FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2005

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from________ to _________

Commission file number 1-44

ARCHER-DANIELS-MIDLAND COMPANY
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**41-0129150** (I. R. S. Employer Identification No.)
4666 Faries Parkway Box 1470 Decatur, Illinois (Address of principal executive offices)	**62525** (Zip Code)
Registrant's telephone number, including area code	**217-424-5200**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, no par value	**New York Stock Exchange** **Chicago Stock Exchange** **Swiss Stock Exchange** **Frankfurt Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _X_ No____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes _X_ No ___

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes___ No _X_

State the aggregate market value of the voting stock held by non-affiliates of the registrant.

Common Stock, no par value--$14.2 billion
(Based on the closing sale price of Common Stock as reported on the New York Stock Exchange as of December 31, 2004)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Common Stock, no par value—650,526,778 shares
(July 31, 2005)

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the annual shareholders' report for the year ended June 30, 2005 are incorporated by reference into Parts I, II and IV.

Portions of the proxy statement for the annual meeting of stockholders to be held November 3, 2005 are incorporated by reference into Part III.

SAFE HARBOR STATEMENT

This Form 10-K contains forward-looking information that is subject to certain risks and uncertainties that could cause actual results to differ materially from those projected, expressed, or implied by such forward-looking information. In some cases, you can identify forward-looking statements by our use of words such as “may, will, should, anticipates, believes, expects, plans, future, intends, could, estimate, predict, potential or contingent,” the negative of these terms or other similar expressions. The Company’s actual results could differ materially from those discussed or implied herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this Form 10-K for the fiscal year ended June 30, 2005. Among these risks are legislative acts, changes in the prices of food, feed and other commodities, including gasoline, and macroeconomic conditions in various parts of the world. To the extent permitted under applicable law, the Company assumes no obligation to update any forward-looking statements as a result of new information or future events.

PART I

Item 1. BUSINESS

(a) General Development of Business

Archer Daniels Midland Company was incorporated in Delaware in 1923, successor to the Daniels Linseed Co. founded in 1902.

During the last five years, the Company has experienced significant growth, spending approximately $3.4 billion for construction of new plants, expansions of existing plants and the acquisitions of plants and transportation equipment. There have been no significant dispositions during this period.

(b) Financial Information About Industry Segments

The Company is principally engaged in procuring, transporting, storing, processing and merchandising agricultural commodities and products. The Company's operations are classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are aggregated and classified as Other.

Financial information with respect to the Company's reportable business segments is set forth in "Note 13 of Notes to Consolidated Financial Statements" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

(c) Narrative Description of Business

(i) Principal products produced and principal markets for and methods of distribution of such products:

Oilseeds Processing

The Company is engaged in processing oilseeds such as soybeans, cottonseed, sunflower seeds, canola, peanuts, and flaxseed into vegetable oils and meals principally for the food and feed industries. Crude vegetable oil is sold "as is" or is further processed by refining, bleaching and deodorizing into salad oils. Salad oils can be further processed by hydrogenating and/or interesterifying into margarine, shortening and other food products. Partially refined oil is sold for use in chemicals, paints and other industrial products. Refined oil can be further processed for use in the production of biodiesel. Oilseed meals are primary ingredients used in the manufacture of commercial livestock and poultry feeds. Cottonseed flour is produced and sold primarily to the pharmaceutical industry. Cotton cellulose pulp is manufactured and sold to the chemical, paper and filter markets.

Golden Peanut Company LLC, a joint venture between the Company and Alimenta (U.S.A.), Inc., is a major supplier of peanuts to both the domestic and export markets. The Company has a 50% ownership interest in this joint venture.

The Company participates in various joint ventures in China and Indonesia that operate palm plantations; soybean, rapeseed, cottonseed, sunflower, peanut, palm kernel, and sesame crushing facilities and related vegetable oil refineries and packaging facilities; an oleochemical plant that produces fatty acids, glycerin and soap noodles; a soy protein plant; wheat flour mills; rice mills; feed mills; fertilizer operations; and related silos and storage facilities.

Corn Processing

The Company is engaged in wet milling and dry milling corn operations. Products produced for use in the food and beverage industry include syrup, starch, glucose, dextrose, and sweeteners. Dextrose is also produced for use by the Company as a feedstock for its bioproducts operations. Corn gluten feed and meal as well as distillers grains are produced for use as feed ingredients. Corn germ, a by-product of the milling process, is further processed as an oilseed into vegetable oil and meal.

By fermentation of dextrose, the Company produces alcohol, amino acids, and other specialty food and feed ingredients. Ethyl alcohol is produced to beverage grade or for industrial use as ethanol. In gasoline, ethanol increases octane and is used as an extender and oxygenate. Amino acids, such as lysine and threonine, are vital compounds used in swine feeds to produce leaner animals, and in poultry feeds to enhance the speed and efficiency of poultry production. The Company also produces, by fermentation, astaxanthin, a product used in aquaculture to enhance flesh coloration. The Company produces citric and lactic acids, lactates, sorbitol and xanthan gum which are used in various food and industrial products.

Almidones Mexicanos S.A., of which the Company has a 50% interest, operates a wet corn milling plant in Mexico.

Eaststarch C.V. (Netherlands), of which the Company has a 50% interest, owns interests in companies that operate wet corn milling plants in Bulgaria, Hungary, Romania, Slovakia and Turkey.

Agricultural Services

The Agricultural Services segment utilizes the Company's extensive grain elevator and transportation network to buy, store, clean and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats and barley, and resells these commodities primarily as feed ingredients and as raw materials for the agricultural processing industry. Agricultural Services' grain sourcing and transportation network provides reliable and efficient services to the Company's agricultural processing operations.

A.C. Toepfer International and affiliates, in which the Company has an 80% interest, is a global merchandiser of agricultural commodities and processed products. Toepfer has 37 sales offices worldwide.

The Company has a 45% interest in Kalama Export Company, a grain export elevator in Washington.

The Company owns a 23% interest in Agricore United, one of Canada's leading agri-businesses.

Other

The Company is engaged in milling wheat, corn and milo into flour. Wheat flour is sold primarily to commercial bakeries, food companies, food service companies and retailers. Bulgur, a gelatinized wheat food, is sold to both the export and the domestic food markets. Corn meal and flour is sold primarily to the cereal, snack and bakery mix markets. The Company produces bakery products and mixes which are sold to the baking industry. The Company also mills milo to produce industrial flour used in the manufacturing of wallboard for the building industry.

The Company processes cocoa beans and produces cocoa liquor, cocoa butter, cocoa powder, chocolate and various compounds for the food processing industry.

The Company produces wheat starch and vital wheat gluten for the baking industry. Lecithin, an emulsifier produced in the vegetable oil refining process, is marketed as a food and feed ingredient.

The Company produces a wide range of edible soy protein products including soy flour, soy grits, soy protein concentrates and soy isolates that are used in processed meats, baked foods, nutritional products, snacks and dairy and meat analogs. The Company further processes these ingredients into dry and frozen meat analogs that it markets to foodservice operators, retail and private label brand marketers, and direct to retail stores.

The Company produces natural source Vitamin E, tocopherol antioxidants and phytosterols from co-products of oilseeds which are marketed to the dietary supplement and food industry. The Company produces soy isoflavones, a dietary supplement, from a co-product of edible soy processing. The Company produces lettuce, other fresh vegetables and herbs in its hydroponic greenhouse. The Company raises fish in an aquaculture operation for distribution to consumer food customers.

The Company processes and distributes edible beans for use as a food ingredient.

The Company produces and distributes formula feeds and animal health and nutrition products to the livestock, dairy, poultry and pet food industries.

Gruma S.A. de C.V. and affiliates, of which the Company has a 29% interest, is the world's largest producer and marketer of corn flour and tortillas with operations in the U.S., Mexico, Central America, South America and Europe. Additionally, the Company has a 20% interest in a joint venture which consists of the combined U.S. corn flour operations of ADM and Gruma. The Company also has a 40% share, through a joint venture with Gruma, in nine Mexican-based wheat flour mills.

International Malting Company, a joint venture between the Company and the LeSaffre Company, operates malting barley plants in the United States, Australia, New Zealand, Canada and France. The Company has a 50% ownership interest in this joint venture.

Hickory Point Bank and Trust Company, fsb, a wholly-owned subsidiary of the Company, furnishes public banking and trust services, as well as cash management, transfer agency and securities safekeeping services for the Company.

ADM Investor Services, Inc., a wholly-owned subsidiary of the Company, is a registered futures commission merchant and a clearing member of all principal commodities exchanges. ADM Investor Services International, Ltd. specializes in futures, options and foreign exchange in the European marketplace. ADM Derivatives, Inc. offers foreign exchange services to institutional and retail clients.

Agrinational Insurance Company, a wholly-owned subsidiary of the Company, provides insurance coverage for certain property, casualty, marine, and other miscellaneous risks of the Company and participates in certain third-party reinsurance arrangements.

The Company is a limited partner in various private equity funds which invest primarily in emerging markets that have agri-processing potential.

Methods of Distribution

Since the Company's customers are principally other manufacturers and processors, the Company’s products are distributed mainly in bulk from processing plants or storage facilities directly to the customers' facilities. The Company has developed a comprehensive transportation system utilizing trucks, railcars, river barges and ocean-going vessels to efficiently move both commodities and processed products virtually anywhere in the world. The Company owns or leases large numbers of the trucks, trailers, railroad tank and hopper cars, river barges and towboats used in this transportation system.

(ii) Status of new products

The Company continues to expand its business through the development and production of new, value-added products. A new line of trans-free fats and oils is being marketed under the NovaLipid™ brand using enzymatic interesterification technology. This portfolio of new products allows margarines, shortenings and other products to be produced with near zero levels of trans-fatty acids. This year the NovaLipid™ enzymatic interesterification technology won national recognition through two awards that it received. The first award was the American Oil Chemists Society’s corporate achievement award which was given for the commercial application of lipases to produce commodity low trans-fats. Secondly, the Environmental Protection Agency’s Green Chemistry process award was given to the enzymatic interesterification technology because of its environmental benefits over traditional chemical interesterification. This enzymatic interesterification technology was expanded this past year with additional production units for cocoa butter substitutes as well as for trans-free fats. A number of customers have launched trans-free margarines and other products using the NovaLipid™ enzymatically interesterified products.

The Company has commercially launched a new product for latex paint manufacturers, Archer RC®, that reduces the Volatile Organic Compounds (VOCs) released as latex paint dries. During the drying process of a conventional latex paint, coalescing solvents soften the paint resin so that it will form a film. These solvents then evaporate into the atmosphere as VOCs. The new Archer RC® works in a similar way, except that it becomes part of the film instead of evaporating, producing coatings with higher scrub resistance and gloss while greatly reducing or eliminating VOCs. This technology was also recognized by the Environmental Protection Agency this year by the awarding of the Presidential Green Chemistry award for a new product that provides benefits for the environment. This second award also marks the first time that any company has ever won two Presidential Green Chemistry Awards in the same year. Archer RC® is derived from vegetable oil, a renewable resource, and will replace a petroleum-based solvent. Research has found additional uses for this product beyond its original application in latex paints and the Company will be attempting to further expand its markets.

Research into producing biodiesel is being focused on lowering costs in the process as well as continuing to study a variety of fatty acid feed stocks. This research should lead to a low cost source of fatty acid methyl esters for biodiesel as well as for other products.

A joint research project with Argonne National Laboratory is focused on the development of a separative bioreactor which utilizes the principles of electrodeionization (EDI) that allows the production of chemicals from biomass feedstocks without the production of salt byproducts. In addition a joint project with the Department of Energy on the utilization of corn fiber continues to make progress toward its ultimate use in a biorefinery.

This year the Company entered into a joint development alliance with Metabolix to produce polyhydroxy alkanoate (PHA) via fermentation. Through this alliance, the two companies are planning to establish a state-of-the-art production facility and a 50/50 joint venture to manufacture and market natural PHA polymers for a wide variety of applications, including coated paper, film, and molded goods. Natural PHA polymers are produced using a fully-biological fermentation process that converts agricultural raw materials such as corn sugar into a versatile range of biodegradable and compostable plastics.

Other new products include a wide range of health and nutrition products known as nutraceuticals or functional foods. The Company acquired an exclusive license for flax lignan technology that may have potential for health maintenance and possible risk reduction of several diseases. The license gives the Company an exclusive, worldwide right to produce and sell flax lignans for use as an active ingredient in functional foods, nutraceuticals, pharmaceuticals, animal feed additives and veterinary products. Clinical trials on lignans have shown initial results that look promising. Commercial scale production of lignans is planned for fiscal 2006. The Company is a leader in the processing of flaxseed. Another nutraceutical that the Company is producing at a pilot scale is cocoa catechins. These antioxidant compounds are increasingly becoming of interest to nutraceutical customers.

The Company has formed a joint venture with Kao Corporation of Japan to manufacture and market diacylglycerol oil in America, Europe, Australia and New Zealand. This naturally derived vegetable oil can be used as a home cooking oil or as an ingredient in packaged foods. The national launch of this oil, Enova, occurred in January 2005 and its use in various food products continues to be developed.

The Company continues to develop its soy protein meat substitutes with Nutrisoy Next™. This product has the texture and flavor profile of chicken breast meat. Pork flavored products were introduced this year. This product has been well received in the U.K. market where it offers an alternate to fungal meat analogs. The Company is also producing a new organic soy protein ingredient, Nutrisoy® whole soybean soymilk powder. This product differs from traditional soymilks in that the fiber component of the soybean is retained in the soymilk. Commercial soymilks using this product have been launched in the marketplace.

(iii) Source and availability of raw materials

Substantially all of the Company's raw materials are agricultural commodities. In any single year, the availability and price of these commodities are subject to unpredictable factors such as weather, plantings, government (domestic and foreign) farm programs and policies, changes in global demand created by population growth and changes in standards of living, and global production of similar and competitive crops. The substantial majority of our raw materials are procured from thousands of grain elevators and wholesale merchants, principally in North America, South America and Europe pursuant to short-term agreements (less than 1 year) or on a “spot” basis. The Company does not grow crops and a relatively small proportion of our raw materials are purchased directly from growers. The Company is not dependent upon any particular grower, elevator or merchant or group of growers, elevators or merchants as a source for its raw materials.

(iv) Patents, trademarks and licenses

The Company owns several valuable patents, trademarks and licenses, but does not consider any segment of its business dependent upon any single or group of patents, trademarks or licenses.

(v) Extent to which business is seasonal

Since the Company is so widely diversified in global agribusiness markets, there are no material seasonal fluctuations in the manufacture, sale and distribution of its products and services. There is a degree of seasonality in the growing season and procurement of the Company's principal raw materials: oilseeds, corn, wheat, cocoa beans and other grains. However, the actual physical movement of the millions of bushels of these crops through the Company's storage and processing facilities is reasonably constant throughout the year.

(vi) Working capital items

Price variations and availability of raw agricultural commodities may cause fluctuations in the Company's receivables, inventories, and short-term borrowings.

(vii) Dependence on single customer

No material part of the Company's business in any segment is dependent upon a single customer or very few customers.

(viii) Amount of backlog

Because of the nature of the Company's business, the backlog of orders at year end is not a significant indication of the Company's activity for the current or upcoming year.

(ix) Business subject to renegotiation

The Company has no business with the government subject to renegotiation.

(x) Competitive conditions

Markets for the Company's products are highly price competitive and sensitive to product substitution. No single company competes with the Company in all of its markets. However, a number of large companies compete with the Company in one or more markets. Major competitors in one or more markets include, but are not limited to, Barry Callebaut A.G., Bunge, Ltd., Cargill, Inc., ConAgra, Inc., Corn Products International, Inc. and Tate & Lyle PLC.

(xi) Research and development expenditures

The Company's research and development expenditures are focused on developing food, feed, and industrial products from renewable, agricultural crops. The Company uses technical services representatives to interact with customers to understand the customers' product needs. These technical service representatives then interact with researchers who are familiar with the Company's wide range of food, feed and industrial products as well as applications technology. These individuals form quick acting teams to develop solutions to customer needs.

The Company maintains a research laboratory in Decatur, Illinois where product and process development activities are conducted. To develop new bioproducts and to improve existing bioproducts, new cultures are developed using classical mutation and genetic engineering. Protein and vegetable oil research is conducted at facilities in Decatur where bakery, meat and dairy pilot plants support application research. Vegetable oil research is also conducted in Hamburg, Germany, Erith, U.K. and Arras, France. Research to support sales and development for bakery products is done at a laboratory in Olathe, Kansas. Research to support sales and development for cocoa and chocolate products is done in Milwaukee, Wisconsin and the Netherlands. Research and technical support for industrial and food wheat starch applications is conducted in a Montreal, Canada research center. The Company conducts research for corn starches in paper and textile industries as well as fuel ethanol research in Clinton, Iowa. The Company maintains research centers in Quincy, Illinois and Decatur, Indiana that conduct swine and cattle feeding trials to test new formula feed products and to develop improved feeding efficiencies.

The amounts spent during the three years ended June 30, 2005, 2004 and 2003 for such technical efforts were approximately $40 million, $32 million and $30 million, respectively.

(xii) Material effects of capital expenditures for environmental protection

During the year ended June 30, 2005, $63 million was spent for equipment, facilities and programs for pollution control and compliance with the requirements of various environmental agencies.

There have been no material effects upon the earnings and competitive position of the Company resulting from compliance with federal, state and local laws or regulations enacted or adopted relating to the protection of the environment.

The Company expects expenditures for environmental facilities and programs to continue at approximately the present rate with no unusual amounts anticipated for the next two years.

(xiii) Number of employees

The number of persons employed by the Company was 25,641 at June 30, 2005.

(d) Financial Information About Foreign and Domestic Operations and Export Sales

The Company's foreign operations are principally in developed countries and do not entail any undue or unusual business risks. Geographic financial information is set forth in "Note 13 of Notes to Consolidated Financial Statements" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

Export sales by segment for the last three years were as follows:

	2005	2004	2003
		(in thousands)	
Oilseeds Processing	**$ 800,003**	$ 1,212,729	$ 600,031
Corn Processing	**426,999**	533,672	432,395
Agricultural Services	**5,005,900**	5,001,022	4,264,044
Other	**211,301**	246,478	228,818
Total	**$6,444,203**	$ 6,993,901	$ 5,525,288

(e) Available Information

The Company's Internet website is http://www.admworld.com. The Company makes available, free of charge, through its Internet website, the Company's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Directors and Officers Forms 3, 4 and 5, and amendments to those reports, as soon as reasonably practicable after electronically filing such materials with, or furnishing them to, the Securities and Exchange Commission.

In addition, the Company makes available, through its Internet website, the Company's Business Code of Conduct and Ethics, Corporate Governance Guidelines, and the written charters of the Audit, Compensation/Succession, Nominating/Corporate Governance, and Executive Committees.

