GLENCORE

NEWS RELEASE

Baar, 20 August 2014

2014 Half-Year Report

Highlights

US$ million	H1 2014 Reported	H1 2013 Pro forma[1]	Change %	H1 2013 Reported	2013 Pro forma[1]
Key statement of income and cash flows highlights:					
Adjusted EBITDA[2]	**6,464**	6,002	8	3,637	13,071
Adjusted EBIT[2]	**3,624**	3,182	14	2,066	7,434
Net income attributable to equity holders pre significant items[3]	**2,010**	1,860	8	1,207	4,583
Earnings per share (pre significant items) (Basic) (US$)	**0.15**	0.14	7	0.13	0.35
Net income/(loss) attributable to equity holders[4]	**1,720**	645	167	(9,386)	2,473
Funds from operations (FFO)[5]	**4,909**	4,264	15	1,919	10,375
Capital expenditure (including Las Bambas of $798 million and $899 million in H1 2014 and pro forma H1 2013 respectively)	**4,825**	6,552	(26)	3,400	13,050

US$ million	30.06.2014 Reported	30.06.2014 Adjusted for Las Bambas and Caracal[6]	31.12.2013 Reported	Change %
Key financial position highlights:				
Total assets	**158,839**		154,862	3
Current capital employed (CCE)[2]	**23,995**		24,351	(1)
Net debt[5]	**37,595**	**32,595**	35,798	(9)[7]
Ratios:				
FFO to Net debt[5,8]	**29.3%**	**33.8%**	29.0%	17[7]
Net debt to Adjusted EBITDA[8]	**2.78x**	**2.41x**	2.74x	(12)[7]
Adjusted EBITDA to net interest[8]	**9.45x**		9.12x	4
Adjusted current ratio[2]	**1.16x**		1.18x	(2)

1 Refer to basis of preparation on page 4.

2 Refer to glossary (page 75) for definitions and reconciliation of Adjusted EBIT/EBITDA to note 3 of the interim financial statements.

3 Refer to significant items table on page 6.

4 H1 2013 reported, adjusted by $(466) million as a result of the finalisation of the fair value adjustments relating to the acquisition of Xstrata and the resulting increase to the associated impairment (does not impact EBIT and EBITDA) see note 5 of the interim financial statements.

5 Refer to net debt and FFO tables on page 8.

6 Net debt adjusted by $5 billion, including the effects, in July 2014, of the net proceeds received on sale of Las Bambas less the consideration paid for Caracal (see note 25).

7 Change %, calculated post $5 billion impact of the net consideration received on sale of Las Bambas less consideration paid for Caracal.

8 H1 2014 ratio based on last 12 months' FFO and Adjusted EBITDA and 2013 ratios based on pro forma results.

Highlights

- Strong results, driven by delivery of marketing growth, overall production expansion and synergies from the acquisitions of Xstrata and Viterra.
- Adjusted EBITDA of $6.5 billion, up 8% compared to pro forma H1 2013 and Adjusted EBIT up 14% to $3.6 billion:
    - Marketing Adjusted EBITDA up 23% to $1.6 billion and Adjusted EBIT up 27% to $1.5 billion, as a result of generally increased volumes and improved market / procurement conditions, notably in grains, copper, zinc and nickel.
    - Industrial Adjusted EBITDA up 3% to $4.8 billion and Adjusted EBIT up 6% to $2.2 billion, a period in which the positive impact of higher volumes, notable copper, offset the generally weaker net commodity price / exchange rate environment. Metals and minerals' Adjusted EBITDA mining margin improved from 29% to 32%, while Energy Adjusted EBITDA margin was stable at 29%, reflecting the higher overall industrial profitability and improving asset quality.
- Healthy cash flow generation with FFO of $4.9 billion (up 15% compared to pro forma H1 2013) and rolling 12 month FFO to net debt (adjusted for the disposal of Las Bambas and acquisition of Caracal in July 2014, subsequent to period end) improving to 33.8% from 29%.
    - Net debt at period end was $37.6 billion. After adjusting for the net Las Bambas / Caracal transactions noted above, adjusted net debt was down 9% to $32.6 billion.
    - Strong and flexible balance sheet, with over $9 billion of committed available liquidity.
- The Board has declared an interim distribution of $0.06 per share, an 11% increase over the 2013 interim distribution, reflecting our confidence in the prospects and strength of our underlying commodities and business and cashflow profile.
- Board enhancements continued with Tony Hayward being appointed non-executive chairman, Peter Grauer as the senior independent director and Patrice Merrin as a new independent non-executive director.
- Subsequent to period end, Glencore completed the sale of Las Bambas for approximately $6.5 billion (net of tax) and the acquisition of Caracal, the majority partner in our oil exploration and development operations in the Republic of Chad for consideration of approximately $1.6 billion.
- We will also commence a share repurchase or buy-back programme of up to $1 billion (the "Programme") in the period to 31 March 2015. This Programme will be effected in accordance with the terms of the authority granted by shareholders at the 2014 AGM. It is currently intended that any shares purchased will be held as treasury shares. The market will be notified in accordance with applicable listing rules and regulations if and when purchases are made.

Glencore's Chief Executive Officer, Ivan Glasenberg, commented:

Glencore continued to make decisive progress in delivering on the potential created by the Xstrata acquisition over the first half of 2014. We remain the most diversified natural resources company by activity, commodity and geography, providing us with a stable operating platform as well as a high degree of optionality to underlying prices and bolt-on or brownfield development opportunities. We look to the future with optimism based on our strong starting point and our culture of entrepreneurialism and hard work to leverage tightening commodity fundamentals.

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Chief Executive Officer’s Review

Glencore continued to make decisive progress in delivering on the potential created by the Xstrata acquisition over the first half of 2014. In financial terms, our operational performance was resilient across all our businesses and we demonstrated our characteristic discipline in the use of capital. The successful divestment of Las Bambas has improved our balance sheet to a position that now allows us to accelerate the return of excess capital to shareholders. We also took important steps to further enhance our corporate governance, safety and sustainability performance.

Despite a generally muted commodity price environment for much of the half, our industrial assets delivered an improved performance. Achieving nameplate capacity production at the recently expanded Mutanda copper mine in the DRC and strong low-cost growth in Australian thermal coal production are particular highlights. Marketing once more delivered and it is pleasing to see the business' profitability annualising within the range levels indicated post the completion of the Xstrata acquisition. The performance of agriculture was striking, despite a challenging price environment in our core commodities of barley, canola and wheat, largely reflecting the successful acquisition and integration of Viterra.

During the period, we successfully executed three key corporate transactions. The most material was the divestment of our entire interest in Las Bambas, a Peruvian copper greenfield project, to a consortium led by MMG Limited, realising net proceeds (after-tax) of approximately $6.5 billion in July 2014. In line with our strategy of pursuing opportunistic, value-creative, bolt-on acquisitions, we also completed the acquisition of the Clermont thermal coal mine in Queensland in partnership with Sumitomo and purchased Caracal Inc., increasing our ownership percentage in various already held Chad oil production, development and exploration fields.

In governance terms, we strengthened our Board, with the promotion of Tony Hayward to Chairman and the subsequent selection of our first female Board member, Patrice Merrin. Glencore has also been invited to join the International Council on Mining and Metals (ICMM), following an exhaustive application process that began in mid-2013. Our membership reflects the substantial progress we have made in integrating sustainability across the Group.

As we have said repeatedly, the declines in commodity prices, ubiquitous since 2010, have not reflected weak demand, but rather excessive supply growth in all commodities. We indicated at our Investor Day in September 2013, that we foresaw the beginning of the end of this process with the rate of growth in supply peaking in our key commodities. This process has two implications. Firstly, we should see the start of a period of price appreciation for commodities in general. Secondly, pricing trends for commodities should start to diverge to reflect increasingly different specific supply conditions. In some commodities, such as nickel and zinc, not only will supply growth decline but supply is likely to decrease in absolute terms. Since the start of the year, the price of nickel and zinc has risen by 35% and 10% respectively. We believe that these moves point the way for other commodities, with the probable exception being iron ore, where supply growth is not expected to peak until 2017.

In line with our constructive view on our underlying commodities and business profile in particular, we are pleased to announce an 11% increase in our interim distribution to 6 cents per share. The first half also saw Glencore start delivering on its promise to return surplus capital to shareholders through the buyback of equity. This took the form of buying back $577 million (par value) of our 2014 convertible bonds for a total cost of $639 million (excluding accrued interest), via open market purchases and a highly successful tender process. In addition, we announced today that we will return up to a further $1 billion of capital to shareholders over the next six months, in the form of an active buy-back of Glencore ordinary shares. These steps are in line with our prudent capital allocation and balance sheet policies set out in May 2013, following the Xstrata acquisition. Our goal remains to grow our free cashflow and with it the base dividend, while maintaining balance sheet efficiency and a strong investment grade rating. We will further revisit the outlook for both the base dividend and equity buy-backs at our preliminary 2014 results in March 2015.

Glencore remains the most diversified natural resources company by activity, commodity and geography, providing us with a stable operating platform as well as a high degree of optionality to underlying prices and bolt-on or brownfield development opportunities. The Las Bambas divestment has enabled us to accelerate our move into a free cashflow positive position and we look to the future with optimism based on our strong starting point and our culture of entrepreneurialism and hard work to leverage tightening commodity fundamentals.

Ivan Glasenberg
Chief Executive Officer

Financial Review

Basis of presentation

The reported financial information has been prepared on the basis as outlined in note 2 of the interim financial statements. The unaudited and unreviewed pro forma financial information for 2013 and where otherwise noted has been prepared as if the acquisition of Xstrata plc and full consolidation of such had taken place as of 1 January 2013 to illustrate the effects of the acquisition on the profit from continuing operations and cash flow statement for the six month period ended June 2013.

The unaudited and unreviewed pro forma financial information has been prepared in a manner consistent with the accounting policies applicable for periods ending on or after 1 January 2013 as outlined in note 2 of the financial statements with the exception of the accounting treatment applied to certain associates and joint ventures for which Glencore's attributable share of revenues and expenses are presented (see note 3) and reflects the final fair value adjustments arising from the acquisition of Xstrata on 2 May 2013 as if the acquisition of Xstrata plc and full consolidation of such had taken place as of 1 January 2013. These adjustments primarily relate to depreciation, amortisation and the unwind of onerous and unfavourable contract provisions. The pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not reflect the Group's actual financial position or results.

A reconciliation of the pro forma results to the reported results for the six months ended 30 June 2013 is included in the Appendix on page 73.

The reported and pro forma financial information is presented in the Financial Review section before significant items unless otherwise stated to provide an enhanced understanding and comparative basis of the underlying financial performance. Significant items (refer to page 6) are items of income and expense which, due to their financial impact and nature or the expected infrequency of the events giving rise to them, are separated for internal reporting and analysis of Glencore's results.

Financial results

Compared to the pro forma results for H1 2013, Adjusted EBIT increased by 14% to $3,624 million and Adjusted EBITDA was up 8% to $6,464 million over the first half of 2014 compared to 2013, driven mainly by improved marketing results and a modest profitability / net production increase across our industrial portfolio, the latter however, impacted by generally lower period over period commodity prices.

These results continue to reinforce the strength and resilience of Glencore's business model and the diversification benefits associated with combining and integrating, across a broad spectrum of commodities, a portfolio of industrial assets with large scale physical sourcing, marketing and logistics capabilities.

Adjusted EBIT/EBITDA

Adjusted EBIT by business segment is as follows:

US$ million	Marketing activities Reported	Industrial activities Reported	H1 2014 Adjusted EBIT Reported	Marketing activities Pro forma	Industrial activities Pro forma	H1 2013 Adjusted EBIT Pro forma	%	H1 2013 Adjusted EBIT Reported
Metals and minerals	**888**	**1,902**	**2,790**	711	1,508	2,219	26	1,176
Energy products	**227**	**394**	**621**	501	581	1,082	(43)	843
Agricultural products	**473**	**35**	**508**	15	(35)	(20)	n.m.	(20)
Corporate and other[1]	**(76)**	**(219)**	**(295)**	(41)	(58)	(99)	n.m.	67
Total	**1,512**	**2,112**	**3,624**	1,186	1,996	3,182	14	2,066

Adjusted EBITDA by business segment is as follows:

US$ million	Marketing activities Reported	Industrial activities Reported	H1 2014 Adjusted EBITDA Reported	Marketing activities Pro forma	Industrial activities Pro forma	H1 2013 Adjusted EBITDA Pro forma	%	H1 2013 Adjusted EBITDA Reported
Metals and minerals	**902**	**3,512**	**4,414**	721	3,153	3,874	14	2,101
Energy products	**252**	**1,468**	**1,720**	519	1,566	2,085	(18)	1,342
Agricultural products	**546**	**73**	**619**	123	3	126	391	126
Corporate and other[1]	**(76)**	**(213)**	**(289)**	(41)	(42)	(83)	n.m.	68
Total	**1,624**	**4,840**	**6,464**	1,322	4,680	6,002	8	3,637

1 Reported corporate industrial activities for H1 2013 includes $176 million of Glencore's equity accounted share of Xstrata's income.

Marketing Adjusted EBITDA for the six months ended 30 June 2014 increased by 23% to $1,624 million, while Marketing Adjusted EBIT was up 27% to $1,512 million, representing 42% of total Adjusted EBIT, up from 37% in the comparable period. Metals and minerals Adjusted marketing EBIT was up 25% over 2013, with improved contributions from most of the marketing groups, owing to generally increased volumes from an expanded asset base, together with improving market conditions, notably in copper, zinc and nickel. Energy products Adjusted marketing EBIT was down 55% over 2013, due to challenging / oversupplied coal markets, while relatively flat oil market conditions persisted throughout the first half of 2014. The Agricultural products Adjusted marketing EBIT was up $458 million compared to the prior period, to a large extent, reflecting a poor comparable base, in conjunction with a healthy procurement margin environment in many markets in 2014, clearly aided by the Viterra acquisition in 2012.

Notwithstanding generally weaker average period over period commodity prices (primarily coal and precious metals), somewhat mitigated by weaker producer currencies (AUD, Tenge and ZAR), Industrial activities Adjusted EBIT increased by 6% (EBITDA up 3%) to $2,112 million for the six months ended 30 June 2014, due to various production and productivity gains, notably Mutanda, as it delivered on its 200,000 tonnes per annum target and Collahuasi, following the restart of the SAG mill and a return to higher grades.

Earnings

A summary of the differences between reported Adjusted EBIT and income attributable to equity holders, including significant items, is set out in the following table:

US$ million	H1 2014 Reported	H1 2013 Pro forma	H1 2013 Reported
Adjusted EBIT[1]	**3,624**	3,182	2,066
Net finance and income tax expense in certain associates and joint ventures[1]	**(153)**	(149)	(58)
Net finance costs	**(764)**	(766)	(645)
Income tax expense[2]	**(636)**	(279)	(68)
Non-controlling interests	**(61)**	(128)	(88)
Income attributable to equity holders pre significant items	**2,010**	1,860	1,207
Earnings per share (Basic) pre significant items (US$)	**0.15**	0.14	0.13
Significant items impacting Adjusted EBITDA and Adjusted EBIT			
Share of Associates' exceptional items[3]	**(74)**	-	(51)
Mark to market loss on certain aluminium positions[4]	**-**	(95)	(95)
Unrealised intergroup profit elimination[4]	**-**	(146)	(146)
	(74)	(241)	(292)
Other expenses – net[5]	**(117)**	(1,180)	(10,487)[6]
Write off of capitalised borrowing costs[7]	**(18)**	(23)	(23)
Loss on disposal of investments	**-**	-	(40)
Income tax (expense)/credit[8]	**(81)**	210	230
Non-controlling interests share of other income[9]	**-**	19	19
Total significant items	**(290)**	(1,215)	(10,593)[6]
Income/(loss) attributable to equity holders	**1,720**	645	(9,386)[6]
Earnings/(loss) per share (Basic) (US$)	**0.13**	0.05	(1.04)[6]

1 See note 3 of the interim financial statements and page 74 for pro forma H1 2013.
2 The pro forma H1 2013 pre-significant tax charge has been updated, consistent with the methodology applied to the effective tax rate calculation for the FY 2013.
3 Recognised within share of income from associates and joint ventures.
4 Recognised within cost of goods sold.
5 Recognised within other expense – net.
6 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata, see note 19 of the interim financial statements.
7 Recognised within interest expense.
8 Recognised within income tax (expense)/credit.
9 Recognised within non-controlling interests.

Significant items

Significant items are items of income and expense which, due to their financial impact and nature or the expected infrequency of the events giving rise to them, are separated for internal reporting and analysis of Glencore's results to provide a better understanding and comparative basis of the underlying financial performance.

During the first half of 2014, Glencore recognised a net $290 million of significant items. The largest item is $95 million of 'premium' cost recognised on the buyback of bonds ($25 million on the successful tender of certain higher yielding bonds, assumed as part of the Viterra acquisition in 2012, and $70 million related to the purchase and cancellation of 25% of the outstanding December 2014 convertible bonds). In addition, an $81 million non-cash deferred tax charge was recognised, driven by Kazakhstan's devaluation of its currency relative to the USD in February 2014.

In the first half of 2013, Glencore recognised a net $10,593 million of other significant expenses, mainly comprising a $1,160 million accounting loss related to the revaluation of Glencore's 34% interest in Xstrata immediately prior to acquisition, a $8,124 million goodwill impairment recognised upon acquisition of Xstrata and directly attributable transaction costs of $131 million. On acquisition, the underlying assets and liabilities acquired were fair valued, with an amount of resulting goodwill allocated to the business. A residual goodwill amount of $8.1 billion could not be supported and was written off. The size of the impairment was influenced by the deemed acquisition consideration, calculated by reference to Glencore's share price on the date of acquisition. Furthermore, due to the then persistent challenging nickel and aluminium margin environment, a $452 million impairment charge was recognised at our Murrin Murrin operations and a further $324 million impairment charge was recognised against the Group's investment in UC Rusal. During the period ended 30 June 2014, a positive UC Rusal mark to market movement of $208 million was recognised in other comprehensive income.

See notes 4 and 5 of the interim financial statements for further explanations.

Net finance costs

Net finance costs were $782 million ($764 million on a pre-exceptional basis, excluding capitalised borrowing costs written off upon refinance of the revolving credit facility) over the 2014 period, compared to $669 million ($645 million on a pre-exceptional basis) incurred during the comparable period. Interest income over the first half of 2014 was $147 million, a 23% reduction on the comparable 2013 period, following the repayment (in H2 2013) of a substantial portion of certain loans extended to the Russneft Group. On a pre-exceptional basis, interest expense for the first half of 2014 was $911 million, a 9% increase from $836 million in the first half of 2013, due mainly to the higher average debt levels, as the Group sees through its still elevated capital expenditure, which is now trending lower.

Income taxes

A net income tax expense of $717 million was recognised over the first half of 2014, compared to a net credit of $163 million over the first half of 2013. Excluding $81 million of deferred tax expense that was driven by Kazakh tenge devaluation, the tax expense in H1 2014 was $636 million or a calculated effective tax rate of 27.2%, reflecting the expanded industrial asset base and consequential change in profit contribution mix between marketing and industrial assets, following the acquisition of Xstrata. After accounting for the Kazakh foreign exchange adjustments and a portion of other permanent differences relating to prior years (note 6), an effective tax rate for the period of around 23% is believed to be more informative. Glencore expects an effective tax rate in the range of 20% to 25% in 2014. The 2013 amount resulted primarily from an accounting tax credit booked in conjunction with the Murrin Murrin impairment.

Assets, leverage and working capital

Total assets were $158,839 million as at 30 June 2014 compared to $154,862 million as at 31 December 2013, a period over which, current assets increased from $59,292 million to $60,725 million. The adjusted current ratio at 30 June 2014 was 1.16, down 2% compared to 31 December 2013. Non-current assets increased from $95,570 million to $98,114 million, primarily due to the various on-going capital development programs, including Katanga, Australia zinc, Koniambo, Australian thermal coal and oil exploration/development.

Consistent with 31 December 2013, 99% ($16,758 million) of total marketing inventories were contractually sold or hedged (readily marketable inventories) as at 30 June 2014. These inventories are considered to be readily convertible into cash due to their liquid nature, widely available markets, and the fact that the associated price risk is covered either by a physical sale transaction or a hedge transaction. Given the highly liquid nature of these inventories, which represent a significant share of current assets, the Group believes it is appropriate to consider them together with cash equivalents in analysing Group net debt levels and computing certain debt coverage ratios and credit trends.

Cash flow and net debt

Net debt

US$ million	30.06.2014	31.12.2013 Restated[1]
Gross debt	57,691	55,173
Associates and joint ventures net funding	(60)	(72)
Cash and cash equivalents and marketable securities	(3,278)	(2,885)
Net funding	54,353	52,216
Readily marketable inventories	(16,758)	(16,418)
Net debt	**37,595**	35,798
Net debt, adjusted by $5 billion, including the effects, in July 2014, of the net proceeds received on sale of Las Bambas less the consideration paid for Caracal	32,595	n.m.

Cash and non-cash movements in net debt

US$ million	H1 2014 Reported[2]	H1 2013 Pro forma	H1 2013 Reported
Cash generated by operating activities before working capital changes	5,576	5,553	2,912
Associates and joint ventures Adjusted EBITDA[3]	849	401	224
Net interest paid	(802)	(1,016)	(858)
Tax paid[4]	(772)	(707)	(392)
Dividends received from associates[4]	58	33	33
Funds from operations ("FFO")	**4,909**	4,264	1,919
Working capital changes, excluding readily marketable inventory movements	616	(920)	(65)
Payments of non-current advances and loans	(538)	(971)	(971)
Acquisition and disposal of subsidiaries, net of cash acquired	-	(175)	1,477
Purchase and sale of investments	(397)	(110)	(110)
Purchase and sale of property, plant and equipment (excl. Las Bambas)	(3,949)	(5,559)	(2,917)
Capital expenditure related to assets held for sale – Las Bambas	(798)	(899)	(334)
Margin receipts/(payments) in respect of financing related hedging activities	202	(168)	(168)
Acquisition and disposal of additional interests in subsidiaries	(61)	(7)	(7)
Dividends paid and purchase of own shares	(1,631)	(1,388)	(1,388)
Cash movement in net debt	(1,647)	(5,933)	(2,564)
Net debt assumed in business combination	-	-	(17,183)
Foreign currency revaluation of non-current borrowings and other non-cash items	(150)	318	318
Non-cash movement in net debt	(150)	318	(16,865)
Total movement in net debt	**(1,797)**	(5,615)	(19,429)
Net debt, beginning of period	(35,798)	(29,230)	(15,416)
Net debt, end of period	**(37,595)**	(34,845)	(34,845)

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata, see note 19 of the interim financial statements.

