holder at the close of business on the regular record date;

the denomination or denominations in which the debt securities will be issued, if other than denominations of $1,000 or any integral multiples;

any provisions requiring BNAF or BLFC, as the case may be, to pay additional amounts on the debt securities to any holder who is not a United States person in respect of any tax, assessment or governmental charge and, if so, whether BNAF or BLFC will have the option to redeem the debt securities rather than pay the additional amounts; and

any other material terms of the debt securities or the indenture, which may not be consistent with the terms set forth in this prospectus.

For purposes of this prospectus, any reference to the payment of principal of, any premium on, or interest on the debt securities will include additional amounts if required by the terms of the debt securities.

In most cases, the indenture will not limit the amount of debt securities that BNAF or BLFC, as the case may be, is authorized to issue from time to time. The indenture will also provide that there may be more than one trustee thereunder, each for one or more series of debt securities. If a trustee is acting under the indenture with respect to more than one series of debt securities, the debt securities for which it is acting would be treated as if issued under separate indentures. If there is more than one trustee under the indenture, the powers and trust obligations of each trustee will apply only to the debt securities of the separate series for which it is trustee.

BNAF and BLFC may issue debt securities with terms different from those of debt securities already issued. Subject to conditions that may be specified in a prospectus supplement relating to an offering of debt securities, BNAF and BLFC may, without the consent of the holders of the outstanding debt securities, reopen a previous issue of a series of debt securities and issue additional debt securities of that series unless the reopening was restricted when that series was created.

There is no requirement that BNAF or BLFC, as the case may be, issue debt securities in the future under the indenture, and they may use other indentures or documentation, containing different provisions in connection with future issues of other debt securities.

BNAF and BLFC may issue the debt securities as "original issue discount securities," which are debt securities, including any zero-coupon debt securities, that are issued and sold at a discount from their stated principal amount. Original issue discount securities provide that, upon acceleration of their maturity, an amount less than their principal amount will become due and payable. The prospectus supplement relating to an issuance of any such debt securities will describe the U.S. federal income tax consequences and other considerations applicable to original issue discount securities in any prospectus supplement relating to them.

Guarantee of the Debt Securities

Bunge Limited will fully, unconditionally and irrevocably guarantee the due and punctual payment of the principal of, and interest on, the debt securities and any of the other obligations of BNAF or BLFC, as the case may be, under the applicable indenture with respect to the debt securities when and as the same shall become due and payable, whether at maturity or otherwise.

Bunge Limited's guarantees for senior debt securities of BNAF and BLFC would be unsecured and unsubordinated obligations of Bunge Limited and will rank equally with all other unsecured and unsubordinated obligations of Bunge Limited. The guarantee is expected to provide that in the event of a default in payment of principal of, or interest on, senior debt securities of a particular series, the holder of such series of senior debt securities may institute legal proceedings directly against Bunge Limited to enforce the applicable guarantee without first proceeding against BNAF or BLFC, as the case may be.

If BNAF or BLFC, as the case may be, issues subordinated debt securities, Bunge Limited's guarantees for subordinated debt securities of BNAF or BLFC would be unsecured and subordinated obligations of Bunge Limited and will rank equally with all other unsecured and subordinated obligations of Bunge Limited. The guarantee is expected to provide that in the event of a default in payment of principal of, or interest on, subordinated debt securities of a particular series, the holder of such series of subordinated debt securities may institute legal proceedings directly against Bunge Limited to enforce the applicable guarantee without first proceeding against BNAF or BLFC, as the case may be.

Covenants, Events of Default, Amendments and Waivers and Defeasance

A prospectus supplement and other offering material related to an issuance of debt securities by BNAF or BLFC, as the case may be, will set forth covenants that will impose limitations and restrictions on BNAF or BLFC, and will also set forth covenants which will be applicable to Bunge Limited and certain of its subsidiaries and provisions relating to events of default, amendments, waivers and defeasance.

Governing Law

The notes, the guarantee and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Consent to Jurisdiction

Bunge Limited will irrevocably submit to the non-exclusive jurisdiction of any New York state court or any U.S. federal court sitting in the Borough of Manhattan, The City of New York, in respect of any legal action or proceeding arising out of or in relation to the indenture, the notes or the guarantee, and will agree that all claims in respect of such legal action or proceeding may be heard and determined in such New York state or U.S. federal court and will waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action or proceeding in any such court.

Currency Indemnity

The obligation of BNAF and BLFC to make any payments under the indenture, the notes or of Bunge Limited under the guarantee will be in U.S. dollars. Any amount received or recovered in a currency other than U.S. dollars as a result of any judgment or order given or made in a currency other than U.S. dollars in respect of an amount due under the indenture, the notes or the guarantee will constitute a discharge of Bunge Limited's obligation only to the extent of the amount in U.S. dollars that the holder of notes is able to purchase with the amount such holder receives or recovers. If the amount of U.S. dollars purchased by such holder of notes is less than the amount expressed to be due to such holder, Bunge Limited will indemnify the holder against any loss sustained as a result. In any event, Bunge Limited will indemnify the holder against the cost of any such purchase applicable guarantee without first proceeding against BNAF or BLFC, as the case may be.

The Trustee Under the Indenture

Debt securities of BNAF or BLFC will be governed by a document called the "indenture". The trustee for each issuance of debt securities will be identified in the prospectus supplement relating to the issuance of debt securities. The trustee may resign or be removed with respect to one or more series of debt securities and a successor trustee may be appointed to act with respect to these series.

BOOK ENTRY, DELIVERY AND FORM

Holders of Debt Securities

Book-Entry Holders. BNAF and BLFC will issue debt securities in book-entry form only, unless the prospectus supplement relating to an offering of notes specifies otherwise. The debt securities will be represented by one or more global securities registered in the name of a financial institution that holds them as depository on behalf of other financial institutions that participate in the depositary's book-entry system. These participating institutions, in turn, hold beneficial interests in the debt securities on behalf of themselves or their customers.

Under the indenture, BNAF and BLFC will recognize as a holder only the person in whose name a debt security is registered. Consequently, for debt securities issued in global form, BNAF and BLFC will recognize only the depositary as the holder of the debt securities and BNAF and BLFC will make all payments on the debt securities to the depositary. The depositary passes along the payments it receives to its participants, which in turn pass the payments along to their customers who are the beneficial owners.

The depositary and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the debt securities.

As a result, purchasers of notes will not own the debt securities directly. Instead, such purchasers will own beneficial interests in a global security, through a bank, broker or other financial institution that participates in the depositary's book-entry system or holds an interest through a participant. As long as the debt securities are issued in global form, purchasers of notes will be an indirect holder, and not a direct or legal holder, of the debt securities.

Street Name Holders. In the future BNAF and BLFC may terminate a global security or issue debt securities initially in non-global form. In these cases, you may choose to hold your debt securities in your own name or in "street name." Debt securities held in street name would be registered in the name of a bank, broker or other financial institution that you choose, and you would hold only a beneficial interest in those debt securities through an account you maintain at that institution.