(f) Executive Officers and Certain Significant Employees of the Company

Name	Title	Age
G. Allen Andreas	Chairman of the Board of Directors from January 1999. Chief Executive from July 1997. President from July 1997 to February 1999.	62
Ronald S. Bandler	Assistant Treasurer from January 1998. Manager of Treasury Operations from 1989 to January 1998.	44
Lewis W. Batchelder	Senior Vice President from December 2001. Group Vice President from July 1997 to December 2001. President of Grain Operations from March 2001.	60
Mark A. Bemis	Vice President from February 2005. President of ADM Cocoa from September 2001. Vice President and General Manager, North American Division-ADM Cocoa from March 1999 to September 2001. Various merchandising and management positions from 1983 to March 1999.	44
J. Kevin Burgard	Vice President from January 2003. President of Specialty Food Ingredients from June 2005. Managing Director of ADM International from January 2003 to June 2005. President of North American Oilseed Processing Division from March 2002 to January 2003. President, ADM Bioproducts and Feed from September 2001 to March 2002. Vice President, North American Soybean Division from January 2001 to September 2001. Various merchandising management positions from 1986 to 2001.	43
William H. Camp	Executive Vice President from February 2005. Senior Vice President from December 2001 to February 2005. Group Vice President and President, North American Oilseed Processing Division from April 2000 to December 2001. Group Vice President and President, South American Oilseed Processing Division from March 1999 to April 2000. Vice President from April 1993 to March 1999.	56
Mark J. Cheviron	Vice President from July 1997. Vice President of Corporate Security and Administrative Services since May 1997. Director of Security since 1980.	56
Craig A. Fischer	Vice President from September 2001. President of ADM Milling from September 2001. President of ADM BioProducts and Specialty Ingredients from July 2000 to September 2001. Vice President of ADM Corn Processing from 1985 to 2000. President of ARTCO from 1996 to 1999.	55

Dennis C. Garceau	Vice President from April 1999. President of ADM Technical Services Department from April 1999. Various senior engineering positions from 1969 to April 1999.	58
Edward A. Harjehausen	Senior Vice President from February 2005. Group Vice President from March 2002 to February 2005. President of ADM Bioproducts and Feed Division from March 2002 to June 2005. President of ADM Corn Processing Division from July 2000 to June 2005. Vice President from October 1992 to March 2002. President of ADM Bioproducts and Food Additives from October 1999 to July 2000.	55
Shannon Herzfeld	Vice President-Government Relations from February 2005. Senior Vice President-International Affairs with Pharmaceutical Research and Manufacturers of America (PhRMA) trade association from January 1998 to December 2004. Director-International Trade Services with Akin, Gump, Strauss, Hauer & Feld, L.L.P from 1985 to 1997.	53
Craig E. Huss	Vice President from January 2001. President of ADM Transportation from 1999. Various grain elevator and merchandising management positions from 1976 to 1999.	53
Matthew J. Jansen	Vice President from January 2003. President, South American Oilseed Processing Division from April 2000. Vice President, South American Oilseed Processing Division from August 1999 to April 2000. Various merchandising management positions from 1989 to 1999.	39
Michael Lusk	Vice President from November 1999. Senior Vice President with AON/ International Risk Management Company, Inc. from 1989 to November 1999.	56
Vikram Luthar	Vice President and Treasurer from November 2004. Various treasury positions with General Motors Corporation from 1993 to 2004.	38
Margaret M. Loebl	Group Vice President – Finance from November 2002. Vice President, Corporate Finance of NIKE, Inc. from 2000 to 2001. Various finance and control positions with General Motors Corporation from 1987 to 2000.	45
Steven R. Mills	Group Vice President from January 2002. Vice President from February 2000 to January 2002. Controller from October 1994.	50

Randall J. Moon	Vice President-Human Resources from February 2005. Vice President-Compensation and Benefits from August 2002 to February 2005. Various employee benefits and human resources positions with CSX Corporation from 1991 to July 2002.	46
Paul B. Mulhollem	Chief Operating Officer from January 2002. President from December 2001. Senior Vice President from October 1999 to December 2001. Group Vice President from July 1997 to October 1999. Vice President from January 1996 to July 1997. Managing Director of ADM International, Ltd. from 1993 to October 1999.	55
Brian F. Peterson	Senior Vice President - Corporate Affairs from January 2003. Group Vice President and Managing Director of ADM International, Ltd. from October 1999 to January 2003. Vice President from January 1996 to October 1999. President of ADM Protein Specialties Division from February 1999 to October 1999. President of ADM Bioproducts Division from 1995 to October 1999.	63
Raymond V. Preiksaitis	Group Vice President from July 1997. Vice President of Management Information Systems from 1988 to July 1997.	53
John G. Reed	Vice President from 1982.	75
John D. Rice	Executive Vice President from February 2005. Senior Vice President from February 2000 to February 2005. Group Vice President and President, North American Oilseed Processing Division from February 1999 to February 2000. Vice President from 1993 to February 1999. President of ADM Food Oils Division from December 1996 to February 2000.	51
Scott A. Roberts	Assistant Secretary and Assistant General Counsel from July 1997. Member of the Law Department since 1985.	45
Kenneth A. Robinson	Vice President from January 1996.	58
Ismael Roig	Vice President-Planning and Business Development from December 2004. Various finance and control positions with General Motors Corporation from 1993 to 2004.	38
Scott A. Roney	Vice President-Corporate Compliance and Regulatory Affairs from April 2001. Member of the Law Department from 1991 to April 2001.	41
Marc A. Sanner	Assistant Controller from January 2003. Vice President, Business Development and Strategic Planning from July 2001 to January 2003. Various positions in tax and accounting from 1987 to 2001.	52

Douglas J. Schmalz	Senior Vice President and Chief Financial Officer from January 2002. Vice President and Chief Financial Officer from 1986 to January 2002.	59
A. J. Shafter	Vice President and Assistant General Counsel from January 2003. Partner with Kehart Shafter Webber & Campbell Robinson from December 1975 to January 2003.	58
David J. Smith	Executive Vice President, Secretary and General Counsel from January 2003. Senior Vice President, Secretary and General Counsel from January 2002 to January 2003. Vice President, Secretary and General Counsel from July 1997 to January 2002. Assistant General Counsel from 1995 to July 1997. Assistant Secretary from 1988 to July 1997.	50
Stephen H. Yu	Vice President from January 1996.	45
Jankees van der Wild	Group Vice President from February 2005. President-ADM North American Oilseed Processing Division from February 2003 to February 2005. President-ADM European Oilseed Processing Division from August 2000 to February 2003. Various commercial and management positions with crushing and refining operations in Europe from 1991.	42
Mark Zenuk	Vice President from August 2005. Managing Director-ADM International, Ltd. since June 2005. Various merchandising and management positions from 2000 to 2005.	38

Officers of the Company are elected by the Board of Directors for terms of one year and until their successors are duly elected and qualified.

Item 2. PROPERTIES

The Company owns or leases the following processing plants and procurement facilities:

	Processing Plants			Procurement Facilities		
	United States	Foreign	Total	United States	Foreign	Total
Owned	133	113	246	183	94	277
Leased	4	1	5	10	33	43
	137	114	251	193	127	320

The Company's operations are such that most products are efficiently processed near the source of raw materials. Consequently, the Company has many plants strategically located in grain producing areas. The annual volume of commodities processed will vary depending upon availability of raw materials and demand for finished products.

Oilseeds Processing

	Processing Plants			Procurement Facilities		
	United States	Foreign	Total	United States	Foreign	Total
Owned	38	55	93	14	80	94
Leased	2	-	2	-	23	23
	40	55	95	14	103	117

The Company operates twenty-two domestic and twenty foreign oilseed crushing plants with a daily processing capacity of approximately 89,000 metric tons (3.3 million bushels). The domestic plants are located in Arkansas, Georgia, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Carolina, Tennessee and Texas. The foreign plants are located in Bolivia, Brazil, Canada, England, Germany, India, Mexico, the Netherlands, Poland, Turkey, and the Ukraine.

The Company operates eleven domestic oilseed refineries in Georgia, Illinois, Indiana, Iowa, Minnesota, Nebraska, North Dakota and Tennessee, as well as twenty foreign refineries in Bolivia, Brazil, Canada, England, France, Germany, India, the Netherlands, Poland, and Turkey. The Company packages oils at five domestic plants located in California, Georgia, and Illinois, as well as at ten foreign plants located in Bolivia, Brazil, England, Germany and Turkey. Cotton linter pulp is produced in Tennessee and cottonseed flour is produced in Texas. The Company operates two fertilizer blending plants in Brazil and two bio-diesel plants in Germany.

The Oilseeds Processing segment operates fourteen domestic country grain elevators as adjuncts to its processing plants. These elevators, with an aggregate storage capacity of 6.0 million bushels, are located in Illinois, Missouri and North Carolina.

This segment also operates one hundred three foreign elevators, including port facilities, in Bolivia, Brazil, Canada, Germany, the Netherlands and Paraguay as adjuncts to its processing plants. These facilities have a storage capacity of 124 million bushels.

Item 2. PROPERTIES—Continued

Corn Processing

	Processing Plants			Procurement Facilities		
	United States	Foreign	Total	United States	Foreign	Total
Owned	14	1	15	5	-	5

The Company operates five wet corn milling and two dry corn milling plants with a daily grind capacity of approximately 50,500 metric tons (2.0 million bushels). Corn germ extraction plants, sweeteners and starches production facilities, and bioproducts production facilities are located in Illinois, Iowa, Minnesota, Nebraska, North Carolina, North Dakota, and Ireland. The Corn Processing segment also operates five domestic grain terminal elevators as adjuncts to its processing plants. These elevators, with an aggregate storage capacity of 10.5 million bushels, are located in Minnesota.

Agricultural Services

	Processing Plants			Procurement Facilities		
	United States	Foreign	Total	United States	Foreign	Total
Owned	1	-	1	140	10	150
Leased	-	-	-	10	3	13
	1	-	1	150	13	163

The Company operates a rice mill located in California. The Agricultural Services segment operates one hundred fifty domestic terminal, sub-terminal, country, and river elevators covering the major grain producing states, including forty-eight country elevators and one hundred two sub-terminal, terminal and river loading facilities including eight grain export elevators in Florida, Louisiana, Ohio and Texas. Elevators are located in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, Tennessee, and Texas. These elevators have an aggregate storage capacity of approximately 341 million bushels. The Company has three grain export elevators in Argentina that have an aggregate storage capacity of approximately 12 million bushels. In addition, the Company has five country elevators and one river elevator located in the Ukraine, three river elevators located in Romania, and one country elevator in the Dominican Republic.

Other

	Processing Plants			Procurement Facilities		
	United States	Foreign	Total	United States	Foreign	Total
Owned	80	57	137	24	4	28
Leased	2	1	3	-	7	7
	82	58	140	24	11	35

Item 2. PROPERTIES—Continued

The Company operates twenty-three domestic wheat flour mills, a domestic bulgur plant, two domestic corn flour mills, two domestic milo mills, and twenty-two foreign flour mills with a total daily milling capacity of approximately 27,300 metric tons (1.0 million bushels). The Company also operates six bakery mix and specialty ingredient plants. These plants and related properties are located in California, Illinois, Indiana, Kansas, Minnesota, Missouri, Nebraska, New York, North Carolina, Oklahoma, Pennsylvania, Tennessee, Texas, Washington, Barbados, Belize, Canada, England, Grenada, and Jamaica. The Company operates two foreign formula feed plants as adjuncts to the wheat flour mills in Belize and Grenada. The Company operates a food ingredient plant and a rice milling plant in Jamaica.

The Company operates three domestic and ten foreign chocolate and cocoa bean processing plants. The domestic plants are located in Massachusetts, New Jersey, and Wisconsin, and the foreign plants are located in Brazil, Canada, China, England, Ivory Coast, the Netherlands, Poland and Singapore. The Company operates eleven cocoa bean procurement and handling facilities/port sites in the Ivory Coast, Indonesia, Malaysia and Brazil.

The Company operates two domestic soy protein specialty plants in Illinois and one foreign plant in the Netherlands. Lecithin products are produced at six domestic and four foreign plants in Illinois, Iowa, Nebraska, Canada, Germany and the Netherlands. The Company also operates a starch and gluten plant in Iowa and one in Canada. The Company produces soy-based foods at plants in Illinois, North Dakota, and England. The Company produces Vitamin E, sterols, and isoflavones at plants in Illinois. The Company also operates a bakery mix and specialty ingredient plant in Kansas and a honey drying operation in Wisconsin.

The Company operates twenty-four domestic edible bean procurement facilities with an aggregate storage capacity of approximately 12 million bushels, located in Colorado, Idaho, Michigan, Minnesota, North Dakota, and Wyoming. The Company has an edible bean dehydration facility in North Dakota.

The Company also operates thirty-one domestic and nine foreign formula feed and animal health and nutrition plants. The domestic plants are located in Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, Pennsylvania, South Dakota, Texas, Wisconsin and Washington. The foreign plants are located in Canada, China, Ireland, Puerto Rico and Trinidad.

Item 3. LEGAL PROCEEDINGS

ENVIRONMENTAL MATTERS

The United States Environmental Protection Agency ("USEPA") issued a Finding of Violation on March 3, 2005, regarding alleged violations of the National Emission Standards for Hazardous Air Pollutants for Pharmaceutical Production relating to the operation of the Company's Vitamin E Plant in Decatur, Illinois. The alleged violations relate to compliance demonstrations for equipment testing and monitoring, recordkeeping and reporting, but do not allege any violations of applicable air emissions limitations. The Company met with representatives of the USEPA on April 12, 2005, to discuss the allegations, and it is likely that the USEPA will seek a civil penalty in excess of $1,000,000. The Company intends to work cooperatively with the USEPA to ensure that all applicable requirements are met. In management's opinion, the civil penalty imposed will not have a material adverse effect on the Company's financial condition or results of operations.

The Company is involved in approximately 25 administrative and judicial proceedings in which it has been identified as a potentially responsible party ("PRP") under the federal Superfund law and its state analogs for the study and clean-up of sites contaminated by material discharged into the environment. In all of these matters, there are numerous PRPs. Due to various factors such as the required level of remediation and participation in the clean-up effort by others, the Company's future clean-up costs at these sites cannot be reasonably estimated. In management's opinion, these proceedings will not, either individually or in the aggregate, have a material adverse effect on the Company's financial condition or results of operations.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Information responsive to this Item is set forth in "Common Stock Market Prices and Dividends" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program (2)	Number of Shares Remaining to be Purchased Under the Program (2)
April 1, 2005 to April 30, 2005	542,444	$ 21.55	522,797	99,327,158
May 1, 2005 to May 31, 2005	5,940,360	$ 19.32	5,937,296	93,389,862
June 1, 2005 to June 30, 2005	491,351	$ 19.95	482,504	92,907,358
Total	6,974,155	$ 19.54	6,942,597	92,907,358

(1) Total shares purchased represents those shares purchased as part of the Company’s publicly announced share repurchase program described below and shares received as payment of the exercise price for stock option exercises. During the three-month period ended June 30, 2005, the Company received 31,558 shares as payment of the exercise price for stock option exercises.

(2) On November 4, 2004, the Company’s Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 100,000,000 shares of the Company’s common stock during the period commencing January 1, 2005 and ending December 31, 2009.

Item 6. SELECTED FINANCIAL DATA

Information responsive to this Item is set forth in the "Ten Year Summary of Operating, Financial and Other Data" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Information responsive to this Item is set forth in "Management's Discussion of Operations and Financial Condition" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

Item 7A. QUANTITIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information responsive to this Item is set forth in "Management's Discussion of Operations and Financial Condition" of the annual shareholders' report for the year ended June 30, 2005 and is incorporated herein by reference.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following financial statements and supplementary data included in the annual shareholders' report for the year ended June 30, 2005 are incorporated herein by reference:

Consolidated balance sheets--June 30, 2005 and 2004
Consolidated statements of earnings--Years ended June 30, 2005, 2004 and 2003
Consolidated statements of shareholders' equity--Years ended June 30, 2005, 2004 and 2003
Consolidated statements of cash flows--Years ended June 30, 2005, 2004 and 2003
Notes to consolidated financial statements--June 30, 2005
Summary of Significant Accounting Policies
Report of Management on Internal Control Over Financial Reporting
Reports of Independent Registered Public Accounting Firm
Quarterly Financial Data (Unaudited)

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

As of June 30, 2005, an evaluation was performed under the supervision and with the participation of the Company’s management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s “disclosure controls and procedures” (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)). Based on that evaluation, the Company’s management, including the Chief Executive Officer and Chief Financial Officer, concluded the Company’s disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There was no change in the Company’s internal controls over financial reporting during the Company’s most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal controls over financial reporting.

Management’s report on internal control over financial reporting is set forth in “Report of Management on Internal Control Over Financial Reporting” of the annual shareholders report for the year ended June 30, 2005 and is incorporated herein by reference.

Item 9A. CONTROLS AND PROCEDURES - Continued

The report of the independent registered public accounting firm on internal control over financial reporting is set forth in “Report of Independent Registered Public Accounting Firm” of the annual shareholders report for the year ended June 30, 2005 and is incorporated herein by reference.

Item 9B. OTHER INFORMATION

None.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information with respect to directors, executive officers, code of conduct, audit committee and audit committee financial experts of the Company, and Section 16(a) beneficial ownership reporting compliance is set forth in “Election of Directors,” “Corporate Governance Guidelines,” “Code of Conduct,” “Report of the Audit Committee,” and “Section 16(a) Beneficial Ownership Reporting Compliance,” of the definitive proxy statement for the Company’s annual meeting of stockholders to be held on November 3, 2005 and is incorporated herein by reference. Certain information with respect to executive officers is included in Item 1(f) of this report.

Item 11. EXECUTIVE COMPENSATION

Information responsive to this Item is set forth in "Executive Compensation" of the definitive proxy statement for the Company’s annual meeting of stockholders to be held on November 3, 2005 and is incorporated herein by reference.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information responsive to this Item is set forth in "Principal Holders of Voting Securities", “Election of Directors” and “Equity Compensation Plan Information” of the definitive proxy statement for the Company’s annual meeting of stockholders to be held on November 3, 2005 and is incorporated herein by reference.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information responsive to this Item is set forth in "Certain Relationships and Related Transactions" of the definitive proxy statement for the Company’s annual meeting of stockholders to be held on November 3, 2005 and is incorporated herein by reference.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information responsive to this Item is set forth in “Fees Paid to Independent Auditors” and “Audit Committee Pre-Approval Policies” of the definitive proxy statement for the Company’s annual meeting of stockholders to be held on November 3, 2005 and is incorporated herein by reference.

PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following consolidated financial statements and other financial data of the registrant and its subsidiaries included in the annual report of the Company to its shareholders for the year ended June 30, 2005 are incorporated by reference in Item 8, and are also incorporated herein by reference:

Consolidated balance sheets--June 30, 2005 and 2004

Consolidated statements of earnings--Years ended June 30, 2005, 2004 and 2003

Consolidated statements of shareholders' equity--Years ended June 30, 2005, 2004 and 2003

Consolidated statements of cash flows--Years ended June 30, 2005, 2004 and 2003

Notes to consolidated financial statements--June 30, 2005

Summary of Significant Accounting Policies

Quarterly Financial Data (Unaudited)

(a)(2) Financial Statement Schedules

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

	Balance at Beginning of Year	Additions	Deductions (1)	Other (2)	Balance at End of Year
			(In thousands)		
Allowance for doubtful accounts					
2003	$ 49,289	14,934	(27,756)	4,149	$ 40,616
2004	$ 40,616	13,747	(10,503)	(453)	$ 43,407
2005	$ 43,407	5,658	(6,264)	1,599	$ 44,400

(1) Uncollectible accounts written off, net of recoveries
(2) Impact of business combinations and foreign currency exchange adjustments

All other schedules are either not required, not applicable or the information is otherwise included.