2 See reconciliation on page 76.

3 See note 3 of the interim financial statements.

4 Adjusted to include the impacts of proportionate consolidation of certain associates and joint ventures as outlined in note 3 of the interim financial statements.

The reconciliation in the table above is the method by which management reviews the movements in net debt and comprises key movements in cash and any significant non-cash movements on net debt items.

Net debt as at 30 June 2014 increased to $37,595 million from $35,798 million as at 31 December 2013, due to the $1,647 million of net additional funding required, in excess of FFO, to fund primarily capital expenditure of $4,747 million, of which the Las Bambas amount was since reimbursed in July 2014, through the sales mechanism. Adjusting net debt by $5 billion for the July 2014 net consideration received on sale of Las Bambas and the consideration paid for Caracal (see note 25), results in a decrease of net debt of $3.2 billion compared to 31 December 2013.

Business acquisitions and disposals

Net expenditure on business acquisitions was $110 million over the first half of 2013 compared to a net outflow of $397 million in 2014, due primarily to the acquisition of an effective 25.05% interest in the Clermont coal mine.

Liquidity and funding activities

During the first half of 2014, the following significant financing activities took place:

- In April, Glencore issued the equivalent of $3.5 billion of interest bearing notes as follows:
  - 5 year $1,000 million, 3.125% fixed coupon bonds;
  - 7 year EUR 600 million, 2.750% fixed coupon bonds;
  - 10 year $1,000 million, 4.625% fixed coupon bonds; and
  - 12 year EUR 500 million, 3.750% fixed coupon bonds.
- In May, Glencore issued $200 million Libor plus 1.20% coupon notes due 2018.
- In June, Glencore signed new committed revolving credit facilities totalling $15.3 billion, which extended and refinanced previous revolving credit facilities. The facilities comprise:
  - an $8.7 billion 12 month revolving credit facility with a borrower's 12 month term-out option and a 12 month extension option; and
  - a $6.6 billion 5 year facility with two 12 month extension options.
- In June, Glencore repurchased and cancelled 25% of its outstanding convertible bonds due December 2014, for a consideration of $647 million.

Going concern

As at 30 June 2014, the Group had available committed undrawn credit facilities and cash amounting to $9.2 billion (as per the Group's financial liquidity policy, it has a $3 billion minimum threshold requirement). Based on these available capital resources and the Group's financial forecasts and projections, which take into account expected purchases and sales of assets, reasonable possible changes in performance and consideration of the principal risks and uncertainties noted on page 11, the directors believe the Group can continue as a going concern for the foreseeable future, a period not less than 12 months from the date of this report.

Credit ratings

In light of the Group's extensive funding activities, maintaining strong Baa/BBB investment grade ratings is a financial priority/target. The Group's credit ratings are Baa2 (stable) from Moody's and BBB (stable) from S&P.

Value at risk

One of the tools used by Glencore to monitor and limit its primary market risk exposure, namely commodity price risk related to its physical marketing activities, is the use of a value at risk (VaR) computation. VaR is a risk measurement technique which estimates the potential loss that could occur on risk positions as a result of movements in risk factors over a specified time horizon, given a specific level of confidence. The VaR methodology is a statistically defined, probability based approach that takes into account market volatilities, as well as risk diversification by recognising offsetting positions and correlations between commodities and markets. In this way, risks can be measured consistently across all markets and commodities and risk measures can be aggregated to derive a single risk value. Glencore has set a consolidated VaR limit (1 day 95%) of $100 million representing less than 0.2% of equity.

Glencore uses a VaR approach based on Monte Carlo simulations and is either a one day or one week time horizon computed at a 95% confidence level with a weighted data history.

Average market risk VaR (1 day 95%) during the first half of 2014 was $30 million, representing less than 0.1% of equity. Average equivalent VaR during the first half of 2013 was $30 million.

Distributions

The directors have declared a 2014 interim distribution of $0.06 per share amounting to $787 million excluding distribution on own shares. The dividend will be paid on 19 September 2014.

Interim distribution	2014
Applicable exchange rate date (JSE)	22 August
Ex-dividend date (JSE)	1 September
Ex-dividend date (Jersey and Hong Kong)	3 September
Last time for lodging transfers in Hong Kong	4:30 pm (HK) 4 September
Interim distribution record date in Hong Kong	Opening of business (HK) 5 September
Interim distribution record date for JSE	Opening of business (SA) 5 September
Interim distribution record date in Jersey	Close of business (UK) 5 September
Deadline for return of currency election form (Jersey shareholders)	8 September
Applicable exchange rate date (Jersey and Hong Kong)	10 September
Payment date	19 September

As the half-year distribution will be paid out of capital contribution reserves, they are exempt from Swiss withholding tax. As at 30 June 2014, Glencore plc had CHF39 billion of such capital contribution reserves in its statutory accounts.

The half-year distribution is declared and ordinarily paid in US dollars. Shareholders on the Jersey register may elect to receive the distribution in sterling, euros or Swiss francs, the exchange rates of which will be determined by reference to the rates applicable to the US dollar. Shareholders on the Hong Kong branch register will receive their distribution in Hong Kong dollars, while shareholders on the Johannesburg register will receive their distribution in South African rand. Further details on distribution payments, together with currency election and dividend mandate forms, are available from the Group's website (www.glencore.com) or from the Company's Registrars.

Board changes

On 8 May 2014, Tony Hayward was appointed as permanent non-executive chairman. Following this appointment, Peter Grauer was appointed as the senior independent director and on 26 June 2014, Patrice Merrin was appointed as an independent non-executive director.

Risks and uncertainties

The Group is exposed to a number of risks and uncertainties which exist in its business and which may have an impact on the ability to execute its strategy effectively in the remaining six months of the financial year and could cause the actual results to differ materially from expected and historical results. The directors consider that the principal risks and uncertainties as summarised below and detailed in the Glencore plc (formerly Glencore Xstrata plc) 2013 Annual Report on pages 18 to 31, copies of which are available at www.glencore.com, remain appropriate in 2014.

Risks relating to the Group:

- Fluctuations in the current and expected volumes of supply or demand for commodities, commodity prices and currency exchange rates;
- Geopolitical risk;
- Compliance with laws and regulations;
- Liquidity risk;
- The Group's ability to attract, retain and compensate key employees; and
- Delays in or failures to effectively integrate businesses acquired.

Risks relating to the Group's marketing activities:

- Its ability to identify and take advantage of arbitrage opportunities;
- The effectiveness of its hedging strategy;
- Counterparty credit and performance risk;
- Risk management policies and procedures that may leave it exposed to unidentified or unanticipated risks;
- Reliance on third parties to source a significant amount of its commodities; and
- Cost increases and infrastructure constraints related to significant amounts of freight, storage, infrastructure and logistics support required by its marketing activities.

Risks relating to the Group's industrial activities:

- Delays in or failure to develop planned expansions or new projects;
- Operating risks and hazards;
- Title to the land, resource tenure and extraction rights of industrial activities;
- Availability of infrastructure at its industrial assets being adequate and remaining available;
- Increases in production costs;
- Estimates of stated mineral and hydrocarbon reserves, resources and mineralised potential;
- Environmental hazards associated with the processes and chemicals used in the Group's extraction and production methods and its shipping and storage activities; and
- Accidents at the Group's industrial activities, logistics and storage facilities which could result in injuries and fatalities.

Subsequent events affecting our financial position

- On 8 July 2014, Glencore completed the acquisition of Caracal for consideration of $1.6 billion. See note 19 of the interim financial statements.
- On 31 July 2014, the sale of the Las Bambas project completed and Glencore received a consideration, net of tax, of approximately $6.5 billion. See note 13 of the interim financial statements.

Metals and Minerals

The H1 2013 information in this section has been presented on the pro forma basis described in the Financial Review section

US$ million	**Marketing activities**	**Industrial activities**	**H1 2014**	Marketing activities	Industrial activities	H1 2013
Revenue	**16,967**	**14,618**	**31,585**	21,134	15,256	36,390
Adjusted EBITDA	**902**	**3,512**	**4,414**	721	3,153	3,874
Adjusted EBIT	**888**	**1,902**	**2,790**	711	1,508	2,219
Adjusted EBITDA margin	***5.3%***	***24.0%***	***14.0%***	*3.4%*	*20.7%*	*10.6%*

MARKET CONDITIONS

Selected average commodity prices

	H1 2014	H1 2013	Change %
S&P GSCI Industrial Metals Index	343	365	(6)
LME (cash) copper price ($/t)	6,916	7,543	(8)
LME (cash) zinc price ($/t)	2,049	1,936	6
LME (cash) lead price ($/t)	2,100	2,172	(3)
LME (cash) nickel price ($/t)	16,534	16,137	2
Gold price ($/oz)	1,291	1,524	(15)
Silver price ($/oz)	20	27	(26)
Metal Bulletin cobalt price 99.3% ($/lb)	14	12	17
LME (cash) aluminium price ($/t)	1,755	1,919	(9)
Metal Bulletin alumina price ($/t)	323	334	(3)
Metal Bulletin ferrochrome 6-8% C basis 60% Cr, max 1.5% Si (¢/lb)	106	102	4
Platinum price ($/oz)	1,438	1,549	(7)
Iron ore (Platts 62% CFR North China) price ($/DMT)	111	137	(19)

Currency table

	Average H1 2014	Spot 30 June 2014	Average H1 2013	Spot 30 June 2013	Change in average %
AUD : USD	0.92	0.94	1.01	0.92	(9)
USD : CAD	1.10	1.07	1.02	1.05	8
USD : COP	1,959	1,877	1,827	1,923	7
EUR : USD	1.37	1.37	1.32	1.30	4
GBP : USD	1.67	1.71	1.54	1.52	8
USD : CHF	0.89	0.89	0.94	0.95	(5)
USD : KZT	177	184	151	152	17
USD : ZAR	10.70	10.64	9.21	9.88	16

Marketing

Highlights

Adjusted EBIT for H1 2014 was $888 million, an increase of 25% compared to H1 2013. The increase was driven by generally higher volumes, including copper, zinc and lead, supportive market conditions, notably in copper, zinc and nickel and synergy benefits following the acquisition of Xstrata.

Metals and Minerals

Financial information

US$ million	H1 2014	H1 2013	Change %
Revenue	**16,967**	21,134	(20)
Adjusted EBITDA	**902**	721	25
Adjusted EBIT	**888**	711	25

Selected marketing volumes sold

	Units	H1 2014	H1 2013	Change %
Copper metal and concentrates[1]	mt	1.5	1.3	15
Zinc metal and concentrates[1]	mt	1.6	1.5	7
Lead metal and concentrates[1]	mt	0.4	0.3	33
Gold	koz	682	471	45
Silver	moz	25.5	11.1	130
Nickel	kt	84	125	(33)
Ferroalloys (incl. agency)	mt	2.2	1.7	29
Cobalt	kt	10.7	10.0	7
Alumina/aluminium	mt	6.0	5.9	2
Iron ore	mt	29.6	12.8	131

1 Estimated metal unit contained.

Copper

Tight cathode market conditions were a key feature of the first half with supply disruptions and continued demand strength generating a deficit that was supported by a reduction in exchange stocks to levels last seen in late 2008. Despite this, copper prices fell 8% to average $6,916 per tonne, partly under the unfounded influence of a flood of metal from the unwinding of Chinese collateralised financing deals. The actual outcome was quite the opposite, with cumulative Chinese net imports of refined cathode surging almost 50% higher period on period. Despite some of the more bearish expectations around the impact of slowing Chinese economic growth on base metals demand, the base effect on the scale of copper consumption growth, should see Chinese copper demand exceed 10 million tonnes in 2014, on the back of targeted GDP growth of c.7.5%. Offtake in the major western markets has also proved positive after a sluggish winter affected first quarter.

On the supply side, compared to mine supply disruptions of more than 650,000 tonnes in 2013, unexpected H1 2014 disruptions have already trimmed more than 500,000 tonnes from 2014 mine supply forecasts. While stronger refined copper production is forecast over the balance of 2014, the absolute level of growth remains at risk from continuing scrap shortages as well as the supply risks surrounding aging assets and the successful on-time delivery of new greenfield mine projects. This growth in supply should be more than matched by continued strength in demand, underpinned by the second half weighting of China State Grid’s large infrastructure budget, as well as accelerating Chinese investment in road and rail. Elsewhere, PMI data remains positive, pointing to continued manufacturing strength in Europe and the US.

Mirroring the shortages of scrap and associated constraints on supply growth, exchange inventories have more than halved over the six months of the year to total 251,000 tonnes at the end of June.

Zinc / Lead

Average zinc prices rose by 6% period on period for H1, outperforming the LME complex. The medium-term positive outlook for zinc is driven by a looming mine supply shortage, expected to affect the market in 2015, and an improved Western demand outlook. There has also been a consistent drawdown in visible zinc inventories, with LME/SHFE inventories dropping by approximately 290,000 tonnes (or 25% of the LME/SHFE inventories) during the period. H1 2014 refined zinc metal imports into China increased 34% versus H1 2013, building on the already high level of metal imported in 2013 (650,000 tonnes).

Lead medium to long term fundamentals face similar headwinds to zinc on the supply side, but the mild winter conditions in Europe and soft demand for e-bikes out of Asia, produced a balanced supply/demand over the period. Hence, the effect on the LME price and physical premiums has been limited relative to zinc during the first half.

Metals and Minerals

Nickel

Global stainless steel production continued to increase in the first half of 2014, driven by growth in China and North America, along with improved conditions in Europe and Japan. Improved activity in stainless, coupled with robust demand from non-stainless applications such as nickel-based alloys, resulted in higher global nickel consumption levels in the first half of 2014 compared to the prior year.

On the supply side, the nickel market was significantly impacted by Indonesia's ban on unprocessed mineral exports, implemented in January 2014 and enforced to date with no exception. While the ban has put more than 300,000 tonnes of primary nickel production at risk (mainly in the form of Chinese nickel pig iron), record levels of raw and finished nickel inventories, limited the ban's impact on supply during the first half of the year. LME inventory increased from 262,000 tonnes at the start of the year to 305,000 tonnes at the end of June. However, if sustained, the export ban will have a material impact on global nickel supply in the medium term, with sizeable primary deficits forecast to arise. Reflecting the improved market sentiment, LME cash price at the end of June was $18,715 per tonne, up 35% from $13,905 at the start of 2014.

Ferroalloys

There was a divergence in regional ferrochrome pricing during H1 2014, as a strong uptick in consumption in the West contrasted with relatively weaker demand conditions in China. With global production largely unchanged on H2 2013 levels, prices increased steadily in all major stainless producing regions, except China.

Manganese Alloy prices continued to move in a narrow range as supply kept pace with demand. Vanadium prices remained similarly range bound during the period, as much anticipated production out of Australia hit further delays, while new Brazilian production was pushed into H2 2014.

Alumina/Aluminium

Average prices for alumina and aluminium fell by 3% and 9% respectively compared to H1 2013. However, aluminium premiums for duty unpaid, in-warehouse material rose from a range of $210 to $230 per tonne at the end of 2013 to a range of $340 to $360 per tonne at the end of H1 2014.

Iron Ore

As new production came on line, primarily in Australia, the iron ore market moved into surplus and inventories started to increase in China. This resulted in FOB iron ore prices decreasing from the mid $130s to below $100 per tonne. As prices decreased, premiums also eroded which resulted in challenging marketing conditions. A significant increase in futures market volumes / liquidity now provides enhanced risk management capabilities.

Metals and Minerals

Industrial activities

Highlights

Total industrial revenue in H1 2014 for metals and minerals was $14,618 million, down 4% mainly reflecting lower commodity prices. Adjusted EBITDA was $3,512 million, up 11% from $3,153 million, while EBIT was $1,902 million, up 26% from $1,508 million. The growth in EBITDA and EBIT was driven by strong copper production growth (up 13%) mainly due to the expansion at Mutanda to 200,000 tonnes per annum at the end of 2013 and operational improvements at Collahuasi, reflecting higher processing rates following the restart of the SAG mill and a return to higher grades. The performance was also impacted by changes in commodity prices, specifically nickel prices up and copper and precious metal prices down, which, together with the strengthening of the US dollar versus the Australian dollar and the South African rand, were key drivers of the improved performance at nickel and ferroalloys and a reduction within the zinc business, the latter also impacted by the closure of two Canadian mines towards the end of H1 2013. The higher overall profitability and improving asset quality is reflected in the increase in the adjusted metals and minerals' mining margin from 29% to 32%.

Financial information

US$ million	H1 2014	H1 2013	Change %
Revenue			
Copper assets			
African copper (Katanga, Mutanda, Mopani, Sable)	**1,896**	1,502	26
Collahuasi[1]	**677**	402	68
Antamina[1]	**437**	448	(2)
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)	**1,346**	1,243	8
Australia (Ernest Henry, Mount Isa, Cobar)	**766**	1,151	(33)
Custom metallurgical (Altonorte, Townsville Refinery, CCR, Horne, Pasar)	**4,169**	4,280	(3)
Intergroup revenue elimination	**(770)**	(446)	n.m.
Copper	**8,521**	8,580	(1)
Zinc assets			
Kazzinc	**1,174**	1,307	(10)
Australia (Mount Isa, McArthur River)	**569**	474	20
European custom metallurgical (Portovesme, San Juan de Nieva, Nordenham, Northfleet)	**1,028**	1,195	(14)
North America (Matagami, Kidd, Brunswick, CEZ Refinery)	**571**	838	(32)
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Illapa, Rosh Pinah, Perkoa)	**354**	250	42
Intergroup revenue elimination	**(205)**	(337)	n.m.
Zinc	**3,491**	3,727	(6)
Nickel assets			
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)	**1,066**	1,304	(18)
Australia (Murrin Murrin)	**386**	325	19
Falcondo	**-**	113	(100)
Nickel	**1,452**	1,742	(17)
Ferroalloys	**898**	982	(9)
Aluminium/Alumina	**256**	225	14
Metals and minerals revenue – segmental measure	**14,618**	15,256	(4)
Impact of presenting joint ventures on an equity accounting basis	**(1,114)**	(850)	n.m.
Metals and minerals revenue – reported measure	**13,504**	14,406	(6)

1 Represents the Group's share of revenue in these JVs.

Metals and Minerals

US$ million	H1 2014	H1 2013	Change %
Adjusted EBITDA			
Copper assets			
African copper	464	378	23
Collahuasi[1]	393	176	123
Antamina[1]	318	334	(5)
Other South America	611	547	12
Australia	232	351	(34)
Custom metallurgical	132	49	169
Copper	2,150	1,835	17
Adjusted EBITDA mining margin[2]	*39%*	*38%*	
Zinc assets			
Kazzinc	295	377	(22)
Australia	145	117	24
European custom metallurgical	85	87	(2)
North America	99	225	(56)
Other Zinc	29	34	(15)
Zinc	653	840	(22)
Adjusted EBITDA mining margin[2]	*21%*	*26%*	
Nickel assets			
Integrated Nickel Operations	467	403	16
Australia	43	(32)	n.m.
Falcondo	1	(7)	n.m.
Koniambo	-	(1)	n.m.
Nickel	511	363	41
Adjusted EBITDA margin	*35%*	*21%*	
Ferroalloys	208	148	41
Aluminium/Alumina	(10)	(28)	n.m.
Iron ore	-	(5)	n.m.
Metals and minerals Adjusted EBITDA – segmental measure	3,512	3,153	11
Adjusted EBITDA mining margin[2]	*32%*	*29%*	
Impact of presenting joint ventures on an equity accounting basis	(339)	(315)	n.m.
Metals and minerals Adjusted EBITDA – reported measure	3,173	2,838	12

1 Represents the Group's share of EBITDA in these JVs.

2 Adjusted EBITDA mining margin is Adjusted EBITDA (excluding custom metallurgical assets) divided by Revenue (excluding custom metallurgical assets and intergroup revenue elimination) i.e. the weighted average EBITDA margin of the mining assets. Custom metallurgical assets include the Copper custom metallurgical assets and Zinc European custom metallurgical assets and the Aluminium/Alumina group, as noted in the table above.