For debt securities held in street name, BNAF and BLFC will recognize only the intermediary banks, brokers and other financial institutions in whose names the debt securities are registered as the holders of those debt securities, and will make all payments on those debt securities to them. These institutions pass along the payments they receive to their customers who are the beneficial owners, but only because they agree to do so in their customer agreements or because they are legally required to do so. If you hold debt securities in street name, you will be an indirect holder, and not a direct or legal holder, of those debt securities.

Legal Holders. The obligations of BNAF and BLFC as well as the obligations of the trustee and those of any third parties employed by BNAF or BLFC, as the case may be, or the trustee, run only to the legal holders of the debt securities. BNAF and BLFC have no obligations to you if you hold beneficial interests in global securities, in street name or by any other indirect means. This will be the case whether you choose to be an indirect holder of a debt security or have no choice because BNAF and BLFC are issuing the debt securities only in global form.

For example, once BNAF or BLFC, as the case may be, makes a payment or give a notice to the holder, it has no further responsibility for the payment or notice even if that holder is required, under agreements with depositary participants or customers or by law, to pass it along to the indirect holders but does not do so. Similarly, if BNAF or BLFC wants to obtain the approval of the holders for any purpose (for example, to amend the indenture or to relieve BNAF or BLFC of the consequences of a default or of our obligation to comply with a particular provision of the indenture) it would seek the approval only from the holders, and not the indirect holders, of the debt securities. Whether and how the holders contact the indirect holders is determined by the holders.

When BNAF or BLFC refers to you, BNAF or BLFC means those who invest in the debt securities being offered by this prospectus, whether they are the direct or legal holders or only indirect holders of those debt securities. When BNAF or BLFC refers to your debt securities, it means the debt securities in which you hold a direct or indirect interest.

Special Considerations for Indirect Holders. If you hold debt securities through a bank, broker or other financial institution, either in book-entry form or in street name, you should check with your own institution to find out:

how it handles securities payments and notices;

whether it imposes fees or charges;

how it would handle a request for the holders' consent, if ever required;

whether and how you can instruct it to send you debt securities registered in your own name so you can be a holder, if that is permitted in the future;

how it would exercise rights under the debt securities if there were a default or other event triggering the need for holders to act to protect their interests; and

if the debt securities are in book-entry form, how the depositary's rules and procedures will affect these matters.

Global Securities

BNAF and BLFC will each issue each debt security under the indenture in global form, unless otherwise specified in the applicable prospectus supplement. A global security is a security, typically held by a depositary, that represents the beneficial interests of a number of purchasers of the security. If global securities are issued, the following procedures will apply.

BNAF and BLFC will deposit global securities with the depositary identified in the prospectus supplement. After BNAF or BLFC issues a global security, the depositary will credit on its book-entry registration and transfer system the respective principal amounts of the debt securities represented by the global security to the accounts of persons who have accounts with the depositary. These account holders are known as "participants." The underwriters or agents participating in the distribution of the debt securities will designate the accounts to be credited. Only a participant or a person who holds an interest through a participant may be the beneficial owner of a global security. Ownership of beneficial interests in the global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the depositary and its participants.

BNAF, BLFC and the trustee will treat the depositary or its nominee as the sole owner or holder of the debt securities represented by a global security. Except as set forth below, owners of beneficial interests in a global security will not be entitled to have the debt securities represented by the global security registered in their names. They also will not receive or be entitled to receive physical delivery of the debt securities in definitive form and will not be considered the owners or holders of the debt securities.

Principal, any premium and any interest payments on debt securities represented by a global security registered in the name of a depositary or its nominee will be made to the depositary or its nominee as the registered owner of the global security. None of BNAF, BLFC, the trustee or any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global security or the maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

BNAF and BLFC expect that the depositary, upon receipt of any payments, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global security as shown on the depositary's records. BNAF and BLFC also expect that payments by participants to owners of beneficial interests in the global security will be governed by standing instructions and customary practices, as is the case with the securities held for the accounts of customers registered in "street names," and will be the responsibility of the participants.

A global security is exchangeable for definitive securities registered in the name of, and a transfer of a global security may be registered to, any person other than the depositary or its nominee, only if:

the depository notifies BNAF or BLFC, as the case may be, that it is unwilling, unable or no longer qualified to continue as depository for that global security and BNAF or BLFC, as the case may be, does not appoint another institution to act as depository within 90 days;

The financial information set forth below is only a summary that should be read in conjunction with the section titled Risk Factors beginning on page 57 of this proxy statement/prospectus and Oclaro s consolidated financial statements, including the related notes, as well as the section titled Management s Discussion and Analysis of Financial Condition and Results of Operations contained in Oclaro s Annual Report on Form 10-K for the fiscal year ended July 1, 2017 and the Quarterly Reports on Form 10-Q for the periods ended September 30, 2017, December 30, 2017 and March 31, 2018 that Oclaro previously filed with the SEC and that are incorporated by reference into this proxy statement/prospectus. Historical results are not necessarily indicative of any results to be expected in the future. See also the section titled Where You Can Find More Information beginning on page 169 of this proxy statement/prospectus for the location of information incorporated by reference in this proxy statement/prospectus.

	Nine Months Ended		Fiscal Year Ended				
	March 31, 2018	April 1, 2017	July 1, 2017	July 2, 2016	June 27, 2015	June 28, 2014	June 29, 2013
	(in thousands, except per share data)						
Income Statement Data:							
Revenues	$ 422,226	$ 451,588	$ 600,968	$ 407,914	$ 341,276	$ 390,871	$ 404,629
Cost of revenues	264,130	277,680	365,729	291,496	284,528	338,424	376,461
Gross profit	158,096	173,908	235,239	116,418	56,748	52,447	28,168
Operating expenses:							
Research and development	48,205	41,344	57,094	46,067	46,419	64,218	79,266
Selling, general and administrative	47,760	42,883	58,461	53,457	56,256	70,937	78,618
Amortization of other intangible assets	460	635	786	995	1,133	1,680	5,029
Restructuring, acquisition and related (income expense) net	3,084	92	60	25	(1,516)	18,491	(7,631)
(Gain) loss on sale of property and equipment	172	(127)	(130)	32	(83)	665	170
Flood-related (income) expense, net						(1,797)	(29,510)
Impairment of goodwill, other intangible assets and long-lived assets						584	27,021
Total operating expenses	99,681	84,827	116,271	100,576	102,209	154,778	152,963
Operating income (loss)	58,415	89,081	118,968	15,842	(45,461)	(102,331)	(124,795)