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (Continued)

(a)(3) LIST OF EXHIBITS

(3) (i) Composite Certificate of Incorporation, as amended, filed on November 13, 2001, as Exhibit (3)(i) to Form 10-Q for the quarter ended September 30, 2001 (File No. 1-44), is incorporated herein by reference.

(ii) Bylaws, as amended and restated, filed on May 12, 2000 as Exhibit 3(ii) to Form 10-Q for the quarter ended March 31, 2000 (File No. 1-44), are incorporated herein by reference.

(4) Instruments defining the rights of security holders, including:

(i) Indenture dated June 1, 1986 between the registrant and JPMorgan Chase (formerly known as, or successor to, The Chase Manhattan Bank, Chemical Bank, and Manufacturers Hanover Trust Company), as Trustee (incorporated by reference to Exhibit 4(a) to Registration Statement No. 33-6721), and Supplemental Indenture dated as of August 1, 1989 between the registrant and JPMorgan Chase (formerly known as, or successor to, The Chase Manhattan Bank, Chemical Bank and Manufacturers Hanover Trust Company), as Trustee (incorporated by reference to Exhibit 4(c) to Post-Effective Amendment No. 3 to Registration Statement No. 33-6721), relating to:

the $300,000,000 – 8 7/8% Debentures due April 15, 2011,
the $300,000,000 – 8 3/8% Debentures due April 15, 2017,
the $300,000,000 – 8 1/8% Debentures due June 1, 2012,
the $250,000,000 – 7 1/8% Debentures due March 1, 2013,
the $350,000,000 – 7 1/2% Debentures due March 15, 2027,
the $200,000,000 – 6 3/4% Debentures due December 15, 2027,
the $250,000,000 – 6 7/8% Debentures due December 15, 2097,
the $196,210,000 – 5 7/8% Debentures due November 15, 2010,
the $300,000,000 – 6 5/8% Debentures due May 1, 2029,
the $400,000,000 – 7% Debentures due February 1, 2031, and
the $500,000,000 – 5.935% Debentures due October 1, 2032.

Copies of constituent instruments defining rights of holders of long-term debt of the Company and Subsidiaries, other than the Indentures specified herein, are not filed herewith, pursuant to Instruction (b)(4)(iii)(A) to Item 601 of Regulation S-K, because the total amount of securities authorized under any such instrument does not exceed 10% of the total assets of the Company and Subsidiaries on a consolidated basis. The registrant hereby agrees that it will, upon request by the Commission, furnish to the Commission a copy of each such instrument.

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (Continued)

(10) Material Contracts--Copies of the Company's stock option and stock unit plans, deferred compensation plan, and savings and investment plans, pursuant to Instruction (b)(10)(iii)(A) to Item 601 of Regulation S-K, each of which is a management contract or compensation plan or arrangement required to be filed as an exhibit pursuant to Item 15(c) of Form 10-K, are incorporated herein by reference as follows:

(i) Exhibits 4(c) and 4(d) to Registration Statement No. 33-49409 on Form S-8 dated March 15, 1993 relating to the Archer Daniels Midland 1991 Incentive Stock Option Plan and Archer Daniels Midland Company Savings and Investment Plan.

(ii) Exhibits 4(c) and 4(d) to Registration Statement No. 333-39605 on Form S-8 dated November 5, 1997 relating to the ADM Savings and Investment Plan for Salaried Employees and the ADM Savings and Investment Plan for Hourly Employees.

(iii) The Archer-Daniels-Midland 1996 Stock Option Plan (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement filed with the Secruities and Exchange Commission on September 25, 1996 (File No. 1-44)).

(iv) The Archer-Daniels-Midland Company Amended and Restated Stock Unit Plan for Nonemployee Directors (incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 23, 2004 (File No. 1-44)).

(v) Exhibits 4(c) and 4(d) to Registration Statement No. 333-75073 on Form S-8 dated March 26, 1999 relating to the ADM Employee Stock Ownership Plan for Salaried Employees and the ADM Employee Stock Ownership Plan for Hourly Employees.

(vi) The Archer-Daniels-Midland Company Incentive Compensation Plan (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on September 15, 1999 (File No. 1-44)).

(vii) Exhibits 4.3 and 4.4 to Registration Statement No. 333-42612 on Form S-8 dated July 31, 2000 relating to the ADM 401(k) Plan for Salaried Employees and the ADM 401(k) Plan for Hourly Employees, as amended by Post-Effective Amendment No. 1 to Registration Statement No. 333-42612 on Form S-8 dated August 8, 2000.

(viii) ADM Deferred Compensation Plan for Selected Management Employees II (as adopted as of December 1, 2004)(incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 23, 2004 (File No. 1-44)).

(ix) ADM Supplemental Retirement Plan II (as adopted as of December 1, 2004) (incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K field with the Securities and Exchange Commission on December 23, 2004 (File No. 1-44)).

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (Continued)

(x) The Archer-Daniels-Midland 2002 Incentive Compensation Plan (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on September 25, 2002 (File No. 1-44)).

(xi) Management Compensation Arrangements (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 (File No. 1-44)).

(xii) Form of Stock Option Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 (File No. 1-44)).

(xiii) Form of Restricted Stock Agreement (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 (File No. 1-44)).

(13) Portions of annual report to shareholders incorporated by reference

(21) Subsidiaries of the registrant

(23) Consent of independent registered public accounting firm

(24) Powers of attorney

(31.1) Certification of Chief Executive Officer pursuant to Rule 13a – 14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.

(31.2) Certification of Chief Financial Officer pursuant to Rule 13a – 14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.

(32.1) Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(32.2) Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 8, 2005

ARCHER-DANIELS-MIDLAND COMPANY

By: /s/ D. J. Smith
D. J. Smith
Executive Vice President, Secretary
and General Counsel

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on September 8, 2005, by the following persons on behalf of the Registrant and in the capacities indicated.

/s/ G. A. Andreas
G. A. Andreas,
Chief Executive and Director
(Principal Executive Officer)

/s/D. J. Schmalz.
D. J. Schmalz
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/S. R. Mills,
S. R. Mills
Group Vice President and Controller
(Controller)

/s/ A. L. Boeckmann
A. L. Boeckmann*,
Director

/s/ M. H. Carter
M. H. Carter*,
Director

/s/ R. S. Joslin
R. S. Joslin *,
Director

/s/ P. J. Moore
P. J. Moore*,
Director

/s/ M. B. Mulroney
M. B. Mulroney*,
Director

/s/ T. F. O'Neill
T. F. O'Neill*,
Director

/s/ O. G. Webb
O. G. Webb*,
Director

/s/ K. R. Westbrook
K. R. Westbrook*,
Director

/s/ D. J. Smith
Attorney-in-Fact

*Powers of Attorney authorizing D. J. Schmalz, S. R. Mills and D. J. Smith and each of them, to sign the Form 10-K on behalf of the above-named officers and directors of the Company copies of which are being filed with the Securities and Exchange Commission.

EXHIBIT 13

MANAGEMENT'S DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION – JUNE 30, 2005

COMPANY OVERVIEW

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products. The Company's operations are classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are aggregated and classified as Other.

The Oilseeds Processing segment includes activities related to processing oilseeds such as soybeans, cottonseed, sunflower seeds, canola, peanuts, and flaxseed into vegetable oils and meals principally for the food and feed industries. In addition, oilseeds may be resold into the marketplace as a raw material for other processors. Crude vegetable oil is sold "as is" or is further processed by refining, bleaching, and deodorizing into salad oils. Salad oils can be further processed by hydrogenating and/or interesterifying into margarine, shortening, and other food products. Partially refined oil is sold for use in chemicals, paints, and other industrial products. Refined oil can be further processed for use in the production of biodiesel. Oilseed meals are primary ingredients used in the manufacture of commercial livestock and poultry feeds.

The Corn Processing segment includes activities related to the production of syrups, starches, dextrose, and sweeteners for the food and beverage industry as well as activities related to the production, by fermentation, of bioproducts such as alcohol, amino acids, and other specialty food and feed ingredients.

The Agricultural Services segment utilizes the Company's extensive grain elevator and transportation network to buy, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, and barley, and resells these commodities primarily as feed ingredients and as raw materials for the agricultural processing industry. Agricultural Services' grain sourcing and transportation network provides reliable and efficient services to the Company's agricultural processing operations. Also included in Agricultural Services are the activities of A.C. Toepfer International, a global merchandiser of agricultural commodities and processed products.

Other includes the Company's remaining operations, consisting principally of food and feed ingredient businesses and financial activities. Food and feed ingredient businesses include Wheat Processing with activities related to the production of wheat flour; Cocoa Processing with activities related to the production of chocolate and cocoa products; the production of natural health and nutrition products; and the production of other specialty food and feed ingredients. Financial activities include banking, captive insurance, private equity fund investments, and futures commission merchant activities.

Operating Performance Indicators and Risk Factors

The Company is exposed to certain risks inherent to an agricultural-based commodity business. These risks are further described in the "Critical Accounting Policies" and "Market Risk Sensitive Instruments and Positions" sections of "Management's Discussion of Operations and Financial Condition."

The Company's Oilseeds Processing, Agricultural Services, and Wheat Processing operations are principally agricultural commodity-based businesses where changes in segment selling prices move in relationship to changes in prices of the commodity-based agricultural raw materials. Therefore, agricultural commodity price changes have relatively equal impacts on both net sales and cost of products sold and minimal impact on the gross profit of underlying transactions. As a result, changes in net sales amounts of these business segments do not necessarily correspond to the changes in gross profit realized by these businesses.

The Company's Corn Processing operations and certain other food and feed processing operations also utilize agricultural commodities (or products derived from agricultural commodities) as raw materials. In these operations, agricultural commodity price changes can result in significant fluctuations in cost of products sold and such price changes cannot necessarily be passed directly through to the selling price of the finished products. For products such as ethanol, selling prices bear no direct relationship to the raw material cost of the agricultural commodity from which it is produced.

The Company conducts its business in many foreign countries. For many of the Company's subsidiaries located outside the United States, the local currency is the functional currency. Revenues and expenses denominated in foreign currencies are translated into U.S. dollars at the weighted average exchange rates for the applicable periods. Fluctuations in the exchange rates of foreign currencies, primarily the euro and British pound, as compared to the U.S. dollar will result in corresponding fluctuations in the relative U.S. dollar value of the Company's revenues and expenses. The impact of these currency exchange rate changes, where significant, is discussed below.

The Company measures the performance of its business segments using key operating statistics such as segment operating profit and return on fixed capital investment. The Company's operating results can vary significantly due to changes in unpredictable factors such as weather conditions, plantings, government (domestic and foreign) farm programs and policies, changes in global demand resulting from population growth and changes in standards of living, and global production of similar and competitive crops. Due to these factors, the Company does not provide forward-looking information in "Management's Discussion of Operations and Financial Condition."

2005 COMPARED TO 2004

As an agricultural-based commodity business, the Company is subject to a variety of market factors which affect the Company's operating results. During 2005, oilseed crushing margins in Europe improved due to increased biodiesel and vegetable oil demand and lower rapeseed costs due to the large European crop. Oilseed crushing margins in North America were adversely affected by a limited near-term soybean supply resulting from strong demand from China. Oilseed crushing margins in South America continue to be weak as a result of industry overcapacity.

Ethanol experienced good demand and increased selling prices due to higher gasoline prices. Increased lysine production capacity in China created excess supplies of lysine which reduced selling prices and related margins. The record United States corn and soybean crops resulted in increased demand for rail and barge transportation and provided favorable operating conditions for domestic grain origination and trading activities. The improved crop conditions in North America and Europe have balanced the supply and demand levels for agricultural commodities, reducing global grain merchandising opportunities.

Net earnings for fiscal 2005 increased principally due to the absence of last year's fructose litigation settlement expense of $400 million, $114 million of income in the current year as compared to a $119 million charge in the prior year from the effect of commodity price changes on LIFO inventory valuations, a $45 million gain representing the Company's equity share of the gain reported by the Company's unconsolidated affiliate, Compagnie Industrielle et Financiere des Produits Amylaces SA ("CIP"), upon the sale of its interest in Tate & Lyle PLC (the "CIP Gain"), and $114 million of realized securities gains from the sale of the Company's interest in Tate & Lyle PLC shares. Improved operating results of Oilseeds Processing, Agricultural Services, and Other – Financial also contributed to the improvement in net earnings. These increases were partially offset by decreased Corn Processing operating results. Corn Processing operating results declined as a result of higher net corn costs, higher energy costs, and lower lysine average selling prices. Net earnings include a $42 million and $51 million charge for abandonment and write-down of long-lived assets in 2005 and 2004, respectively, which principally represents the write-down of abandoned idle assets to their estimated salvage values. Last year's results include a $21 million gain from an insurance-related lawsuit pertaining to the flood of 1993.

Analysis of Statements of Earnings

Net sales and other operating income decreased slightly to $35.9 billion principally due to lower average selling prices of agricultural commodities. This decrease was partially offset by currency exchange rate increases of $962 million, increased sales volumes of agricultural commodities, and increased average selling prices of ethanol and corn sweeteners.

Net sales and other operating income by segment are as follows:

	2005	**2004**	**Change**
		(In thousands)	
Oilseeds Processing	**$11,803,309**	$12,049,250	$(245,941)
Corn Processing			
Sweeteners and Starches	**1,905,218**	1,736,526	168,692
Bioproducts	**2,458,706**	2,268,655	190,051
Total Corn Processing	**4,363,924**	4,005,181	358,743
Agricultural Services	**15,198,831**	15,638,341	(439,510)
Other			
Food and Feed Ingredients	**4,505,788**	4,386,246	119,542
Financial	**71,958**	72,376	(418)
Total Other	**4,577,746**	4,458,622	119,124
Total	**$35,943,810**	$36,151,394	$(207,584)

Oilseeds Processing sales decreased 2% to $11.8 billion primarily due to decreased sales volumes and lower average selling prices of oilseed exports, and lower average selling prices of protein meal. These decreases were partially offset by increased sales volumes and higher average selling prices of vegetable oil. Corn Processing sales increased 9% to $4.4 billion primarily due to increased Bioproducts sales and, to a lesser extent, increased sales of Sweeteners and Starches. Bioproducts sales increased primarily due to increased average selling prices of ethanol, which was partially offset by lower ethanol sales volumes and lower average selling prices of lysine. The increase in ethanol selling prices was primarily due to higher gasoline prices. Ethanol sales volumes declined as last year's volume increases to meet new market introductions in the northeastern United States were not repeated in the current year. Sweeteners and Starches sales increased primarily due to higher average selling prices and, to a lesser extent, increased sales volumes. Agricultural Services sales decreased 3% to $15.2 billion principally due to lower average commodity prices in North America, decreased sales volumes of global grain merchandising activities, and decreased sales volumes of North American wheat and corn. These decreases were partially offset by increased sales volumes of North American soybeans. Other sales increased 3% to $4.6 billion primarily due to increased average selling prices of wheat flour products.

Cost of products sold decreased 1% to $33.5 billion primarily due to lower average prices of agricultural commodities, partially offset by currency exchange rate increases of $916 million and higher sales volumes of agricultural commodities. Manufacturing costs increased $383 million from prior year levels primarily due to increased energy and personnel-related costs. Manufacturing costs for 2005 and 2004 include a $42 million and $51 million charge, respectively, for abandonment and write-down of long-lived assets.

Selling, general, and administrative expenses decreased $321 million to $1.1 billion principally due to the absence of last year's fructose litigation settlement expense of $400 million. Excluding the effect of the fructose litigation expense, selling, general, and administrative expenses increased $79 million principally due to increased employee-related costs, including pensions, and auditing fees. These increases were partially offset by reduced legal expenses and provisions for doubtful accounts.

Other expense (income) improved $194 million to income of $166 million due primarily to $114 million of realized securities gains from the sale of the Company's interest in Tate & Lyle PLC shares and a $48 million increase in equity in earnings of unconsolidated affiliates. The increase in equity in earnings of unconsolidated affiliates is primarily due to the CIP Gain. Interest expense decreased $15 million due principally to lower average borrowing levels. Investment income increased $19 million primarily due to increased average investment levels.

Operating profit by segment is as follows:

	2005	**2004**	**Change**
		(In thousands)	
Oilseeds Processing	**$ 344,654**	$ 290,732	$ 53,922
Corn Processing			
Sweeteners and Starches	**271,487**	318,369	(46,882)
Bioproducts	**258,746**	342,578	(83,832)
Total Corn Processing	**530,233**	660,947	(130,714)
Agricultural Services	**261,659**	249,863	11,796
Other			
Food and Feed Ingredients	**263,617**	260,858	2,759
Financial	**150,777**	98,611	52,166
Total Other	**414,394**	359,469	54,925
Total Segment Operating Profit	**1,550,940**	1,561,011	(10,071)
Corporate	**(34,565)**	(843,000)	808,435
Earnings Before Income Taxes	**$1,516,375**	$ 718,011	$ 798,364

Oilseeds Processing operating profits increased 19% to $345 million due primarily to improved operating results in Europe resulting from improved crop conditions and good biodiesel demand, and improved South American oilseed origination results. These increases were partially offset by lower operating results of the Company's North American oilseed crushing operations. Oilseed crush margins in North America decreased due to a near-term tight soybean supply in the United States which resulted in higher soybean price levels. Industry overcapacity in South America continues to have an adverse effect on oilseed crushing margins. Operating profits include a charge of $13 million and $4 million for abandonment and write-down of long-lived assets in 2005 and 2004, respectively.

Corn Processing operating profits decreased 20% to $530 million as higher net corn costs, higher energy costs, and lower lysine average selling prices negatively impacted operating results. Sweeteners and Starches operating profits decreased $47 million principally due to higher net corn and energy costs. Last year's Sweeteners and Starches operating profits include a $15 million gain from an insurance-related lawsuit pertaining to the flood of 1993. Bioproducts operating profits decreased $84 million principally due to lower lysine average selling prices. Lysine average selling prices are lower due to increased supply from China. This decrease was partially offset by improved ethanol operating results due to higher ethanol selling prices. Ethanol selling prices remained strong and more than offset the effect of lower ethanol sales volumes and higher net corn and energy costs. Bioproducts operating profits include a charge of $16 million and $14 million for abandonment and write-down of long-lived assets in 2005 and 2004, respectively.

Agricultural Services operating profits increased 5% to $262 million principally due to improved North American origination and transportation operating results. The record United States corn and soybean crops provided the Company with the opportunity for solid storage, transportation, origination, and marketing profits. These increases were partially offset by lower global grain merchandising results. Global grain merchandising results decreased principally due to improved crop conditions in Europe and North America, which resulted in lower European demand for imported agricultural commodities and related products. Last year's operating profits include a $5 million charge for abandonment and write-down of long-lived assets.

Other operating profits increased 15% to $414 million. Other – Food and Feed Ingredient operating profits were comparable to the prior year, while Other – Financial operating profits increased $52 million primarily due to improved results of the Company's captive insurance operations and improved valuations of the Company's private equity fund investments. Last year's captive insurance results included a loss incurred from a fire at a Company-owned cocoa finished products warehouse. Other – Food and Feed Ingredient operating profits include charges of $13 million in both 2005 and 2004 for abandonment and write-down of long-lived assets.