Metals and Minerals

US$ million	H1 2014	H1 2013	Change %
Adjusted EBIT			
Copper assets			
African copper	**244**	194	26
Collahuasi[1]	**276**	83	233
Antamina[1]	**232**	201	15
Other South America	**411**	353	16
Australia	**110**	128	(14)
Custom metallurgical	**111**	25	344
Copper	**1,384**	984	41
Zinc assets			
Kazzinc	**81**	171	(53)
Australia	**11**	24	(54)
European custom metallurgical	**43**	50	(14)
North America	**47**	177	(73)
Other Zinc	**(35)**	(23)	n.m.
Zinc	**147**	399	(63)
Nickel assets			
Integrated Nickel Operations	**235**	180	31
Australia	**13**	(86)	n.m.
Falcondo	**1**	(7)	n.m.
Koniambo	**-**	(1)	n.m.
Nickel	**249**	86	190
Ferroalloys	**140**	79	77
Aluminium/Alumina	**(17)**	(35)	n.m.
Iron ore	**(1)**	(5)	n.m.
Metals and minerals Adjusted EBIT – segmental measure	**1,902**	1,508	26
Impact of presenting joint ventures on an equity accounting basis	**(136)**	(92)	n.m.
Metals and minerals Adjusted EBIT – reported measure	**1,766**	1,416	25

1 Represents the Group's share of EBIT in these JVs.

Metals and Minerals

US$ million	H1 2014	H1 2013
Sustaining capex		
Copper assets		
African copper	285	202
Collahuasi[1]	83	128
Antamina[1]	99	106
Other South America	193	200
Australia and Asia	117	184
Custom metallurgical	44	35
Copper	821	855
Zinc assets		
Kazzinc	85	81
Australia	204	291
European custom metallurgical	17	23
North America	33	21
Other Zinc	71	67
Zinc	410	483
Nickel assets		
Integrated Nickel Operations	60	60
Australia	8	35
Falcondo	-	-
Nickel	68	95
Ferroalloys	53	50
Aluminium/Alumina	16	12
Total sustaining capex – segmental measure	1,368	1,495
Impact of presenting joint ventures on an equity accounting basis	(182)	(234)
Total sustaining capex – reported measure	1,186	1,261

1 Represents the Group's share of sustaining capex in these JVs.

Metals and Minerals

US$ million	H1 2014	H1 2013
Expansion capex		
Copper assets		
African copper	**417**	322
Collahuasi[1]	**3**	47
Antamina[1]	**10**	29
Las Bambas[2]	**798**	899
Other South America	**9**	32
Australia	**60**	141
Custom metallurgical	**27**	30
Copper	**1,324**	1,500
Zinc assets		
Kazzinc	**36**	32
Australia	**132**	352
European custom metallurgical	**10**	22
North America	**13**	73
Other Zinc	**-**	68
Zinc	**191**	547
Nickel assets		
Integrated Nickel Operations	**95**	125
Australia	**-**	5
Falcondo	**-**	1
Koniambo	**419**	565
Other nickel projects	**5**	4
Nickel	**519**	700
Ferroalloys	**68**	105
Iron ore	**25**	49
Total expansion capex – segmental measure	**2,127**	2,901
Impact of presenting joint ventures on an equity accounting basis	**(13)**	(76)
Total expansion capex – reported measure	**2,114**	2,825

1 Represents the Group's share of expansion capex in these JVs.
2 Asset held for sale.

Metals and Minerals

US$ million	H1 2014	H1 2013
Total capex		
Copper assets		
African copper	702	524
Collahuasi[1]	86	175
Antamina[1]	109	135
Las Bambas[2]	798	899
Other South America	202	232
Australia	177	325
Custom metallurgical	71	65
Copper	**2,145**	2,355
Zinc assets		
Kazzinc	121	113
Australia	336	643
European custom metallurgical	27	45
North America	46	94
Other Zinc	71	135
Zinc	**601**	1,030
Nickel assets		
Integrated Nickel Operations	155	185
Australia	8	40
Falcondo	-	1
Koniambo	419	565
Other nickel projects	5	4
Nickel	**587**	795
Ferroalloys	**121**	155
Aluminium/Alumina	**16**	12
Iron ore	**25**	49
Total capex – segmental measure	**3,495**	4,396
Impact of presenting joint ventures on an equity accounting basis	(195)	(310)
Total capex – reported measure	**3,300**	4,086

1 Represents the Group's share of capex in these JVs.

2 Asset held for sale.

Metals and Minerals

Production from own sources – Total[1]

		H1 2014	H1 2013	Change %
Total Copper	kt	741.0	658.0	13
Total Zinc	kt	650.4	729.5	(11)
Total Lead	kt	148.9	153.2	(3)
Total Nickel	kt	49.1	53.1	(8)
Total Gold	koz	450	478	(6)
Total Silver	koz	16,621	19,761	(16)
Total Cobalt	kt	9.8	9.1	8
Total Ferrochrome	kt	652	561	16
Total Platinum[2]	koz	43	44	(2)
Total Palladium[2]	koz	24	24	-
Total Rhodium[2]	koz	8	8	-
Total Vanadium Pentoxide	mlb	9.7	9.8	(1)

Production from own sources – Copper assets[1]

			H1 2014	H1 2013	Change %
African Copper (Katanga, Mutanda, Mopani)					
	Total Copper metal[3]	kt	212.3	171.5	24
	Total Cobalt[4]	kt	8.1	7.4	9
Collahuasi[5]					
	Copper metal	kt	4.3	7.1	(39)
	Copper in concentrates	kt	101.6	60.1	69
	Silver in concentrates	koz	1,355	747	81
Antamina[6]					
	Copper in concentrates	kt	61.4	62.2	(1)
	Zinc in concentrates	kt	27.1	53.2	(49)
	Silver in concentrates	koz	2,005	2,377	(16)
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)					
	Total Copper metal	kt	35.3	45.4	(22)
	Total Copper in concentrates	kt	138.6	121.8	14
	Total Gold in concentrates and in doré	koz	176	184	(4)
	Total Silver in concentrates and in doré	koz	919	1,148	(20)
Australia (Ernest Henry, Mount Isa, Cobar)					
	Total Copper in anode	kt	92.5	88.9	4
	Total Copper in concentrates	kt	23.5	22.6	4
	Total Gold	koz	27	16	69
	Total Silver	koz	625	711	(12)
Total Copper department					
	Total Copper	**kt**	**669.5**	**579.6**	**16**
	Total Cobalt	**kt**	**8.1**	**7.4**	**9**
	Total Zinc	**kt**	**27.1**	**53.2**	**(49)**
	Total Gold	**koz**	**203**	**200**	**1**
	Total Silver	**koz**	**4,904**	**4,983**	**(2)**

Metals and Minerals

Production from own sources – Zinc assets[1]

			H1 2014	H1 2013	Change %
Kazzinc					
	Zinc metal	kt	99.2	105.6	(6)
	Lead metal	kt	11.5	15.6	(26)
	Copper metal	kt	19.1	26.8	(29)
	Gold	koz	246	277	(11)
	Silver	koz	1,889	2,848	(34)
Australia (Mount Isa, McArthur River)					
	Total Zinc in concentrates	kt	302.2	298.4	1
	Total Lead in concentrates	kt	107.0	97.8	9
	Total Silver in concentrates	koz	4,149	3,740	11
North America (Matagami, Kidd, Brunswick)					
	Total Zinc in concentrates	kt	69.0	131.6	(48)
	Total Lead in concentrates	kt	-	13.5	(100)
	Total Copper in concentrates	kt	23.0	24.4	(6)
	Total Silver in concentrates	koz	891	3,371	(74)
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)					
	Zinc metal	kt	10.2	16.0	(36)
	Zinc in concentrates	kt	142.7	124.7	14
	Lead metal	kt	5.4	4.9	10
	Lead in concentrates	kt	25.0	21.4	17
	Copper in concentrates	kt	1.6	0.8	100
	Silver metal	koz	292	324	(10)
	Silver in concentrates	koz	4,496	4,495	-
Total Zinc department					
	Total Zinc	**kt**	**623.3**	**676.3**	**(8)**
	Total Lead	**kt**	**148.9**	**153.2**	**(3)**
	Total Copper	**kt**	**43.7**	**52.0**	**(16)**
	Total Gold	**koz**	**246**	**277**	**(11)**
	Total Silver	**koz**	**11,717**	**14,778**	**(21)**

Metals and Minerals

Production from own sources – Nickel assets[1]

			H1 2014	H1 2013	Change %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)					
	Total Nickel metal	kt	27.1	23.6	15
	Total Nickel in concentrates	kt	0.3	0.3	-
	Total Copper metal	kt	8.0	8.6	(7)
	Total Copper in concentrates	kt	19.8	17.6	13
	Total Cobalt metal	kt	0.4	0.3	33
Australia (Murrin Murrin, XNA)					
	Total Nickel metal	kt	17.6	19.1	(8)
	Total Nickel in concentrates	kt	-	3.1	(100)
	Total Copper in concentrates	kt	-	0.2	(100)
	Total Cobalt metal	kt	1.3	1.3	-
	Total Cobalt in concentrates	kt	-	0.1	(100)
Falcondo	Nickel in ferronickel	kt	-	7.0	(100)
Koniambo	Nickel in ferronickel	kt	4.1	-	n.m.
Total Nickel department					
	Total Nickel	**kt**	**49.1**	**53.1**	**(8)**
	Total Copper	**kt**	**27.8**	**26.4**	**5**
	Total Cobalt	**kt**	**1.7**	**1.7**	**-**

Production from own sources – Ferroalloys assets[1]

			H1 2014	H1 2013	Change %
Ferrochrome[7]		kt	652	561	16
PGM[8]	Platinum	koz	43	44	(2)
	Palladium	koz	24	24	-
	Rhodium	koz	8	8	-
	Gold	koz	1	1	-
	4E	**koz**	**76**	**77**	**(1)**
Vanadium Pentoxide		mlb	9.7	9.8	(1)

Metals and Minerals

Total production – Custom metallurgical assets[1]

			H1 2014	H1 2013	Change %
Copper (Altonorte, Townsville, Pasar, Horne, CCR)					
	Copper metal	kt	345.1	373.7	(8)
	Custom copper anode	kt	266.0	257.0	4
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)					
	Zinc metal	kt	388.2	372.7	4
	Lead metal	kt	100.5	78.6	28
	Silver	koz	5,165	3,280	57
Ferroalloys					
	Ferromanganese	kt	57	52	10
	Silicon Manganese	kt	52	42	24
Aluminium (Sherwin Alumina)					
	Alumina	kt	776	777	-

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis, except as stated.
2 Relating to the PGM business within ferroalloys only.
3 Copper metal includes copper contained in copper concentrates and blister.
4 Cobalt contained in concentrates and hydroxides.
5 The Group's pro-rata share of Collahuasi production (44%).
6 The Group's pro-rata share of Antamina production (33.75%).
7 The Group's 79.5% share of the Glencore-Merafe Chrome Venture.
8 Consolidated 100% of Eland and 50% of Mototolo.

Metals and Minerals

OPERATING HIGHLIGHTS

Copper assets

Total own sourced copper production was 741,000 tonnes, 13% (83,000 tonnes) higher than the comparable period. The increase mainly relates to the ramp-up in production at Mutanda, Katanga and Antapaccay, plus improved production at Collahuasi as the operation continues to process at the higher levels achieved during H2 2013, following the restart of the SAG mill.

African copper

African copper production was 212,300 tonnes, 24% (40,800 tonnes) ahead of the comparable period. The increase primarily relates to the ramp up at Mutanda, which produced 98,600 tonnes, an increase of 37,400 tonnes (61%) and reflects the recent expansion to 200,000 tonnes per annum. Katanga also increased production by 12,300 tonnes (20%) relating to the ongoing commissioning of phase IV. Katanga production is expected to ramp up further during the rest of 2014 as phase V is completed and further operational improvements, including adding some back-up power generator capacity, are implemented.

Cobalt production was 8,100 tonnes, 9% higher than the comparable period and relates to the Mutanda expansion.

Collahuasi

The group's share of production was 105,900 tonnes, 58% (38,700 tonnes) above the comparable period. The increase in production reflects a continuation of the high levels of processing seen in H2 2013 following the SAG mill restart and higher head grades.

Antamina

The group's share of copper production was 61,400 tonnes, in line with the comparable period. Copper production has benefited from higher milled volumes, offset by lower grades and recoveries in Q2 2014, due to the processing of long term lower grade stockpiles.

Zinc production was 27,100 tonnes, 49% lower than the comparable period and relates to the mining of higher grade copper / lower grade zinc areas during the period.

Other South America

Copper production from Other South America was 173,900 tonnes, 4% (6,700 tonnes) higher than the comparable period. The increase relates to higher milling rates at Antapaccay, partially offset by the closure of the Tintaya SX/EW operations in October 2013.

Gold production was 176,000 oz, 4% lower than the comparable period, relating to expected lower head grades at Antapaccay.

Australia

Australia copper production was 116,000 tonnes, 4% (4,500 tonnes) higher than the comparable period, relating to higher own sourced production at the Mount Isa smelter due to the production of more own sourced concentrates.

Gold production was 27,000 oz, 69% higher than the comparable period relating to the treatment of a higher proportion of Ernest Henry concentrate (containing gold) versus Mount Isa concentrate (containing no gold) than in H1 2013.

Custom metallurgical assets

Custom copper cathode production was 345,100 tonnes, 8% (28,600 tonnes) lower than the comparable period. The reduction mainly relates to lost production at Pasar due to the damage caused by typhoon Haiyan, offset by higher throughput at Townsville. Pasar restarted production at the end of Q1 2014, ramping up during Q2 2014.

Custom copper anode production was 266,000 tonnes, 4% higher than the comparable period, relating to higher throughput at Horne.

Zinc assets

Total own sourced zinc production was 650,400 tonnes, 11% (79,100 tonnes) below the comparable period. The reduction mainly relates to the end of mine closure of the Perseverance and Brunswick mines in June 2013 and, to a lesser degree, the lower grades being mined at Antamina in the current year.

Total own sourced lead production was 148,900 tonnes, 3% (4,300 tonnes) lower than the comparable period. The principal movements relates to the lost production from the closure of Brunswick (13,500 tonnes) as noted above, offset by growth (11,700 tonnes) at the Lady Loretta mine (part of Mount Isa complex).

Metals and Minerals

Kazzinc

Zinc production from own sources was 99,200 tonnes, 6% below the comparable period, reflecting an opportunistic decision (cost savings etc.) to treat more third party sulphide material and therefore less own source oxide ore. Total zinc production including third party material was up 3% at 151,200 tonnes.

Gold production from own sources was 246,000 oz, 11% lower than the comparable period due to the decision to once again treat less own source concentrates in favour of more third party precious metal containing material. Own sourced concentrate production (and gold contained) was in line with the comparable period, with the untreated concentrates remaining in inventory for treatment in future periods. Total gold production (including third party material) was only slightly less than the comparable period.

Lead production from own sources was 11,500 tonnes, down 26% versus the comparable period and relates to lower work in progress being processed at the smelters in 2014 and an expected small reduction in head grades. On a total metal basis (including third party material), lead production was 61,500 tonnes, up 41% on the comparable period and reflects the higher output of the new Isa lead smelter.

Copper production from own sources was 19,100 tonnes, down 29% versus the comparable period, relating to temporary repair work, plus the impact of processing less work in progress at the smelters in 2014. Total copper metal production (including third party material), was similarly impacted, down 19% over the comparable period.

Australia

Australia zinc production was 302,200 tonnes, in line with the comparable period. This relates to higher production at Mount Isa (growth from the Lady Loretta expansion), partially offset by a reduction at McArthur River as a result of lower head grades due to mine sequencing and minor disruptions associated with the expansion project.

Lead production was 107,000 tonnes, 9% higher than the comparable period. The increase relates to the expansion at Lady Loretta and strong production at Black Star (both Mount Isa), offset by lower production at McArthur River (noted above).

North America

North America zinc produced 69,000 tonnes of zinc, 48% lower than the comparable period and no lead, reflecting the end of mine life closures of Perseverance and Brunswick in June 2013. Excluding the impact of the closed mines, North America zinc increased production by 25,100 tonnes, reflecting the ramp-up of the Bracemac mine (started production in May 2013), offset by lower production from Kidd due to mining restrictions as a result of temporary stope unavailability and a focus on higher copper grade areas.

Copper production was 23,000 tonnes, 6% lower than the comparable period, relating to lost copper production from the closed Perseverance mine, offset by mining higher copper grade areas at the Kidd mine.

Other Zinc

The Other zinc asset group produced 152,900 tonnes, 12,200 tonnes (9%) above the comparable period, relating to the ramp-up of Perkoa (24,900 tonnes), offset by net lower production from the other assets, including the maintenance smelter shut down at AR Zinc.

Lead production was 30,400 tonnes, 16% (4,100 tonnes) above the prior year period, mainly relating to higher production from AR Zinc due to increasing the milling capacity and higher head grades.

European custom metallurgical assets

Custom zinc and lead production were 388,200 tonnes and 100,500 tonnes, up 4% and 28% respectively versus the prior year period. The increases mainly relate to the full period contribution from Portovesme's zinc and lead plants following the respective SX plant commissioning and Kivcet plant restart in 2013.

Nickel assets

Own sourced nickel production was 49,100 tonnes, 4,000 tonnes (8%) lower than the comparable period. The decline relates mainly to the XNA (Cosmos and Sinclair) and Falcondo operations, which together produced 10,100 tonnes in H1 2013, subsequently being placed into care and maintenance. The lost production was in part offset by production from Koniambo as it ramps up and production growth at INO, due to increased output from the Raglan mine.

Integrated Nickel Operations ("INO")

INO's own sourced nickel production was 27,400 tonnes, 15% (3,500 tonnes) higher than the comparable period, due to a higher proportion of own sourced feed (total nickel production was 44,700 tonnes, broadly in line with the comparable period). The higher proportion of own source feed was driven primarily by increased production from the Raglan mine.

Own sourced copper production was 27,800 tonnes, 6% higher than the comparable period. The increase relates to the maintenance shut at the Strathcona mill in Q1 2013, which resulted in a reduction in the quantity of Sudbury ore being processed and better processing rates in general.

Australia

Own sourced nickel production was 17,600 tonnes, 21% below the comparable period. The reduction relates to the Cosmos and Sinclair mines being placed in care and maintenance and a slight decline in average ore grades at Murrin Murrin. Total packaged nickel at Murrin Murrin (including third party material) was 2% higher than the comparable period due to higher throughput at the plant.

Koniambo

Koniambo production was 4,100 tonnes of nickel in ferronickel during the period. Ramp-up activities remain ongoing with full annualised production expected in 2016.

Ferroalloys assets

Ferrochrome

Attributable ferrochrome production was 652,000 tonnes, 16% (91,000 tonnes) above the comparable period. The increase relates to the non-recurring Eskom power buy-back programme that occurred during 2013 and the ramp up in production of Lion phase 2 (furnaces C and D started production in April and June 2014 respectively).

Platinum Group Metals (“PGM”)

PGM H1 2014 production was 76,000 oz, consistent with the comparable period.

Vanadium

Vanadium production was 9.7 million lbs, in line with the comparable period.

Manganese

Total manganese (ferromanganese and silicon manganese) production was 109,000 tonnes, 16% higher than the comparable period. The increase relates to higher throughput in Norway (silicon manganese) due to efficiency improvements and demand led increases in France (ferromanganese).

Aluminium assets

Sherwin Alumina

Alumina production was 776,000 tonnes, broadly in line with the comparable period, notwithstanding significant power and steam outages caused by the third party energy supplier during 2014.

Energy Products

The H1 2013 information in this section has been presented on the pro forma basis described in the Financial Review section

US$ million	**Marketing activities**	**Industrial activities**	**H1 2014**	Marketing activities	Industrial activities	H1 2013
Revenue	**65,735**	**5,571**	**71,306**	62,765	6,065	68,830
Adjusted EBITDA	**252**	**1,468**	**1,720**	519	1,566	2,085
Adjusted EBIT	**227**	**394**	**621**	501	581	1,082
Adjusted EBITDA margin	***0.4%***	***26.4%***	***2.4%***	*0.8%*	*25.8%*	*3.0%*

Market conditions

Selected average commodity prices

	H1 2014	H1 2013	Change %
S&P GSCI Energy Index	338	327	3
Coal API4 ($/t)	76	84	(10)
Coal McCloskey Newcastle (6,000 kcal NAR) ($/t)	75	88	(15)
Australian coking coal average realised export price ($/t)	123	155	(21)
Australian semi-soft coal average realised export price ($/t)	98	118	(17)
Australian thermal coal average realised export price ($/t)	75	86	(13)
Australian thermal coal average realised domestic price ($/t)	31	47	(34)
South African thermal coal average realised export price ($/t)	72	83	(13)
South African thermal coal average realised domestic price ($/t)	23	27	(15)
Prodeco (Colombia) thermal coal average realised export price ($/t)	78	88	(11)
Cerrejón (Colombia) thermal coal average realised export price ($/t)	68	76	(11)
Oil price – Brent ($/bbl)	109	108	1

Marketing

Highlights

Adjusted EBIT was $227 million, a reduction of 55% compared to H1 2013, due to challenging / oversupplied coal markets, while relatively flat oil market conditions persisted throughout the first half of 2014.

Financial information

US$ million	**H1 2014**	H1 2013	Change %
Revenue	**65,735**	62,765	5
Adjusted EBITDA	**252**	519	(51)
Adjusted EBIT	**227**	501	(55)

Selected marketing volumes sold

	Unit	H1 2014	H1 2013	Change %
Thermal coal[1]	mt	46.1	36.8	25
Metallurgical coal[1]	mt	1.7	2.8	(39)
Coke[1]	mt	0.4	0.4	-
Crude oil	mbbls	222	202	10
Oil products	mbbls	325	343	(5)

1 Includes agency volumes

Coal

Demand levels remained strong in most importing countries across the Atlantic and Pacific markets during the period and are expected to remain so going forward. The supply response to lower prices has, however, been slower than expected, albeit there has been a drop off in coal exports from North America. We expect further reduction in supply in the short to medium term as higher cost producers cut back loss making tonnage.

The coal market remains highly segmented, particularly, in terms of quality, and our overall supply base means that we are well positioned to benefit from market arbitrages and disruption that inevitably occur from time to time.

Energy Products

Oil

Nearby Brent spent most of the first six months of the year within a narrow range of $105-$111 per barrel, except June, when uncertainties over the situation in Iraq, inspired a brief rally. As a result of the relatively tight range, volatility in crude continues to price near record lows, despite the renewal of broader geo-political uncertainty.

Following a similar pattern to last year, WTI / Brent began the year with WTI at a $12 discount and finished at a $7 discount. A major ongoing topic in the market has been if, and when, the US will allow sustained exports of condensates as its domestic production continues to grow; a preliminary export approval has reportedly been granted to two parties.

In terms of crude curve structure, the most notable recent shift has occurred in the deferred years, where the significant backwardation that has been present in both WTI and Brent was meaningfully eroded, with outer year prices for Brent now approaching $100 per barrel once again, whilst those for WTI are uniformly over $85 per barrel.

Energy Products

Industrial activities

Highlights

Total industrial revenue in H1 2014 was $5,571 million, down 8% from $6,065 million in H1 2013, mainly relating to lower coal prices. Adjusted EBITDA and EBIT were $1,468 million and $394 million, down 6% and 32% respectively, driven by the lower coal result, with coal prices down between 10% and 20%, mitigated somewhat by higher production (up 5%) and FX benefits from a weaker Australian dollar and South African rand against the US dollar.

Oil EBITDA and EBIT were $266 million and $147 million, up 45% and 8% respectively, reflecting higher production volumes as Alen (Equatorial Guinea) and Badila (Chad), which came online in June and September 2013.