Other income (expense):							
Interest income (expense), net	810	(13,613)	(13,313)	(4,986)	(2,051)	(9,228)	(3,271)
Gain (loss) on foreign currency transactions, net	4,195	(3,155)	(3,652)	(2,362)	(2,144)	(1,158)	(14,542)
Other income (expense), net	2,416	583	810	935	1,750	1,227	(2,527)
Gain on bargain purchase							24,866
Total other income (expense)	7,421	(16,185)	(16,155)	(6,413)	(2,445)	(9,159)	4,526
Income (loss) before income taxes	65,836	72,896	102,813	9,429	(47,906)	(111,490)	(120,269)
Income tax (benefit) provision	9,803	1,064	(25,046)	849	328	(9,365)	26
Income (loss) from continuing operations					(48,234)	(102,125)	(120,295)
Income (loss) from discontinued operations					(8,458)	119,944	(2,450)
Net income (loss).	$ 56,033	$ 71,832	$ 127,859	$ 8,580	$ (56,692)	$ 17,819	$ (122,745)
Net income (loss) per share							
Basic continuing operations	$ 0.33	$ 0.46	$ 0.81	$ 0.08	$ (0.45)	$ (1.03)	$ (1.37)
Diluted continuing operations	$ 0.33	$ 0.44	$ 0.77	$ 0.08	$ (0.45)	$ (1.03)	$ (1.37)
Basic discontinued operations					$ (0.08)	$ 1.21	$ (0.03)
Diluted discontinued operations					$ (0.08)	$ 1.21	$ (0.03)
Shares used in computing net income (loss) per share							
Basic	168,910	155,037	158,115	110,599	108,144	98,986	87,770
Diluted	171,338	163,237	165,031	113,228	108,144	98,986	87,770

	Nine Months Ended		Fiscal Year Ended				
	March 31, 2018	April 1, 2017	July 1, 2017	July 2, 2016	June 27, 2015	June 28, 2014	June 29, 2013
				(in thousands)			
Balance Sheet Data:							
Current assets	$ 558,876	$ 505,551	$ 521,770	$ 290,175	$ 279,018	$ 303,369	$ 363,188
Property and equipment, net	137,999	100,459	114,333	65,045	41,766	50,768	72,028
Other intangible assets, net	241	840	699	1,498	2,579	8,536	10,233
Deferred tax assets, non-current	19,325		25,774	94			
Other non-current assets	1,622	2,474	2,573	2,237	2,521	3,012	4,445
Total assets	718,063	609,324	665,149	359,049	325,884	365,685	449,894
Current liabilities	117,797	138,808	133,183	109,772	92,361	128,162	236,529
Deferred gain on sale-leaseback	5,747	5,844	5,895	6,809	8,978	10,711	10,477
Convertible notes payable				62,058	61,246		22,990
Capital lease obligations, non-current	1,033	1,516	1,379	2,105	1,167	4,539	9,914
Other non-current liabilities	11,212	10,956	11,019	11,694	9,132	14,345	15,852
Total liabilities	135,789	157,124	151,476	192,438	172,884	157,757	295,762
Stockholders equity	582,274	452,200	513,673	166,611	153,000	207,928	154,132

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On March 11, 2018, Lumentum, Oclaro, Merger Sub and Merger Sub LLC entered into the Merger Agreement, pursuant to which Lumentum agreed to acquire Oclaro by way of a merger of Merger Sub with and into Oclaro, with Oclaro as the interim surviving corporation, followed as soon as practicable by a merger of Oclaro with and into Merger Sub LLC, with Merger Sub LLC continuing as the surviving entity and as a wholly owned subsidiary of Lumentum. Upon completion of the Merger, each share of Oclaro common stock issued and outstanding immediately prior to the effective time of the Merger will be converted into the right to receive $5.60 in cash without interest, and 0.0636 of a share of Lumentum common stock, subject to the conditions and restrictions set forth in the Merger Agreement.

The unaudited pro forma condensed combined balance sheet as of March 31, 2018 gives effect to the Merger, as if the Merger had been completed on March 31, 2018 and combines the unaudited condensed consolidated balance sheet of Lumentum as of March 31, 2018 with Oclaro s unaudited condensed consolidated balance sheet as of March 31, 2018.

The unaudited pro forma condensed combined statements of operations for the year ended July 1, 2017 and the nine months ended March 31, 2018 give effect to the Merger as if it had occurred on July 3, 2016, the first day of Lumentum s fiscal 2017, and combines the historical results of Lumentum and Oclaro. The unaudited pro forma condensed combined statement of operations for the fiscal year ended July 1, 2017 combines the audited consolidated statement of operations of Lumentum for the fiscal year ended July 1, 2017 with Oclaro s audited consolidated statement of operations for the fiscal year ended July 1, 2017. The unaudited pro forma condensed combined statement of operations for the fiscal nine months ended March 31, 2018 combines the unaudited condensed consolidated statement of operations of Lumentum for the fiscal nine months ended March 31, 2018 with Oclaro s unaudited condensed consolidated statement of operations for the fiscal nine months ended March 31, 2018.

The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the Merger, (ii) factually supportable, and (iii) with respect to the statements of operations, expected to have a continuing impact on the combined company s results.

The unaudited pro forma condensed combined financial information presented is for informational purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the Merger had been completed on the dates set forth above, nor is it indicative of future results or financial position of the combined company. Additionally, the final determination of the purchase price and the purchase price allocation, upon the completion of the Merger, will be based on Oclaro s net assets acquired as of that date and will depend on a number of factors that cannot be predicted with certainty at this time. The unaudited pro forma condensed combined financial information does not reflect any anticipated synergies or dissynergies, operating efficiencies or cost savings that may result from the Merger or potential divestitures that may occur prior to, or subsequent to, completion of the Merger or any acquisition and integration costs that may be incurred. The pro forma adjustments, which Lumentum believes are reasonable under the circumstances, are preliminary and are based upon available information and certain assumptions described in the accompanying notes to the unaudited pro forma condensed combined financial information. Actual results and valuations may differ materially from the assumptions within the accompanying unaudited pro forma condensed combined financial information.

The transaction is being accounted for as a business combination using the acquisition method with Lumentum as the accounting acquirer in accordance with Accounting Standards Codification (ASC) Topic 805, *Business Combinations* (ASC 805). Under this method of accounting, the purchase price will be

allocated to Oclaro s assets acquired and liabilities assumed based upon their estimated fair values at the date of completion of the Merger. The process of valuing the tangible and intangible assets and liabilities of Oclaro

immediately prior to the Merger, as well as evaluating accounting policies for conformity, is preliminary. The final valuation may materially change the allocation of the Merger Consideration, which could materially affect the fair values assigned to the assets and liabilities and could result in a material change to the unaudited pro forma condensed combined financial information. Refer to Note 2 of the Notes to Unaudited Pro Forma Condensed Combined Financial Information for more information on the basis of presentation. The pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the SEC.