Corporate improved $808 million to $35 million primarily due to the absence of last year's fructose litigation settlement expense of $400 million, the CIP Gain, $114 million of income in the current year as compared to a $119 million charge in the prior year from the effect of commodity price changes on LIFO inventory valuations, $114 million of realized securities gains from the sale of Tate & Lyle PLC shares, and last year's $14 million charge for abandonment and write-down of long-lived assets.

Income taxes increased due principally to higher pretax earnings. This increase was partially offset by the effect of the CIP Gain. No tax has been provided on the CIP Gain as CIP, a corporate joint venture of the Company, intends to permanently reinvest the proceeds from the sale. The Company's effective tax rate, excluding the effect of the CIP Gain, was 32.1% compared to 31.1% for the prior year. The increase in the Company's effective tax rate is principally due to changes in the jurisdictional mix of pretax earnings and the result of tax benefits derived from the majority of the Company's tax planning initiatives being fixed in nature.

2004 COMPARED TO 2003

During 2004, significant volatility occurred in global oilseeds markets principally due to reduced oilseed crop sizes in all major growing areas of the world as a result of unfavorable weather conditions. Reduced oilseed crop sizes, combined with continued growth and demand for protein and vegetable oil in Asia, resulted in increased prices for soybeans and shortages of shipping capacity. Despite record high oilseed price levels, demand for protein meal and vegetable oil in North America remained strong. Reduced oilseed crop sizes and imports of protein meal from South America adversely impacted European crushing capacity utilization and margins. In addition, crushing industry overcapacity in South America negatively affected South American oilseed crushing margins.

Ethanol continued to experience strong demand due to additional states using ethanol as a replacement for recently-banned MTBE as a gasoline additive. Record crude oil prices also contributed to good demand for ethanol and helped support ethanol price levels. High oilseed price levels resulted in livestock producers feeding animals increased amounts of corn gluten meal and distillers dried grains in lieu of higher-priced protein meal. The use of corn-based feeds, supplemented with lysine to balance the amino acid profile, resulted in increases in demand and average selling prices of lysine. Additionally, the improvement in global equity markets during 2004 favorably impacted holders of investments in marketable equity securities and private equity funds.

In June 2004, the Company entered into a settlement agreement related to a class action lawsuit involving the sale of high-fructose corn syrup pursuant to which the Company paid $400 million.

Net earnings for fiscal 2004 increased principally due to improved Corn Processing and Agricultural Services operating results and improved results of the Company's food and feed ingredient operations. Net earnings also increased due to a $115 million increase in equity in earnings of unconsolidated affiliates primarily due to improved valuations of the Company's private equity fund investments. Net earnings also included a $21 million gain from an insurance-related lawsuit pertaining to the flood of 1993. These increases were partially offset by the fructose litigation settlement expense of $400 million and a $51 million charge for abandonment and write-down of long-lived assets. 2003 results included a $28 million gain from partial settlement of the Company's claims related to vitamin antitrust litigation and a $13 million charge for abandonment and write-down of long-lived assets.

The $51 million and $13 million charge in 2004 and 2003, respectively, for abandonment and write-down of long-lived assets primarily represented the write-down of abandoned idle assets to their estimated salvage values.

The comparability of the Company's operating results is affected by the following acquisitions completed during fiscal 2003:

On September 6, 2002, the Company acquired all of the outstanding Class A units of Minnesota Corn Processors, LLC (MCP), an operator of corn wet-milling plants in Minnesota and Nebraska for cash of $382 million and assumed $233 million of MCP long-term debt. Prior to September 6, 2002, the Company owned non-voting Class B units, which represented the remaining 30% of the outstanding equity of MCP. The operating results of MCP included in the Company's Corn Processing segment were accounted for on the equity method of accounting until acquisition date and on a consolidated basis thereafter.

The Company acquired six flour mills located in the United Kingdom from Associated British Foods plc (ABF) on February 24, 2003. The Company paid cash of approximately $96 million for the assets and inventories of the ABF mills. The operating results of the ABF mills since the acquisition date are included in the Company's Other segment.

Prior to April 7, 2003, the Company owned 28% of the outstanding shares of Pura plc (Pura), a United Kingdom-based company that processes and markets edible oil. On April 7, 2003, the Company acquired the remaining outstanding shares of Pura for cash of approximately $58 million. The operating results of Pura included in the Company's Oilseeds Processing segment were accounted for on the equity method of accounting until acquisition date and on a consolidated basis thereafter.

Analysis of Statements of Earnings

Net sales and other operating income increased 18% in fiscal 2004 to $36.2 billion principally due to higher average selling prices of merchandised agricultural commodities and commodity-based oilseeds finished products and, to a lesser extent, increased sales volumes of ethanol and $761 million of net sales related to recently-acquired businesses. In addition, net sales and other operating income increased $1.5 billion, or 5%, due to currency exchange rate fluctuations. These increases were partially offset by reduced sales volumes of soybeans and commodity-based oilseeds finished products due primarily to the short soybean supply in North America.

Net sales and other operating income are as follows:

	2004	2003	Change
		(In thousands)	
Oilseeds Processing	$ 12,049,250	$ 9,773,379	$ 2,275,871
Corn Processing			
Sweeteners and Starches	1,736,526	1,395,087	341,439
Bioproducts	2,268,655	1,663,599	605,056
Total Corn Processing	4,005,181	3,058,686	946,495
Agricultural Services	15,638,341	13,557,946	2,080,395
Other			
Food and Feed Ingredients	4,386,246	4,223,664	162,582
Financial	72,376	94,358	(21,982)
Total Other	4,458,622	4,318,022	140,600
Total	$36,151,394	$30,708,033	$ 5,443,361

Oilseeds Processing sales increased 23% to $12.0 billion primarily due to higher average selling prices of soybeans, vegetable oil, protein meal and, to a lesser extent, the acquired Pura operations. These increases were partially offset by lower sales volumes of protein meal. The fluctuations in average selling prices and sales volumes were primarily due to rising oilseed commodity price levels due to a short oilseed supply in the United States, the impact of last summer's drought in Europe, and increased demand in China for oilseeds. Corn Processing sales increased 31% to $4.0 billion principally due to increased Bioproducts sales and, to a lesser extent, increased sales of Sweeteners and Starches products and the acquired MCP operations. The increase in Bioproducts sales was principally due to increased selling volumes of ethanol and, to a lesser extent, increased selling prices of lysine. The ethanol sales volume increase was principally due to increased demand from gasoline refiners in the northeastern United States as a result of various states reformulating gasoline blends by using ethanol to replace recently-banned MTBE. Agricultural Services sales increased 15% to $15.6 billion primarily due to higher average commodity prices, partially offset by lower oilseed sales volumes resulting from the short supplies. Other sales increased 3% to $4.5 billion principally due to the sales attributable to the acquired ABF mills.

Cost of products sold increased $5.0 billion to $34.0 billion primarily due to higher average prices of agricultural commodities. These increases were partially offset by reduced selling volumes of soybeans due primarily to the short soybean supply in North America. Manufacturing costs increased $424 million from 2003 levels primarily due to $50 million of costs related to recently-acquired businesses, $165 million of increased energy-related costs, $44 million of increased personnel-related costs, and a $51 million charge for abandonment and write-down of long-lived assets. In addition, cost of products sold increased $1.4 billion due to currency exchange rate fluctuations. 2003 cost of products sold included a $13 million charge for abandonment and write-down of long-lived assets and a $28 million credit from partial settlement of the Company's claims related to vitamin antitrust litigation.

Selling, general, and administrative expenses increased $454 million to $1.4 billion principally due to the fructose litigation settlement expense of $400 million. Other increases included $22 million of costs related to acquired businesses and $26 million due to currency exchange rate fluctuations. In addition, 2003 included $11 million of costs related to an EPA settlement. Excluding the effects of these changes, the remaining increase was primarily due to increased employee-related costs, including pension costs.

Other expense decreased $120 million to $28 million due primarily to $24 million of gains realized on marketable securities transactions and a $115 million increase in equity in earnings of unconsolidated affiliates, partially offset by a gain in 2003 on the sale of redundant assets. The increase in equity in earnings of unconsolidated affiliates was primarily due to an improvement in valuations of the Company's private equity fund investments. Interest expense decreased principally due to lower average interest rates. Investment income decreased principally due to lower average investment levels.

Operating profit is as follows:

	2004	2003	Change
		(In thousands)	
Oilseeds Processing	$ 290,732	$ 337,089	$ (46,357)
Corn Processing			
Sweeteners and Starches	318,369	228,227	90,142
Bioproducts	342,578	130,473	212,105
Total Corn Processing	660,947	358,700	302,247
Agricultural Services	249,863	92,124	157,739
Other			
Food and Feed Ingredients	260,858	212,507	48,351
Financial	98,611	9,492	89,119
Total Other	359,469	221,999	137,470
Total Segment Operating Profit	1,561,011	1,009,912	551,099
Corporate	(843,000)	(378,939)	(464,061)
Earnings Before Income Taxes	$ 718,011	$ 630,973	$ 87,038

Oilseeds Processing operating profit decreased 14% to $291 million due primarily to lower oilseed crush margins in Europe and South America, partially offset by improved oilseed crush margins in North America. In addition, Chinese contract defaults in the fourth quarter of 2004 had a significant impact on global oilseed markets and negatively impacted Oilseeds Processing profits. European crush margins were weaker, as imported oilseed products from South America resulted in lower capacity utilization in Europe. In South America, capacity utilization was reduced to better balance supply and demand. The improved crush margins in North America were primarily due to continued strong demand for vegetable oils and protein meals. Operating profits include a charge of $4 million and $7 million for abandonment and write-down of long-lived assets in 2004 and 2003, respectively.

Corn Processing operating profits increased $302 million to $661 million due primarily to increased Bioproducts sales volumes and average selling prices and, to a lesser extent, higher average selling prices of Sweeteners and Starches. The increase in Bioproducts sales volumes was primarily due to the aforementioned increased ethanol demand from gasoline refiners in the northeastern United States. The increase in Bioproducts average selling prices was principally due to increased demand for lysine from poultry and swine producers. Lysine is used in swine and poultry diets to replace protein meal and balance the amino acid profile. The demand for lysine is also driven by the relationship between the price of protein meal and the price of corn. Operating profits for 2004 included a $15 million gain from an insurance-related lawsuit pertaining to the flood of 1993 and a $15 million charge for abandonment and write-down of long-lived assets.

Agricultural Services operating profits increased $158 million to $250 million due principally to improved global grain merchandising results and, to a lesser extent, improved domestic grain origination operating results. The record United States corn crop and large wheat crop provided the Company with the opportunity for solid storage, transportation, origination, and marketing profits. In addition, regional production imbalances, caused principally by the drought in Europe, allowed the Company to more fully utilize its grain infrastructure and merchandising capabilities. Strong worldwide demand for grains and feedstuffs also favorably impacted operating profits. Operating profits for 2004 included a $5 million charge for abandonment and write-down of long-lived assets and a $2 million gain from an insurance-related lawsuit pertaining to the flood of 1993.

Other operating profits increased $137 million to $359 million. Other - Financial increased $89 million principally due to improved valuations of the Company's private equity fund investments. Other - Food and Feed Ingredient operating profits increased $48 million principally due to improved wheat and cocoa processing operations. Wheat Processing results improved due principally to a higher-quality wheat crop which improved flour milling yields. The 2003 wheat crop was of lower milling quality due to the drought conditions in the midwestern United States. Cocoa operations improved due to continued strong demand from the chocolate and baking industries for cocoa butter and cocoa powder. Other – Food and Feed Ingredient operating profits included a $13 million and $6 million charge for abandonment and write-down of long-lived assets in 2004 and 2003, respectively. Food and Feed Ingredient results for fiscal 2003 included a $28 million gain from the partial settlement of the Company's claims related to vitamin antitrust litigation.

Corporate expense increased $464 million to $843 million primarily due to the fructose litigation settlement expense of $400 million, a $104 million increase in FIFO to LIFO inventory valuation adjustments, and a $14 million charge for abandonment and write-down of long-lived assets, partially offset by a $21 million increase in gains on marketable security transactions and $4 million of interest received from the insurance-related lawsuit pertaining to the flood of 1993.

Income taxes increased due to increased pretax earnings and, to a lesser extent, an increase in the Company's effective tax rate. The Company's effective tax rate was 31.1% in 2004 as compared to 28.5% in 2003. The increase in the effective rate was principally due to changes in the mix of pretax earnings among tax jurisdictions and increased state income taxes.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2005, the Company continued to show substantial liquidity with working capital of $4.3 billion and a current ratio, defined as current assets divided by current liabilities, of 1.8 to 1. Included in working capital is $567 million of cash, cash equivalents, and short-term marketable securities as well as $2.6 billion of readily marketable commodity inventories. Cash generated from operating activities totaled $2.1 billion for the year compared to $33 million last year. This increase was primarily due to increased net earnings and a decrease in working capital requirements due principally to the impact of decreased prices of commodity-based agricultural raw materials. Cash used in investing activities decreased $273 million for the year to $302 million due primarily to proceeds received from the sale of Tate & Lyle PLC shares. Cash used in financing activities was $1.8 billion. Purchases of the Company's common stock increased $135 million to $139 million. Payments under line of credit agreements were $1.4 billion in 2005 compared to borrowings of $484 million in 2004 due to increased net earnings and decreased working capital requirements resulting from decreased commodity prices.

Capital resources were strengthened as shown by the increase in the Company's net worth to $8.4 billion. The Company's ratio of long-term debt to total capital (the sum of the Company's long-term debt and shareholders' equity) decreased to 30% at June 30, 2005 from 33% at June 30, 2004. This ratio is a measure of the Company's long-term liquidity and is an indicator of financial flexibility. Commercial paper and commercial bank lines of credit are available to meet seasonal cash requirements. At June 30, 2005, the Company had $426 million outstanding, and an additional $3.1 billion available, under its commercial paper and bank lines of credit programs. Standard & Poor's and Moody's rate the Company's commercial paper as A-1 and P-1, respectively, and rate the Company's long-term debt as A+ and A2, respectively. In addition to the cash flow generated from operations, the Company has access to equity and debt capital through numerous alternatives from public and private sources in domestic and international markets.

Contractual Obligations and Commercial Commitments

In the normal course of business, the Company enters into contracts and commitments which obligate the Company to make payments in the future. The table below sets forth the Company's significant future obligations by time period. This table includes commodity-based contracts entered into in the normal course of business which are further described in the "Market Risk Sensitive Instruments and Positions" section of "Management's Discussion of Operations and Financial Condition" and energy-related purchase contracts entered into in the normal course of business. Where applicable, information included in the Company's consolidated financial statements and notes is cross-referenced in this table.

			Payments Due by Period			
Contractual Obligations	Note Reference	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Over 5 Years
			(In thousands)			
Purchases						
Inventories		$ 7,427,006	$ 7,250,859	$ 176,147	$ –	$ –
Energy		599,755	307,720	271,798	15,951	4,286
Other		755,835	160,838	195,506	153,961	245,530
Total purchases		8,782,596	7,719,417	643,451	169,912	249,816
Short-term debt		425,808	425,808	–	–	–
Long-term debt	Note 6	3,700,965	209,747	114,071	75,248	3,301,899
Capital leases	Note 6	52,113	13,191	28,236	4,123	6,563
Estimated interest payments		5,433,281	274,147	510,854	493,867	4,154,413
Operating leases	Note 11	320,663	64,976	89,704	53,261	112,722
Total		$18,715,426	$8,707,286	$1,386,316	$796,411	$7,825,413

At June 30, 2005, the Company estimates it will cost approximately $1.1 billion to complete approved capital projects and acquisitions. The Company is a limited partner in various private equity funds which invest primarily in emerging markets that have agri-processing potential. At June 30, 2005, the Company's carrying value of these limited partnership investments was $258 million. The Company has future capital commitments related to these partnerships of $166 million and expects the majority of these additional capital commitments, if called for, to be funded by cash flows generated by the partnerships.

In addition, the Company has entered into debt guarantee agreements, primarily related to equity-method investees, which could obligate the Company to make future payments under contingent commitments. The Company's liability under these agreements arises only if the primary entity fails to perform its contractual obligation. If the Company is called upon to make payments pursuant to these guarantees, the Company has, for a majority of these agreements, a security interest in the underlying assets of the primary entity. At June 30, 2005, these debt guarantees totaled approximately $422 million. Outstanding borrowings under these guarantees were $309 million at June 30, 2005.

Critical Accounting Policies

The process of preparing financial statements requires management to make estimates and judgments that affect the carrying values of the Company's assets and liabilities as well as the recognition of revenues and expenses. These estimates and judgments are based on the Company's historical experience and management's knowledge and understanding of current facts and circumstances. Certain of the Company's accounting policies are considered critical, as these policies are important to the depiction of the Company's financial statements and require significant or complex judgment by management. Management has discussed with the Company's Audit Committee the development, selection, disclosure, and application of these critical accounting policies. Following are the accounting policies management considers critical to the Company's financial statements.

Inventories and Derivatives

Certain of the Company's merchandisable agricultural commodity inventories, forward fixed-price purchase and sale contracts, and exchange-traded futures and options contracts are valued at estimated market values. These merchandisable agricultural commodities are freely-traded, have quoted market prices, and may be sold without significant additional processing. Management estimates market value based on exchange-quoted prices, adjusted for differences in local markets. Changes in the market values of these inventories and contracts are recognized in the statement of earnings as a component of cost of products sold. If management used different methods or factors to estimate market value, amounts reported as inventories and cost of products sold could differ. Additionally, if market conditions change subsequent to year-end, amounts reported in future periods as inventories and cost of products sold could differ.

The Company, from time to time, uses derivative contracts to fix the purchase price of anticipated volumes of commodities to be purchased and processed in a future month and to fix the purchase price of the Company's anticipated natural gas requirements for certain production facilities. The Company also uses derivative contracts to fix the sales price of anticipated volumes of ethanol. These derivative contracts are designated as cash flow hedges. The change in the market value of such derivative contracts has historically been, and is expected to continue to be, highly-effective at offsetting changes in price movements of the hedged item. Gains and losses arising from open and closed hedging transactions are deferred in other comprehensive income, net of applicable income taxes, and recognized as a component of cost of products sold in the statement of earnings when the hedged item is recognized. If it is determined that the derivative instruments used are no longer effective at offsetting changes in the price of the hedged item, then the changes in the market value of these exchange-traded futures contracts would be recorded in the statement of earnings as a component of cost of products sold.

Employee Benefit Plans

The Company provides substantially all domestic employees and employees at certain international subsidiaries with pension benefits. The Company also provides substantially all domestic salaried employees with postretirement health care and life insurance benefits. In order to measure the expense and funded status of these employee benefit plans, management makes several estimates and assumptions, including interest rates used to discount certain liabilities, rates of return on assets set aside to fund these plans, rates of compensation increases, employee turnover rates, anticipated mortality rates, and anticipated future health care costs. These estimates and assumptions are based on the Company's historical experience combined with management's knowledge and understanding of current facts and circumstances. The Company uses third-party specialists to assist management in measuring the expense and funded status of these employee benefit plans. If management used different estimates and assumptions regarding these plans, the funded status of the plans could vary significantly, and the Company could recognize different amounts of expense over future periods.