Financial information

US$ million	H1 2014	H1 2013	Change %
Net revenue			
Coal operating revenue			
Coking Australia	**395**	560	(29)
Thermal Australia	**2,237**	2,377	(6)
Thermal South Africa	**973**	1,169	(17)
Prodeco	**733**	653	12
Cerrejón[1]	**372**	373	-
Coal operating revenue	**4,710**	5,132	(8)
Coal other revenue			
Coking Australia	**194**	211	(8)
Thermal Australia	**326**	350	(7)
Thermal South Africa	**8**	53	(85)
Prodeco	**6**	-	n.m.
Coal other revenue (buy-in coal)	**534**	614	(13)
Coal total revenue			
Coking Australia	**589**	771	(24)
Thermal Australia	**2,563**	2,727	(6)
Thermal South Africa	**981**	1,222	(20)
Prodeco	**739**	653	13
Cerrejón[1]	**372**	373	-
Coal total revenue	**5,244**	5,746	(9)
Oil	**327**	319	3
Energy products revenue – segmental measure	**5,571**	6,065	(8)
Impact of presenting joint ventures on an equity accounting basis	**(372)**	(373)	n.m.
Energy products revenue – reported measure	**5,199**	5,692	(9)

1 Represents the Group's share of revenue in this JV.

Energy Products

US$ million	H1 2014	H1 2013	Change %
Adjusted EBITDA			
Coking Australia	**82**	196	(58)
Thermal Australia	**595**	554	7
Thermal South Africa	**203**	372	(45)
Prodeco	**184**	133	38
Cerrejón[1]	**138**	128	8
Total coal	**1,202**	1,383	(13)
Adjusted EBITDA margin[2]	***26%***	*27%*	
Oil	**266**	183	45
Adjusted EBITDA margin	***81%***	*57%*	
Energy products Adjusted EBITDA – segmental measure	**1,468**	1,566	(6)
Adjusted EBITDA margin[2]	***29%***	*29%*	
Impact of presenting joint ventures on an equity accounting basis	**(87)**	(86)	n.m.
Energy products Adjusted EBITDA – reported measure	**1,381**	1,480	(7)

1 Represents the Group's share of EBITDA in this JV.
2 Coal EBITDA margin is calculated on the basis of Coal operating revenue, as set out in the preceding table.

US$ million	H1 2014	H1 2013	Change %
Adjusted EBIT			
Coking Australia	**2**	117	(98)
Thermal Australia	**64**	91	(30)
Thermal South Africa	**16**	139	(88)
Prodeco	**97**	50	94
Cerrejón[1]	**68**	48	42
Total coal	**247**	445	(44)
Oil	**147**	136	8
Energy products Adjusted EBIT – segmental measure	**394**	581	(32)
Impact of presenting joint ventures on an equity accounting basis	**(17)**	(57)	n.m.
Energy products Adjusted EBIT – reported measure	**377**	524	(28)

1 Represents the Group's share of EBIT in this JV.

Energy Products

US$ million	H1 2014	H1 2013
Sustaining capex		
Australia (thermal and coking)	**190**	202
Thermal South Africa	**83**	125
Prodeco	**4**	30
Cerrejón[1]	**14**	68
Total sustaining capex – segmental measure	**291**	425
Impact of presenting joint ventures on an equity accounting basis	**(14)**	(68)
Total sustaining capex – reported measure	**277**	357
Expansion capex		
Australia (thermal and coking)	**218**	624
Thermal South Africa	**165**	219
Prodeco	**6**	15
Cerrejón[1]	**31**	61
Total coal	**420**	919
Oil	**288**	597
Total expansion capex – segmental measure	**708**	1,516
Impact of presenting joint ventures on an equity accounting basis	**(31)**	(61)
Total expansion capex – reported measure	**677**	1,455
Total capex		
Australia (thermal and coking)	**408**	826
Thermal South Africa	**248**	344
Prodeco	**10**	45
Cerrejón[1]	**45**	129
Total coal	**711**	1,344
Oil	**288**	597
Total capex – segmental measure	**999**	1,941
Impact of presenting joint ventures on an equity accounting basis	**(45)**	(129)
Total capex – reported measure	**954**	1,812

1 Represents the Group's share of capex in this JV.

Energy Products

Production data

Coal assets[1]

		H1 2014	H1 2013	Change %
Australian coking coal	mt	2.9	4.0	(28)
Australian semi-soft coal	mt	1.8	2.3	(22)
Australian thermal coal (export)	mt	26.0	23.3	12
Australian thermal coal (domestic)	mt	2.7	2.6	4
South African thermal coal (export)	mt	10.2	9.8	4
South African thermal coal (domestic)	mt	11.5	11.7	(2)
Prodeco	mt	10.2	9.6	6
Cerrejón[2]	mt	5.9	4.5	31
Total Coal department	**mt**	**71.2**	**67.8**	**5**

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis except for joint ventures, where the Group's attributable share of production is included.
2 The Group's pro-rata share of Cerrejón production (33.3%).

Oil assets

		H1 2014	H1 2013	Change %
Gross basis				
Equatorial Guinea	kbbl	12,035	9,942	21
Chad	kbbl	1,983	-	n.m.
Total Oil department	kbbl	14,018	9,942	41
Glencore entitlement interest basis				
Equatorial Guinea	kbbl	2,562	2,159	19
Chad	kbbl	597	-	n.m.
Total Oil department	kbbl	3,159	2,159	46

OPERATING HIGHLIGHTS

Coal assets

Total own sourced production was 71.2 million tonnes, 5% higher than the comparable period. The increase arises from Australian thermal coal, due to productivity improvements and ongoing expansion projects, and Cerrejón which was impacted by a 32 day strike in Q1 2013. These increases were, in part, offset by a reduction in coking coal production due to a decision to scale back production from higher cost mines and areas.

Australian coking

Australian coking coal production was 2.9 million tonnes, 28% lower than the comparable period. The decrease relates to cost reduction initiatives, which led to mine plan and / or roster changes at Newlands, Oaky Creek and Collinsville, the latter also being affected by industrial issues. Volumes were also temporarily impacted when mining through a fault zone at Oaky North.

Australian thermal and semi-soft

Australian thermal and semi-soft coal production was 30.5 million tonnes, 8% higher than the comparable period. The increase relates to the production ramp up at Ravensworth North and Rolleston, productivity gains at Ulan underground and Bulga and the commencement of longwall operations at Ulan West.

South African thermal

South African thermal production was 21.7 million tonnes, in line with the comparable period. This reflects the opening of Wonderfontein open cut mine in Q1 2014, offset by various operational challenges, including wet weather and strike action at Goedgevonden, the closure of Klippan and Wonderfontein underground mines at the end of 2013 and the closure of the Middelburg Steelcoal pit in Q1 2014.

Prodeco

Prodeco production was 10.2 million tonnes, 6% higher than the comparable period, relating to the ongoing expansion project, plus productivity improvements at Calenturitas and improved equipment availability across the operations.

Energy Products

Cerrejón

Glencore’s share of Cerrejón production was 5.9 million tonnes, 31% (1.4 million tonnes) higher than the comparable period. The increase reflects the impact of the 32 day strike that occurred in Q1 2013.

Oil E&P assets

H1 2014 gross oil production was 14.0 million barrels, 41% (4.1 million barrels) above the comparable period, relating to Alen (Equatorial Guinea) and Badila (Chad), which started production at the end of June and September 2013 respectively.

Agricultural Products

US$ million	**Marketing activities**	**Industrial activities**	**H1 2014**	Marketing activities	Industrial activities	H1 2013
Revenue	**10,915**	**1,673**	**12,588**	14,600	1,470	16,070
Adjusted EBITDA	**546**	**73**	**619**	123	3	126
Adjusted EBIT	**473**	**35**	**508**	15	(35)	(20)
Adjusted EBITDA margin	***5.0%***	***4.4%***	***4.9%***	*0.8%*	*0.2%*	*0.8%*

Market conditions

Selected average commodity prices

	H1 2014	H1 2013	Change %
S&P GSCI Agriculture Index	384	434	(12)
CBOT wheat price (US¢/bu)	635	716	(11)
CBOT corn no.2 price (US¢/bu)	466	688	(32)
CBOT soya beans (US¢/bu)	1,414	1,459	(3)
ICE cotton price (US¢/lb)	88	84	5
NYMEX sugar # 11 price (US¢/lb)	17	18	(6)

Highlights

Adjusted EBITDA and EBIT in H1 2014 were $619 million and $508 million, up respectively some $500 million over the comparable period. The increase reflects a stronger performance across both the marketing and the industrial activities, including a robust contribution from Viterra's grain handling operations, on the back of a record crop in Canada and an above-average crop in South Australia. In addition, Viterra's results benefitted from a full period of integration related cost synergies. Glencore's traditional marketing business also delivered an overall improved performance, from a lacklustre H1 2013.

European soft seed crushing performed satisfactorily, a healthy improvement on H1 2013. EU Biodiesel also improved due to capacity rationalisation, resulting in a better margin environment. Our JV crushing plant at Timbues in Argentina was fully operational during the period, which together with reasonable soya bean margins, delivered a higher period-over-period result.

Marketing

Financial information

US$ million	**H1 2014**	H1 2013	Change %
Revenue	**10,915**	14,600	(25)
Adjusted EBITDA	**546**	123	344
Adjusted EBIT	**473**	15	n.m.

Selected marketing volumes sold

	Unit	H1 2014	H1 2013	Change %
Grains	mt	19.5	21.9	(11)
Oil/oilseeds	mt	10.6	12.2	(13)
Cotton	mt	0.2	0.2	-
Sugar	mt	0.3	0.3	-

Agricultural Products

Industrial activities

Financial information

US$ million	H1 2014	H1 2013	Change %
Revenue	**1,673**	1,470	14
Adjusted EBITDA	**73**	3	n.m.
Adjusted EBIT	**35**	(35)	n.m.
Adjusted EBITDA margin	***4.4%***	*0.2%*	
Sustaining capex	**14**	24	
Expansionary capex	**49**	70	
Total capex	**63**	94	

Agricultural Products processing / production data

		H1 2014	H1 2013	Change %
Farming	kt	266	385	(31)
Crushing	kt	2,678	1,548	73
Long term toll agreement	kt	206	289	(29)
Biodiesel	kt	341	252	35
Rice milling	kt	127	120	6
Wheat milling	kt	525	555	(5)
Sugarcane processing	kt	723	509	42
Total agricultural products	**kt**	**4,866**	**3,658**	**33**

OPERATING HIGHLIGHTS

Agriculture produced / processed 4.9 million tonnes in H1 2014, 33% higher than the comparable period. The increase in volumes mainly relates to the continued ramp up at Timbues (Argentinean crush plant), including the impact of Glencore increasing its stake from 33% to 50%, plus higher sugarcane processing volumes, reflecting the increase in processing capacity, as part of Rio Vermelho's ongoing expansion.

Statement of Directors' Responsibilities

We confirm that to the best of our knowledge:

- the condensed set of consolidated financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as endorsed and adopted by the European Union;
- the interim report includes a fair review of the information required by DTR 4.2.7R (being an indication of important events that have occurred during the first six months of the financial year, and their impact on the interim report and a description of the principal risks and uncertainties for the remaining six months of the financial year); and
- the interim report includes a fair review of the information required by DTR 4.2.8R (being disclosure of related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period and any changes in the related party transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year).

By order of the Board,

Steven Kalmin
Chief Financial Officer

19 August 2014

Independent review report to Glencore plc

We have been engaged by the company to review the condensed interim consolidated financial statements in the half-year financial report for the six months ended 30 June 2014 which comprises the condensed consolidated statements of income/(loss), comprehensive income/(loss), financial position, cash flows and changes in equity and related notes 1 to 25. We have read the other information contained in the half-year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors’ responsibilities

The half-year financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-year financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards. The condensed set of financial statements included in this half-year financial report has been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting,” as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-year financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements in the half-year financial report for the six months ended 30 June 2014 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Statutory Auditor

London, United Kingdom

19 August 2014

Condensed consolidated statement of income/(loss)

For the six months ended 30 June (unaudited)

US$ million	Notes	2014	2013 Restated[1]
Revenue		**114,064**	112,035
Cost of goods sold		**(110,334)**	(109,977)
Selling and administrative expenses		**(720)**	(589)
Share of income from associates and joint ventures	9	**369**	208
Loss on sale on investments – net		**-**	(40)
Other expense – net	4	**(117)**	(10,487)
Dividend income		**18**	39
Interest income		**147**	190
Interest expense		**(929)**	(859)
Income/(loss) before income taxes		**2,498**	(9,480)
Income tax (expense)/credit	6	**(717)**	163
Income/(loss) for the period		**1,781**	(9,317)
Attributable to:			
Non-controlling interests		**61**	69
Equity holders		**1,720**	(9,386)
Earnings/(Loss) per share:			
Basic (US$)	15	**0.13**	(1.04)
Diluted (US$)	15	**0.13**	(1.04)

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the condensed consolidated statement of income/(loss) for the period ended 30 June 2013.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of comprehensive income/(loss)

For the six months ended 30 June (unaudited)

US$ million	Notes	2014	2013 Restated[1]
Income/(Loss) for the period		**1,781**	(9,317)
Other comprehensive income/(loss)			
Items not to be reclassified to the statement of income in subsequent periods:			
Defined benefit plan actuarial (losses)/gains, net of tax of $19 million (2013: $46 million)		**(54)**	155
Net items not to be reclassified to the statement of income in subsequent periods		**(54)**	155
Items that are or may be reclassified to the statement of income in subsequent periods:			
Exchange loss on translation of foreign operations		**(167)**	(906)
Gains/(losses) on cash flow hedges, net of tax of $25 million (2013: $29 million)		**326**	(322)
Gain on available for sale financial instruments - net	9	**208**	-
Share of comprehensive income/(loss) from associates and joint ventures	9	**38**	(15)
Cash flow hedges transferred to the statement of income, net of tax of $Nil million (2013: $5 million)		**-**	11
Net items that are or may be reclassified to the statement of income in subsequent periods		**405**	(1,232)
Other comprehensive income/(loss)		**351**	(1,077)
Total comprehensive income/(loss)		**2,132**	(10,394)
Attributable to:			
Non-controlling interests		**60**	(26)
Equity holders		**2,072**	(10,368)

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the condensed consolidated statement of comprehensive income/(loss) for the period ended 30 June 2013.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

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Condensed consolidated statement of financial position

As at 30 June 2014 and 31 December 2013

US$ million	Notes	2014 (unaudited)	2013 (audited) Restated[1]
Assets			
Non-current assets			
Property, plant and equipment	7	**68,374**	67,233
Intangible assets	8	**9,100**	9,158
Investments in associates and joint ventures	9	**12,261**	12,156
Other investments	9	**1,311**	923
Advances and loans	10	**4,717**	3,995
Deferred tax assets		**2,351**	2,105
		98,114	95,570
Current assets			
Inventories	11	**23,181**	22,753
Accounts receivable	12	**23,819**	24,536
Other financial assets	21	**3,251**	2,904
Prepaid expenses and other assets		**508**	578
Marketable securities		**41**	36
Cash and cash equivalents		**3,237**	2,849
		54,037	53,656
Assets held for sale	13	**6,688**	5,636
		60,725	59,292
Total assets		**158,839**	154,862
Equity and liabilities			
Capital and reserves – attributable to equity holders			
Share capital	14	**133**	133
Reserves and retained earnings		**49,809**	49,180
		49,942	49,313
Non-controlling interests		**3,214**	3,368
Total equity		**53,156**	52,681
Non-current liabilities			
Borrowings	17	**40,727**	38,712
Deferred income		**1,245**	1,337
Deferred tax liabilities		**7,065**	6,698
Other financial liabilities	21	**1,071**	1,044
Provisions		**7,966**	8,064
		58,074	55,855
Current liabilities			
Borrowings	17	**16,964**	16,461
Accounts payable	18	**26,501**	26,041
Deferred income		**162**	145
Provisions		**417**	323
Other financial liabilities	21	**2,449**	2,366
Income tax payable		**513**	489
		47,006	45,825
Liabilities held for sale	13	**603**	501
		47,609	46,326
Total equity and liabilities		**158,839**	154,862

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the consolidated statement of financial position for the year ended 31 December 2013.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of cash flows

For the six months ended 30 June (unaudited)

US$ million	Notes	2014	2013 Restated[1]
Operating activities			
Income/(loss) before income taxes		**2,498**	(9,480)
Adjustments for:			
Depreciation and amortisation		**2,567**	1,483
Share of income from associates and joint ventures		**(369)**	(208)
Decrease in other long-term liabilities		**(50)**	(31)
Loss on sale of investments – net		**-**	40
Unrealised mark to market movements on other investments		**(19)**	568
Impairments		**-**	8,939
Other non-cash items – net		**167**	932
Interest expense – net		**782**	669
Cash generated by operating activities before working capital changes		**5,576**	2,912
Working capital changes			
Decrease in accounts receivable[2]		**519**	124
(Increase)/decrease in inventories		**(549)**	5,366
Increase/(decrease) in accounts payable[3]		**277**	(568)
Total working capital changes		**247**	4,922
Income taxes paid		**(584)**	(378)
Interest received		**24**	44
Interest paid		**(826)**	(902)
Net cash generated by operating activities		**4,437**	6,598
Investing activities			
Increase in long-term advances and loans		**(655)**	(971)
Net cash received from acquisition of subsidiaries	19	**-**	1,477
Purchase of investments		**(479)**	(143)
Proceeds from sale of investments		**82**	33
Purchase of property, plant and equipment		**(3,787)**	(3,011)
Capital expenditures related to assets held for sale		**(798)**	(334)
Proceeds from sale of property, plant and equipment		**77**	94
Dividends received from associates and joint ventures		**641**	38
Net cash used by investing activities		**(4,919)**	(2,817)

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the condensed consolidated statement of cash flows for the period ended 30 June 2013.

2 Includes movements in other financial assets, prepaid expenses, other assets and assets held for sale.

3 Includes movements in other financial liabilities, provisions, deferred income and liabilities held for sale.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of cash flows (continued)

For the six months ended 30 June (unaudited)

US$ million	Notes	2014	2013 Restated[1]
Financing Activities[2]			
Proceeds from issuance of capital market notes		**3,686**	4,974
Repurchase of convertible bonds		**(587)**	-
Repayment of capital market notes		**(951)**	-
Proceeds from/(repayment of) other non-current borrowings		**329**	(252)
Margin receipts/(payments) in respect of financing related hedging activities		**202**	(168)
Proceeds from/(repayment of) current borrowings		**10**	(5,968)
Acquisition of additional interest in subsidiaries		**(61)**	(7)
Return of capital/dividends to non-controlling interests		**(144)**	(29)
Net purchase of own shares		**(30)**	(4)
Payment of profit participation certificates		**(127)**	(229)
Dividend paid to equity holders of the parent	16	**(1,457)**	(1,355)
Net cash generated/(used) by financing activities		**870**	(3,038)
Increase in cash and cash equivalents		**388**	743
Cash and cash equivalents, beginning of period		**2,849**	2,782
Cash and cash equivalents, end of period		**3,237**	3,525

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the condensed consolidated statement of cash flows for the period ended 30 June 2013.

2 Presented net of directly attributable issuance costs where applicable.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

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Condensed consolidated statement of changes in equity

For the six months ended 30 June (unaudited)

US$ million	(Deficit)/ retained earnings	Share premium	Other reserves	Own shares	Total reserves and (deficit)/ retained earnings	Share capital	Total equity attributable to equity holders	Non-controlling interests	Total equity
1 January 2013	5,248	26,688	(868)	-	31,068	71	31,139	3,034	34,173
Loss for the period - restated[1]	(9,386)	-	-	-	(9,386)	-	(9,386)	69	(9,317)
Other comprehensive income	140	-	(1,122)	-	(982)	-	(982)	(95)	(1,077)
Total comprehensive income	(9,246)	-	(1,122)	-	(10,368)	-	(10,368)	(26)	(10,394)
Issue of share capital[2]	383	30,073	-	(1,041)	29,415	62	29,477	-	29,477
Own share purchases	-	-	-	(13)	(13)	-	(13)	-	(13)
Own share disposal	(244)	-	-	253	9	-	9	-	9
Equity settled share-based expenses	23	-	-	-	23	-	23	-	23
Change in ownership interest in subsidiaries	-	-	(7)	-	(7)	-	(7)	-	(7)
Acquisition of subsidiaries	-	-	-	-	-	-	-	1,123	1,123
Dividend paid[3]	-	(1,355)	-	-	(1,355)	-	(1,355)	(29)	(1,384)
30 June 2013 - restated[1]	(3,836)	55,406	(1,997)	(801)	48,772	133	48,905	4,102	53,007
1 January 2014	(1,768)	54,777	(2,418)	(767)	49,824	133	49,957	3,192	53,149
Restatement[1]	(644)	-	-	-	(644)	-	(644)	176	(468)
1 January 2014 - restated[1]	(2,412)	54,777	(2,418)	(767)	49,180	133	49,313	3,368	52,681
Income for the period	1,720	-	-	-	1,720	-	1,720	61	1,781
Other comprehensive income	(16)	-	368	-	352	-	352	(1)	351
Total comprehensive income	**1,704**	**-**	**368**	**-**	**2,072**	**-**	**2,072**	**60**	**2,132**
Own share purchases	-	-	-	(38)	(38)	-	(38)	-	(38)
Own share disposal	(34)	-	-	49	15	-	15	-	15
Equity settled share-based expenses	28	-	-	-	28	-	28	-	28
Equity portion of partially repurchased convertible bonds	22	-	(22)	-	-	-	-	-	-
Change in ownership interest in subsidiaries	-	-	9	-	9	-	9	(70)	(61)
Dividend paid[3]	-	(1,457)	-	-	(1,457)	-	(1,457)	(144)	(1,601)
30 June 2014	**(692)**	**53,320**	**(2,063)**	**(756)**	**49,809**	**133**	**49,942**	**3,214**	**53,156**

1 Certain amounts shown here reflect the revised previously reported fair values associated with the Xstrata acquisition made in 2013 (see note 19), and therefore do not correspond to the condensed consolidated statement of changes in equity for the period ended 30 June 2013.

2 See note 19.

3 See note 16 for the Group's final dividend.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Notes to the unaudited condensed interim consolidated financial statements

For the six months ended 30 June (unaudited)

1. Corporate information

Glencore is a leading integrated producer and marketer of natural resources, with worldwide activities in the production, refinement, processing, storage, transport and marketing of metals and minerals, energy products and agricultural products. Glencore operates on a global scale, marketing and distributing physical commodities sourced from third party producers and own production to industrial consumers, such as those in the automotive, steel, power generation, oil and food processing industries. Glencore also provides financing, logistics and other services to producers and consumers of commodities. In this regard, Glencore seeks to capture value throughout the commodity supply chain. Glencore's long experience as a commodity producer and merchant has allowed it to develop and build upon its expertise in the commodities which it markets and cultivate long-term relationships with a broad supplier and customer base across diverse industries and in multiple geographic regions.

The ultimate parent entity of Glencore, Glencore plc, formerly Glencore Xstrata plc, (the "Company" or the "Parent"), is a publicly traded limited company incorporated in Jersey and domiciled in Switzerland. Its ordinary shares are traded on the London, Hong Kong and Johannesburg stock exchanges.

These unaudited condensed interim consolidated financial statements for the six months ended 30 June 2014 were authorised for issue in accordance with a resolution of the directors on 19 August 2014.