The unaudited pro forma condensed combined financial information should be read in conjunction with:

- the accompanying notes to the unaudited condensed combined pro forma financial information;
- the separate audited consolidated financial statements of Lumentum as of and for the fiscal year ended July 1, 2017 and the related notes, included in Lumentum s Annual Report on Form 10-K/A for the fiscal year ended July 1, 2017, incorporated by reference into this proxy statement/prospectus;
- the separate unaudited condensed consolidated financial statements of Lumentum as of and for the fiscal nine months ended March 31, 2018 and the related notes, included in Lumentum s Quarterly Report on Form 10-Q for the period ended March 31, 2018, incorporated by reference into this proxy statement/prospectus;
- the separate audited consolidated financial statements of Oclaro as of and for the fiscal year ended July 1, 2017 and the related notes, included in Oclaro s Annual Report on Form 10-K for the fiscal year ended July 1, 2017, incorporated by reference into this proxy statement/prospectus; and
- the separate unaudited condensed consolidated financial statements of Oclaro as of and for the fiscal nine months ended March 31, 2018 and the related notes, included in Oclaro s Quarterly Report on Form 10-Q for the period ended March 31, 2018, incorporated by reference into this proxy statement/prospectus.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

AS OF MARCH 31, 2018

(in millions)

	Historical		Reclassification Adjustments	Pro Forma Adjustments	Pro Forma Combined
	Lumentum	**Oclaro**	**(Note 4)**	**(Note 6)**	
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 176.8	$ 180.0	$	$ (180.0)(a)	$ 176.8
Short-term investments	516.0	124.4		(300.5)(a)	339.9
Accounts receivable, net	164.7	111.6			276.3
Inventories	144.2	103.9		54.1(b)	302.2
Prepayments and other current assets	63.0	39.0			102.0
Total current assets	1,064.7	558.9		(426.4)	1,197.2
Property, plant and equipment, net	301.8	138.0			439.8
Goodwill, net	11.8			603.4(d)	615.2
Intangibles, net	8.1	0.2		542.3(c)	550.6
Deferred income taxes	128.2	19.4			147.6
Other non-current assets	3.6	1.6			5.2
Total assets	$ 1,518.2	$ 718.1	$	$ 719.3	$ 2,955.6
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS EQUITY					
Current liabilities:					
Accounts payable	$ 100.9	$ 73.1	$	$	$ 174.0
Accrued payroll and related expenses	33.2		13.2		46.4
Income taxes payable	0.1				0.1
Accrued expenses	36.3	42.2	(17.3)		61.2
Current portion of long-term debt				4.5(f)	4.5
Capital lease obligations, current		2.5	(2.5)		
Other current liabilities	21.0		6.6		27.6
Total current liabilities	191.5	117.8		4.5	313.8
Deferred gain on sale-leaseback		5.8	(5.8)		
Convertible Notes	329.9			537.2(f)	867.1
Capital lease obligations, non-current		1.0	(1.0)		

Deferred income taxes				138.2(e)	138.2
Derivative liability	60.2				60.2
Other non-current liabilities	24.2	11.2	6.8	2.5(g)	44.7
Total liabilities	605.8	135.8		682.4	1,424.0
Redeemable convertible preferred stock:					
Non-controlling interest redeemable convertible Series A Preferred Stock	35.8				35.8
Total redeemable convertible preferred stock	35.8				35.8
Stockholders equity:					
Common stock	0.1	1.7		(1.6)(h)(i)	0.2
Additional paid-in capital	736.0	1,700.1		(1,041.9)(h)(i)	1,394.2
Retained earnings / (Accumulated deficit)	133.2	(1,162.0)		1,122.9(j)	94.1
Accumulated other comprehensive income	7.3	42.5		(42.5)(h)	7.3
Total stockholders equity	876.6	582.3		36.9	1,495.8
Total liabilities, redeemable convertible preferred stock, and stockholders equity	$ 1,518.2	$ 718.1	$	$ 719.3	$ 2,955.6

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JULY 1, 2017

(in millions, except per share amounts)

	Historical		Reclassification Adjustments (Note 4)	Pro Forma Adjustments (Note 7)	Pro Forma Combined
	Lumentum	Oclaro			
Net revenue	$ 1,001.6	$ 601.0	$	$	$ 1,602.6
Cost of sales	677.0	365.8		0.9(a)	1,043.6
Amortization of acquired technologies	6.5			85.0(b)	91.5
Gross profit	318.1	235.2		(85.9)	467.5
Operating expenses:					
Research and development	148.3	57.1		1.1(c)	206.5
Selling, general and administrative	110.2	58.5	0.6	17.9(d)	187.2
Amortization of other intangible assets		0.7	(0.7)		
Gain on sale of property and equipment		(0.1)	0.1		
Restructuring and related charges	12.0	0.1			12.1
Total operating expenses	270.5	116.3	0.0	19.0	405.8
Income from operations	47.6	118.9	(0.0)	(104.9)	61.7
Unrealized loss on derivative liabilities	(104.2)				(104.2)
Interest and other expense, net	(3.2)	(13.3)	(2.8)	(30.7)(e)	(50.1)
Loss on foreign currency transactions		(3.6)	3.6		
Other income, net		0.8	(0.8)		
Income (loss) before income taxes	(59.8)	102.8		(135.6)	(92.6)
Provision for (benefit from) income tax	42.7	(25.1)		(50.4)(f)	(32.8)
Net income (loss)	(102.5)	127.9		(85.2)	(59.8)
Cumulative dividends on Series A Preferred Stock	(0.9)				(0.9)
Net income (loss) attributable to common stockholders	**$ (103.4)**	**$ 127.9**	**$**	**$ (85.2)**	**$ (60.7)**

Net income (loss) per share attributable to common stockholders (Note 7(h)):			
Basic	$ (1.71)	$ 0.81	$ (0.84)
Diluted	$ (1.71)	$ 0.77	$ (0.84)
Shares used in per share calculation attributable to common stockholders (Note 7(h)):			
Basic	60.6	158.1	71.9
Diluted	60.6	165.0	71.9

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

FOR THE NINE MONTHS ENDED MARCH 31, 2018

(in millions, except per share amounts)

	Historical				Pro Forma
	Lumentum	Oclaro	Reclassification Adjustments (Note 4)	Pro Forma Adjustments (Note 7)	Combined
Net revenue	$ 946.6	$ 422.2	$	$	$ 1,368.8
Cost of sales	607.6	264.1		0.8(a)	872.2
Amortization of acquired technologies	2.4			41.3(b)	43.7
Gross profit	336.6	158.1		(42.1)	452.6
Operating expenses:					
Research and development	118.3	48.2		1.1(c)	167.6
Selling, general and administrative	95.5	47.8	0.6	8.5(d)	152.4
Amortization of other intangible assets		0.4	(0.4)		
Loss on sale of property and equipment		0.2	(0.2)		
Restructuring and related charges	3.8	3.1			6.9
Total operating expenses	217.6	99.7	(0.0)	9.6	326.9
Income from operations	119.0	58.4	0.0	(51.7)	125.7
Unrealized loss on derivative liabilities	(8.6)				(8.6)
Interest and other income (expense), net	(8.7)	0.8	6.6	(22.9)(e)	(24.2)
Gain on foreign currency transactions, net		4.2	(4.2)		
Other income, net		2.4	(2.4)		
Income before income taxes	101.7	65.8		(74.6)	92.9
Provision for (benefit from) income tax	(112.9)	9.8		(17.8)(f)	(120.9)
Net income	214.6	56.0		(56.8)	213.8
Cumulative dividends on Series A Preferred Stock	(0.7)				(0.7)
	(4.9)			0.8(g)	(4.1)