Income Taxes

The Company frequently faces challenges from domestic and foreign tax authorities regarding the amount of taxes due. These challenges include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various tax filing positions, the Company records reserves for probable exposures. Deferred tax assets represent items to be used as tax deductions or credits in future tax returns, and the related tax benefit has already been recognized in the Company's income statement. Realization of certain deferred tax assets reflects the Company's tax planning strategies. Valuation allowances related to these deferred tax assets have been established to the extent the realization of the tax benefit is not probable. Based on management's evaluation of the Company's tax position, it is believed the amounts related to these tax exposures are appropriately accrued. To the extent the Company were to favorably resolve matters for which accruals have been established or be required to pay amounts in excess of the aforementioned reserves, the Company's effective tax rate in a given financial statement period may be impacted.

Undistributed earnings of the Company's foreign subsidiaries and affiliated corporate joint ventures accounted for on the equity method are considered to be permanently reinvested, and accordingly, no provision for U.S. income taxes has been provided thereon. If the Company were to receive a distribution from any of these foreign subsidiaries or affiliates, or determine the undistributed earnings of these foreign subsidiaries or affiliates to not be permanently reinvested, the Company could be subject to U.S. tax liabilities which have not been provided for in the consolidated financial statements.

Asset Abandonments and Write-Downs

The Company is principally engaged in the business of procuring, transporting, storing, processing, and merchandising agricultural commodities and products. This business is global in nature and is highly capital-intensive. Both the availability of the Company's raw materials and the demand for the Company's finished products are driven by unpredictable factors such as weather, plantings, government (domestic and foreign) farm programs and policies, changes in population growth, changes in standards of living, and production of similar and competitive crops. These aforementioned unpredictable factors, therefore, may cause a shift in the supply/demand dynamics for the Company's raw materials and final products. Any such shift will cause management to evaluate the efficiency and profitability of the Company's fixed asset base in terms of geographic location, size, and age of its factories. The Company, from time to time, will also invest in equipment and technology related to new, value-added products produced from agricultural commodities and products. These new products are not always successful from either a commercial production or marketing perspective. Management evaluates the Company's property, plant, and equipment for impairment whenever indicators of impairment exist. Assets are abandoned after consideration of the ability to utilize the assets for their intended purpose, or to employ the assets in alternative uses, or sell the assets to recover the carrying value. If management used different estimates and assumptions in its evaluation of this fixed asset base, then the Company could recognize different amounts of expense over future periods.

Valuation of Marketable Securities and Investments in Affiliates

The Company classifies the majority of its marketable securities as available-for-sale and carries these securities at fair value. Investments in affiliates are carried at cost plus equity in undistributed earnings. For publicly-traded securities, the fair value of the Company's investments is readily available based on quoted market prices. For non-publicly-traded securities, management's assessment of fair value is based on valuation methodologies including discounted cash flows and estimates of sales proceeds. In the event of a decline in fair value of an investment below carrying value, management may be required to determine if the decline in fair value is other than temporary. In evaluating the nature of a decline in the fair value of an investment, management considers the market conditions, trends of earnings, discounted cash flows, trading volumes, and other key measures of the investment as well as the Company's ability and intent to hold the investment. When such a decline in value is deemed to be other than temporary, an impairment loss is recognized in the current period operating results to the extent of the decline. See Notes 2 and 4 to the Company's consolidated financial statements for information regarding the Company's marketable securities and investments in affiliates. If management used different estimates and assumptions in its evaluation of these marketable securities, then the Company could recognize different amounts of expense over future periods.

The Company is a limited partner in various private equity funds which invest primarily in emerging markets that have agri-processing potential. The Company accounts for these limited partnerships using the equity method of accounting. Therefore, the Company is recording in the consolidated statement of earnings its proportional share of the limited partnerships' net income or loss. The limited partnerships value their investments at fair value. Thus, unrealized gains and losses related to the change in fair value of these investments are recorded in the limited partnerships' statements of earnings. The valuation of these investments, as determined by the general partner, can be subjective, and the values may vary significantly in a short period of time. Some of the factors causing the subjectivity and volatility of these valuations include the illiquidity and minority positions of these investments, currency exchange rate fluctuations, less-regulated securities exchanges, and the inherent business risks and limitations present in the emerging market countries. The Company records the results of these limited partnerships based on the information provided to the Company by the general partner. Due to the subjectivity and volatility in valuing these investments, the fair value of these investments, and thus the Company's results, could vary significantly over future periods.

MARKET RISK SENSITIVE INSTRUMENTS AND POSITIONS

The market risk inherent in the Company's market risk sensitive instruments and positions is the potential loss arising from adverse changes in commodities futures prices, marketable equity security prices, market prices of limited partnerships' investments, foreign currency exchange rates, and interest rates as described below.

Commodities

The availability and price of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, plantings, government (domestic and foreign) farm programs and policies, changes in global demand resulting from population growth and changes in standards of living, and global production of similar and competitive crops. To reduce price risk caused by market fluctuations, the Company generally follows a policy of using exchange-traded futures and options contracts to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. The Company will also use exchange-traded futures and options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly impacted by factors such as the volatility of the relationship between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, counterparty contracts defaults, and volatility of freight markets. In addition, the Company from time-to-time enters into derivative contracts which are designated as hedges of specific volumes of commodities that will be purchased and processed, or sold, in a future month. The changes in the market value of such futures contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in price movements of the hedged item. Gains and losses arising from open and closed hedging transactions are deferred in other comprehensive income, net of applicable taxes, and recognized as a component of cost of products sold in the statement of earnings when the hedged item is recognized.

A sensitivity analysis has been prepared to estimate the Company's exposure to market risk of its daily net commodity position. The Company's daily net commodity position consists of inventories, related purchase and sale contracts, and exchange-traded futures contracts, including those contracts used to hedge portions of production requirements. The fair value of such daily net commodity position is a summation of the fair values calculated for each commodity by valuing each net position at quoted futures prices. Market risk is estimated as the potential loss in fair value resulting from a hypothetical 10% adverse change in such prices. Actual results may differ.

	2005		2004	
	Fair Value	Market Risk	Fair Value	Market Risk
	(In millions)			
Highest long position	$ 226	$ 23	$ 754	$ 75
Highest short position	944	94	506	51
Average position long (short)	(300)	(30)	31	3

The decrease in fair value of the average position for 2005 compared to 2004 was principally a result of a decrease in the daily net commodity position.

Marketable Equity Securities

Marketable equity securities, which are recorded at fair value, have exposure to price risk. The fair value of marketable equity securities is based on quoted market prices. Risk is estimated as the potential loss in fair value resulting from a hypothetical 10% adverse change in quoted market prices. Actual results may differ.

	2005	2004
	(In millions)	
Fair value	$ 664	$ 773
Market risk	66	77

The decrease in fair value for 2005 compared to 2004 resulted primarily from disposals of securities, partially offset by an increase in fair market value of the securities.

Limited Partnerships

The Company is a limited partner in various private equity funds which invest primarily in emerging markets that have agri-processing potential. The Company accounts for these limited partnerships using the equity method of accounting. Therefore, the Company is recording in the consolidated statement of earnings its proportional share of the limited partnerships' net income or loss. The limited partnerships value their investments at fair value. Risk is estimated as the potential loss in fair value resulting from a hypothetical 10% adverse change in market prices of the limited partnerships' investments. Actual results may differ.

	2005	2004
	(In millions)	
Fair value of partnerships' investments	$ 290	$ 447
Market risk	29	45

The decrease in fair value for 2005 compared to 2004 resulted primarily from returns of capital, partially offset by an increase in fair market value of the limited partnerships' investments.

Currencies

In order to reduce the risk of foreign currency exchange rate fluctuations, except for amounts permanently invested as described below, the Company follows a policy of hedging substantially all transactions denominated in a currency other than the functional currencies applicable to each of its various entities. The instruments used for hedging are readily marketable exchange-traded futures contracts and forward contracts with banks. The changes in market value of such contracts have a high correlation to the price changes in the currency of the related hedged transactions. The potential loss in fair value for such net currency position resulting from a hypothetical 10% adverse change in foreign currency exchange rates is not material.

The amount the Company considers permanently invested in foreign subsidiaries and affiliates and translated into dollars using the year-end exchange rates is $4.0 billion at June 30, 2005 and $3.6 billion at June 30, 2004. This increase is principally due to an increase in retained earnings of the foreign subsidiaries and affiliates. The potential loss in fair value resulting from a hypothetical 10% adverse change in quoted foreign currency exchange rates is $397 million and $361 million for 2005 and 2004, respectively. Actual results may differ.

Interest

The fair value of the Company's long-term debt is estimated below using quoted market prices, where available, and discounted future cash flows based on the Company's current incremental borrowing rates for similar types of borrowing arrangements. Such fair value exceeded the long-term debt carrying value. Market risk is estimated as the potential increase in fair value resulting from a hypothetical .5 % decrease in interest rates. Actual results may differ.

	2005	2004
	(In millions)	
Fair value of long-term debt	$ 4,309	$ 4,237
Excess of fair value over carrying value	779	497
Market risk	229	203

The increase in fair value for the current year resulted principally from a decrease in quoted interest rates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products.

Principles of Consolidation

The consolidated financial statements as of June 30, 2005 and for the three years then ended include the accounts of the Company and its majority-owned subsidiaries. Investments in affiliates are carried at cost plus equity in undistributed earnings since acquisition. All significant intercompany accounts and transactions have been eliminated.

The Company evaluates its less than majority-owned investments for consolidation pursuant to Financial Accounting Standards Board (FASB) Interpretation Number 46, *Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51* (FIN 46). A variable interest entity (VIE) is a corporation, partnership, trust, or any other legal structure used for business purposes that does not have equity investors with voting rights or has equity investors that do not provide sufficient financial resources for the entity to support its activities. FIN 46 requires a VIE to be consolidated by a company if that company is the primary beneficiary of the VIE. The primary beneficiary of a VIE is an entity that is subject to a majority of the risk of loss from the VIE's activities or entitled to receive a majority of the entity's residual returns, or both. The Company adopted the provisions of FIN 46, as revised, on March 31, 2004. As of June 30, 2005, the Company has $258 million of investments in private equity funds included in investments in affiliates which are considered VIEs pursuant to FIN 46. The Company's residual risk and rewards from these VIEs are proportional to the Company's ownership interest, and the Company is not the primary beneficiary of any of these VIEs.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in its consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all non-segregated, highly-liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Segregated Cash and Investments

The Company segregates certain cash and investment balances in accordance with certain regulatory requirements, commodity exchange requirements, and insurance arrangements. These segregated balances represent deposits received from customers trading in exchange-traded commodity instruments, securities pledged to commodity exchange clearinghouses, and cash and securities pledged as security under certain insurance arrangements. Segregated cash and investments primarily consist of cash, U.S. government securities, and money-market funds.

Receivables

The Company records trade accounts receivable at net realizable value. This value includes an appropriate allowance for estimated uncollectible accounts, $44 million at June 30, 2005, to reflect any loss anticipated on the trade accounts receivable balances. The Company calculates this allowance based on its history of write-offs, level of past-due accounts, and its relationships with, and the economic status of, its customers.

Credit risk on trade receivables is minimized as a result of the large and diversified nature of the Company's worldwide customer base. The Company controls its exposure to credit risk through credit approvals, credit limits, and monitoring procedures. Collateral is generally not required for the Company's trade receivables.

Inventories

Inventories of certain merchandisable agricultural commodities, which include amounts acquired under deferred pricing contracts, are stated at market value. In addition, the Company values certain inventories using the lower of cost, determined by either the first-in, first-out (FIFO) or last-in, first-out (LIFO) methods, or market.

Marketable Securities

The Company classifies its marketable securities as available-for-sale, except for certain designated securities which are classified as trading securities. Available-for-sale securities are carried at fair value, with the unrealized gains and losses, net of income taxes, reported as a component of other comprehensive income (loss). Unrealized gains and losses related to trading securities are included in income on a current basis. The Company uses the specific identification method when securities are sold or classified out of accumulated other comprehensive income (loss) into earnings.

Property, Plant, and Equipment

Property, plant, and equipment is recorded at cost and repair and maintenance costs are expensed as incurred. The Company generally uses the straight-line method in computing depreciation for financial reporting purposes and generally uses accelerated methods for income tax purposes. The annual provisions for depreciation have been computed principally in accordance with the following ranges of asset lives: buildings - 10 to 50 years; machinery and equipment - 3 to 30 years.

Asset Abandonments and Write-Downs

The Company recorded a $42 million, a $51 million, and a $13 million charge in cost of products sold during 2005, 2004, and 2003, respectively, principally related to the abandonment and write-down of certain long-lived assets. The majority of these assets were idle, and the decision to abandon was finalized after consideration of the ability to utilize the assets for their intended purpose, employ the assets in alternative uses, or sell the assets to recover the carrying value. After the write-downs, the carrying value of these assets is immaterial.

Net Sales

The Company follows a policy of recognizing sales revenue at the time of delivery of the product and when all of the following have occurred: a sales agreement is in place, pricing is fixed or determinable, and collection is reasonably assured. Freight costs and handling charges related to sales are recorded as a component of cost of products sold. Net sales to unconsolidated affiliates during the year ended June 30, 2005, were $2.9 billion.

Per Share Data

Basic earnings per common share is determined by dividing net earnings by the weighted average number of common shares outstanding. In computing diluted earnings per share, the weighted average number of common shares outstanding is increased by common stock options outstanding with exercise prices lower than the average market prices of common shares during each year. During 2005, 2004, and 2003, diluted average shares outstanding included incremental shares related to outstanding common stock options of 1.9 million, 2.1 million, and .8 million, respectively. The number of common stock options outstanding excluded from the diluted earnings per share computation is not material.

New Accounting Standards

In December 2004, the FASB issued Statement of Financial Accounting Standards (SFAS) Number 123 (revised 2004), *Share-Based Payment*, which is a revision of SFAS Number 123, *Accounting for Stock-Based Compensation*, and amends SFAS Number 95, *Statement of Cash Flows*. SFAS Number 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair value. Effective July 1, 2004, the Company adopted the fair value recognition provisions of SFAS Number 123. The adoption of SFAS Number 123(R) on July 1, 2005 will not have a material impact on the Company’s financial statements.

In March 2005, the FASB issued Interpretation Number 47, *Accounting for Conditional Asset Retirement Obligations, an Interpretation of FASB Statement No. 143* (FIN 47). FIN 47 clarifies that the term conditional asset retirement obligation as used in SFAS Number 143, *Accounting for Asset Retirement Obligations,* refers to a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. However, the obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and/or method of settlement. FIN 47 clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. The Company will be required to adopt FIN 47 on July 1, 2005, and has not yet assessed the impact of the adoption of this standard on the Company's financial statements.

Stock Compensation

Effective July 1, 2004, the Company adopted the fair value recognition provisions of SFAS Number 123, *Accounting for Stock-Based Compensation*, for stock-based employee compensation. Prior to July 1, 2004, the Company accounted for stock-based employee compensation under the recognition and measurement provisions of APB Opinion Number 25, *Accounting for Stock Issued to Employees,* and related interpretations. Under the modified prospective method of adoption selected by the Company under the provisions of SFAS Number 148, *Accounting for Stock-Based Compensation – Transition and Disclosure,* stock-based employee compensation cost recognized during 2005 is the same as that which would have been recognized had the fair value recognition provisions of SFAS Number 123 been applied to all options granted after July 1, 1995. The effect of adopting SFAS Number 123 was immaterial.

The following table illustrates the effect on net earnings and earnings per share as if the fair value method had been applied to all outstanding and unvested employee stock options and awards in each year.

	2005	2004	2003
	(In thousands, except per share amounts)		
Net earnings, as reported	**$1,044,385**	$ 494,710	$ 451,145
Add: stock-based compensation expense reported in net earnings, net of related tax	**18,101**	4,566	2,706
Deduct: stock-based compensation expense determined under fair value method, net of related tax	**18,101**	8,748	8,125
Pro forma net earnings	**$1,044,385**	$ 490,528	$ 445,726
Basic earnings per common share:			
As reported	**$1.60**	$ .76	$ .70
Pro forma	**$1.60**	$ .76	$ .69
Diluted earnings per common share:			
As reported	**$1.59**	$ .76	$ .70
Pro forma	**$1.59**	$ .75	$ .69

The fair value of each option grant is estimated as of the date of grant using the Black-Scholes single option pricing model. The assumptions used in the Black-Scholes single option pricing model are as follows.

	2005	2004	2003
Dividend yield	**2%**	2%	2%
Risk-free interest rate	**4%**	4%	4%
Stock volatility	**27%**	28%	30%
Average expected life (years)	**9**	9	6

Reclassifications

Certain items in prior year financial statements have been reclassified to conform to the current year's presentation.