2. Accounting policies

Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC), IAS 34 *Interim Financial Reporting* as adopted by the European Union (EU), and the Disclosure and Transparency Rules of the Financial Services Authority effective for Glencore's reporting for the period ended 30 June 2014. These unaudited condensed interim consolidated financial statements should be read in conjunction with the financial statements and the notes thereto included in the audited 2013 Annual Report of Glencore Xstrata plc and subsidiaries (2013 Annual Report) available at www.glencore.com. These financial statements for the six months ended 30 June 2014 and 2013, and financial information for the year ended 31 December 2013 do not constitute statutory accounts. Certain financial information that is included in the audited annual financial statements but is not required for interim reporting purposes has been condensed or omitted.

The interim financial report for the six months ended 30 June 2014 has been prepared on a going concern basis as the directors believe there are no material uncertainties that lead to significant doubt that the Group can continue as a going concern in the foreseeable future, a period not less than 12 months from the date of this report. Further information is included on page 9 of the Financial Review.

All amounts are expressed in millions of United States Dollars, unless otherwise stated, consistent with the predominant functional currency of Glencore's operations.

The impact of seasonality or cyclicality on operations is not regarded as significant to the unaudited condensed interim consolidated financial statements.

Significant accounting policies

Adoption of new and revised Standards

These unaudited condensed interim consolidated financial statements are prepared using the same accounting policies as applied in the audited 2013 Annual Report, except for the adoption of the following new amendments to existing standards and interpretations as of 1 January 2014:

Amendments to IFRS 10, IFRS 12 and IAS 27 – Investment Entities

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 *Consolidated Financial Statements*. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss.

Amendments to IAS 32 – Offsetting Financial Assets and Financial Liabilities

The amendments to IAS 32 *Financial Instruments: Presentation* clarify the requirements relating to the offset of financial assets and liabilities. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right to set-off" and "simultaneous realisation and settlement".

Amendments to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

The amendments to IAS 39 *Financial Instruments: Recognition and Measurement* clarify the criteria required to be met such that there would be no need to discontinue hedge accounting if a hedging derivative was novated.

IFRIC 21 – Levies

The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognised before the specified minimum threshold is reached. The interpretation requires these same principles to be applied in interim financial statements. IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and is applied retrospectively. It is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g. IAS 12 *Income Taxes*) and fines or other penalties for breaches of legislation.

The adoption of these new amendments and interpretations has had no material impact on the Group.

New standards not yet effective

At the date of authorisation of these interim financial statements, the following new standards and amendments, which are applicable to Glencore, were issued but are not yet effective:

Amendments to IFRS 11 – Acquisitions of Interests in Joint Operations – effective for year ends beginning on or after 1 January 2016

The amendments address how a joint operator should account for the acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business. IFRS 11 *Joint Arrangements*, as amended now requires that such transactions shall be accounted for using the principles related to business combinations according to IFRS 3 *Business Combinations* and other standards. These amendments do not apply where an entity acquires an additional interest in a joint operation and as such previously held interests in existing joint operations are not remeasured.

IFRS 9 – Financial Instruments – effective for year ends beginning on or after 1 January 2018

IFRS 9 modifies the classification and measurement of certain classes of financial assets and liabilities. The most significant change is to rationalise from four to two primary categories of financial assets.

IFRS 15 – Revenue from Contracts with Customers – effective for year ends beginning on or after 1 January 2017

IFRS 15 applies to revenue from contracts with customers and replaces all of the revenue standards and interpretations in IFRS. The standard outlines the principles an entity must apply to measure and recognise revenue and the related cash flows.

3. Segment information

Glencore is organised and operates on a worldwide basis in three core business segments – metals and minerals, energy products and agricultural products, with each business segment responsible for the marketing, sourcing, hedging, logistics and industrial investment activities of their respective products and reflecting the structure used by Glencore's management to assess the performance of Glencore.

The business segments' contributions to the Group are primarily derived from the net margin or premium earned from physical marketing activities (net sale and purchase of physical commodities), provision of marketing and related value-add services and the margin earned from industrial asset activities (net resulting from the sale of physical commodities over the cost of production and/or cost of sales) and comprise the following underlying key commodities:

- Metals and minerals: Copper, zinc, lead, alumina, aluminium, ferro alloys, nickel, cobalt and iron ore, including smelting, refining, mining, processing and storage related operations of the relevant commodities;
- Energy products: Crude oil, oil products, steam coal and metallurgical coal supported by investments in coal mining and oil exploration and production operations, ports, vessels and storage facilities; and
- Agricultural products: Wheat, corn, canola, barley, rice, oil seeds, meals, edible oils, biofuels, cotton and sugar supported by investments in farming, storage, handling, processing and port facilities.

Corporate and other: consolidated statement of income amounts represent Glencore's share of income related to Xstrata (prior to the date of acquisition), the technology services division and other unallocated Group related expenses (including variable pool bonus charges). Statement of financial position amounts represent Group related balances.

The financial performance of the segments is principally evaluated with reference to Adjusted EBIT/EBITDA which is the net result of revenue less cost of goods sold and selling and administrative expenses plus share of income from associates and joint ventures, dividend income and the attributable share of underlying Adjusted EBIT/EBITDA of certain associates and joint ventures.

The accounting policies of the operating segments are the same as those described in note 2 with the exception of certain associates and joint ventures. Under IFRS 11, Glencore's investments in the Antamina copper/zinc mine (34% owned) and the Cerrejón coal mine (33% owned) are considered to be associates as they are not subject to joint control and the Collahuasi copper mine (44% owned) is considered to be a joint venture. Associates and joint ventures are required to be accounted for in Glencore's financial statements under the equity method. For internal reporting and analysis, Glencore evaluates the performance of these investments under the proportionate consolidation method reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities of the investments. The balances as presented for internal reporting purposes are reconciled to Glencore's statutory disclosures as outlined in the following tables.

3. Segment information (continued)

Six months ended 30 June 2014

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue	31,585	71,306	12,588	71	**115,550**
Marketing activities					
Adjusted EBIT	888	227	473	(76)	**1,512**
Depreciation and amortisation	14	25	73	-	**112**
Adjusted EBITDA	902	252	546	(76)	**1,624**
Industrial activities					
Adjusted EBIT	1,902	394	35	(219)	**2,112**
Depreciation and amortisation[1]	1,610	1,074	38	6	**2,728**
Adjusted EBITDA	3,512	1,468	73	(213)	**4,840**
Total adjusted EBITDA	4,414	1,720	619	(289)	**6,464**
Depreciation and amortisation	(1,624)	(1,099)	(111)	(6)	**(2,840)**
Total adjusted EBIT	2,790	621	508	(295)	**3,624**
Significant items[2]					
Other expense – net[3]					**(117)**
Share of associates' exceptional items[4]					**(74)**
Interest expense – net[5]					**(772)**
Income tax[6]					**(880)**
Profit for the period					**1,781**
Total assets (as at 30 June 2014)	80,717	54,827	10,328	12,967	**158,839**
Capital expenditure (30 June 2014)[7]	3,663	1,021	140	1	**4,825**

1 Includes an adjustment of $273 million (2013: $88 million) to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $203 million (2013: $78 million) and Energy products segment $70 million (2013: $10 million), see table below, page 50.

2 Significant items of income and expense which, due to their financial impacts, nature or the expected infrequency of the events giving rise to them, have been separated for internal reporting and analysis of Glencore's results.

3 See note 4.

4 Share of associates' exceptional items comprise Glencore's share of exceptional charges booked directly by various associates, predominantly Lonmin, relating mainly to various costs incurred in connection with the prolonged platinum strikes in South Africa.

5 Includes an adjustment of $10 million (2013: $Nil) to interest expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment interest income of $12 million (2013: interest income of $2 million) and Energy products segment interest expense of $2 million (2013: interest expense of $2 million), see table below, page 50.

6 Includes an adjustment of $163 million (2013: $58 million) to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $148 million (2013: $29 million) and Energy products segment $15 million (2013: $29 million), see table below, page 50.

7 Includes an adjustment of $240 million (2013: $160 million) to capital expenditure related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $195 million (2013: $104 million) and Energy products segment $45 million (2013: $56 million), see table below, page 50.

3. Segment information (continued)

Six months ended 30 June 2013

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total Restated[1]
Revenue	30,462	65,911	16,070	32	112,475
Marketing activities					
Adjusted EBIT	711	501	15	(41)	1,186
Depreciation and amortisation	10	18	108	-	136
Adjusted EBITDA	721	519	123	(41)	1,322
Industrial activities					
Adjusted EBIT	465	342	(35)	108	880
Depreciation and amortisation[2]	915	481	38	1	1,435
Adjusted EBITDA	1,380	823	3	109	2,315
Total adjusted EBITDA	2,101	1,342	126	68	3,637
Depreciation and amortisation	(925)	(499)	(146)	(1)	(1,571)
Total adjusted EBIT	1,176	843	(20)	67	2,066
Significant items[3]					
Other expense – net[4]					(10,487)
Share of associates exceptional items[5]					(51)
Mark to market loss on certain aluminium positions[6]					(95)
Unrealised intergroup profit elimination adjustments[7]					(146)
Loss on sale of investments					(40)
Interest expense – net[8]					(669)
Income tax credit[9]					105
Loss for the period - restated					(9,317)
Total assets (as at 30 June 2013) - restated	74,949	51,952	11,943	17,008	155,852
Capital expenditure (30 June 2013)[10]	2,164	1,141	95	-	3,400

1 Other expense - net adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see notes 4 and 19).

2 Includes an adjustment of $88 million to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $78 million and Energy products segment $10 million, see table below.

3 Significant items of income and expense which, due to their financial impacts, nature or the expected infrequency of the events giving rise to them, have been separated for internal reporting and analysis of Glencore's results.

4 See note 4.

5 Share of associates' exceptional items comprise Glencore's share of exceptional charges booked directly by Xstrata relating mainly to various costs incurred in connection with its acquisition by Glencore.

6 Represents an accounting measurement mismatch between spot and forward prices in respect of certain aluminium commercial hedging activities where such amounts will reverse in future periods. Due to the hedging being done on a portfolio basis, hedge treatment for IFRS accounting purposes (where such amounts would not impact the statement of income) is not achievable.

7 Represents the required adjustment to eliminate unrealised profit or losses arising on intergroup transactions. For Glencore, such adjustments arise on the sale of product, in the ordinary course of business, from its Industrial operations to its Marketing arm and management assesses segment performance prior to any such adjustments, as if the sales were to third parties.

8 Includes an adjustment of net $Nil to interest expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $2 million interest income and Energy products segment $2 million interest expense, see table below.

9 Includes an adjustment of $58 million to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $29 million and Energy products segment $29 million, see table below.

10 Includes an adjustment of $160 million to capital expenditure related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $104 million and Energy products segment $56 million, see table below.

3. Segment information (continued)

The reconciliation of certain associates' and joint ventures' Adjusted EBIT to 'Share of net income from associates and joint ventures' for the six month period ended 30 June 2014 is as follows:

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	**Total**
Revenue	31,585	71,306	12,588	71	**115,550**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(1,114)	(372)	-	-	**(1,486)**
Revenue - reported measure	30,471	70,934	12,588	71	**114,064**
Associates' and joint ventures' Adjusted EBITDA	711	138	-	-	**849**
Depreciation and amortisation	(203)	(70)	-	-	**(273)**
Associates' and joint ventures' Adjusted EBIT	508	68	-	-	**576**
Net finance costs	12	(2)	-	-	**10**
Income tax expense	(148)	(15)	-	-	**(163)**
Share of income from certain associates and joint ventures	372	51	-	-	**423**
Share of income from other associates	(67)	12	1	-	**(54)**
Share of income from associates and joint ventures	305	63	1	-	**369**
Capital expenditure (30 June 2014)	3,468	976	140	1	**4,585**

The reconciliation of certain associates' and joint ventures' Adjusted EBIT to 'Share of net income from associates and joint ventures' for the six month period ended 30 June 2013 is as follows:

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue	30,462	65,911	16,070	32	112,475
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(283)	(157)	-	-	(440)
Revenue - reported measure	30,179	65,754	16,070	32	112,035
Associates' and joint ventures' Adjusted EBITDA	161	63	-	-	224
Depreciation and amortisation	(78)	(10)	-	-	(88)
Associates' and joint ventures' Adjusted EBIT	83	53	-	-	136
Net finance costs	2	(2)	-	-	-
Income tax expense	(29)	(29)	-	-	(58)
Share of income from certain associates and joint ventures	56	22	-	-	78
Share of income from other associates	(7)	10	1	126	130
Share of income from associates and joint ventures	49	32	1	126	208
Capital expenditure (30 June 2013)	2,060	1,085	95	-	3,240

4. Other expense – net

US$ million	Notes	H1 2014	H1 2013 Restated[1]
Changes in mark to market valuations on investments held for trading - net		19	(244)
Foreign exchange (loss)		(45)	(75)
Premium on bond buybacks		(95)	-
Revaluation of previously held interests in newly acquired businesses - net		-	(1,160)
Impairments	5	-	(8,939)
Xstrata acquisition related expenses		-	(131)
Changes in mark to market valuation of certain coal forward contracts[2]		-	57
Other[3]		4	5
Total		**(117)**	(10,487)

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

2 This item, if classified by function of expense would be recognised in cost of goods sold. All other amounts in Other expense – net are classified by function.

3 'Other' for the period ended 30 June 2014 mainly comprises restructuring and closure costs of $25 million, offset by a $39 million gain on the revaluation of a loan to an industry counterparty, convertible into equity.

Together with foreign exchange movements and mark to market movements on investments held for trading, other expense – net includes other significant items of income and expense which due to their non-operational nature or expected infrequency of the events giving rise to them are reported separately from operating segment results. Other expense – net includes, but is not limited to, impairment charges, revaluation of previously held interests in business combinations and restructuring and closure costs.

Changes in mark to market valuations on investments held for trading – net

Primarily relates to movements on interests in other investments classified as held for trading and carried at fair value, with Glencore's interest in Volcan Compania Minera S.A.A. accounting for the majority of the movement in 2013.

Premium on bond buybacks

During the period, Glencore tendered for and cancelled 25% of its outstanding convertible bonds and Canadian dollar bonds originally issued by the Viterra Group (acquired by Glencore in 2012), booking the 'premium' over book carrying value as a loss of $70 million (see note 17) and $25 million respectively.

Revaluation of previously held interests in newly acquired businesses - net

In May 2013, Glencore completed the acquisition of the additional 66% interest in Xstrata it did not previously own (see note 19). At the date of acquisition, the previously owned interest was revalued to its fair value based on the share price at 2 May 2013 (the "Acquisition Date") as prescribed by IFRS 13 *Fair Value Measurement* and as a result, a $1,160 million loss was recognised.

Xstrata acquisition related expenses

Expenses incurred in connection with the acquisition of Xstrata (see note 19), comprising $59 million of costs incurred with the required cancellation of the Nyrstar offtake agreement, $38 million of professional / advisors' fees related to the acquisition and $34 million of stamp duty and restructuring costs.

Changes in mark to market valuation of certain coal forward contracts

This previously represented movements in the fair value of certain fixed price forward coal sales contracts relating to Prodeco Group's ("Prodeco") future production, into which it planned to physically deliver. Following the legal reacquisition of Prodeco in March 2010, from an accounting perspective, these forward sales contracts could not technically be classified as "own use" or as cash flow hedges, which would have deferred the income statement effect until performance of the underlying future sale transactions. As at year end 2013, all tonnes of such coal had been physically delivered.

5. Impairments

US$ million	H1 2014	H1 2013 Restated[1]
Xstrata acquisition goodwill impairment	-	(8,124)
Available for sale investments	-	(324)
Property, plant and equipment	-	(491)
Total impairments[2]	-	(8,939)

1 The Xstrata acquisition goodwill impairment has been adjusted by $(466) million as a result of the finalisation of the fair value adjustments relating to the acquisition of Xstrata (see note 19).

2 Impairments recognised during the period ended 30 June 2013 are allocated to Glencore's operating segments as follows: Metals and minerals $8,306 million, Energy products $633 million and Agricultural products $Nil.

Xstrata acquisition goodwill impairment

In accordance with IFRS 3, following a comprehensive process to identify and determine the fair value of all acquired assets and liabilities in connection with the Xstrata acquisition (see note 19), Glencore recognised goodwill of $13.1 billion of which $5.0 billion was allocated to the metals and minerals, and coal marketing cash generating units ("CGUs") (see note 8) and $8,124 million was allocated to the Xstrata mining operations' CGUs.

The goodwill allocated to the metals and minerals, and coal marketing operations was based on the value of expected margin synergies to be realised by the Group's existing marketing operations as a result of increased product flows from Xstrata, while the residual balance of $8,124 million was allocated to the Xstrata mining operations.

IAS 36 *Impairment of assets* requires that CGUs containing goodwill be tested for impairment whenever there are indications that goodwill may be impaired. As at the Acquisition Date the assets and liabilities of the Xstrata mining operations were recorded at fair value (including reserves and resources and expected operational synergies) and following the finalisation of the extensive valuation process as at the Acquisition Date, there was an indicator that the goodwill allocated to these operations was impaired.

Accordingly, Glencore completed an impairment test of the Xstrata mining operations based on the results of the final purchase price allocation process (see note 19) and determined that the allocated goodwill was impaired and therefore recorded a restated impairment charge at acquisition of $8,124 million.

The key circumstances that led to the impairment were:

- The IFRS 3 requirement to measure the consideration paid by reference to Glencore's share price at the Acquisition Date and the significant time lag between pricing the acquisition in September 2012 and the Acquisition Date; and
- The negative broader macro-economic environment facing the extractive industry, particularly around the actual and perceived heightened risks associated with greenfield and large scale expansion projects during the first half of 2013.

The recoverable amount of the Xstrata mining operations was measured based on fair value less cost of disposal determined in accordance with IFRS 13 and was primarily based on discounted cash flow techniques using, where possible, market based forecasts and assumptions discounted using operation specific discount rates ranging from 8 - 13%.

Available for sale instruments

Glencore accounts for its interest in United Company Rusal plc ("UC Rusal") as an available for sale investment at fair value with mark to market movements recognised in other comprehensive income ("OCI"). Previously at both 30 June 2013 and at 31 December 2013 it was determined that previously recognised negative fair value adjustments were of a prolonged nature and thus were reclassified from OCI to the consolidated statement of income as required under IAS 39 (see note 9). During the period ended 30 June 2014, a positive UC Rusal mark to market movement of $208 million was recognised in OCI.

Property, plant and equipment

In 2013, during the regular assessment of whether there is an indication of asset impairment or whether a previously recorded impairment may no longer be required (as part of our regular portfolio review), the further decline in short and medium term nickel price forecasts, resulted in an impairment charge of $452 million of property, plant and equipment at our Murrin Murrin nickel operation. The recoverable amounts of the property, plant and equipment were measured based on fair value less cost of disposal, determined by discounted cash flow techniques using, where possible, market forecasts and assumptions discounted using operation specific discount rates ranging from 7.5 – 12%.

6. Income taxes

Income taxes consist of the following:

US$ million	H1 2014	H1 2013
Current income tax expense	(616)	(220)
Deferred income tax (expense)/credit	(101)	383
Total tax (expense)/credit	**(717)**	163

The effective Group tax rate is different from the statutory Swiss income tax rate applicable to the Company for the following reasons:

US$ million	H1 2014	H1 2013 Restated[1]
Income/(Loss) before income taxes and attribution	**2,498**	(9,480)
Less: share of income from associates and joint ventures	(369)	(208)
Parent Company's and subsidiaries' income/(loss) before income tax and attribution	**2,129**	(9,688)
Income tax (expense)/credit calculated at the Swiss income tax rate	(319)	1,453
Tax effects of:		
Different tax rates from the standard Swiss income tax rate and foreign exchange adjustments	(273)	192
Non-deductible Xstrata related revaluation and goodwill impairment charges	-	(1,393)
Non-deductible expenses and other permanent differences	(125)	(18)
Available tax losses not recognised and changes in the valuation of deferred tax assets	-	(71)
Income tax (expense)/credit	**(717)**	163

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

7. Property, plant and equipment

US$ million	Freehold land and buildings	Plant and equipment	Mineral and petroleum rights	Deferred mining costs	Total
Net book value:					
1 January 2014	4,753	41,397	20,050	1,307	67,507
Restatement[1]	6	(450)	169	1	(274)
1 January 2014 (Restated)	4,759	40,947	20,219	1,308	67,233
Additions	80	3,060	369	271	3,780
Disposals	(8)	(137)	-	-	(145)
Depreciation	(138)	(1,725)	(479)	(155)	(2,497)
Effect of foreign currency exchange movements	4	13	(30)	-	(13)
Other movements	146	(40)	(345)	255	16
Net book value 30 June 2014	**4,843**	**42,118**	**19,734**	**1,679**	**68,374**

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

During the period ended 30 June 2013, Glencore added property, plant and equipment with a cost of $3,345 million and disposed of property, plant and equipment with a net book value of $74 million.

8. Intangible assets

US$ million	Goodwill	Port allocation rights	Future warehousing fees	Licenses, trademarks and software	Royalty and acquired offtake arrangements	Total
Net book value:						
1 January 2014	5,998	2,442	13	257	343	9,053
Restatement[1]	-	105	-	-	-	105
1 January 2014 (Restated)	5,998	2,547	13	257	343	9,158
Additions	-	-	2	4	1	7
Amortisation	-	(20)	(5)	(21)	(24)	(70)
Effect of foreign currency exchange movements	-	(31)	-	-	-	(31)
Other movements	-	-	5	19	12	36
Net carrying value 30 June 2014	**5,998**	**2,496**	**15**	**259**	**332**	**9,100**

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

Port allocation rights

Port allocation rights represent contractual entitlements to export certain amounts of coal on an annual basis from Richard Bay Coal Terminal in South Africa and have been recognised as part of the acquisitions of Optimum, Umcebo and Xstrata. The rights are being amortised on a straight line basis over the estimated economic life of the port of 40 years.