Earnings allocated to Series A Preferred Stock					
Net income attributable to common stockholders	**$ 209.0**	**$ 56.0**	**$**	**$ (56.0)**	**$ 209.0**
Net income per share attributable to common stockholders (Note 7(h)):					
Basic	$ 3.37	$ 0.33			$ 2.84
Diluted	$ 3.31	$ 0.33			$ 2.79
Shares used in per share calculation attributable to common stockholders (Note 7(h)):					
Basic	62.1	168.9			73.5
Diluted	63.2	171.3			74.7

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

1. Description of the Merger

On March 11, 2018, Lumentum, Oclaro, Merger Sub and Merger Sub LLC entered into the Merger Agreement, pursuant to which Lumentum agreed to acquire Oclaro by way of a merger of Merger Sub with and into Oclaro, with Oclaro as the interim surviving corporation, followed as soon as practicable by a merger of Oclaro with and into Merger Sub LLC, with Merger Sub LLC continuing as the surviving entity and as a wholly owned subsidiary of Lumentum. Upon completion of the Merger, each share of Oclaro common stock issued and outstanding immediately prior to the effective time of the Merger will be converted into the right to receive $5.60 in cash, without interest, and 0.0636 of a share of Lumentum common stock, subject to the conditions and restrictions set forth in the Merger Agreement.

Under the terms of the Merger Agreement, at the Effective Time:

(a) Each Oclaro RSU that is outstanding and unvested immediately before the effective time of the Merger (and does not vest as a result of the Merger) will be assumed by Lumentum on substantially the same terms and conditions as applied to the related Oclaro RSU immediately before the Effective Time (including the applicable vesting schedule), except the number of shares of Lumentum common stock subject to each Assumed RSU will equal the product of (i) the number of shares of Oclaro common stock underlying the applicable unvested Oclaro RSU immediately before the Effective Time (with any performance milestones deemed achieved based on maximum level of performance) multiplied by (ii) the Equity Award Exchange Ratio (rounded down to the nearest whole share). Any vested and unsettled Oclaro RSU as of immediately before the Effective Time will be treated as outstanding Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding;

(b) Each share of Oclaro restricted stock that is outstanding and unvested immediately before the Effective Time will be treated as an outstanding share of Oclaro common stock and will receive the Merger Consideration, subject to applicable tax withholding;

(c) Except as provided below, each Oclaro common stock option that is outstanding, whether vested or unvested, immediately before the Effective Time will be assumed by Lumentum on substantially the same terms and conditions as applied to the related Oclaro Option immediately before the Effective Time (including the applicable vesting schedule), except (A) the number of shares of Lumentum common stock subject to each Assumed Option will equal the product of (x) the number of shares of Oclaro common stock underlying such Assumed Option immediately before the Effective Time multiplied by (y) the Equity Award Exchange Ratio (rounded down to the nearest whole share), and (B) the per share exercise price of each Assumed Option will equal the quotient determined by dividing (x) the exercise price per share of such Assumed Option immediately before the Effective Time by (y) the Equity Award Exchange Ratio (rounded up to the nearest whole cent);

(d) Each Cancelled Oclaro Option will be cancelled and converted into the right to receive the Merger Consideration in respect of each net option share of Oclaro common stock covered by such Cancelled Oclaro Option, subject to applicable tax withholding. The number of net option shares will be determined under a formula specified in the Merger Agreement that takes into account the exercise price of such Cancelled Oclaro Option. Any fractional net option shares (after aggregating all shares represented by all Cancelled Oclaro Options held by such holder) will be settled in cash based on the cash equivalent value of the Merger Consideration, subject to applicable tax withholding. If the exercise price per share of any Cancelled Oclaro Option is equal to or greater than the Merger Consideration, such Oclaro Option will be cancelled without

payment; and

(e) Each Oclaro SAR that is outstanding, whether vested or unvested, will be cancelled and converted into the right to receive a cash amount equal to the product of (i) the number of shares of Oclaro common stock issuable upon exercise of the Oclaro SAR, multiplied by (ii) the excess, if any of (x) the cash equivalent value of the Merger Consideration over (y) the strike price of such Oclaro SAR, subject to applicable tax withholding.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

Further, pursuant to the Merger Agreement, prior to the Closing Date, Oclaro will obtain the resignation of each individual serving as a director or officer of (or comparable position with) Oclaro and its subsidiaries, unless Lumentum instructs Oclaro otherwise.

2. Description of the Financing Transaction

In connection with execution of the Merger Agreement, on March 11, 2018, Lumentum entered into a commitment letter (the Commitment Letter) with Deutsche Bank AG New York Branch (DBNY) and Deutsche Bank Securities Inc. (DBSI) pursuant to which DBNY committed to provide to Lumentum a senior secured term loan facility in an aggregate principal amount of up to $550.0 million (the Committed Term Loan Facility), subject to the execution of definitive documentation and the satisfaction of customary closing conditions.

In addition to the Committed Initial Term Loan Facility, Lumentum has the ability to request additional senior secured term loans in an aggregate principal amount not to exceed $250.0 million (the Additional Uncommitted Term Loans) on the Closing Date. Collectively, the Committed Initial Term Loan Facility and Additional Uncommitted Term Loans is referred to as Initial Term Loan Facility .

The proceeds of the Initial Term Loan Facility will be used, together with cash on hand of Lumentum and Oclaro and/or other available resources, (a) to finance the cash portion of the Merger Consideration payable pursuant to the terms of the Merger Agreement and (b) to pay related transaction costs.

The duration of the Committed Term Loan Facility is seven years. The Committed Term Loan Facility requires quarterly principal payments equal to 0.25% of the initial aggregate principal amount of the term loan (i.e. $1.4 million) for the first 6-3/4 years. The Company has an option to carry the committed term loan facility as Base Rate loans, which shall bear interest at the Base Rate in effect from time to time plus the Applicable Margin (as defined below) or (y) LIBOR loans, which shall bear interest at LIBOR for the respective interest period plus the Applicable Margin. The terms are defined as below-

The Base Rate shall mean the highest of (x) the rate that the Administrative Agent announces from time to time as its prime lending rate, as in effect from time to time, (y) 1/2 of 1.00% in excess of the overnight federal funds rate, and (z) LIBOR for an interest period of one month (determined after giving effect to any applicable floor) plus 1.00%. In no event shall the Base Rate be less than zero.

LIBOR means the London interbank offered rate for US Dollars as determined by customary reference to the ICE Benchmark Administration London Interbank Offered Rate, as applicable and as adjusted for customary Eurodollar reserve requirements, if any; provided that LIBOR shall not be less than zero percent per annum.