CONSOLIDATED STATEMENTS OF EARNINGS

Archer Daniels Midland Company

	Year Ended June 30,		
	2005	2004	2003
	(In thousands, except per share amounts)		
Net sales and other operating income	**$35,943,810**	$36,151,394	$30,708,033
Cost of products sold	**33,512,471**	34,003,070	28,980,895
Gross Profit	**2,431,339**	2,148,324	1,727,138
Selling, general, and administrative expenses	**1,080,811**	1,401,833	947,694
Other expense (income) - net	**(165,847)**	28,480	148,471
Earnings Before Income Taxes	**1,516,375**	718,011	630,973
Income taxes	**471,990**	223,301	179,828
Net Earnings	**$ 1,044,385**	$ 494,710	$ 451,145
Basic earnings per common share	**$ 1.60**	$ .76	$ .70
Diluted earnings per common share	**$ 1.59**	$ .76	$ .70
Average number of shares outstanding – basic	**654,242**	647,698	646,086
Average number of shares outstanding – diluted	**656,123**	649,810	646,863

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

Archer Daniels Midland Company

	June 30	
ASSETS	**2005**	2004
	(In thousands)	
Current Assets		
Cash and cash equivalents	**$ 522,420**	$ 540,207
Segregated cash and investments	**908,001**	871,439
Receivables	**4,102,263**	4,040,759
Inventories	**3,906,698**	4,591,648
Other assets	**271,319**	294,943
	9,710,701	10,338,996
Total Current Assets		
Investments and Other Assets		
Investments in and advances to affiliates	**1,879,501**	1,832,619
Long-term marketable securities	**1,049,952**	1,161,388
Goodwill	**325,167**	337,474
Other assets	**448,404**	443,606
	3,703,024	3,775,087
Property, Plant, and Equipment		
Land	**209,130**	190,136
Buildings	**2,660,267**	2,568,472
Machinery and equipment	**10,962,390**	10,658,282
Construction in progress	**298,963**	263,332
	14,130,750	13,680,222
Allowances for depreciation	**(8,946,370)**	(8,425,484)
	5,184,380	5,254,738
	$18,598,105	$19,368,821

CONSOLIDATED BALANCE SHEETS

Archer Daniels Midland Company

Liabilities and Shareholders' Equity	***June 30*** **2005**	2004
	(In thousands)	
Current Liabilities		
Short-term debt	**$ 425,808**	$ 1,770,512
Accounts payable	**3,399,352**	3,238,230
Accrued expenses	**1,318,766**	1,580,700
Current maturities of long-term debt	**222,938**	160,795
Total Current Liabilities	**5,366,864**	6,750,237
Long-Term Liabilities		
Long-term debt	**3,530,140**	3,739,875
Deferred income taxes	**779,427**	653,834
Other	**488,202**	526,659
	4,797,769	4,920,368
Shareholders' Equity		
Common stock	**5,385,840**	5,431,510
Reinvested earnings	**3,011,015**	2,183,751
Accumulated other comprehensive income	**36,617**	82,955
	8,433,472	7,698,216
	$18,598,105	$19,368,821

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Archer Daniels Midland Company

	Year Ended June 30,		
	2005	2004	2003
	(In thousands)		
Operating Activities			
Net earnings	**$1,044,385**	$ 494,710	$ 451,145
Adjustments to reconcile net earnings to net cash provided by operating activities			
Depreciation	**664,652**	685,613	643,615
Asset abandonments	**41,548**	50,576	13,221
Deferred income taxes	**241,671**	(67,505)	105,086
(Gain) loss on marketable securities transactions	**(113,299)**	(23,968)	363
Equity in (earnings) loss of affiliates, net of dividends	**(91,280)**	(84,930)	(14,138)
Stock contributed to employee benefit plans	**23,840**	23,281	23,591
Other – net	**42,732**	(59,138)	130,427
Changes in operating assets and liabilities			
Segregated cash and investments	**(37,319)**	(316,423)	(134,434)
Receivables	**(216,967)**	(378,501)	(112,460)
Inventories	**825,486**	(950,792)	(200,392)
Other assets	**(35,056)**	(6,724)	(39,061)
Accounts payable and accrued expenses	**(264,214)**	667,140	202,213
Total Operating Activities	**2,126,179**	33,339	1,069,176
Investing Activities			
Purchases of property, plant, and equipment	**(623,819)**	(509,237)	(435,952)
Proceeds from sales of property, plant, and equipment	**43,611**	57,226	40,061
Net assets of businesses acquired	**(24,238)**	(93,022)	(526,970)
Investments in and advances to affiliates	**(112,018)**	(112,984)	(130,096)
Distributions from affiliates, excluding dividends	**157,824**	122,778	40,113
Purchases of marketable securities	**(1,433,412)**	(857,786)	(328,852)
Proceeds from sales of marketable securities	**1,674,180**	786,492	271,340
Other – net	**16,364**	32,098	11,258
Total Investing Activities	**(301,508)**	(574,435)	(1,059,098)
Financing Activities			
Long-term debt borrowings	**18,547**	4,366	517,222
Long-term debt payments	**(185,913)**	(32,381)	(315,319)
Net borrowings (payments) under line of credit agreements	**(1,357,456)**	483,764	281,669
Purchases of treasury stock	**(139,112)**	(4,113)	(101,212)
Cash dividends	**(209,425)**	(174,109)	(155,565)
Proceeds from exercises of stock options	**30,901**	38,817	1,971
Total Financing Activities	**(1,842,458)**	316,344	228,766
Increase (Decrease) in Cash and Cash Equivalents	**(17,787)**	(224,752)	238,844
Cash and Cash Equivalents – Beginning of Year	**540,207**	764,959	526,115
Cash and Cash Equivalents - End of Year	**$ 522,420**	$ 540,207	$ 764,959

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Archer Daniels Midland Company

	Common Stock Shares	Common Stock Amount	Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
			(In thousands)		
Balance June 30, 2002	649,993	$5,436,151	$1,567,570	$(248,900)	$6,754,821
Comprehensive income					
Net earnings			451,145		
Other comprehensive income				81,942	
Total comprehensive income					533,087
Cash dividends paid-$.24 per share			(155,565)		(155,565)
Treasury stock purchases	(8,410)	(101,212)			(101,212)
Other	3,272	38,066			38,066
Balance June 30, 2003	644,855	5,373,005	1,863,150	(166,958)	7,069,197
Comprehensive income					
Net earnings			494,710		
Other comprehensive income				249,913	
Total comprehensive income					744,623
Cash dividends paid-$.27 per share			(174,109)		(174,109)
Treasury stock purchases	(309)	(4,113)			(4,113)
Other	6,202	62,618			62,618
Balance June 30, 2004	650,748	5,431,510	2,183,751	82,955	7,698,216
Comprehensive income					
Net earnings			**1,044,385**		
Other comprehensive income (loss)				**(46,338)**	
Total comprehensive income					**998,047**
Cash dividends paid-$.32 per share			**(209,425)**		**(209,425)**
Treasury stock purchases	**(7,095)**	**(139,112)**			**(139,112)**
Other	**6,746**	**93,442**	**(7,696)**		**85,746**
Balance June 30, 2005	**650,399**	**$5,385,840**	**$3,011,015**	**$ 36,617**	**$8,433,472**

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Archer Daniels Midland Company

Note 1-Acquisitions

The 2005, 2004, and 2003 acquisitions were accounted for as purchases in accordance with SFAS Number 141, *Business Combinations.* Accordingly, the tangible assets and liabilities have been adjusted to fair values with the remainder of the purchase price, if any, recorded as goodwill. The identifiable intangible assets acquired as part of these acquisitions are not material.

2005 Acquisitions

During 2005, the Company acquired five businesses for a total cost of $24 million. The Company recorded no goodwill related to these acquisitions.

2004 Acquisitions

During 2004, the Company acquired five businesses for a total cost of $94 million. The Company recorded no goodwill related to these acquisitions.

2003 Acquisitions

On September 6, 2002, the Company acquired all of the outstanding Class A units of Minnesota Corn Processors, LLC (MCP), an operator of corn wet-milling plants in Minnesota and Nebraska, for cash of $382 million and assumed $233 million of MCP long-term debt. Prior to September 6, 2002, the Company owned non-voting Class B units, which represented 30% of the outstanding equity of MCP. The operating results of MCP are consolidated in the Company's net earnings from September 6, 2002. Prior to September 6, 2002, the Company accounted for its investment in MCP on the equity method of accounting.

On February 24, 2003, the Company acquired six wheat flour mills located in the United Kingdom from Associated British Foods plc (ABF). The Company acquired the assets and inventories of the ABF mills for cash of approximately $96 million and assumed no liabilities in connection with the acquisition. The operating results of the ABF mills are included in the Company's net earnings from February 24, 2003.

During February 2003, the Company tendered an offer to acquire all of the outstanding shares of Pura plc (Pura), a United Kingdom-based company that processes and markets edible oil. Prior to the offer, the Company owned 28% of the outstanding equity of Pura and paid cash of $58 million to acquire the remaining outstanding shares. The results of Pura's operations are consolidated in the Company's net earnings from April 7, 2003. Prior to April 7, 2003, the Company accounted for its investment in Pura on the equity method of accounting.

The Company recorded goodwill of $120 million related to the 2003 acquisitions.

Note 2-Marketable Securities and Cash Equivalents

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
2005		(In thousands)		
United States government obligations				
Maturity less than 1 year	**$ 203,157**	**$ 226**	**$ (229)**	**$ 203,154**
Maturity 5 to 10 years	**49,355**	**–**	**(66)**	**49,289**
Other debt securities				
Maturity less than 1 year	**168,568**	**–**	**(212)**	**168,356**
Maturity 1 to 5 years	**41,000**	**–**	**(209)**	**40,791**
Maturity 5 to 10 years	**75,000**	**–**	**(526)**	**74,474**
Maturity greater than 10 years	**225,331**	**–**	**(3,885)**	**221,446**
Equity securities				
Available-for-sale	**304,430**	**344,700**	**(1,769)**	**647,361**
Trading	**16,591**	**–**	**–**	**16,591**
	$ 1,083,432	**$ 344,926**	**$ (6,896)**	**$ 1,421,462**

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
2004		(In thousands)		
United States government obligations				
Maturity less than 1 year	$ 180,472	$ 104	$ (135)	$ 180,441
Other debt securities				
Maturity less than 1 year	137,127	2	(125)	137,004
Maturity 5 to 10 years	90,000	–	(2,796)	87,204
Maturity greater than 10 years	306,231	–	(4,656)	301,575
Equity securities				
Available-for-sale	435,668	326,043	(2,031)	759,680
Trading	12,929	–	–	12,929
	$ 1,162,427	$ 326,149	$ (9,743)	$ 1,478,833

Of the $7 million in unrealized losses at June 30, 2005, $4 million of unrealized losses arose within the last 12 months, and the remaining $3 million of unrealized losses arose within the last 24 months.

Note 3-Inventories and Derivatives

To reduce price risk caused by market fluctuations, the Company generally follows a policy of using exchange-traded futures and options contracts to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. The Company will also use exchange-traded futures and options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly impacted by factors such as the volatility of the relationship between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, counterparty contracts defaults, and volatility of freight markets. Inventories of certain merchandisable agricultural commodities, which include amounts acquired under deferred pricing contracts, are stated at market value. Exchange-traded futures and options contracts, forward cash purchase contracts, and forward cash sales contracts of merchandisable agricultural commodities, which have not been designated as fair value hedges, are valued at market price. Changes in the market value of inventories of merchandisable agricultural commodities, forward cash purchase and sales contracts, and exchange-traded futures contracts are recognized in earnings immediately, resulting in cost of goods sold approximating first-in, first-out (FIFO) cost. Unrealized gains on forward cash purchase contracts, forward cash sales contracts, and exchange-traded futures contracts represent the fair value of such instruments and are classified on the Company's balance sheet as receivables. Unrealized losses on forward cash purchase contracts, forward cash sales contracts, and exchange-traded futures contracts represent the fair value of such instruments and are classified on the Company's balance sheet as accounts payable.

The Company also values certain inventories using the lower of cost, determined by either the LIFO or FIFO method, or market.

	2005	2004
	(In thousands)	
LIFO inventories		
FIFO value	**$ 339,964**	$ 560,442
LIFO valuation reserve	**(20,732)**	(134,607)
LIFO inventories carrying value	**319,232**	425,835
FIFO inventories	**1,292,822**	1,366,755
Market inventories	**2,294,644**	2,799,058
	$3,906,698	$4,591,648

The Company, from time to time, uses futures contracts to fix the purchase price of anticipated volumes of commodities to be purchased and processed in a future month. The Company also uses futures, options, and swaps to fix the purchase price of the Company's anticipated natural gas requirements for certain production facilities. In addition, certain of the Company's ethanol sales contracts are indexed to unleaded gasoline prices. The Company uses futures and options to fix the sales price of anticipated volumes of these ethanol sales in future months. These derivatives are designated as cash flow hedges. The changes in the market value of such derivative contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in price movements of the hedged item. The amounts representing the ineffectiveness of these cash flow hedges are immaterial. Gains and losses arising from open and closed hedging transactions are deferred in other comprehensive income (loss), net of applicable income taxes, and recognized as a component of cost of products sold in the statement of earnings when the hedged item is recognized. As of June 30, 2005, the Company has recorded $6 million of after-tax gains in other comprehensive income (loss) related to gains and losses from cash flow hedge transactions. The Company expects to recognize $1 million of these after-tax gains in the statement of earnings during fiscal 2006, and the remaining $5 million of after-tax gains are expected to be recognized in the statement of earnings during the first two quarters of fiscal 2007.

Notes to Consolidated Financial Statements

Archer Daniels Midland Company

Note 4-Investments in and Advances to Affiliates

The Company has ownership interests in non-majority-owned affiliates accounted for under the equity method. The Company had 83 and 85 unconsolidated affiliates as of June 30, 2005 and 2004, respectively, located in North and South America, Africa, Europe, and Asia. During fiscal 2005, the Company acquired controlling interests in 3 previously unconsolidated affiliates, made initial investments in 7 unconsolidated affiliates and disposed of its investments in 6 affiliates. The following table summarizes the combined balance sheets and the combined statements of earnings of the Company's unconsolidated affiliates as of and for each of the three years ended June 30, 2005, 2004, and 2003.

	2005	2004	2003
		(In thousands)	
Current assets	**$ 6,240,670**	$ 5,159,660	
Non-current assets	**7,384,141**	8,305,256	
Current liabilities	**4,746,450**	3,983,022	
Non-current liabilities	**1,912,285**	1,939,453	
Minority interests	**430,530**	369,991	
Net assets	**$ 6,535,546**	$ 7,172,450	
Net sales	**$20,214,914**	$ 17,744,217	$ 17,181,800
Gross profit	**2,310,413**	1,991,947	2,037,875
Net income (loss)	**757,539**	819,201	(62,707)

Undistributed earnings of the Company's unconsolidated affiliates as of June 30, 2005, is $436 million.

Two foreign affiliates for which the Company has a carrying value of $406 million have a market value of $384 million based on quoted market prices and exchange rates at June 30, 2005.

Notes to Consolidated Financial Statements

Archer Daniels Midland Company

Note 5-Goodwill and Other Intangible Assets

The Company accounts for its goodwill and other intangible assets in accordance with SFAS Number 142 (SFAS 142), *Goodwill and Other Intangible Assets*. Under this standard, goodwill and intangible assets deemed to have indefinite lives are not amortized but are subject to annual impairment tests. Intangible assets with identifiable useful lives are amortized over those useful lives.

Goodwill balances attributable to consolidated businesses and investments in affiliates, by segment, are set forth in the table below.

	2005			2004		
	Consolidated Businesses	Investments in Affiliates	Total	Consolidated Businesses	Investments In Affiliates	Total
	(In thousands)			(In thousands)		
Oilseeds Processing	**$ 12,279**	**$ 9,141**	**$21,420**	$ 12,419	$ 6,618	$ 19,037
Corn Processing	**76,961**	**7,074**	**84,035**	76,961	7,074	84,035
Agricultural Services	**6,771**	**8,670**	**15,441**	6,771	7,963	14,734
Other	**137,151**	**67,120**	**204,271**	140,811	78,857	219,668
Total	**$233,162**	**$92,005**	**$325,167**	$ 236,962	$ 100,512	$337,474

The changes in goodwill during 2005 are principally related to the finalization of allocations of purchase prices for acquisitions and foreign currency translation adjustments. The Company's other intangible assets are not material.

Note 6-Debt and Financing Arrangements

	2005	2004
	(In thousands)	
5.935% Debentures $500 million face amount, due in 2032	**$ 493,491**	$ 493,252
7.0% Debentures $400 million face amount, due in 2031	**397,569**	397,475
7.5% Debentures $350 million face amount, due in 2027	**348,076**	348,041
8.875% Debentures $300 million face amount, due in 2011	**299,053**	298,933
8.125% Debentures $300 million face amount, due in 2012	**298,827**	298,706
6.625% Debentures $300 million face amount, due in 2029	**298,677**	298,655
8.375% Debentures $300 million face amount, due in 2017	**295,568**	295,356
7.125% Debentures $250 million face amount, due in 2013	**249,636**	249,601
6.95% Debentures $250 million face amount, due in 2097	**246,270**	246,241
6.75% Debentures $200 million face amount, due in 2027	**196,222**	196,107
Other	**629,689**	778,303
Total long-term debt	**3,753,078**	3,900,670
Current maturities	**(222,938)**	(160,795)
	$3,530,140	$3,739,875

At June 30, 2005, the fair value of the Company's long-term debt exceeded the carrying value by $779 million, as estimated by using quoted market prices or discounted future cash flows based on the Company's current incremental borrowing rates for similar types of borrowing arrangements.

The aggregate maturities of long-term debt for the five years after June 30, 2005 are $223 million, $72 million, $70 million, $36 million, and $43 million, respectively.

At June 30, 2005, the Company had pledged certain property, plant, and equipment with a carrying value of $504 million as security for certain long-term debt obligations.

At June 30, 2005, the Company had lines of credit totaling $3.5 billion, of which $3.1 billion was unused. The weighted average interest rates on short-term borrowings outstanding at June 30, 2005 and 2004 were 3.75% and 1.46%, respectively.

Note 7-Shareholders' Equity

The Company has authorized one billion shares of common stock and 500,000 shares of preferred stock, each without par value. No preferred stock has been issued. At June 30, 2005 and 2004, the Company had approximately 21.5 million and 21.2 million shares, respectively, in treasury. Treasury stock of $315 million at June 30, 2005 and $259 million at June 30, 2004 is recorded at cost as a reduction of common stock.

Stock option plans provide for the granting of options to employees to purchase common stock of the Company at market value on the date of grant pursuant to the Company's 1996 Stock Option Plan, 1999 Incentive Compensation Plan, and 2002 Incentive Compensation Plan. Options expire five to ten years after the date of grant, and the vesting requirements of awards under the plans range from four to nine years based upon the terms of each option grant.

The Company's 1999 and 2002 Incentive Compensation Plans provide for the granting of restricted stock awards at no cost to certain officers and key employees. The awarded shares are made in common stock and vest at the end of a three-year restriction period. Upon issuance of restricted stock awards, unearned compensation equivalent to the market value of the shares at the date of grant is charged to shareholders' equity and amortized to compensation expense over the vesting period. During 2005, 2004 and 2003, 2.5 million, 1.1 million, and 1 million common shares were granted as restricted stock awards, respectively.

At June 30, 2005, there were .4 million, .9 million, and 17.6 million shares available for future grant pursuant to the 1996, 1999, and 2002 plans, respectively. Stock option activity during the years indicated is as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
	(In thousands, except per share amounts)	
Shares under option at June 30, 2002	10,581	$11.62
Granted	4,439	11.30
Exercised	(228)	9.32
Cancelled	(329)	12.75
Shares under option at June 30, 2003	14,463	11.54
Granted	1,446	13.65
Exercised	(3,931)	11.58
Cancelled	(876)	12.41
Shares under option at June 30, 2004	11,102	11.73
Granted	**3,093**	**15.74**
Exercised	**(3,278)**	**10.79**
Cancelled	**(394)**	**11.89**
Shares under option at June 30, 2005	**10,523**	**$13.19**
Shares exercisable at June 30, 2005	**2,307**	**$11.72**
Shares exercisable at June 30, 2004	3,880	$10.77
Shares exercisable at June 30, 2003	5,445	$11.40

At June 30, 2005, the range of exercise prices and weighted average remaining contractual life of outstanding options was $8.33 to $24.26 and six years, respectively. Substantially all of the outstanding and exercisable options as of June 30, 2005, have exercise prices which range between $11 and $16. The weighted average fair values of options granted during 2005, 2004, and 2003 are $5.41, $4.72, and $3.20, respectively.