9. Investments in associates, joint ventures and other investments

Investments in associates and joint ventures

US$ million	2014
1 January 2014	12,707
Restatement[1]	(551)
1 January 2014 (Restated)	12,156
Additions	364
Disposals	(33)
Share of income from associates and joint ventures	369
Share of other comprehensive income from associates and joint ventures	38
Dividends received	(641)
Other movements	8
30 June 2014	**12,261**
Of which:	
Investments in associates	8,528
Investments in joint ventures	3,733

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

In May 2014, Glencore completed the acquisition of an effective 25.05% economic interest in the Clermont thermal coal mine in Australia for $250 million. The acquisition was affected through a jointly controlled entity owned 50:50 by Glencore and Sumitomo Corporation. Based on the contractual arrangement between Glencore and Sumitomo, the joint investment constitutes a joint arrangement subject to joint control by virtue of the shareholders' agreement as defined under IFRS 11 as unanimous consent is required for all key decisions regarding the relevant activities of the joint investment. As the investment has been structured through a separate legal entity with both Glencore's and Sumitomo's risks equating to their net investment in the entity, the investment is deemed to be a joint venture and therefore accounted for using the equity method required by IFRS 11.

Other investments

US$ million	as at 30.06.2014	as at 31.12.2013
Available for sale		
United Company Rusal plc	602	394
Fair value through profit and loss		
Volcan Compania Minera S.A.A.	175	204
Century Aluminum Company cash settled equity swaps	143	95
Jurong Aromatics Corporation Pte Ltd	55	55
Caracal Energy Inc.	190	15
Other	146	160
	709	529
Total	**1,311**	**923**

10. Advances and loans

US$ million	as at 30.06.2014	as at 31.12.2013
Loans to associated companies	**1,056**	909
Rehabilitation trust fund	**335**	317
Other long term receivables and loans[1]	**3,326**	2,769
Total	**4,717**	3,995

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

Other long term receivables and loans

At 30 June 2014, Glencore had advanced a net $525 million to the Chad State National Oil Company ("SHT") to be repaid through future oil deliveries over 4 years. The advance is net of $725 million provided by a syndicate of banks, the repayment terms of which are contingent upon and connected to the receipt of oil due from SHT under the prepayment. Of the net amount advanced, $448 million is receivable after 12 months and is presented within Other long term receivables and loans and $77 million is due within 12 months and as such is included within Accounts receivable.

11. Inventories

US$ million	as at 30.06.2014	as at 31.12.2013
Production inventories	**6,186**	6,108
Marketing inventories	**16,995**	16,645
Total	**23,181**	22,753

Production inventories consist of materials, spare parts and work in process. Marketing inventories are saleable commodities held primarily by the marketing entities as well as finished goods and certain other readily saleable materials held by the industrial assets. Marketing inventories of $13,489 million (2013: $12,997 million) are carried at fair value less cost of disposal.

Fair value of inventories is a Level 2 fair value measurement (see note 21) valued using observable market prices obtained from exchanges, traded reference indices or market survey services adjusted for relevant location and quality differentials. There are no significant unobservable inputs in the fair value measurement of marketing inventories.

Glencore has a number of dedicated financing facilities, which finance a portion of its marketing inventories. In each case, the inventory has not been derecognised as the Group retains the principal risks and rewards of ownership. The proceeds received are recognised as current borrowings (see note 17). As at 30 June 2014, the total amount of inventory secured under such facilities was $2,073 million (2013: $2,246 million), while the proceeds received and recognised as current borrowings were $1,581 million (2013: $1,829 million).

12. Accounts receivable

US$ million	as at 30.06.2014	as at 31.12.2013
Trade receivables	**17,356**	18,029
Trade advances and deposits	**3,183**	3,516
Associated companies	**379**	452
Other receivables	**2,901**	2,539
Total	**23,819**	24,536

Glencore has a number of dedicated financing facilities, which finance a portion of its receivables. In each case, the receivables have not been derecognised, as the Group retains the principal risks and rewards of ownership. The proceeds received are recognised as current borrowings (see note 17). As at 30 June 2014, the total amount of trade receivables secured was $3,352 million (2013: $4,034 million) and proceeds received and classified as current borrowings amounted to $2,748 million (2013: $3,200 million).

13. Assets and liabilities held for sale

In accordance with the Merger Remedy Commitments made to the Ministry of Commerce of the Peoples' Republic of China ("MOFCOM") for the Xstrata acquisition, Glencore commenced a process to sell its entire interest in the Las Bambas copper mine project ("Las Bambas") in Peru.

As a result, assets of $4,366 million (restated) and liabilities of $539 million (restated) acquired in the Xstrata acquisition (see note 19) were classified as held for sale within the metals and minerals segment. Subsequent to the acquisition date, further capital expenditure has been incurred, such that the assets held for sale increased to $6,688 million and liabilities held for sale increased to $603 million as at 30 June 2014.

In April 2014, Glencore reached an agreement to sell its entire interest in Las Bambas to a consortium owned 62.5% by MMG Limited, 22.5% by GUOXIN International Investment Corporation Limited and 15.0% by CITIC Metal Co Limited for cash consideration of $5.85 billion, plus all capital expenditure and other costs incurred in developing the mine in the period from 1 January 2014 to completion of the sale.

On 31 July 2014, the Las Bambas sale transaction completed with Glencore receiving proceeds, net of tax, of approximately $6.5 billion.

Assets and liabilities held for sale are classified as non-recurring Level 1 fair value measurements in accordance with IFRS 13.

14. Share capital and reserves

	Number of shares (thousand)	Share capital (US$ million)	Share premium (US$ million)
Authorised:			
30 June 2014 Ordinary shares with a par value of $0.01 each	50,000,000		
Issued and fully paid up:			
1 January 2014 – Ordinary shares	13,278,405	133	54,777
Dividends paid	-	-	(1,457)
30 June 2014 – Ordinary shares	**13,278,405**	**133**	**53,320**

	Number of shares (thousand)	US$ million
Own shares:		
1 January 2014	156,790	(767)
Own shares purchased during the period	7,000	(38)
Own shares disposed during the period	(9,488)	49
30 June 2014 – Own shares	**154,302**	**(756)**

Own shares

Own shares comprise shares of Glencore plc held by Orbis Trust (the Trust) to satisfy the potential future settlement of the Group's employee stock plans, primarily assumed as part of the Xstrata acquisition (see note 19). The Trust also coordinates the funding and manages the delivery of ordinary shares and free share awards under certain of Glencore's share plans. The shares are acquired by either stock market purchases or share issues from the Company. The Trustee is permitted to sell the shares and may hold up to 5% of the issued share capital of the Company at any one time. As at 30 June 2014, 154,301,555 shares (31 December 2013: 156,789,593 shares), equivalent to 1.2% of the issued share capital were held at a cost of $756 million (31 December 2013: $767 million) and market value of $859 million (31 December 2013: $813 million). The Trust has waived the right to receive dividends from the shares that it holds. Costs relating to the administration of the Trust are expensed in the period in which they are incurred.

15. Earnings per share

US$ million	H1 2014	H1 2013 Restated[1]
Profit/(loss) attributable to equity holders for basic earnings per share	**1,720**	(9,386)
Interest in respect of Convertible bonds[2]	**-**	-
Profit/(loss) attributable to equity holders for diluted earnings per share	**1,720**	(9,386)
Weighted average number of shares for the purposes of basic earnings per share (thousand)	**13,122,578**	9,051,197
Effect of dilution:		
Equity-settled share-based payments (thousand)	**14,845**	-
Convertible bonds[2] (thousand)	**-**	-
Weighted average number of shares for the purposes of diluted earnings per share (thousand)	**13,137,423**	9,051,197
Basic earnings/(loss) per share (US$)	**0.13**	(1.04)
Diluted earnings/(loss) per share (US$)	**0.13**	(1.04)

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).
2 In both H1 2014 and 2013, the convertible bonds were anti-dilutive and therefore excluded from the diluted earnings per share calculation.

Headline earnings:

Headline earnings is a Johannesburg Stock Exchange ("JSE") defined performance measure. The calculation of basic and diluted earnings per share, based on headline earnings as determined by the requirements of Circular 2/2013 as issued by the South African Institute of Chartered Accountants ("SAICA"), is reconciled using the following data:

US$ million	Notes	H1 2014	H1 2013 Restated[1]
Profit/(loss) attributable to equity holders for basic earnings per share		**1,720**	(9,386)
Loss on acquisitions (no tax and non-controlling interest impact)	4	**-**	1,160
Loss on disposal of investments (no non-controlling interest impact)		**(4)**	41
Loss on disposal of investments – tax		1	(10)
Impairments	5	**-**	8,939
Impairments – tax		**-**	(123)
Headline and diluted headline earnings for the period[2]		**1,717**	621
Headline earnings per share (US$)		**0.13**	0.07
Diluted headline earnings per share (US$)		**0.13**	0.07

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).
2 In both H1 2014 and 2013, the convertible bonds were anti-dilutive and therefore excluded from the diluted headline earnings per share calculation.

16. Dividends

An interim 2014 dividend of $0.06 per share was declared by the board of directors on 19 August 2014 (2013: $0.054 per share) and is payable on 19 September 2014, based on a record date of 5 September 2014. This interim dividend, amounting to $787 million (2013: $707 million), has not been recognised as a liability in this interim financial information. It will be recognised in shareholders' equity in the year to 31 December 2014. The 2013 final dividend of $0.111 per share, amounting to $1,457 million was paid on 30 May 2014.

17. Borrowings

US$ million	Notes	as at 30.06.2014	as at 31.12.2013
Non-current borrowings			
Capital market notes		**32,321**	30,900
Ordinary profit participation certificates		**64**	110
Committed syndicated revolving credit facility		**5,874**	5,702
Finance lease obligations		**317**	344
Other bank loans[1]		**2,151**	1,656
Total non-current borrowings		**40,727**	38,712
Current borrowings			
Committed secured inventory / receivables facilities	11/12	**618**	1,353
Uncommitted secured inventory / receivables facilities	11/12	**3,711**	3,676
Other committed secured facilities		**552**	590
Convertible bonds		**1,699**	2,236
U.S. commercial paper		**3,486**	1,645
Capital market notes		**2,932**	1,750
Ordinary profit participation certificates		**143**	223
Finance lease obligations		**53**	49
Other bank loans[2]		**3,770**	4,939
Total current borrowings		**16,964**	16,461

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

2 Comprises various uncommitted bilateral bank credit facilities and other financings.

Committed syndicated revolving credit facility

In June 2014, Glencore signed new revolving credit facilities for a total amount of $15.3 billion. These facilities refinanced earlier $12,990 million of one-year and three-year revolving credit facilities (with the three-year tranche repaid and cancelled) and amended / extended the $4,350 million five-year revolving credit facility signed in June 2013.

The new and amended facilities comprise:

- an $8.7 billion 12 month revolving credit facility with a 12 month term-out option and 12-month extension option; and
- a $6.6 billion 5 year revolving credit facility with two 12 month extension options.

Convertible Bond

In June 2014, Glencore purchased and cancelled convertible bonds with a nominal value of $577 million for consideration of $647 million, resulting in a premium loss of $70 million, which is recognised within other expenses (see note 4).

2014 Bond issuances

Eurobonds

- In April 2014, Glencore issued in two tranches EUR 1.1 billion of interest bearing notes as follows:
  - 7 year EUR 600 million, 2.750% fixed coupon bonds; and
  - 12 year EUR 500 million, 3.750% fixed coupon bonds.

US$ bonds

- In April 2014, Glencore issued in two tranches $2 billion of interest bearing notes as follows:
  - 5 year $1,000 million, 3.125% fixed coupon bonds; and
  - 10 year $1,000 million, 4.625% fixed coupon bonds.
- In May 2014, Glencore issued 4 year $200 million, Libor plus 1.20% coupon notes.

18. Accounts payable

US$ million	as at 30.06.2014	as at 31.12.2013
Trade payables	**22,810**	21,815
Trade advances from buyers	**826**	640
Associated companies	**481**	648
Other payables and accrued liabilities	**2,384**	2,938
Total	**26,501**	26,041

19. Acquisition and disposal of subsidiaries

2014 Acquisitions

On 8 July 2014, Glencore completed the acquisition of the remaining issued and outstanding equity of Caracal Energy Inc. ("Caracal"), an oil and gas exploration and development company with operations in the Republic of Chad, Africa for a total consideration of $1,610 million. This increased Glencore's ownership from 13.2% to 100% and provides Glencore the ability to exercise control over Caracal. As a result, as of the acquisition date, Glencore will consolidate Caracal which reported total assets and liabilities of $1,922 million and $312 million, respectively as at 30 June 2014.

If the acquisition had taken place effective 1 January 2014, the operation would have contributed additional revenue of $56 million and additional attributable loss of $25 million.

The acquisition of Caracal adds further value and expertise to Glencore's growing oil business in Africa, with the enlarged portfolio allowing Glencore to take further advantage of opportunities across the Africa oil sector, as they arise.

Due to the timing of the transaction, management is in the preliminary stages of determining the fair values of the assets and liabilities acquired and the associated accounting for the acquisition. Accordingly, certain disclosures relating to the business combination, such as the fair value of net assets acquired have not been presented.

2014 Disposals

In 2014, there were no material disposals of subsidiaries.

19. Acquisition and disposal of subsidiaries (continued)

2013 Acquisitions

In 2013, Glencore acquired controlling interests in Xstrata and other immaterial entities. The net cash used in the acquisition of subsidiaries and the fair value of the assets acquired and liabilities assumed at the date of acquisition are detailed below:

US$ million	Xstrata provisional fair values as reported at 31.12.2013	Fair value adjustments to the provisional allocation	**Total Xstrata final fair values**	Other fair values	**Total fair values**
Non-current assets					
Property, plant and equipment	41,381	(274)	**41,107**	194	**41,301**
Intangible assets	2,314	105	**2,419**	6	**2,425**
Investments in associates and joint ventures	10,240	(551)	**9,689**	–	**9,689**
Advances and loans[1]	1,163	(100)	**1,063**	–	**1,063**
Deferred tax asset	253	–	**253**	–	**253**
	55,351	(820)	**54,531**	200	**54,731**
Current assets					
Inventories	6,068	–	**6,068**	47	**6,115**
Accounts receivable[1]	3,693	–	**3,693**	38	**3,731**
Other financial assets	518	–	**518**	–	**518**
Cash and cash equivalents	1,684	–	**1,684**	1	**1,685**
Assets held for sale	3,616	750	**4,366**	–	**4,366**
	15,579	750	**16,329**	86	**16,415**
Non-controlling interest[2]	(924)	(176)	**(1,100)**	(9)	**(1,109)**
Non-current liabilities					
Borrowings	(17,587)	12	**(17,575)**	(4)	**(17,579)**
Deferred income	(973)	(60)	**(1,033)**	–	**(1,033)**
Deferred tax liabilities	(4,270)	(85)	**(4,355)**	(32)	**(4,387)**
Other financial liabilities	(325)	–	**(325)**	(9)	**(334)**
Provisions	(7,312)	19	**(7,293)**	(14)	**(7,307)**
	(30,467)	(114)	**(30,581)**	(59)	**(30,640)**
Current liabilities					
Borrowings	(1,726)	–	**(1,726)**	(17)	**(1,743)**
Accounts payable	(4,981)	–	**(4,981)**	(30)	**(5,011)**
Deferred income	(73)	–	**(73)**	–	**(73)**
Provisions	(215)	(59)	**(274)**	–	**(274)**
Other financial liabilities	(91)	–	**(91)**	–	**(91)**
Liabilities held for sale	(314)	(225)	**(539)**	–	**(539)**
	(7,400)	(284)	**(7,684)**	(47)	**(7,731)**
Total fair value of net assets acquired	32,139	(644)	**31,495**	171	**31,666**
Goodwill arising on acquisition[3]	12,480	644	**13,124**	30	**13,154**
Less: amounts previously recognised through investments and loans	(15,142)	–	**(15,142)**	–	**(15,142)**
Less: Fair value of ordinary shares issued	(29,094)	–	**(29,094)**	–	**(29,094)**
Less: Fair value of share based awards	(383)	–	**(383)**	–	**(383)**
Less: cash and cash equivalents acquired	(1,684)	–	**(1,684)**	(1)	**(1,685)**
Acquisition related costs	275	–	**275**	–	**275**
Net cash (received from)/used in acquisition of subsidiaries	(1,409)	–	**(1,409)**	200	**(1,209)**

1 There is no material difference between the gross contractual amounts for loans and advances and accounts receivable and their fair value.

2 Non-controlling interest measured at its percentage of net assets acquired.

3 The goodwill arising on acquisition is not deductible for tax purposes.

19. Acquisition and disposal of subsidiaries (continued)

Xstrata

On 2 May 2013, Glencore completed its acquisition of the remaining 66% (which it did not previously own) of the issued and outstanding equity of Xstrata, a leading global diversified mining group, for consideration of $29.5 billion. The acquisition was completed through an all share exchange which gave Xstrata shareholders 3.05 Glencore shares for every Xstrata share, valuing Xstrata's equity at approximately $44.6 billion.

The acquisition accounting has now been finalised. The final fair value adjustments to the provisionally reported values primarily relate to adjustments to property, plant and equipment and investments in associates and joint ventures resulting from revisions to assumptions that existed at the acquisition date regarding mine plans, ramp-up schedules, expected processing capacity and classification of acquired joint arrangements. Additionally, the Las Bambas assets and liabilities held for sale were reassessed to reflect the fair value less cost of disposal, resulting from finalisation of the sales process (see notes 13 and 25).

The acquisition of Xstrata creates a unique global natural resources group, well positioned to seize opportunities in a world where trends continue to evolve towards a new global map, reflecting the degree to which changes are unfolding relating to where natural resources are consumed and supplied, especially as a result of demand from and emerging supply growth in developing economies.

If the acquisition had been effective 1 January 2013, the operations would have contributed additional revenue of $9,443 million and an increase in attributable income of $259 million. From the date of acquisition until 30 June 2013, the operations contributed $4,192 million and $511 million of revenue and attributable income, respectively.

Other (2013)

Other acquisitions primarily consist of the acquisition of an 89.5% controlling interest in Orion Minerals LLC, an entity holding two operations in northern Kazakhstan, for cash consideration of $175 million. If the other acquisitions had taken place effective 1 January 2013, the operations would have contributed additional revenue of $4 million and additional attributable income of $1 million. From the date of acquisition until 30 June 2013, the other acquisitions contributed $17 million and $3 million to Glencore's revenue and attributable income, respectively.

2013 Disposals

In 2013, Glencore disposed of controlling interests in various businesses that were acquired as part of the Viterra business combination in December 2012. The carrying value of the assets and liabilities over which control was lost and net cash received from these disposals are detailed below:

US$ million	Dakota Growers Pasta Company	Joe White Maltings	Total
Property, plant and equipment	320	355	675
Intangible assets	42	1	43
Inventories	35	23	58
Accounts receivable	24	38	62
Cash and cash equivalents	3	–	3
Deferred tax liabilities	(40)	–	(40)
Accounts payable	(21)	(33)	(54)
Financial liabilities	–	(3)	(3)
Total carrying value of net assets disposed	363	381	744
Cash and cash equivalents received	366	381	747
Less: cash and cash equivalent disposed	(3)	–	(3)
Total consideration received	363	381	744
Gain/(loss) on disposal	–	–	–

20. Financial instruments

Fair value of financial instruments

The following tables present the carrying values and fair values of Glencore's financial instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (most advantageous) market at the measurement date under current market conditions. Where available, market values have been used to determine fair values. When market values are not available, fair values have been calculated by discounting expected cash flows at prevailing market interest and exchange rates. The estimated fair values have been determined using market information and appropriate valuation methodologies, but are not necessarily indicative of the amounts that Glencore could realise in the normal course of business.

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate the fair values with the exception of $57,691 million (2013: $55,173 million) of borrowings, the fair value of which at 30 June 2014 was $59,004 million (31 December 2013: $56,723 million) based on observable market prices applied to the borrowing portfolio (a Level 2 fair value measurement).

As at 30 June 2014

US$ million	Carrying value[1]	Available for sale	FVtPL[2]	**Total**
Assets				
Other investments[3]	–	602	709	**1,311**
Advances and loans	4,717	–	–	**4,717**
Accounts receivable	23,819	–	–	**23,819**
Other financial assets (see note 21)	–	–	3,251	**3,251**
Cash and cash equivalents and marketable securities[4]	–	–	3,278	**3,278**
Total financial assets	**28,536**	**602**	**7,238**	**36,376**
Liabilities				
Borrowings	57,691	–	–	**57,691**
Non-current other financial liabilities (see note 21)	–	–	1,071	**1,071**
Accounts payable	26,501	–	–	**26,501**
Other financial liabilities (see note 21)	–	–	2,449	**2,449**
Total financial liabilities	**84,192**	**–**	**3,520**	**87,712**

As at 31 December 2013

US$ million	Carrying value[1]	Available for sale	FVtPL[2]	Total Restated[5]
Assets				
Other investments[3]	–	394	529	923
Advances and loans[5]	3,995	–	–	3,995
Accounts receivable	24,536	–	–	24,536
Other financial assets (see note 21)	–	–	2,904	2,904
Cash and cash equivalents and marketable securities[4]	–	–	2,885	2,885
Total financial assets	28,531	394	6,318	35,243
Liabilities				
Borrowings[5]	55,173	–	–	55,173
Non-current other financial liabilities (see note 21)	–	–	1,044	1,044
Accounts payable	26,041	–	–	26,041
Other financial liabilities (see note 21)	–	–	2,366	2,366
Total financial liabilities	81,214	–	3,410	84,624

1 Carrying value comprises investments, loans, accounts receivable, accounts payable and other liabilities measured at amortised cost.
2 FVtPL – Fair value through profit and loss – held for trading.
3 Other investments of $1,210 million (2013: $772 million) are classified as Level 1 measured using quoted market prices with the remaining balance of $101 million (2013: $151 million) being investments in private companies whose fair value cannot be reliably measured which are carried cost.
4 Classified as Level 1 measured using quoted exchange rates and/or market prices.
5 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

20. Financial instruments (continued)

Offsetting of financial assets and liabilities

In accordance with IAS 32 the Group reports financial assets and liabilities on a net basis in the consolidated statement of financial position only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements as at 30 June 2014 were as follows:

US$ million As at 30 June 2014	Amounts eligible for set off under netting agreements			Related amounts not set off under netting agreements			Amounts not subject to netting agreements	Total as presented in the consolidated statement of financial position
	Gross amount	Amounts offset	Net amount	Financial instruments	Financial collateral	Net amount		
Derivative assets[1]	4,984	(3,695)	**1,289**	(362)	(339)	588	**1,962**	**3,251**
Derivative liabilities[1]	(4,364)	3,695	**(669)**	362	154	(153)	**(1,780)**	**(2,449)**

1 Presented within current other financial assets and current other financial liabilities.

For the financial assets and liabilities subject to enforceable master netting or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities may be settled on a gross basis, however, each party to the master netting or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. Per the terms of each agreement, an event of default includes failure by a party to make payment when due, failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied within periods of 30 to 60 days after notice of such failure is given to the party or bankruptcy.