The Applicable Margin shall mean a percentage per annum equal to (i) in the case of term loans maintained as Base Rate loans, 1.50%, and (ii) in the case of term loans maintained as LIBOR loans, 2.50%; provided that so long as no default or event of default under the Term Loan Facility has occurred and is continuing, the Applicable Margin for Term Loans shall be subject to a single step-down of 25 basis points based on meeting a first-lien net leverage ratio of 0.50x inside the First-Lien Net Leverage Ratio as of the Closing Date.

The interest in respect of Base Rate loans is payable quarterly in arrears on the last business day of each calendar quarter whereas the interest in respect of LIBOR loans shall be payable in arrears at the end of the applicable interest period and every three months in the case of interest periods in excess of three months. Further, interest will also be payable at the time of repayment of any loans and at maturity.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

The Initial Term Loan Facility contains customary representations and warranties and customary affirmative and negative covenants, including, among other things, restrictions on indebtedness, liens, investments, mergers, and dispositions, prepayment of other indebtedness and dividends and other distributions, and customary events of default.

Lumentum plans to borrow the full $550.0 million available under the Committed Initial Term Loan Facility as a LIBOR-based borrowing, at an interest rate of 5.42% (interest rate in effect as assumed date of borrowing) per annum. If Lumentum has incremental borrowings under the Additional Uncommitted Term Loans facility, the additional interest expense for year ended July 1, 2017 and nine months ended March 31, 2018 would be $2.8 million and $2.1 million, respectively, for every $50.0 million borrowed.

3. Basis of Presentation

The unaudited pro forma condensed combined financial information and related notes are prepared in accordance with Article 11 of Regulation S-X and present the historical financial information of Lumentum and Oclaro adjusted to give effect to events that are: (1) directly attributable to the Merger, (2) factually supportable and (3) with respect to the unaudited pro forma condensed combined statements of operations, expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting in accordance with ASC 805, with Lumentum as the accounting acquirer, using the fair value concepts defined in ASC Topic 820, *Fair Value Measurement*, and based on the historical consolidated financial statements of Lumentum and Oclaro. Under ASC 805, all assets acquired and liabilities assumed in a business combination are recognized and measured at their assumed acquisition date fair value, while transaction costs associated with the business combination are expensed as incurred. The excess of Merger Consideration over the fair value of assets acquired and liabilities assumed, if any, is allocated to goodwill. Acquired in-process research and development (IPR&D) is recorded at fair value as an indefinite-lived intangible asset at the assumed merger date until completion or abandonment of the associated research and development (R&D) efforts. Upon completion of development, acquired IPR&D assets are considered amortizable, finite-lived assets.

The allocation of the purchase consideration for the Merger depends upon certain estimates and assumptions, all of which are preliminary. The allocation of the purchase consideration has been made for the purpose of developing the unaudited pro forma condensed combined financial information. The final determination of fair values of assets acquired and liabilities assumed relating to the acquisition could differ materially from the preliminary allocation of purchase consideration. The final valuation will be based on the actual net tangible and intangible assets of Oclaro existing at the acquisition date. The final valuation may materially change the allocation of the purchase consideration, which could materially affect the fair values assigned to the assets and liabilities and could result in a material change to the unaudited pro forma condensed combined financial information.

The pro forma adjustments represent Lumentum management s best estimates and are based upon currently available information and certain assumptions that Lumentum believes are reasonable under the circumstances. Lumentum is not aware of any material transactions between Lumentum and Oclaro (prior to

the announcement of the Merger) during the periods presented. Accordingly, adjustments to eliminate transactions between Lumentum and Oclaro have not been reflected in the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information presented is for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have been

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

realized if the Merger had been completed on the dates indicated, nor is it indicative of future operating results or financial position. The unaudited pro forma condensed combined financial information does not reflect any cost savings, operating synergies or revenue enhancements that the combined company may achieve as a result of the Merger, the costs to integrate the operations of Lumentum and Oclaro or the costs necessary to achieve these cost savings, operating synergies and revenue enhancements.

4. Accounting Policies and Reclassification Adjustments

The accounting policies used in the preparation of this unaudited pro forma condensed combined financial information are those set out in Lumentum s financial statements as of and for the fiscal year ended July 1, 2017 and for the fiscal nine months ended March 31, 2018. With the information currently available, Lumentum has determined that no significant adjustments are necessary to conform Oclaro s financial statements to the accounting policies used by Lumentum in the preparation of the unaudited pro forma condensed combined financial information. However, certain reclassification adjustments have been made to the unaudited pro forma condensed financial information to conform Oclaro s historical financial statement presentation to Lumentum s financial statement presentation. Upon consummation of the Merger, Lumentum will perform a comprehensive review of Oclaro s accounting policies. As a result of that review, Lumentum may identify differences between the accounting policies of the two companies which, when conformed, could have a material impact on the combined consolidated financial statements.

5. Calculation of Estimated Merger Consideration and Preliminary Purchase Price Allocation

Estimated Merger Consideration

Estimated Merger Consideration was determined by reference to the fair value on May 4, 2018. The calculation of estimated Merger Consideration is as follows:

	Shares	Per Share	Total
	(In millions, except per share amounts)		
Estimated cash paid for outstanding Oclaro common stock (1)			$ 953.2
Estimated Lumentum common shares issued to Oclaro stockholders (2)	10.8	$ 58.95	638.2
Estimated consideration for Oclaro s equity awards (3)			13.4
Estimated replacement equity awards for Oclaro equity awards (4)			6.3
Preliminary estimated merger consideration			**$ 1,611.1**

(1) The cash component of the estimated Merger Consideration is computed based on 100% of the outstanding shares of Oclaro common stock being exchanged for the Cash Consideration of $5.60.

	Shares	Per Share	Total
	(In millions, except per share amounts)		
Oclaro common stock outstanding as of May 4, 2018	170.2	$ 5.60	$ 953.2

(2) The stock consideration component of the estimated Merger Consideration is computed based on 100% of the outstanding shares of Oclaro common stock being exchanged for the Exchange Ratio of 0.0636 Lumentum common stock.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

	Shares	Exchange Ratio	Total
	(In millions, except per share amounts)		
Oclaro common stock outstanding as of May 4, 2018	170.2	0.0636	10.8
Lumentum common stock price as of May 4, 2018			$ 58.95
Estimated Lumentum common shares issued to Oclaro stockholders			$ 638.2

(3) Estimated consideration includes cash component of the Merger Consideration for Oclaro RSUs assumed to have vested by the Effective Time. Further, the estimated consideration also includes settlement of (a) Oclaro Restricted Stock and Oclaro RSUs held by directors or officers and (b) Cancelled Oclaro Options to be cancelled and paid out at the time of the close of the Merger. For purposes of calculating the estimated consideration for Oclaro s equity awards, it is assumed that each individual serving as a director or officer of (or comparable position with) Oclaro and its subsidiaries resigns from such position as of the Effective Time.