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Note 8-Accumulated Other Comprehensive Income (Loss)

The following table sets forth information with respect to accumulated other comprehensive income (loss):

	Foreign Currency Translation Adjustment	Deferred Gain (Loss) on Hedging Activities	Minimum Pension Liability Adjustment	Unrealized Gain (Loss) on Investments	Accumulated Other Comprehensive Income (Loss)
			(In thousands)		
Balance at June 30, 2002	$(373,212)	$ 41,212	$ (24,716)	$ 107,816	$ (248,900)
Unrealized gains (losses)	250,211	22,834	(188,080)	(34,513)	50,452
(Gains) losses reclassified to net earnings		(66,391)		(7,892)	(74,283)
Tax effect		16,519	71,333	17,921	105,773
Net of tax amount	250,211	(27,038)	(116,747)	(24,484)	81,942
Balance at June 30, 2003	(123,001)	14,174	(141,463)	83,332	(166,958)
Unrealized gains (losses)	97,044	14,292	19,227	250,876	381,439
(Gains) losses reclassified to net earnings		(22,834)		(11,042)	(33,876)
Tax effect		3,379	(9,330)	(91,699)	(97,650)
Net of tax amount	97,044	(5,163)	9,897	148,135	249,913
Balance at June 30, 2004	(25,957)	9,011	(131,566)	231,467	82,955
Unrealized gains (losses)	**8,528**	**9,677**	**(53,274)**	**33,655**	**(1,414)**
(Gains) losses reclassified to net earnings		**(14,292)**		**(35,889)**	**(50,181)**
Tax effect		**1,705**	**19,685**	**(16,133)**	**5,257**
Net of tax amount	**8,528**	**(2,910)**	**(33,589)**	**(18,367)**	**(46,338)**
Balance at June 30, 2005	**$ (17,429)**	**$ 6,101**	**$ (165,155)**	**$ 213,100**	**$ 36,617**

Note 9-Other Expense (Income) – Net

	2005	2004	2003
		(In thousands)	
Interest expense	**$ 326,580**	$ 341,991	$ 359,971
Investment income	**(135,346)**	(116,352)	(121,887)
Net (gain) loss on marketable securities transactions	**(113,299)**	(23,968)	363
Equity in (earnings) losses of unconsolidated affiliates	**(228,865)**	(180,716)	(65,991)
Other – net	**(14,917)**	7,525	(23,985)
	$(165,847)	$ 28,480	$ 148,471

Interest expense is net of interest capitalized of $11 million, $7 million, and $4 million in 2005, 2004, and 2003, respectively.

The Company made interest payments of $326 million, $361 million, and $345 million in 2005, 2004, and 2003, respectively.

Realized gains on sales of available-for-sale marketable securities totaled $114 million, $24 million, and $4 million in 2005, 2004, and 2003, respectively. Realized losses totaled $1 million and $4 million in 2005 and 2003, respectively.

Notes to Consolidated Financial Statements

Archer Daniels Midland Company

Note 10-Income Taxes

For financial reporting purposes, earnings before income taxes include the following components:

	2005	2004	2003
		(In thousands)	
United States	**$ 977,966**	$ 369,153	$ 356,654
Foreign	**538,409**	348,858	274,319
	$1,516,375	$ 718,011	$ 630,973

Significant components of income taxes are as follows:

	2005	2004	2003
		(In thousands)	
Current			
Federal	**$ 188,456**	$ 159,450	$ 13,653
State	**39,752**	19,770	1,229
Foreign	**2,111**	141,985	60,881
Deferred			
Federal	**135,806**	(50,601)	92,518
State	**5,576**	(3,312)	9,125
Foreign	**100,289**	(43,991)	2,422
	$ 471,990	$ 223,301	$ 179,828

Significant components of the Company's deferred tax liabilities and assets are as follows:

	2005	2004
	(In thousands)	
Deferred tax liabilities		
Depreciation	**$ 674,927**	$ 635,238
Bond discount amortization	**22,760**	24,712
Unrealized gain on marketable securities	**137,025**	108,753
Equity in earnings of affiliates	**95,777**	93,363
Other	**72,333**	131,248
	1,002,822	993,314
Deferred tax assets		
Pension and postretirement benefits	**148,728**	134,410
Reserves and other accruals	**20,155**	165,713
Other	**59,368**	118,084
	228,251	418,207
Net deferred tax liabilities	**774,571**	575,107
Current net deferred tax assets included in other assets	**4,856**	78,727
Non-current net deferred tax liabilities	**$ 779,427**	$ 653,834

Reconciliation of the statutory federal income tax rate to the Company's effective tax rate on earnings is as follows:

	2005	2004	2003
Statutory rate	**35.0%**	35.0%	35.0%
Export tax incentives	**(2.6)**	(5.0)	(4.2)
State income taxes, net of federal tax benefit	**1.4**	1.9	0.8
Foreign earnings taxed at rates other than the U.S. statutory rate	**(4.0)**	(3.8)	(5.5)
Other	**1.3**	3.0	2.4
Effective rate	**31.1%**	31.1%	28.5%

The Company made income tax payments of $238 million, $273 million, and $124 million in 2005, 2004, and 2003, respectively.

The Company has $105 million and $81 million of tax assets for net operating loss carryforwards related to certain international subsidiaries at June 30, 2005 and 2004, respectively. As of June 30, 2005, approximately $88 million of these assets have no expiration date, and the remaining $17 million expire at various times through fiscal 2011. The annual usage of certain of these assets is limited to a percentage of the taxable income of the respective international subsidiary for the year. The Company has recorded a valuation allowance of $83 million and $70 million against these tax assets at June 30, 2005 and 2004, respectively, due to the uncertainty of their realization. The Company also has $18 million of tax assets related to excess foreign tax credits which expire in fiscal 2013.

Undistributed earnings of the Company's foreign subsidiaries and affiliated corporate joint venture companies accounted for on the equity method amounting to approximately $1.7 billion at June 30, 2005 are considered to be permanently reinvested, and accordingly, no provision for U.S. income taxes has been provided thereon. It is not practicable to determine the deferred tax liability for temporary differences related to these undistributed earnings.

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Note 11-Leases

The Company leases manufacturing and warehouse facilities, real estate, transportation assets, and other equipment under operating leases which expire at various dates through the year 2076. Rent expense for 2005, 2004, and 2003 was $116 million, $121 million, and $98 million, respectively. Future minimum rental payments for non-cancelable operating leases with initial or remaining terms in excess of one year are as follows:

Fiscal years	(In thousands)
2006	$ 64,976
2007	51,585
2008	38,119
2009	31,490
2010	21,771
Thereafter	112,722
Total minimum lease payments	$ 320,663

Notes to Consolidated Financial Statements

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Note 12-Employee Benefit Plans

The Company provides substantially all domestic employees and employees at certain international subsidiaries with pension benefits. The Company also provides substantially all domestic salaried employees with postretirement health care and life insurance benefits.

The Company has savings and investment plans available to employees. The Company also maintains stock ownership plans for qualifying employees. The Company contributes shares of its stock to the plans to match qualifying employee contributions. Employees have the choice of retaining Company stock in their accounts or diversifying the shares into other investment options. Expense is measured and recorded based upon the fair market value of the stock contributed to the plans each month. The number of shares designated for use in the plans is not significant compared to the shares outstanding for the periods presented. Assets of the Company's defined contribution plans consist primarily of listed common stocks and pooled funds. The Company's defined contribution plans held 22.6 million shares of Company common stock at June 30, 2005, with a market value of $484 million. Cash dividends received on shares of Company common stock by these plans during the year ended June 30, 2005 were $7 million.

	Pension Benefits			Postretirement Benefits		
	2005	2004	2003	**2005**	2004	2003
	(In thousands)			(In thousands)		
Retirement plan expense						
Defined benefit plans:						
Service cost (benefits earned during the period)	**$ 58,092**	$ 48,749	$ 33,414	**$ 6,467**	$ 6,121	$ 7,135
Interest cost	**79,267**	70,133	64,287	**7,704**	7,711	8,449
Expected return on plan assets	**(68,259)**	(57,947)	(63,268)	**–**	–	–
Amortization of actuarial loss (gain)	**32,582**	23,865	5,721	**91**	61	(2)
Other amortization	**4,273**	3,721	2,193	**(1,116)**	(1,116)	539
Net periodic defined benefit plan expense	**105,955**	88,521	42,347	**13,146**	12,777	16,121
Defined contribution plans:	**25,046**	23,622	22,833	**–**	–	–
Total retirement plan expense	**$ 131,001**	$ 112,143	$ 65,180	**$ 13,146**	$ 12,777	$ 16,121

The Company uses a March 31 measurement date for substantially all defined benefit plans. The following tables set forth changes in the defined benefit obligation and the fair value of defined benefit plan assets:

	Pension Benefits		Postretirement Benefits	
	2005	2004	**2005**	2004
	(In thousands)		(In thousands)	
Benefit obligation, beginning	**$ 1,398,429**	$ 1,131,532	**$ 136,403**	$ 125,765
Service cost	**58,092**	48,681	**6,467**	6,121
Interest cost	**79,267**	70,133	**7,704**	7,711
Actuarial loss (gain)	**83,093**	112,576	**5,636**	1,561
Benefits paid	**(56,158)**	(44,712)	**(5,112)**	(4,758)
Plan amendments	**8,328**	28,478	**(89)**	–
Acquisitions	**21,561**	34,879	–	–
Foreign currency effects	**6,776**	16,862	**55**	3
Benefit obligation, ending	**$ 1,599,388**	$ 1,398,429	**$ 151,064**	$ 136,403
Fair value of plan assets, beginning	**$ 912,549**	$ 637,121	**$ –**	$ –
Actual return on plan assets	**96,860**	151,027	–	–
Employer contributions	**99,961**	110,556	**5,112**	4,758
Benefits paid	**(56,158)**	(43,401)	**(5,112)**	(4,758)
Plan amendments	**3,417**	18,443	–	–
Acquisitions	**5,247**	27,397	–	–
Foreign currency effects	**6,505**	11,406	–	–
Fair value of plan assets, ending	**$ 1,068,381**	$ 912,549	$ –	$ –
Funded status	**$ (531,007)**	$ (485,880)	**$ (151,064)**	$ (136,403)
Unamortized transition amount	**(553)**	(929)	–	–
Unrecognized net loss	**436,401**	411,500	**20,257**	14,751
Unrecognized prior service costs	**42,901**	42,615	**(11,167)**	(12,283)
Adjustment for fourth quarter contributions	**1,758**	2,682	–	–
Pension liability recognized in the balance sheet	**$ (50,500)**	$ (30,012)	**$ (141,974)**	$ (133,935)
Prepaid benefit cost	**$ 23,586**	$ 67,721	**$ –**	$ –
Accrued benefit liability - current	**(196,925)**	(86,511)	–	–
Accrued benefit liability - long-term	**(179,333)**	(261,909)	**(141,974)**	(133,935)
Intangible asset	**42,604**	42,018	–	–
Accumulated other comprehensive loss	**259,568**	208,669	–	–
Net amount recognized, June 30	**$ (50,500)**	$ (30,012)	**$ (141,974)**	$ (133,935)

The following table sets forth the principal assumptions used in developing the benefit obligation and the net periodic pension expense:

	Pension Benefits		Postretirement Benefits	
	2005	2004	**2005**	2004
Discount rate	**5.4%**	5.6%	**5.8%**	5.8%
Expected return on plan assets	**7.2%**	7.4%	**N/A**	N/A
Rate of compensation increase	**3.7%**	4.1%	**N/A**	N/A

The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the pension plans with projected benefit obligations in excess of plan assets were $1.5 billion, $1.3 billion, and $980 million, respectively, as of June 30, 2005, and $1.3 billion, $1.2 billion, and $834 million, respectively, as of June 30, 2004. The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets were $1.3 billion, $1.2 billion, and $835 million, respectively, as of June 30, 2005, and $1.2 billion, $1 billion, and $703 million, respectively, as of June 30, 2004. The accumulated benefit obligation for all pension plans as of June 30, 2005 and 2004, was $1.4 billion and $1.2 billion, respectively.

For postretirement benefit measurement purposes, a 10.5% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2005. The rate was assumed to decrease gradually to 5.0% for 2011 and remain at that level thereafter.

Assumed health care cost trend rates have a significant impact on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have the following effect:

	1% Increase	1% Decrease
	(In thousands)	
Effect on combined service and interest cost components	$ 1,768	$ (1,550)
Effect on accumulated postretirement benefit obligations	$ 15,777	$ (14,219)

Plan Assets

The following table sets forth the actual asset allocation and target asset allocation for the Company's global pension plan assets:

	2005	Target Asset Allocation
Equity securities[1]	54%	54%
Debt securities	45%	45%
Other	1%	1%
Total	100%	100%

[1] The Company's pension plans held 3.4 million shares of Company common stock at June 30, 2005, with a market value of $72 million. Cash dividends received on shares of Company common stock by these plans during the year ended June 30, 2005 were $1 million.

Investment objectives for the Company's plan assets are to:

- Optimize the long-term return on plan assets at an acceptable level of risk.
- Maintain a broad diversification across asset classes and among investment managers.
- Maintain careful control of the risk level within each asset class.
- Focus on a long-term return objective.

Asset allocation targets promote optimal expected return and volatility characteristics given the long-term time horizon for fulfilling the obligations of the pension plans. Selection of the targeted asset allocation for plan assets was based upon a review of the expected return and risk characteristics of each asset class, as well as the correlation of returns among asset classes.

Investment guidelines are established with each investment manager. These guidelines provide the parameters within which the investment managers agree to operate, including criteria that determine eligible and ineligible securities, diversification requirements, and credit quality standards, where applicable. In some countries, derivatives may be used to gain market exposure in an efficient and timely manner; however, derivatives may not be used to leverage the portfolio beyond the market value of underlying investments.

External consultants monitor the most appropriate investment strategy and asset mix for the Company's plan assets. To develop the Company's expected long-term rate of return assumption on plan assets, generally, the Company uses long-term historical return information for the targeted asset mix identified in asset and liability studies. Adjustments are made to the expected long-term rate of return assumption when deemed necessary based upon revised expectations of future investment performance of the overall investment markets. The expected long-term rate of return assumption used in computing 2005 net periodic pension cost for the pension plans was 7.2%.

Contributions and Expected Future Benefit Payments

The Company expects to contribute $197 million to the pension plans and $6 million to the postretirement benefit plan during 2006.

The following benefit payments, which reflect expected future service, are expected to be paid:

	Pension Benefits	Postretirement Benefits
	(In thousands)	
2006	$ 56,901	$ 5,698
2007	61,321	5,687
2008	64,544	6,463
2009	68,500	7,441
2010	72,896	8,689
2011 – 2015	501,793	62,502

Note 13-Segment and Geographic Information

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products. The Company's operations are classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are aggregated and classified as Other.

The Oilseeds Processing segment includes activities related to processing oilseeds such as soybeans, cottonseed, sunflower seeds, canola, peanuts, and flaxseed into vegetable oils and meals principally for the food and feed industries. In addition, oilseeds may be resold into the marketplace as a raw material for other processors. Crude vegetable oil is sold "as is" or is further processed by refining, bleaching, and deodorizing into salad oils. Salad oils can be further processed by hydrogenating and/or interesterifying into margarine, shortening, and other food products. Partially refined oil is sold for use in chemicals, paints, and other industrial products. Refined oil can be further processed for use in the production of biodiesel. Oilseed meals are primary ingredients used in the manufacture of commercial livestock and poultry feeds.

The Corn Processing segment includes activities related to the production of sweeteners, starches, dextrose, and syrups for the food and beverage industry as well as activities related to the production, by fermentation, of bioproducts such as alcohol, amino acids, and other specialty food and feed ingredients.

The Agricultural Services segment utilizes the Company's extensive grain elevator and transportation network to buy, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, and barley, and resells these commodities primarily as feed ingredients and as raw materials for the agricultural processing industry. Agricultural Services' grain sourcing and transportation network provides reliable and efficient services to the Company's agricultural processing operations. Also included in Agricultural Services are the activities of A.C. Toepfer International, a global merchandiser of agricultural commodities and processed products.

Other includes the Company's remaining operations, consisting principally of food and feed ingredient businesses and financial activities. Food and feed ingredient businesses include Wheat Processing with activities related to the production of wheat flour; Cocoa Processing with activities related to the production of chocolate and cocoa products; the production of natural health and nutrition products; and the production of other specialty food and feed ingredients. Financial activities include banking, captive insurance, private equity fund investments, and futures commission merchant activities.

Intersegment sales have been recorded at amounts approximating market. Operating profit for each segment is based on net sales less identifiable operating expenses, including an interest charge related to working capital usage. Also included in operating profit are the related equity in earnings (losses) of affiliates based on the equity method of accounting. General corporate expenses, investment income, unallocated interest expense, marketable securities transactions, and FIFO to LIFO inventory adjustments have been excluded from segment operations and classified as Corporate.

Segment Information

	2005	2004	2003
		(In thousands)	
Sales to external customers			
Oilseeds Processing	**$ 11,803,309**	$ 12,049,250	$ 9,773,379
Corn Processing	**4,363,924**	4,005,181	3,058,686
Agricultural Services	**15,198,831**	15,638,341	13,557,946
Other	**4,577,746**	4,458,622	4,318,022
Total	**$ 35,943,810**	$ 36,151,394	$ 30,708,033
Intersegment sales			
Oilseeds Processing	**$ 158,519**	$ 178,056	$ 123,243
Corn Processing	**398,252**	315,173	244,039
Agricultural Services	**1,084,477**	2,192,090	1,425,883
Other	**109,268**	108,655	101,822
Total	**$ 1,750,516**	$ 2,793,974	$ 1,894,987
Net sales			
Oilseeds Processing	**$ 11,961,828**	$ 12,227,306	$ 9,896,622
Corn Processing	**4,762,176**	4,320,354	3,302,725
Agricultural Services	**16,283,308**	17,830,431	14,983,829
Other	**4,687,014**	4,567,277	4,419,844
Intersegment elimination	**(1,750,516)**	(2,793,974)	(1,894,987)
Total	**$ 35,943,810**	$ 36,151,394	$ 30,708,033
Interest expense			
Oilseeds Processing	**$ 51,994**	$ 36,942	$ 35,433
Corn Processing	**19,600**	9,931	14,124
Agricultural Services	**42,620**	43,424	50,024
Other	**77,956**	56,387	62,760
Corporate	**134,410**	195,307	197,630
Total	**$ 326,580**	$ 341,991	$ 359,971
Depreciation			
Oilseeds Processing	**$ 162,290**	$ 168,836	$ 154,514
Corn Processing	**265,419**	268,968	246,851
Agricultural Services	**74,124**	79,987	77,636
Other	**139,502**	144,625	142,513
Corporate	**23,317**	23,197	22,101
Total	**$ 664,652**	$ 685,613	$ 643,615
Equity in earnings (losses) of affiliates			
Oilseeds Processing	**$ 18,346**	$ 30,475	$ 51,411
Corn Processing	**39,962**	33,286	39,825
Agricultural Services	**17,879**	12,359	953
Other	**106,443**	88,919	(35,147)
Corporate	**46,235**	15,677	8,949
Total	**$ 228,865**	$ 180,716	$ 65,991

Operating profit			
Oilseeds Processing	**$ 344,654**	$ 290,732	$ 337,089
Corn Processing	**530,233**	660,947	358,700
Agricultural Services	**261,659**	249,863	92,124
Other	**414,394**	359,469	221,999
Total operating profit	**1,550,940**	1,561,011	1,009,912
Corporate	**(34,565)**	(843,000)	(378,939)
Earnings before income taxes	**$ 1,516,375**	$ 718,011	$ 630,973
Investments in and advances to affiliates			
Oilseeds Processing	**$ 356,124**	$ 321,333	
Corn Processing	**163,817**	147,950	
Agricultural Services	**207,805**	180,952	
Other	**805,527**	881,108	
Corporate	**346,228**	301,276	
Total	**$ 1,879,501**	$ 1,832,619	
Identifiable assets			
Oilseeds Processing	**$ 5,169,644**	$ 5,412,654	
Corn Processing	**2,769,364**	2,829,153	
Agricultural Services	**2,912,294**	2,907,637	
Other	**5,911,916**	6,273,607	
Corporate	**1,834,887**	1,945,770	
Total	**$ 18,598,105**	$ 19,368,821	
Gross additions to property, plant, and equipment			
Oilseeds Processing	**$ 192,790**	$ 207,344	
Corn Processing	**263,483**	214,805	
Agricultural Services	**82,910**	93,834	
Other	**93,211**	86,243	
Corporate	**14,984**	18,407	
Total	**$ 647,378**	$ 620,633	

Geographic Information: The following geographic area data include net sales and other operating income attributed to the countries based on the location of the subsidiary making the sale and long-lived assets based on physical location. Long-lived assets represent the sum of the net book value of property, plant, and equipment plus goodwill related to consolidated businesses.