21. Fair value measurements

Fair values are primarily determined using quoted market prices or standard pricing models using observable market inputs where available and are presented to reflect the expected gross future cash in/outflows. Glencore classifies the fair values of its financial instruments into a three level hierarchy based on the degree of the source and observability of the inputs that are used to derive the fair value of the financial asset or liability as follows:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that Glencore can assess at the measurement date; or

Level 2 Inputs other than quoted inputs included in Level 1 that are observable for the assets or liabilities, either directly or indirectly; or

Level 3 Unobservable inputs for the assets or liabilities, requiring Glencore to make market based assumptions.

Level 1 classifications primarily include futures with a tenor of less than one year and options that are exchange traded, whereas Level 2 classifications primarily include futures with a tenor greater than one year, over the counter options, swaps and physical forward transactions which derive their fair value primarily from exchange quotes and readily observable broker quotes. Level 3 classifications primarily include physical forward transactions which derive their fair value predominately from models that use broker quotes and applicable market based estimates surrounding location, quality and credit differentials and financial liabilities linked to the fair value of certain mining operations. In circumstances where Glencore cannot verify fair value with observable market inputs (Level 3 fair values), it is possible that a different valuation model could produce a materially different estimate of fair value.

It is Glencore's policy that transactions and activities in trade related financial instruments be concluded under master netting agreements or long form confirmations to enable balances due to/from a common counterparty to be offset in the event of default, insolvency or bankruptcy by the counterparty.

The following tables show the fair values of the derivative financial instruments including trade related financial and physical forward purchase and sale commitments by type of contract and non-current other financial liabilities as at 30 June 2014 and 31 December 2013. Other assets and liabilities which are measured at fair value on a recurring basis are marketing inventories, other investments, cash and cash equivalents and marketable securities. There are no non-recurring fair value measurements.

21. Fair value measurements (continued)

Other financial assets

As at 30 June 2014

US$ million	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	384	116	–	**500**
Options	19	5	4	**28**
Swaps	108	194	–	**302**
Physical forwards	1	1,045	304	**1,350**
Financial contracts				
Cross currency swaps	–	782	–	**782**
Foreign currency and interest rate contracts	36	253	–	**289**
Total	**548**	**2,395**	**308**	**3,251**

As at 31 December 2013

US$ million	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	444	261	–	705
Options	26	2	–	28
Swaps	65	94	–	159
Physical forwards	–	701	481	1,182
Financial contracts				
Cross currency swaps	–	519	–	519
Foreign currency and interest rate contracts[1]	41	270	–	311
Total	576	1,847	481	2,904

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

21. Fair value measurements (continued)

Other financial liabilities

As at 30 June 2014

US$ million	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	531	139	–	**670**
Options	21	1	46	**68**
Swaps	21	148	–	**169**
Physical forwards	–	719	248	**967**
Financial contracts				
Cross currency swaps	–	407	–	**407**
Foreign currency and interest rate contracts	35	133	–	**168**
Current other financial liabilities	**608**	**1,547**	**294**	**2,449**
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	386	**386**
Put option over non-controlling interest[2]	–	–	685	**685**
Non-current other financial liabilities	**–**	**–**	**1,071**	**1,071**
Total	**608**	**1,547**	**1,365**	**3,520**

As at 31 December 2013

US$ million	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	542	84	–	626
Options	15	4	31	50
Swaps	27	72	–	99
Physical forwards	9	572	266	847
Financial contracts				
Cross currency swaps	–	512	–	512
Foreign currency and interest rate contracts[3]	60	172	–	232
Current other financial liabilities	653	1,416	297	2,366
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	359	359
Put option over non-controlling interest[2]	–	–	685	685
Non-current other financial liabilities	–	–	1,044	1,044
Total	653	1,416	1,341	3,410

1 Relates to a ZAR denominated derivative liability of $386 million (2013: $359 million) payable to ARM Coal, one of the Group's principal coal joint operations based in South Africa. The liability arises from ARM Coal's rights as an investor to a share of agreed free cash flows from certain coal operations in South Africa and is valued based on those cash flows using a risk adjusted discount rate. The derivative liability is settled over the life of those operations and has no fixed repayment date and is not cancellable within 12 months.

2 Relates to a put option over the remaining 31% of Mutanda that is exercisable in two equal tranches in July 2016 and July 2018. The exercise price of the put option is subject to the fair value of Mutanda at the date of exercise.

3 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

21. Fair value measurements (continued)

The following table shows the net changes in fair value of Level 3 other financial assets and other financial liabilities:

US$ million	Physical forward	Options	Loans and other	Total Level 3
1 January 2014	215	(716)	(359)	**(860)**
Total gain /(loss) recognised in cost of goods sold	(222)	(14)	(27)	**(263)**
Realised	63	3	–	**66**
30 June 2014	**56**	**(727)**	**(386)**	**(1,057)**

During the period no amounts were transferred between Level 1 and Level 2 of the fair value hierarchy and no amounts were transferred into or out of Level 3 of the fair value hierarchy for either other financial assets or other financial liabilities.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair values of these financial assets and financial liabilities are determined, in particular, the valuation techniques and inputs used.

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2014	As at 31.12.2013
Futures – Level 1		Assets	**384**	444
		Liabilities	**(531)**	(542)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Futures – Level 2		Assets	**116**	261
		Liabilities	**(139)**	(84)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Options – Level 1		Assets	**19**	26
		Liabilities	**(21)**	(15)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Options – Level 2		Assets	**5**	2
		Liabilities	**(1)**	(4)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			

21. Fair value measurements (continued)

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2014	As at 31.12.2013
Options – Level 3		Assets	**4**	-
		Liabilities	**(46)**	(31)
Valuation techniques and key inputs:	Standard option pricing model			
Significant unobservable inputs:	Prices are adjusted by differentials, as required, including: - Volatility; and - Credit risk. These significant unobservable inputs generally represent 2% - 20% of the overall value of the instruments. These differentials move in symmetry with each other, e.g. a decrease in volatility leads to a decrease in credit risk, resulting in no material change in the underlying value.			
Swaps – Level 1		Assets	**108**	65
		Liabilities	**(21)**	(27)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Swaps – Level 2		Assets	**194**	94
		Liabilities	**(148)**	(72)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Physical Forwards – Level 1		Assets	**1**	–
		Liabilities	**–**	(9)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Physical Forwards – Level 2		Assets	**1,045**	701
		Liabilities	**(719)**	(572)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			

21. Fair value measurements (continued)

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2014	As at 31.12.2013
Physical Forwards – Level 3		Assets	**304**	481
		Liabilities	**(248)**	(266)
Valuation techniques and key inputs:	Discounted cash flow model			
Significant unobservable inputs:	Prices are adjusted by differentials, as required, including: - Quality; - Geographic location; - Local supply & demand; - Customer requirements; and - Counterparty credit considerations. These significant unobservable inputs generally represent 2% - 50% of the overall value of the instruments. These differentials are generally symmetrical with an increase/decrease in one input resulting in an opposite movement in another input, resulting in no material change in the underlying value.			
Cross currency swaps – Level 2		Assets	**782**	519
		Liabilities	**(407)**	(512)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Foreign currency and interest rate contracts – Level 1		Assets	**36**	41
		Liabilities	**(35)**	(60)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Foreign currency and interest rate contracts – Level 2		Assets	**253**	270
		Liabilities	**(133)**	(172)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			

21. Fair value measurements (continued)

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2014	As at 31.12.2013
Non-discretionary dividend obligation – Level 3		Assets	–	–
		Liabilities	(386)	(359)
Valuation techniques:	Discounted cash flow model			
Significant observable inputs:	- Forecast commodity prices; and - Discount rates using weighted average cost of capital methodology.			
Significant unobservable inputs	- Production models; - Operating costs; and - Capital expenditures. The resultant liability is essentially a discounted cash flow valuation of the underlying mining operation. Increases/decreases in forecast commodity prices will result in an increase/decrease to the value of the liability though this will be partially offset by associated increases/decreases in the assumed production levels, operating costs and capital expenditures which are inherently linked to forecast commodity prices. There are no reasonable changes in assumptions which would result in a material change to the fair value of the underlying liability.			
Put option over non-controlling interest – Level 3		Assets	–	–
		Liabilities	(685)	(685)
Valuation techniques:	Discounted cash flow model			
Significant observable inputs:	- Forecast commodity prices - Discount rates using weighted average cost of capital methodology			
Significant unobservable inputs	- Production models; - Operating costs; and - Capital expenditures. The resultant liability is essentially a discounted cash flow valuation of the underlying mining operation. Increases/decreases in forecast commodity prices will result in an increase/decrease to the value of the liability though this will be partially offset by associated increases/decreases in the assumed production levels, operating costs and capital expenditures which are inherently linked to forecast commodity prices. There are no reasonable changes in assumptions which would result in a material change to the fair value of the underlying liability.			

22. Future commitments

Capital expenditure for the acquisition of property, plant and equipment is generally funded through the cash flow generated by the respective industrial entities. As at 30 June 2014, $2,016 million (31 December 2013: $2,817 million), of which 66% (31 December 2013: 74%) relates to expenditure to be incurred over the next year, was contractually committed for the acquisition of property, plant and equipment.

Certain of Glencore's exploration tenements and licenses require it to spend a minimum amount per year on development activities, a significant portion of which would have been incurred in the ordinary course of operations. As at 30 June 2014, $599 million (31 December 2013: $623 million) of such development expenditures are to be incurred, of which 64% (31 December 2013: 55%) are for commitments to be settled over the next year.

Glencore procures seagoing vessels/chartering services to meet its overall marketing objectives and commitments. As at 30 June 2014, Glencore has committed to future hire costs to meet future physical delivery and sale obligations and expectations of $926 million (31 December 2013: $1,035 million), of which $578 million (31 December 2013: $578 million are with associated companies. 50% (31 December 2013: 56%) of the total charters are for services to be received over the next two years.

As part of Glencore's ordinary sourcing and procurement of physical commodities and other ordinary marketing obligations, the selling party may request that a financial institution act as either a) the paying party upon the delivery of product and qualifying documents through the issuance of a letter of credit or b) the guarantor by way of issuing a bank guarantee accepting responsibility for Glencore's contractual obligations. As at 30 June 2014, $14,458 million (31 December 2013: $13,886 million) of such commitments have been issued on behalf of Glencore, which will generally be settled simultaneously with the payment for such commodity.

23. Contingent liabilities

The Group is subject to various claims which arise in the ordinary course of business as detailed below. These contingent liabilities are reviewed on a regular basis and where practical an estimate is made of the potential financial impact on the Group.

Litigation

Certain legal actions, other claims and unresolved disputes are pending against Glencore. Whilst Glencore cannot predict the results of any litigation, it believes that it has meritorious defences against those actions or claims. Glencore believes the likelihood of any liability arising from these claims to be remote and that the liability, if any, resulting from any litigation will not have a material adverse effect on its consolidated income, financial position or cash flows.

Environmental contingencies

Glencore's operations, predominantly those arising from the ownership in industrial investments, are subject to various environmental laws and regulations. Glencore is in material compliance with those laws and regulations. Glencore accrues for environmental contingencies when such contingencies are probable and reasonably estimable. Such accruals are adjusted as new information develops or circumstances change. Recoveries of environmental remediation costs from insurance companies and other parties are recorded as assets when the recoveries are virtually certain. At this time, Glencore is unaware of any material environmental incidents at its locations.

Tax audits

Glencore assesses its liabilities and contingencies for all tax years open to audit based upon the latest information available. For those matters where it is probable that an adjustment will be made, the Group records its best estimate of these tax liabilities, including related interest charges. Inherent uncertainties exist in estimates of tax contingencies due to complexities of interpretation and changes in tax laws. Whilst Glencore believes it has adequately provided for the outcome of these matters, future results may include favourable or unfavourable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved. The final outcome of tax examinations may result in a materially different outcome than assumed in the tax liabilities.

24. Related party transactions

In the normal course of business, Glencore enters into various arm's length transactions with related parties, including fixed price commitments to sell and to purchase commodities, forward sale and purchase contracts, agency agreements and management service agreements. Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

All transactions between Glencore and its subsidiaries are eliminated on consolidation along with any unrealised profits and losses between its subsidiaries and Associates. Over the six month period ended 30 June 2014, sales and purchases with Associates amounted to $350 million (2013: $1,217 million) and $1,364 million (2013: $3,928 million) respectively. Also see notes 12 and 18.

25. Subsequent events

- On 8 July 2014, Glencore completed the acquisition of Caracal for consideration of $1.6 billion (see note 19).
- On 31 July 2014, the sale of the Las Bambas project completed and Glencore received proceeds, net of tax, of approximately $6.5 billion (see note 13).

Appendix

Reconciliation of selected pro forma financial information

(unaudited and unreviewed)

Six months ended 30 June 2013

US$ million	Adjusted EBITDA	Adjusted EBIT	Net income before significant items	Net loss after significant items[1]
Reported – before adjustments for certain associates and joint ventures	**3,491**	**2,008**	**1,207**	**(9,386)**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	146	58	–	–
Reported in the financial review section	**3,637**	**2,066**	**1,207**	**(9,386)**
Less: Glencore's pre-acquisition share of Xstrata's earnings	(176)	(176)	(176)	(125)
Add: Xstrata's pre-acquisition earnings on a consolidated basis	2,130	902	536	498
Add: effect of fair value adjustments[2]	411	390	254	203
Add: deferred tax impact	–	–	39	–
Add back: Xstrata acquisition goodwill impairment[3]	–	–	–	8,124
Add back: revaluation of previously held interests in newly-acquired businesses and losses on sale of investment in associates[3]	–	–	–	1,200
Add back: transaction costs directly associated with the acquisition[3]	–	–	–	131
Reported pro forma financial information	**6,002**	**3,182**	**1,860**	**645**

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

2 The fair value adjustments are determined in accordance with the basis of preparation on page 4. The fair value adjustments for the six months ended 30 June 2013 include the pro forma impact for the four month period prior to acquisition. These incorporate adjustments for depreciation, amortisation and onerous contracts, although the major impact is the reversal of the non-cash inventory uplift adjustment of $275 million. Inventories held by Xstrata at the date of acquisition were required to be recognised at fair value under IFRS. This results in negligible margins upon the subsequent sale of these inventories. The income impact of fair value uplift on inventory has been excluded from the pro forma financial information to accurately present the underlying operating margins and provide more useful information about the performance of the Group.

3 Considered for the purposes of the pro forma to have occurred immediately prior to the commencement of the accounting period.

Appendix

Six months ended 30 June 2013

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue	**36,390**	**68,830**	**16,070**	**103**	**121,393**
Impact of presenting certain associates and joint ventures on proportionate consolidation basis	(850)	(373)	–	–	(1,223)
Revenue - reported measure	35,540	68,457	16,070	103	120,170
Marketing activities					
Adjusted EBIT	711	501	15	(41)	1,186
Depreciation and amortisation	10	18	108	–	136
Adjusted EBITDA	**721**	**519**	**123**	**(41)**	**1,322**
Industrial activities					
Adjusted EBIT	1,508	581	(35)	(58)	1,996
Depreciation and amortisation	1,645	985	38	16	2,684
Adjusted EBITDA	**3,153**	**1,566**	**3**	**(42)**	**4,680**
Total adjusted EBITDA	**3,874**	**2,085**	**126**	**(83)**	**6,002**
Depreciation and amortisation	(1,655)	(1,003)	(146)	(16)	(2,820)
Total adjusted EBIT	**2,219**	**1,082**	**(20)**	**(99)**	**3,182**
Net finance and income tax expense in certain associates and joint ventures					(149)
Total adjusted EBIT- reported measure					**3,033**
Interest expense – net					(766)
Income tax expense[1]					(279)
Non-controlling interests					(128)
Profit for the period before significant items					**1,860**

1 The tax charge has been updated, consistent with the methodology applied to the effective tax rate calculation for the FY 2013.

Glossary

Available committed liquidity

US$ million	as at 30.06.2014	as at 31.12.2013
Cash and cash equivalents and marketable securities	3,278	2,885
Headline committed syndicated revolving credit facilities	15,300	17,340
Amount drawn under syndicated revolving credit facilities	(5,874)	(5,702)
Amounts drawn under U.S. commercial paper program	(3,486)	(1,645)
Total	**9,218**	12,878

Adjusted current ratio

Current assets over current liabilities, both adjusted to exclude current other financial liabilities.

Adjusted EBIT/EBITDA

Adjusted EBIT is revenue less cost of goods sold and selling and administrative expenses plus share of income from associates and joint ventures, dividend income and the attributable share of underlying Adjusted EBIT of certain associates and joint ventures. Adjusted EBITDA consists of Adjusted EBIT plus depreciation and amortisation.

US$ million	H1 2014	H1 2013
Revenue	114,064	112,035
Cost of goods sold	(110,334)	(109,977)
Selling and administrative expenses	(720)	(589)
Share of associates and joint ventures	369	208
Share of associates exceptional items	74	51
Dividend income	18	39
Mark to market valuation on certain contracts	–	95
Unrealised intergroup profit elimination	–	146
Adjusted EBIT - reported	**3,471**	2,008
Net finance and tax expense in certain associates and joint ventures	153	58
Adjusted EBIT – segmental reporting	**3,624**	2,066
Depreciation and amortisation	2,567	1,483
Depreciation and amortisation in certain associates and joint ventures	273	88
Adjusted EBITDA – segmental reporting	**6,464**	3,637

Current capital employed

Current capital employed is current assets less accounts payable, current deferred income, current provisions, current other financial liabilities and income tax payable.

Readily marketable inventories

Readily marketable inventories are readily convertible into cash due to their very liquid nature, widely available markets and the fact that the price is covered either by a physical sale transaction or hedge transaction.

Reconciliation of selected reported financial information to those applying the proportionate consolidation method to certain associates and joint ventures

For internal reporting and analysis, management evaluates the performance of Antamina copper/zinc mine (34% owned), Cerrejon coal mine (33% owned) and the Collahuasi copper mine (44% owned) under the proportionate consolidation method reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities of these investments. Below are reconciliations of selected reported financial information to those of applying the proportionate consolidation method to these investments.

Cash flow related adjustments – six months ended 30 June 2014

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Cash generated by operating activities before working capital changes	5,576	–	**5,576**
Addback EBITDA of certain associates and joint ventures	–	849	**849**
Cash generated by operating activities before working capital changes	5,576	849	**6,425**
Income taxes paid	(584)	(188)	**(772)**
Interest received	24	–	**24**
Interest paid	(826)	–	**(826)**
Dividend received from associates and joint ventures	641	(583)	**58**
Funds from operations ("FFO")	4,831	78	**4,909**
Working capital changes, excluding readily marketable inventory inflows	587	30	**617**
Receipts from/(payments of) non-current advances and loans	(655)	117	**(538)**
Purchase of investments	(479)	–	**(479)**
Proceeds from sale of investments	82	–	**82**
Purchase of property, plant and equipment	(3,787)	(240)	**(4,027)**
Capital expenditures related to assets held for sale	(798)	–	**(798)**
Proceeds from sale of property, plant and equipment	77	–	**77**
Margin receipts in respect of financing related hedging activities	202	–	**202**
Acquisition of additional interests in subsidiaries	(61)	–	**(61)**
Return of capital/dividends to non-controlling interests	(144)	–	**(144)**
Proceeds from own shares	(30)	–	**(30)**
Dividends paid to equity holders of the parent	(1,457)	–	**(1,457)**
Cash movement in net debt	(1,632)	(15)	**(1,647)**

Net debt at 30 June 2014

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Non-current borrowings	40,727	40	**40,767**
Current borrowings	16,964	100	**17,064**
Total borrowings	57,691	140	**57,831**
Less: cash and cash equivalents and marketable securities	(3,278)	(200)	**(3,478)**
Less: readily marketable inventories	(16,758)	–	**(16,758)**
Net debt	37,655	(60)	**37,595**

Net debt at 31 December 2013

US$ million	Reported measure[1]	Adjustment for proportionate consolidation	**Adjusted reported measure**
Non-current borrowings	38,712	42	**38,754**
Current borrowings	16,461	68	**16,529**
Total borrowings	55,173	110	**55,283**
Less: cash and cash equivalents and marketable securities	(2,885)	(182)	**(3,067)**
Less: readily marketable inventories	(16,418)	–	**(16,418)**
Net debt	35,870	(72)	**35,798**

1 Adjusted for the final fair value adjustments in relation to the acquisition of Xstrata (see note 19).

Production Q2 2013 to Q2 2014

Metals and Minerals

Production from own sources – Total[1]

		Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Total Copper	kt	350.3	412.9	425.8	381.9	359.1	741.0	658.0	13
Total Zinc	kt	357.1	332.2	336.8	306.4	344.0	650.4	729.5	(11)
Total Lead	kt	74.1	80.7	81.1	79.0	69.9	148.9	153.2	(3)
Total Nickel	kt	26.8	22.5	22.8	22.3	26.8	49.1	53.1	(8)
Total Gold	koz	254	278	267	234	216	450	478	(6)
Total Silver	koz	10,178	9,652	9,843	8,768	7,853	16,621	19,761	(16)
Total Cobalt	kt	5.2	5.6	4.7	4.6	5.2	9.8	9.1	8
Total Ferrochrome	kt	301	332	345	335	317	652	561	16
Total Platinum[2]	koz	23	24	22	21	22	43	44	(2)
Total Palladium[2]	koz	12	14	12	12	12	24	24	-
Total Rhodium[2]	koz	4	4	3	4	4	8	8	-
Total Vanadium Pentoxide	mlb	4.2	6.1	5.7	5.5	4.2	9.7	9.8	(1)

Production from own sources – Copper assets[1]