(4) Estimated consideration for replacement of Oclaro s outstanding equity awards. As discussed in Note 1 of the Notes to Unaudited Pro Forma Condensed Combined Financial Information, certain equity awards of Oclaro will be replaced by Lumentum s equity awards with similar terms. A portion of the fair value of Lumentum s equity awards issued represents consideration transferred, while a portion represents compensation expense based on the vesting terms of the equity awards.

The final estimated Merger Consideration could significantly differ from the amounts presented in the unaudited pro forma condensed combined financial information due to movements in the Lumentum common stock price up to the Closing Date of the Merger. A sensitivity analysis related to the fluctuation in the Lumentum common stock price was performed to assess the impact a hypothetical change of 10% on the closing price of Lumentum common stock on May 4, 2018, would have on the estimated Merger Consideration and goodwill as of the Closing Date.

The following table shows the change in stock price, estimated Merger Consideration and goodwill:

	Stock price	Estimated Merger Consideration	Goodwill
	(In millions, except per share amounts)		
Increase of 10%	$ 64.85	$ 1,674.9	$ 667.2
Decrease of 10%	$ 53.06	$ 1,547.2	$ 539.5

Preliminary Purchase Price Allocation

Under the acquisition method of accounting, the identifiable assets acquired and liabilities assumed of Oclaro are recognized and measured as of the acquisition date at fair value and added to those of Lumentum. The determination of fair value used in the pro forma adjustments presented herein are preliminary and based on management estimates of the fair value and useful lives of the assets acquired and liabilities assumed and have

been prepared to illustrate the estimated effect of the Merger. The final determination of the purchase price allocation, upon the completion of the Merger, will be based on Oclaro s net assets acquired as of that date and will depend on a number of factors that cannot be predicted with certainty at this time. Therefore, the actual allocations will differ from the pro forma adjustments presented. The allocation is dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the pro forma purchase price allocation is subject to further adjustment as additional information becomes available and as additional analyses and final valuations are completed. There can be no assurances that these additional analyses and final valuations will not result in significant changes to the estimates of fair value set forth below.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

The following table sets forth a preliminary allocation of the estimated Merger Consideration to the identifiable tangible and intangible assets acquired and liabilities assumed of Oclaro based on Oclaro s unaudited condensed consolidated balance sheet as of March 31, 2018, with cash and cash equivalents adjusted for $30.4 million of expected transaction cost, with the excess recorded to goodwill:

	(in millions)
Cash and cash equivalents	$ 149.7
Short-term investments	124.4
Accounts receivable, net	111.6
Inventories	158.0
Prepayments and other current assets	39.0
Intangible assets (1)	535.0
Property, plant and equipment (2)	138.0
Favorable leases	7.5
Deferred tax asset, non current	19.4
Other assets, non current	1.6
Unfavorable leases	(2.5)
Accounts payable	(73.1)
Accrued expenses including payroll related	(42.2)
Capital lease obligations (current and non current)	(3.5)
Deferred gain on sale-leaseback	(5.8)
Deferred tax liability related to acquired tangible assets and intangible assets	(138.2)
Other non current liabilities	(11.2)
Goodwill (3)	603.4
Estimated Merger Consideration	**$ 1,611.1**

(1) Preliminary identifiable intangible assets in the unaudited pro forma condensed combined financial information consists of the following:

	Preliminary Fair Value	Estimated Useful Life
Developed technology	$ 330.0	6 Years
In-process research and development	35.0	n/a
Customer related assets	130.0	10.0 Years
Marketing related	10.0	5.0 Years
Other	30.0	1.0 Year

The identifiable intangible assets and related amortization are preliminary and are based on management s estimates after consideration of similar transactions. Other identifiable intangible assets primarily relates to

backlog. As discussed above, the amount that will ultimately be allocated to identifiable intangible assets and liabilities, and the related amount of amortization, may differ materially from this preliminary allocation. In addition, the periods the amortization impacts will ultimately be based upon the periods in which the associated economic benefits or detriments are expected to be derived, or where appropriate, based on the use of a straight-line method. Therefore, the amount of amortization following the Merger may differ significantly between periods based upon the final value assigned and amortization methodology used for each identifiable intangible asset and liability.

(2) Property and equipment consists primarily of plant and machinery and computer equipment, for which the carrying value is assumed to approximate fair value. Lumentum does not have complete information at this

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

time as to the age, condition or location of these assets. All of these elements can result in differences between the preliminary fair value estimate and the fair value determined at the acquisition date.

(3) Goodwill represents excess of Merger Consideration over the fair value of the underlying net assets acquired. In accordance with ASC Topic 350, Goodwill and Other Intangible Assets, goodwill is not amortized, but instead is reviewed for impairment at least annually, absent any indicators of impairment. Goodwill is attributable to planned growth in new markets and synergies expected to be achieved from the combined operations of Lumentum and Oclaro. Goodwill recorded in the Merger is not expected to be deductible for tax purposes.

6. Pro Forma Adjustments for Condensed Combined Balance Sheet

(a) Reflects adjustment to cash and cash equivalents and short-term investments:

		(in millions)
Cash from New Debt Financing, net of debt issuance costs (Refer to Note 6(f))	$	541.7
Lumentum Transaction Costs (3)		(12.0)
Oclaro Transaction Costs (3)		(30.4)
Cash paid to settle equity awards (1)		(16.2)
Consideration Paid (Refer to Note 5)		(963.6)
Net pro forma adjustment	$	(480.5)
Pro forma adjustment to Cash and cash equivalents	$	(180.0)
Pro forma adjustment to Short-term investments (2)		(300.5)
Total pro forma adjustment to cash and cash equivalents and short-term investments	$	(480.5)

(1) One-time payment to settle equity awards for directors and officers as per the terms of the Merger Agreement.

(2) Reflects the liquidation of short-term investments to maintain Lumentum s cash balance consistent with historical cash balance as of March 31, 2018.

(3) These costs consist of legal advisory, financial advisory, accounting and consulting costs and are not reflected in the unaudited pro forma condensed combined statements of operations because they do not have a continuing effect on the combined company.

(b) Reflects the preliminary purchase accounting adjustment for inventories based on the acquisition method of accounting.

(in millions)

Elimination of Oclaro s inventory carrying value	$	(103.9)
Fair value of acquired inventory (1)		158.0
Pro forma adjustment to inventory	$	54.1

(1) Represents the adjustment necessary to state inventories acquired as of the pro forma Merger date to their preliminary estimated fair value. The valuation approaches used in the preliminary assessment of the fair value of inventories were the replacement cost approach and the comparative sales method approach. After the Closing, the step up in inventories fair value will increase cost of goods sold as the inventory is sold, which for purposes of these pro forma financial statements is assumed to occur within the first year after the merger. This increase is not reflected in the unaudited pro forma condensed combined statements of operations as it was determined to not have a continuing impact.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

(c) Reflects the preliminary purchase accounting adjustment for estimated intangibles based on the acquisition method of accounting. Refer to Note 5 of the *Notes to Unaudited Pro Forma Condensed Combined Financial Information* for additional information on the acquired intangible assets expected to be recognized.