	2005	2004	2003
		(In millions)	
Net sales and other operating income			
United States	**$19,450**	$ 19,106	$ 16,140
Germany	**5,991**	6,108	4,519
Other foreign	**10,503**	10,937	10,049
	$35,944	$ 36,151	$ 30,708
Long-lived assets			
United States	**$ 3,921**	$ 4,033	
Foreign	**1,497**	1,459	
	$ 5,418	$ 5,492	

Note 14-Guarantees

The Company has entered into debt guarantee agreements, primarily related to equity-method investees, which could obligate the Company to make future payments if the primary entity fails to perform its contractual obligation. The Company has not recorded a liability for these contingent obligations, as the Company believes the likelihood of any payments being made is remote. Should the Company be required to make any payments pursuant to these guarantees, the Company has, for a majority of these agreements, a security interest in the underlying assets of the primary entity. These debt guarantees totaled $422 million at June 30, 2005. Outstanding borrowings under these guarantees were $309 million at June 30, 2005.

Notes to Consolidated Financial Statements

Archer Daniels Midland Company

Note 15-Antitrust Litigation Settlement

In 2004, the Company entered into a settlement agreement related to a class action antitrust suit involving the sale of high-fructose corn syrup pursuant to which the Company accrued $400 million ($252 million after tax). The $400 million was paid in 2005.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Archer Daniels Midland Company's ("ADM") management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). ADM's internal control system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles.

Under the supervision and with the participation of management, including its principal executive officer and principal financial officer, ADM's management assessed the design and operating effectiveness of internal control over financial reporting as of June 30, 2005 based on the framework set forth in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this assessment, management concluded that ADM's internal control over financial reporting was effective as of June 30, 2005. Ernst & Young LLP, an independent registered public accounting firm, has issued an attestation report on management's assessment of the Company's internal control over financial reporting as of June 30, 2005. That report is included herein.

/s/ G. Allen Andreas
G. Allen Andreas
Chairman and Chief Executive

/s/ Douglas J. Schmalz
Douglas J. Schmalz
Senior Vice President &
Chief Financial Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
Archer Daniels Midland Company
Decatur, Illinois

We have audited the accompanying consolidated balance sheets of Archer Daniels Midland Company and subsidiaries as of June 30, 2005 and 2004, and the related consolidated statements of earnings, shareholders' equity, and cash flows for each of the three years in the period ended June 30, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Archer Daniels Midland Company and subsidiaries at June 30, 2005 and 2004, and the consolidated results of their operations and their cash flows for each of the three years in the period ended June 30, 2005, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Archer Daniels Midland Company and subsidiaries' internal control over financial reporting as of June 30, 2005, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated August 31, 2005, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

St. Louis, Missouri
August 31, 2005

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Archer Daniels Midland Company
Decatur, Illinois

We have audited management's assessment, included in the accompanying *Management's Report on Internal Control Over Financial Reporting*, that Archer Daniels Midland Company and subsidiaries maintained effective internal control over financial reporting as of June 30, 2005, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Archer Daniels Midland Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that Archer Daniels Midland Company and subsidiaries maintained effective internal control over financial reporting as of June 30, 2005, is fairly stated, in all material respects, based on the COSO criteria. Also, in our opinion, Archer Daniels Midland Company and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of June 30, 2005, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Archer Daniels Midland Company and subsidiaries as of June 30, 2005 and 2004, and the related consolidated statements of earnings, shareholders' equity, and cash flows for each of the three years in the period ended June 30, 2005, of Archer Daniels Midland Company and subsidiaries, and our report dated August 31, 2005, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

St. Louis, Missouri
August 31, 2005

Quarterly Financial Data (Unaudited)

Archer Daniels Midland Company

	Quarter				
	First	Second	Third	Fourth	Year
	(In thousands, except per share amounts)				
Fiscal 2005					
Net Sales	**$8,972,411**	**$9,063,526**	**$8,484,171**	**$9,423,702**	**$35,943,810**
Gross Profit	**663,432**	**668,708**	**574,856**	**524,343**	**2,431,339**
Net Earnings (Loss)	**266,297**	**313,509**	**269,095**	**195,484**	**1,044,385**
Diluted Earnings (Loss) Per Common Share	**.41**	**.48**	**.41**	**.30**	**1.59**
Fiscal 2004					
Net Sales	$7,967,902	$9,188,504	$9,309,019	$9,685,969	$36,151,394
Gross Profit	453,754	604,294	587,019	503,257	2,148,324
Net Earnings (Loss)	150,181	220,821	226,769	(103,061)	494,710
Diluted Earnings (Loss) Per Common Share	.23	.34	.35	(.16)	.76

Net earnings (loss) for the three months and year ended June 30, 2005 include charges to cost of products sold of $40 million ($25 million after tax, equal to $.04 per share) and $42 million ($26 million after tax, equal to $.04 per share), respectively, related to the abandonment and write-down of certain long-lived assets. For the year ended June 30, 2005, net earnings include a gain of $159 million ($119 million after tax, equal to $.18 per share) related to sales of the Company's interests in Tate & Lyle PLC. Net earnings (loss) for the three months and year ended June 30, 2004 include a $400 million charge ($252 million after tax, or $.39 per share) to selling, general, and administrative expense related to the settlement of fructose litigation. Net earnings (loss) for the three months and year ended June 30, 2004 include charges to cost of products sold of $10 million ($6 million after tax, equal to $.01 per share) and $51 million ($32 million after tax, equal to $.05 per share), respectively, related to the abandonment and write-down of certain long-lived assets. For the year ended June 30, 2004, net earnings include a gain of $21 million ($13 million after tax, equal to $.02 per share) from an insurance-related lawsuit pertaining to the flood of 1993.

Common Stock Market Prices and Dividends

Archer Daniels Midland Company

The Company's common stock is listed and traded on the New York Stock Exchange, Chicago Stock Exchange, Frankfurt Stock Exchange, and Swiss Stock Exchange. The following table sets forth, for the periods indicated, the high and low market prices of the common stock as reported on the New York Stock Exchange and common stock cash dividends.

	Market Price		***Cash Dividends***
	High	***Low***	***Per Share***
Fiscal 2005--Quarter Ended			
June 30	**$ 25.30**	**$ 17.50**	**$ 0.085**
March 31	**25.37**	**21.35**	**0.085**
December 31	**22.55**	**16.72**	**0.075**
September 30	**17.00**	**14.95**	**0.075**
Fiscal 2005--Quarter Ended			
June 30	$ 17.95	$ 15.82	$ 0.075
March 31	17.83	14.90	0.075
December 31	15.24	13.11	0.06
September 30	14.14	11.95	0.06

The number of registered shareholders of the Company's common stock at June 30, 2005 was 23,091. The Company expects to continue its policy of paying regular cash dividends, although there is no assurance as to future dividends because they are dependent on future earnings, capital requirements, and financial condition.

TEN-YEAR SUMMARY

Archer Daniels Midland Company

Operating, Financial, and Other Data (Dollars in thousands, except per share data)

	2005	2004	2003	2002
Operating				
Net sales and other operating income	**$35,943,810**	$36,151,394	$30,708,033	$22,611,894
Depreciation	**664,652**	685,613	643,615	566,576
Net earnings	**1,044,385**	494,710	451,145	511,093
Basic earnings per common share	**1.60**	0.76	0.70	0.78
Diluted earnings per common share	**1.59**	0.76	0.70	0.78
Cash dividends	**209,425**	174,109	155,565	130,000
Per common share	**.32**	0.27	0.24	0.20
Financial				
Working capital	**$4,343,837**	$3,588,759	$3,274,385	$2,770,520
Per common share	**6.68**	5.51	5.08	4.26
Current ratio	**1.8**	1.5	1.6	1.6
Inventories	**3,906,698**	4,591,648	3,550,225	3,255,412
Net property, plant, and equipment	**5,184,380**	5,254,738	5,468,716	4,890,241
Gross additions to property, plant, and equipment	**647,378**	620,633	1,245,910	596,559
Total assets	**18,598,105**	19,368,821	17,182,879	15,379,335
Long-term debt	**3,530,140**	3,739,875	3,872,287	3,111,294
Shareholders' equity	**8,433,472**	7,698,216	7,069,197	6,754,821
Per common share	**12.97**	11.83	10.96	10.39
Other				
Weighted average shares outstanding- basic (000s)	**654,242**	647,698	646,086	656,955
Weighted average shares outstanding-diluted (000s)	**656,123**	649,810	646,883	657,947
Number of shareholders	**23,091**	24,394	25,539	26,715
Number of employees	**25,641**	26,317	26,197	24,746

Share and per share data have been adjusted for annual 5% stock dividends from September 1996 through September 2001.

2001	2000	1999	1998	1997	1996
$19,483,211	$18,612,423	$18,509,903	$19,832,594	$18,104,827	$17,981,264
572,390	604,229	584,965	526,813	446,412	393,605
383,284	300,903	265,964	403,609	377,309	695,912
0.58	0.45	0.39	0.59	0.55	0.99
0.58	0.45	0.39	0.59	0.55	0.99
125,053	120,001	117,089	111,551	106,990	90,860
0.19	0.18	0.17	0.16	0.15	0.13
$2,283,320	$1,829,422	$1,949,323	$1,734,411	$2,035,580	$2,751,132
3.45	2.76	2.89	2.50	3.00	3.95
1.6	1.4	1.5	1.5	1.9	2.7
2,631,885	2,822,712	2,732,694	2,562,650	2,094,092	1,790,636
4,920,425	5,277,081	5,567,161	5,322,704	4,708,595	4,114,301
318,168	475,396	825,676	1,228,553	1,127,360	801,426
14,339,931	14,471,936	14,029,881	13,833,534	11,354,367	10,449,869
3,351,067	3,277,218	3,191,883	2,847,130	2,344,949	2,002,979
6,331,683	6,110,243	6,240,640	6,504,912	6,050,129	6,144,812
9.56	9.20	9.24	9.38	8.92	8.82
664,507	669,279	685,328	686,047	690,352	702,012
665,353	669,279	685,426	686,809	691,409	702,817
27,918	29,911	31,764	32,539	33,834	35,431
22,834	22,753	23,603	23,132	17,160	14,811

EXHIBIT 21--SUBSIDIARIES OF THE REGISTRANT

ARCHER-DANIELS-MIDLAND COMPANY

June 30, 2005

Following is a list of the Registrant's subsidiaries showing the percentage of voting securities owned:

	Organized Under Laws of	Ownership
ADM Worldwide Holdings LP (A)	Cayman Islands	100
ADM Europe BV (B)	Netherlands	100
ADM Canadian Holdings BV (C)	Netherlands	100
ADM Agri-Industries Company (D)	Canada	100
ADM International Ltd. (E)	United Kingdom	100
ADM Ireland Holdings Ltd. (F)	Ireland	100
ADM Ringaskiddy Unlimited Liability Co. (G)	Ireland	100
ADM German Holdings BV (H)	Netherlands	100
ADM European Management Holding GmbH & Co. KG (I)	Germany	100

(A) ADM Worldwide Holdings LP owns ADM Europe BV and fourteen subsidiary companies whose names have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

(B) ADM Europe BV owns ADM Canadian Holdings BV, ADM International Ltd., ADM Ireland Holdings Ltd. and fifty-seven subsidiary companies whose names have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

(C) ADM Canadian Holdings BV has one subsidiary company, ADM Agri-Industries Company.

(D) ADM Agri-Industries Company has fifteen subsidiary companies whose names have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

(E) ADM International Ltd. has fifty-three subsidiary companies whose names have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

(F) ADM Ireland Holdings Ltd. has one subsidiary company, ADM Ringaskiddy Unlimited Liability Co.

(G) ADM Ringaskiddy Unlimited Liability Co. owns one subsidiary company, ADM German Holdings BV.

(H) ADM German Holdings BV owns one subsidiary company, ADM European Management Holding GmbH & Co. KG.

(I) ADM European Management Holding GmbH & Co. KG owns thirty-eight subsidiary companies whose names have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

The names of seventy-seven domestic subsidiaries and forty-nine international subsidiaries have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Archer Daniels Midland Company and subsidiaries of our reports dated August 31, 2005, with respect to the consolidated financial statements of Archer Daniels Midland Company and subsidiaries, Archer Daniels Midland Company management's assessment of the effectiveness of internal control over financial reporting, and the effectiveness of internal control over financial reporting of Archer Daniels Midland Company and subsidiaries, included in the 2005 Annual Report to Shareholders of Archer Daniels Midland Company.

Our audits also included the financial statement schedule of Archer Daniels Midland Company listed in Item 15(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the following Registration Statements of our reports dated August 31, 2005, with respect to the consolidated financial statements of Archer Daniels Midland Company and subsidiaries, Archer Daniels Midland Company management's assessment of the effectiveness of internal control over financial reporting, and the effectiveness of internal control over financial reporting of Archer Daniels Midland Company and subsidiaries, incorporated by reference and our report in the preceding paragraph with respect to the financial statement schedule included in this Annual Report (Form 10-K) for the year ended June 30, 2005.

Registration Statement No. 33-49409 on Form S-8 dated March 15, 1993 relating to the Archer Daniels Midland 1991 Incentive Stock Option Plan and Archer Daniels Midland Company Savings and Investment Plan.

Registration Statement No. 33-55301 on Form S-3 dated August 31, 1994 as amended by Amendment No. 1 dated October 7, 1994 (definitive Prospectus dated October 11, 1994) relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 33-56223 on Form S-3 dated October 28, 1994 as amended by Amendment No. 1 dated December 27, 1994 (definitive Prospectus dated December 30, 1994) relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 333-13233 on Form S-3 dated October 1, 1996 as amended by Amendment No. 1 dated November 8, 1996, Amendment No. 2 dated March 20, 1997 and Amendment No. 3 dated March 31, 1997 (definitive Prospectus dated April 1, 1997) relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 333-31623 on Form S-3 dated July 18, 1997 as amended by Amendment No. 1 dated July 29, 1997, (definitive Prospectus dated August 5, 1997) relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 333-51381 on Form S-8 dated April 30, 1998 relating to the Archer Daniels Midland Company 1996 Stock Option Plan.

Registration Statement No. 333-68339 on Form S-3 dated December 3, 1998 as amended by Amendment No. 1 dated December 10, 1998 relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 333-75073 on Form S-8 dated March 26, 1999 relating to the ADM Employee Stock Ownership Plan for Salaried Employees and the ADM Employee Stock Ownership Plan for Hourly Employees.

Registration Statement No. 333-37690 on Form S-8 dated May 24, 2000 relating to the Archer Daniels Midland Company Incentive Compensation Plan.

Registration Statement No. 333-37694 on Form S-8 dated May 24, 2000 relating to the ADM Employee Stock Ownership Plan for Salaried Employees and the ADM Employee Stock Ownership Plan for Hourly Employees.

Registration Statement No. 333-42612 on Form S-8 dated July 31, 2000 as amended by Post-Effective Amendment No. 1 dated August 8, 2000, relating to the ADM 401(k) Plan for Salaried Employees and the ADM 401(k) Plan for Hourly Employees.

Registration Statement No. 333-64524 on Form S-3 dated July 3, 2001 relating to secondary offering of the Common Stock of Archer Daniels Midland Company.

Registration Statement No. 333-67962 on Form S-8 dated August 20, 2001 relating to the ADM Deferred Compensation Plan for Selected Management Employees.

Registration Statement No. 333-86344 on Form S-8 dated April 16, 2002 relating to the ADM Voluntary Employee Payroll Deduction Stock Purchase Plan.

Registration Statement No. 333-103291 on Form S-3 dated February 18, 2003 relating to Debt Securities and Warrants to purchase Debt Securities of Archer Daniels Midland Company.

Registration Statement No. 333-117206 on Form S-8 dated July 7, 2004 relating to the Archer Daniels Midland Company 2002 Incentive Compensation Plan.

Registration Statement No. 333-121616 on Form S-8 dated December 23, 2004 relating to the ADM Deferred Compensation Plan for Selected Management Employees I.

Registration Statement No. 333-121631 on Form S-8 dated December 23, 2004 relating to the ADM Deferred Compensation Plan for Selected Management Employees II.

/s/ Ernst & Young LLP

St. Louis, Missouri
August 31, 2005

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the Chief Executive (Principal Executive Officer) and Chairman of the Board of Directors of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as the Chief Executive and Chairman of the Board of Directors of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 29th day of August, 2005.

/s/ G. ALLEN ANDREAS
G. ALLEN ANDREAS

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 28th day of August, 2005.

/s/ A. L. BOECKMANN
A. L. BOECKMANN

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 31st day of August, 2005.

/s/ M. H. CARTER
M. H. CARTER

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 30th day of August, 2005.

/s/ R. S. JOSLIN
R. S. JOSLIN

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 30th day of August, 2005.

/s/ PATRICK J. MOORE
PATRICK J. MOORE

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 30th day of August, 2005.

/s/ M. BRIAN MULRONEY
M. BRIAN MULRONEY

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 1st day of September, 2005.

/s/ T. F. O'NEILL
T. F. O'NEILL

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 31st day of August, 2005.

/s/ O. G. WEBB
O. G. WEBB

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

KNOW ALL MEN BY THESE PRESENTS, that the undersigned director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint D. J. SCHMALZ, S. R. MILLS and D. J. SMITH, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said Company to the Form 10-K for the fiscal year ended June 30, 2005, and all amendments thereto, to be filed by said Company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand this 30th day of August, 2005.

/s/ KELVIN R. WESTBROOK
KELVIN R. WESTBROOK

Exhibit 31.1

RULE 13a – 14(a)/15d-14(a) CERTIFICATION

I, G. A. Andreas, certify that:

1. I have reviewed this annual report on Form 10-K of Archer-Daniels-Midland Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 8, 2005

/s/ G. A. Andreas
G. A. Andreas
Chairman and Chief Executive

Exhibit 31.2

RULE 13a – 14(a)/15d-14(a) CERTIFICATION

I, D. J. Schmalz, certify that:

1. I have reviewed this annual report on Form 10-K of Archer-Daniels-Midland Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 8, 2005

/s/ D. J. Schmalz
D. J. Schmalz
Senior Vice President and
Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION

In connection with the Annual Report of Archer-Daniels-Midland Company (the "Company") on Form 10-K for the fiscal year ended June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, G. A. Andreas, Chairman and Chief Executive of the Company, certify that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ G. A. Andreas
G. A. Andreas
Chairman and Chief Executive
September 8, 2005

Exhibit 32.2

SECTION 1350 CERTIFICATION

In connection with the Annual Report of Archer-Daniels-Midland Company (the "Company") on Form 10-K for the fiscal year ended June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, D. J. Schmalz, Senior Vice President and Chief Financial Officer of the Company, certify that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ D. J. Schmalz
D. J. Schmalz
Senior Vice President and
Chief Financial Officer
September 8, 2005