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
African Copper (Katanga, Mutanda, Mopani, Sable)										
Katanga	Copper metal[3]	kt	31.7	34.5	41.4	31.6	41.0	72.6	60.3	20
	Cobalt	kt	0.7	0.8	0.5	0.5	0.5	1.0	1.0	-
Mutanda	Copper metal[3]	kt	31.4	40.3	49.1	47.1	51.5	98.6	61.2	61
	Cobalt[4]	kt	3.6	3.8	3.5	3.3	3.8	7.1	6.4	11
Mopani	Copper metal	kt	24.8	30.4	31.4	27.7	13.4	41.1	50.0	(18)
African Copper - total production including third party feed										
Mopani	*Copper metal*	*kt*	*53.6*	*55.9*	*53.6*	*48.5*	*31.9*	*80.4*	*102.5*	*(22)*
Sable	*Copper metal*	*kt*	*3.7*	*3.7*	*3.7*	*2.5*	*1.3*	*3.8*	*7.2*	*(47)*
	Cobalt[3]	*kt*	*0.1*	*0.1*	*0.2*	*0.1*	*0.2*	*0.3*	*0.1*	*200*
	Total Copper metal[3]	**kt**	**87.9**	**105.2**	**121.9**	**106.4**	**105.9**	**212.3**	**171.5**	**24**
	Total Cobalt[4]	**kt**	**4.3**	**4.6**	**4.0**	**3.8**	**4.3**	**8.1**	**7.4**	**9**
Collahuasi[5]	**Copper metal**	**kt**	**3.7**	**3.0**	**2.4**	**2.3**	**2.0**	**4.3**	**7.1**	**(39)**
	Copper in concentrates	**kt**	**34.1**	**60.6**	**62.4**	**50.0**	**51.6**	**101.6**	**60.1**	**69**
	Silver in concentrates	**koz**	**420**	**663**	**807**	**675**	**680**	**1,355**	**747**	**81**
Antamina[6]	**Copper in concentrates**	**kt**	**36.1**	**43.4**	**43.9**	**34.2**	**27.2**	**61.4**	**62.2**	**(1)**
	Zinc in concentrates	**kt**	**30.5**	**14.9**	**19.8**	**11.1**	**16.0**	**27.1**	**53.2**	**(49)**
	Silver in concentrates	**koz**	**1,441**	**1,339**	**1,500**	**1,068**	**937**	**2,005**	**2,377**	**(16)**
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)										
Alumbrera	Copper in concentrates	kt	26.0	26.0	34.8	26.1	23.3	49.4	48.8	1
	Gold in concentrates and in doré	koz	80	77	90	81	65	146	146	-
	Silver in concentrates and in doré	koz	409	350	177	180	179	359	618	(42)
Lomas Bayas	Copper metal	kt	18.8	18.4	18.2	18.0	17.3	35.3	37.6	(6)
Antapaccay	Copper metal	kt	4.2	4.1	0.3	-	-	-	7.8	(100)
	Copper in concentrates	kt	33.5	39.9	31.4	37.3	46.0	83.3	67.7	23
	Gold in concentrates	koz	19	30	11	12	18	30	38	(21)
	Silver in concentrates	koz	242	280	188	220	301	521	478	9

Appendix

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Punitaqui	Copper in concentrates	kt	2.5	3.3	3.2	3.3	2.6	5.9	5.3	11
	Silver in concentrates	koz	22	24	25	21	18	39	52	(25)
Punitaqui - total production including third party feed										
	Copper in concentrates	*kt*	*2.6*	*3.3*	*3.3*	*3.3*	*2.6*	*5.9*	*5.4*	*9*
	Silver in concentrates	*koz*	*23*	*25*	*25*	*22*	*18*	*40*	*53*	*(25)*
	Total Copper metal	**kt**	**23.0**	**22.5**	**18.5**	**18.0**	**17.3**	**35.3**	**45.4**	**(22)**
	Total Copper in concentrates	**kt**	**62.0**	**69.2**	**69.4**	**66.7**	**71.9**	**138.6**	**121.8**	**14**
	Total Gold in concentrates and in doré	**koz**	**99**	**107**	**101**	**93**	**83**	**176**	**184**	**(4)**
	Total Silver in concentrates and in doré	**koz**	**673**	**654**	**390**	**421**	**498**	**919**	**1,148**	**(20)**
Australia (Ernest Henry, Mount Isa, Cobar)										
Ernest Henry mine,	Copper anode	kt	51.2	55.0	57.2	54.6	37.9	92.5	88.9	4
Mt Isa mine and smelter	Copper in concentrates	kt	-	2.9	-	-	-	-	-	n.m.
	Gold in anode	koz	8	16	18	15	12	27	16	69
	Gold in concentrates	koz	-	1	-	-	-	-	-	n.m.
	Silver in anode	koz	265	312	305	241	172	413	493	(16)
	Silver in concentrates	koz	-	-	11	-	-	-	-	n.m.
Ernest Henry mine, Mount Isa mine and smelter - total production including third party feed										
	Copper anode	*kt*	*53.6*	*57.6*	*57.2*	*54.7*	*38.9*	*93.6*	*93.0*	*1*
	Copper in concentrates	*kt*	*-*	*2.9*	*-*	*-*	*-*	*-*	*-*	*n.m.*
	Gold in anode	*koz*	*10*	*16*	*18*	*15*	*12*	*27*	*18*	*50*
	Gold in concentrates	*koz*	*-*	*1*	*-*	*-*	*-*	*-*	*-*	*n.m.*
	Silver in anode	*koz*	*265*	*312*	*305*	*241*	*172*	*413*	*493*	*(16)*
	Silver in concentrates	*koz*	*-*	*-*	*11*	*-*	*-*	*-*	*-*	*n.m.*
Cobar	Copper in concentrates	kt	11.4	11.5	11.5	12.6	10.9	23.5	22.6	4
	Silver in concentrates	koz	116	103	107	113	99	212	218	(3)
	Total Copper in anode	**kt**	**51.2**	**55.0**	**57.2**	**54.6**	**37.9**	**92.5**	**88.9**	**4**
	Total Copper in concentrates	**kt**	**11.4**	**14.4**	**11.5**	**12.6**	**10.9**	**23.5**	**22.6**	**4**
	Total Gold	**koz**	**8**	**17**	**18**	**15**	**12**	**27**	**16**	**69**
	Total Silver	**koz**	**381**	**415**	**423**	**354**	**271**	**625**	**711**	**(12)**
Total Copper department										
	Total Copper	**kt**	**309.4**	**373.3**	**387.2**	**344.8**	**324.7**	**669.5**	**579.6**	**16**
	Total Cobalt	**kt**	**4.3**	**4.6**	**4.0**	**3.8**	**4.3**	**8.1**	**7.4**	**9**
	Total Zinc	**kt**	**30.5**	**14.9**	**19.8**	**11.1**	**16.0**	**27.1**	**53.2**	**(49)**
	Total Gold	**koz**	**107**	**124**	**119**	**108**	**95**	**203**	**200**	**1**
	Total Silver	**koz**	**2,915**	**3,071**	**3,120**	**2,518**	**2,386**	**4,904**	**4,983**	**(2)**

Production from own sources – Zinc assets[1]

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Kazzinc										
	Zinc metal	**kt**	**53.0**	**54.7**	**55.9**	**49.2**	**50.0**	**99.2**	**105.6**	**(6)**
	Lead metal	**kt**	**7.4**	**7.0**	**7.2**	**7.4**	**4.1**	**11.5**	**15.6**	**(26)**
	Copper metal	**kt**	**13.4**	**12.4**	**11.7**	**10.8**	**8.3**	**19.1**	**26.8**	**(29)**
	Gold	**koz**	**146**	**154**	**148**	**126**	**120**	**246**	**277**	**(11)**
	Silver	**koz**	**1,022**	**1,146**	**1,257**	**1,132**	**757**	**1,889**	**2,848**	**(34)**
Kazzinc - total production including third party feed										
	Zinc metal	*kt*	*75.0*	*76.1*	*77.1*	*75.3*	*75.9*	*151.2*	*147.2*	*3*
	Lead metal	*kt*	*21.7*	*23.2*	*23.9*	*32.2*	*29.3*	*61.5*	*43.5*	*41*
	Copper metal	*kt*	*16.0*	*15.0*	*16.3*	*15.4*	*9.8*	*25.2*	*31.1*	*(19)*
	Gold	*koz*	*174*	*190*	*190*	*161*	*159*	*320*	*328*	*(2)*
	Silver	*koz*	*4,772*	*5,000*	*4,599*	*5,014*	*6,065*	*11,079*	*9,082*	*22*
Australia (Mount Isa, McArthur River)										
Mount Isa	Zinc in concentrates	kt	103.2	106.4	102.7	100.8	102.9	203.7	196.0	4
	Lead in concentrates	kt	39.0	46.5	46.8	47.2	39.0	86.2	74.5	16
	Silver in concentrates	koz	1,435	2,057	1,927	2,054	1,461	3,515	2,886	22
McArthur River	Zinc in concentrates	kt	47.5	53.6	47.3	45.2	53.3	98.5	102.4	(4)
	Lead in concentrates	kt	11.4	11.6	10.9	9.3	11.5	20.8	23.3	(11)
	Silver in concentrates	koz	392	347	379	297	337	634	854	(26)
	Total Zinc in concentrates	**kt**	**150.7**	**160.0**	**150.0**	**146.0**	**156.2**	**302.2**	**298.4**	**1**
	Total Lead in concentrates	**kt**	**50.4**	**58.1**	**57.7**	**56.5**	**50.5**	**107.0**	**97.8**	**9**
	Total Silver in concentrates	**koz**	**1,827**	**2,404**	**2,306**	**2,351**	**1,798**	**4,149**	**3,740**	**11**
North America (Matagami, Kidd, Brunswick, CEZ Refinery)										
Matagami/Perseverance	Zinc in concentrates	kt	18.0	15.1	20.0	17.9	19.0	36.9	39.4	(6)
	Copper in concentrates	kt	2.2	2.0	2.7	2.1	2.5	4.6	4.4	5
Kidd	Zinc in concentrates	kt	19.3	13.6	14.0	10.1	22.0	32.1	40.2	(20)
	Copper in concentrates	kt	9.9	10.6	9.3	10.3	8.1	18.4	17.0	8
	Silver in concentrates	koz	1,153	606	572	385	506	891	2,056	(57)
Brunswick Mine	Zinc in concentrates	kt	9.2	-	-	-	-	-	52.0	(100)
	Lead in concentrates	kt	2.4	-	-	-	-	-	13.5	(100)
	Copper in concentrates	kt	0.3	-	-	-	-	-	3.0	(100)
	Silver in concentrates	koz	658	-	-	-	-	-	1,315	(100)
	Total Zinc in concentrates	**kt**	**46.5**	**28.7**	**34.0**	**28.0**	**41.0**	**69.0**	**131.6**	**(48)**
	Total Lead in concentrates	**kt**	**2.4**	**-**	**-**	**-**	**-**	**-**	**13.5**	**(100)**
	Total Copper in concentrates	**kt**	**12.4**	**12.6**	**12.0**	**12.4**	**10.6**	**23.0**	**24.4**	**(6)**
	Total Silver in concentrates	**koz**	**1,811**	**606**	**572**	**385**	**506**	**891**	**3,371**	**(74)**
North America - total production including third party feed										
Brunswick Mine	*Zinc in concentrates*	*kt*	*13.3*	-	-	-	-	-	*56.1*	*(100)*
	Lead in concentrates	*kt*	*3.5*	-	-	-	-	-	*14.6*	*(100)*
	Copper in concentrates	*kt*	*0.3*	-	-	-	-	-	*3.0*	*(100)*
	Silver in concentrates	*koz*	*745*	-	-	-	-	-	*1,402*	*(100)*
Brunswick Smelter	*Lead metal*	*kt*	*18.0*	*19.2*	*20.1*	*18.7*	*17.5*	*36.2*	*36.0*	*1*
	Silver metal	*koz*	*4,022*	*4,098*	*4,555*	*3,120*	*2,852*	*5,972*	*7,493*	*(20)*
CEZ Refinery[7]	*Zinc metal*	*kt*	*17.1*	*15.3*	*16.8*	*14.9*	*15.6*	*30.5*	*34.2*	*(11)*

		Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)									
Zinc metal	**kt**	**9.5**	**7.5**	**6.2**	**1.9**	**8.3**	**10.2**	**16.0**	**(36)**
Zinc in concentrates	**kt**	**66.9**	**66.4**	**70.9**	**70.2**	**72.5**	**142.7**	**124.7**	**14**
Lead metal	**kt**	**2.8**	**3.1**	**3.0**	**2.4**	**3.0**	**5.4**	**4.9**	**10**
Lead in concentrates	**kt**	**11.1**	**12.5**	**13.2**	**12.7**	**12.3**	**25.0**	**21.4**	**17**
Copper in concentrates	**kt**	**0.3**	**0.7**	**0.6**	**0.8**	**0.8**	**1.6**	**0.8**	**100**
Silver metal	**koz**	**177**	**161**	**185**	**133**	**159**	**292**	**324**	**(10)**
Silver in concentrates	**koz**	**2,426**	**2,264**	**2,403**	**2,249**	**2,247**	**4,496**	**4,495**	**-**
Other Zinc - total production including third party feed									
Zinc metal	*kt*	*10.5*	*10.9*	*9.5*	*2.4*	*9.3*	*11.7*	*17.5*	*(33)*
Zinc in concentrates	*kt*	*66.9*	*66.4*	*70.9*	*70.2*	*72.5*	*142.7*	*124.7*	*14*
Lead metal	*kt*	*2.8*	*3.1*	*3.0*	*2.4*	*3.0*	*5.4*	*4.9*	*10*
Lead in concentrates	*kt*	*11.1*	*12.5*	*13.2*	*12.7*	*12.3*	*25.0*	*21.4*	*17*
Copper in concentrates	*kt*	*0.3*	*0.7*	*0.6*	*0.8*	*0.8*	*1.6*	*0.8*	*100*
Silver metal	*koz*	*177*	*161*	*185*	*133*	*159*	*292*	*324*	*(10)*
Silver in concentrates	*koz*	*2,426*	*2,264*	*2,403*	*2,249*	*2,247*	*4,496*	*4,495*	*-*
Total Zinc department									
Total Zinc	**kt**	**326.6**	**317.3**	**317.0**	**295.3**	**328.0**	**623.3**	**676.3**	**(8)**
Total Lead	**kt**	**74.1**	**80.7**	**81.1**	**79.0**	**69.9**	**148.9**	**153.2**	**(3)**
Total Copper	**kt**	**26.1**	**25.7**	**24.3**	**24.0**	**19.7**	**43.7**	**52.0**	**(16)**
Total Gold	**koz**	**146**	**154**	**148**	**126**	**120**	**246**	**277**	**(11)**
Total Silver	**koz**	**7,263**	**6,581**	**6,723**	**6,250**	**5,467**	**11,717**	**14,778**	**(21)**

Production from own sources – Nickel assets[1]

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)										
	Total Nickel metal	**kt**	**11.3**	**10.1**	**13.4**	**13.3**	**13.8**	**27.1**	**23.6**	**15**
	Total Nickel in concentrates	**kt**	**0.1**	**0.1**	**0.1**	**0.2**	**0.1**	**0.3**	**0.3**	**-**
	Total Copper metal	**kt**	**4.2**	**3.7**	**4.4**	**3.8**	**4.2**	**8.0**	**8.6**	**(7)**
	Total Copper in concentrates	**kt**	**10.5**	**10.1**	**9.9**	**9.3**	**10.5**	**19.8**	**17.6**	**13**
	Total Cobalt metal	**kt**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.4**	**0.3**	**33**
Integrated Nickel Operations - total production including third party feed										
	Total Nickel metal	*kt*	*22.5*	*23.0*	*23.2*	*21.7*	*22.6*	*44.3*	*44.8*	*(1)*
	Total Nickel in concentrates	*kt*	*0.2*	*0.1*	*0.2*	*0.2*	*0.2*	*0.4*	*0.4*	*-*
	Total Copper metal	*kt*	*9.0*	*9.2*	*9.9*	*8.7*	*7.8*	*16.5*	*18.4*	*(10)*
	Total Copper in concentrates	*kt*	*12.9*	*12.5*	*12.3*	*11.7*	*13.5*	*25.2*	*21.5*	*17*
	Total Cobalt metal	*kt*	*0.8*	*0.8*	*1.0*	*0.8*	*0.9*	*1.7*	*1.6*	*6*
Australia (Murrin Murrin, XNA)										
	Total Nickel metal	**kt**	**10.4**	**9.3**	**7.5**	**7.8**	**9.8**	**17.6**	**19.1**	**(8)**
	Total Nickel in concentrates	**kt**	**1.7**	**1.0**	**-**	**-**	**-**	**-**	**3.1**	**(100)**
	Total Copper in concentrates	**kt**	**0.1**	**0.1**	**-**	**-**	**-**	**-**	**0.2**	**(100)**
	Total Cobalt metal	**kt**	**0.7**	**0.8**	**0.5**	**0.6**	**0.7**	**1.3**	**1.3**	**-**
	Total Cobalt in concentrates	**kt**	**-**	**-**	**-**	**-**	**-**	**-**	**0.1**	**(100)**
Australia - total production including third party feed										
	Total Nickel metal	*kt*	*11.6*	*11.2*	*8.9*	*9.4*	*12.2*	*21.6*	*21.2*	*2*
	Total Nickel in concentrates	*kt*	*1.7*	*1.0*	*-*	*-*	*-*	*-*	*3.1*	*(100)*
	Total Copper in concentrates	*kt*	*0.1*	*0.1*	*-*	*-*	*-*	*-*	*0.2*	*(100)*
	Total Cobalt metal	*kt*	*0.8*	*0.8*	*0.5*	*0.6*	*0.8*	*1.4*	*1.4*	*-*
	Total Cobalt in concentrates	*kt*	*-*	*-*	*-*	*-*	*-*	*-*	*0.1*	*(100)*
Falcondo	**Nickel in ferronickel**	**kt**	**3.3**	**2.0**	**0.4**	**-**	**-**	**-**	**7.0**	**(100)**
Koniambo	**Nickel in ferronickel**	**kt**	**-**	**-**	**1.4**	**1.0**	**3.1**	**4.1**	**-**	**n.m.**
Total Nickel department										
	Total Nickel	**kt**	**26.8**	**22.5**	**22.8**	**22.3**	**26.8**	**49.1**	**53.1**	**(8)**
	Total Copper	**kt**	**14.8**	**13.9**	**14.3**	**13.1**	**14.7**	**27.8**	**26.4**	**5**
	Total Cobalt	**kt**	**0.9**	**1.0**	**0.7**	**0.8**	**0.9**	**1.7**	**1.7**	**-**

Production from own sources – Ferroalloys assets[1]

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Ferrochrome[8]		kt	301	332	345	335	317	652	561	16
PGM[9]	Platinum	koz	23	24	22	21	22	43	44	(2)
	Palladium	koz	12	14	12	12	12	24	24	-
	Rhodium	koz	4	4	3	4	4	8	8	-
	Gold	koz	1	-	-	-	1	1	1	-
	4E	**koz**	**40**	**42**	**37**	**37**	**39**	**76**	**77**	**(1)**
Vanadium Pentoxide		mlb	4.2	6.1	5.7	5.5	4.2	9.7	9.8	(1)

Total production – Custom metallurgical assets[1]

			Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Copper (Altonorte, Townsville, Pasar, Horne, CCR)										
	Copper metal	kt	191.3	197.5	179.4	153.7	191.4	345.1	373.7	(8)
	Copper anode	kt	127.6	129.2	128.3	125.0	141.0	266.0	257.0	4
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)										
	Zinc metal	kt	181.3	181.3	191.0	193.6	194.6	388.2	372.7	4
	Lead metal	kt	31.2	43.1	52.5	48.5	52.0	100.5	78.6	28
	Silver	koz	1,244	2,162	2,428	2,342	2,823	5,165	3,280	57
Ferroalloys										
	Ferromanganese	kt	23	24	23	30	27	57	52	10
	Silicon Manganese	kt	22	24	26	26	26	52	42	24
Aluminium (Sherwin Alumina)										
	Alumina	kt	393	410	419	385	391	776	777	-

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis, except as stated.
2 Relates to the PGM business in ferroalloys only.
3 Copper metal includes copper contained in copper concentrates and blister.
4 Cobalt contained in concentrates and hydroxides.
5 The Group's pro-rata share of Collahuasi production (44%).
6 The Group's pro-rata share of Antamina production (33.75%).
7 The Group's pro-rata share of CEZ production (25%).
8 The Group's 79.5% share of the Glencore-Merafe Chrome Venture.
9 Consolidated 100% of Eland and 50% of Mototolo.

Energy Products

Production from own sources

Coal assets[1]

		Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Australian coking coal	mt	2.2	1.6	1.7	1.5	1.4	2.9	4.0	(28)
Australian semi-soft coal	mt	1.2	1.0	1.2	0.9	0.9	1.8	2.3	(22)
Australian thermal coal (export)	mt	12.3	13.7	11.1	11.8	14.2	26.0	23.3	12
Australian thermal coal (domestic)	mt	1.0	1.3	1.2	1.4	1.3	2.7	2.6	4
South African thermal coal (export)	mt	4.9	5.3	5.5	5.0	5.2	10.2	9.8	4
South African thermal coal (domestic)	mt	5.9	6.1	5.1	5.4	6.1	11.5	11.7	(2)
Prodeco	mt	4.6	4.6	4.4	5.2	5.0	10.2	9.6	6
Cerrejón[2]	mt	3.0	3.2	3.3	2.9	3.0	5.9	4.5	31
Total Coal department	**mt**	**35.1**	**36.8**	**33.5**	**34.1**	**37.1**	**71.2**	**67.8**	**5**

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis except for joint ventures, where the Group's attributable share of production is included.
2 The Group's pro-rata share of Cerrejón production (33.3%).

Oil assets

		Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Gross basis									
Equatorial Guinea	kbbl	4,556	5,862	6,113	6,304	5,731	12,035	9,942	21
Chad	kbbl	-	-	619	1,067	916	1,983	-	n.m.
Total Oil department	kbbl	4,556	5,862	6,732	7,371	6,647	14,018	9,942	41
Glencore entitlement interest basis									
Equatorial Guinea	kbbl	1,020	1,246	1,394	1,368	1,194	2,562	2,159	19
Chad	kbbl	-	-	186	321	276	597	-	n.m.
Total Oil department	kbbl	1,020	1,246	1,580	1,689	1,470	3,159	2,159	46

Agricultural Products

Processing / production data

		Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	H1 2014	H1 2013	Change H1 14 vs H1 13 %
Farming	kt	33	262	236	232	34	266	385	(31)
Crushing	kt	943	1,128	966	1,062	1,616	2,678	1,548	73
Long term toll agreement	kt	257	151	101	49	157	206	289	(29)
Biodiesel	kt	109	181	191	172	169	341	252	35
Rice milling	kt	85	83	70	36	91	127	120	6
Wheat milling	kt	273	299	267	262	263	525	555	(5)
Sugarcane processing	kt	509	933	809	-	723	723	509	42
Total Agricultural products	**kt**	**2,209**	**3,037**	**2,640**	**1,813**	**3,053**	**4,866**	**3,658**	**33**

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