		(in millions)
Elimination of Oclaro s historical net book value of intangible assets	$	(0.2)
Fair value of acquired intangibles		535.0
Favorable leases (1)		7.5
Pro forma adjustment to intangible assets	$	542.3

(1) Represents the fair value of favorable leases using discounted cash flow method. Favorable leases represent the present value of the variance between the contract rent per the lease agreements and the market conditions as of July 3, 2017, the assumed date for completion of the Merger.

(d) Reflects capitalization of preliminary goodwill of $603.4 million for the estimated Merger Consideration in excess of the fair value of the net assets acquired in connection with the Merger. Refer to Note 5 of the *Notes to Unaudited Pro Forma Condensed Combined Financial Information* for additional information on the goodwill expected to be recognized.

(e) This adjustment reflects the originating deferred tax liabilities (DTLs) resulting from pro forma fair value adjustments of the acquired assets and assumed liabilities based on applicable blended statutory tax rate with the respective estimated purchase price allocation. The originating DTLs are primarily related to the preliminary purchase price allocation associated with acquired intangible assets including favorable and unfavorable leases. DTLs have been recognized based on applicable statutory tax rate. Furthermore, tax related adjustments included in the unaudited pro forma condensed combined financial information are based on the tax laws in effect during the respective period. The estimate of DTLs is preliminary and is subject to change based upon Lumentum s final determination of the fair value of assets acquired and liabilities assumed, by jurisdiction including the final allocation across such legal entities and related jurisdictions.

(f) To reflect the Committed Term Loan Facility, net of unamortized debt issuance costs, to fund a portion of the Merger. As described in Note 2 of the Notes to Unaudited Pro Forma Condensed Combined Financial Information , Lumentum anticipates to enter into the Committed Term Loan Facility for $550.0 million. The adjustment to current and long-term debt is comprised of the following items:

		(in millions)
Gross Proceeds from New Debt Financing	$	550.0
Debt issuance costs related to New Debt Financing		(8.3)
Net proceeds from New Debt Financing	$	541.7

Pro forma adjustment to long term debt:		
Current portion	$	4.5
Long-term debt		537.2
Total Pro forma adjustment to long term debt	$	541.7

(g) Reflects purchase accounting adjustments to other non-current liabilities for the recording of the fair value of unfavorable leases acquired of $2.5 million.

(h) Reflect the elimination of Oclaro s historical common stock, additional paid-in capital and accumulated other comprehensive income.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

(i) Reflect the stock consideration component of the merger ($0.1 million in common stock and $651.5 million in additional paid-in capital) and $10.8 million for issuance of common stock to settle Oclaro s awards that will be accelerated and cancelled as part of the Merger. The associated stock-based compensation expense is not reflected in the unaudited pro forma condensed combined statements of operations as it will not have a continuing impact.

(j) Reflects the elimination of Oclaro s accumulated deficit, the payment of transaction costs, acceleration of unvested Oclaro equity awards and after adjustments:

	(in millions)
Lumentum s estimated transactions to be incurred in connection with the Oclaro acquisition	$ (12.0)
Cash paid to settle equity awards (1)	(16.2)
Elimination of Oclaro s historical accumulated deficit after adjustments	1,161.9
Common stock issued to settle equity awards (2)	(10.8)
Total Pro forma adjustment to accumulated deficit	$ 1,122.9

(1) Represents Oclaro s equity awards that will be settled and paid out in cash. The associated stock based compensation expense is not reflected in the unaudited pro forma condensed combined statements of operations as it will not have a continuing impact.

(2) Represents issuance of common stock to settle Oclaro s awards that will be accelerated and cancelled as part of the Merger. The associated stock-based compensation expense is not reflected in the unaudited pro forma condensed combined statements of operations as it will not have a continuing impact.

7. Pro Forma Adjustments for Condensed Combined Statements of Operations

Adjustments included in the Pro Forma Adjustments column in the accompanying unaudited pro forma condensed combined statement of operations for the fiscal year ended July 1, 2017 and the fiscal nine months ended March 31, 2018 are as follows:

(a) Reflects the adjustments to Cost of sales:

	(in millions)	
	Pro Forma For the year Ended July 1,	Pro Forma For Nine Months Ended March 31, 2018

	2017	
Incremental stock-based compensation expense (1)	$ 0.9	$ 0.8
Net adjustment to Cost of Sales	$ 0.9	$ 0.8

(1) Incremental stock based compensation for equity awards that are being replaced.

(b) Reflects the adjustments to amortization of intangible assets for acquired technology as a result of the Merger:

	(in millions)	
	Pro Forma For the year Ended July 1, 2017	Pro Forma For Nine Months Ended March 31, 2018
Amortization of acquired intangibles(1)	$ 85.0	$ 41.3
Net adjustment to amortization of acquired technologies	$ 85.0	$ 41.3

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)

(1) The amortization of acquired intangibles includes the amortization of other intangible assets, which primarily consists of backlog for the fiscal year ended July 1, 2017.

The amortization of intangible assets is based on the periods over which the economic benefits of the intangible assets are expected to be realized. Amortization expense is allocated among cost of sales and selling, general and administrative (SG&A) expense based on the nature of the activities associated with the intangible assets acquired. Refer to Note 5 of the Notes to Unaudited Pro Forma Condensed Combined Financial Information for additional information on the useful lives of the acquired intangible assets expected to be recognized.

Historical depreciation expense is allocated among cost of sales, R&D and SG&A expense based upon the nature of the activities associated with the property and equipment acquired. Oclaro s property and equipment consists primarily of plant and machinery and computer equipment, for which the carrying value is assumed to approximate fair value. Accordingly, no pro forma adjustment for the depreciation of property and equipment is recognized.

(c) Reflects the adjustments to R&D expenses as a result of the Merger:

	(in millions)	
	Pro Forma For the year Ended July 1, 2017	**Pro Forma For Nine Months Ended March 31, 2018**
Incremental stock-based compensation expense (1)	$ 1.1	$ 1.1
Net adjustment to Research & Development expense	$ 1.1	$ 1.1

(1) Incremental stock based compensation for equity awards that are being replaced.

(d) Reflects the adjustments to SG&A as a result of the Merger:

	(in millions)	
	Pro Forma For the	**Pro Forma For Nine Months**

	year Ended July 1, 2017	Ended March 31, 2018
Elimination of Oclaro s historical amortization of intangible assets	$ (0.8)	$ (0.5)
Amortization after fair value adjustment (1)	15.4	11.6
Incremental stock-based compensation expense (2)	3.3	2.7
Elimination of Transaction Costs incurred		(5.3)
Net adjustment to selling, general and administrative	$ 17.9	$ 8.5

(1)