GlencoreXstrata plc

2013

Half-Yearly Report

Six months ended 30 June 2013

Contents

Highlights

US$ million	H1 2013	H1 2012	Change %	2012
Key statement of income and cash flows highlights – pro forma[1]:				
Revenue	**121,393**	123,507	(2)	236,466
Adjusted EBITDA[2]	**6,002**	6,616	(9)	13,182
Adjusted EBIT[2]	**3,182**	4,398	(28)	8,467
Income attributable to equity holders pre significant items[3]	**2,044**	3,361	(39)	7,911
Funds from operations (FFO)[5]	**4,264**	4,696	(9)	10,267
Purchase and sale of property, plant and equipment	**6,267**	5,930	18	12,994

US$ million	H1 2013	H1 2012	Change %	2012
Key statement of income and cash flows highlights – reported:				
Revenue	**112,475**	107,957	4	214,436
Adjusted EBITDA[2]	**3,637**	3,199	14	5,943
Adjusted EBIT[2]	**2,066**	2,508	(18)	4,470
Income attributable to equity holders pre significant items[3]	**1,207**	1,827	(34)	3,060
(Loss)/income attributable to equity holders	**(8,920)**	2,275	n.m.	1,004
(Loss)/earnings per share (Basic) (US$)	**(0.99)**	0.33	n.m.	0.44
Funds from operations (FFO)[4]	**1,919**	1,930	(1)	4,115
Purchase and sale of property, plant and equipment	**3,251**	1,364	138	3,005

US$ million	30.06.2013	31.12.2012	Change %
Key financial position highlights:			
Total assets - reported	**155,922**	105,537	48
Current capital employed (CCE)[2] - reported	**24,850**	23,945	4
Net debt[4] – pro forma	**34,845**	29,230	19
Net debt[4] – reported	**34,845**	15,416	126
Ratios:			
FFO to Net debt[5,6] – pro forma	**28.2%**	35.1%	(20)
Net debt to Adjusted EBITDA[6] – pro forma	**2.77x**	2.22x	25
Adjusted EBITDA to net interest – pro forma	**7.76x**	11.99x	(35)
Adjusted current ratio[2] – reported	**1.21x**	1.16x	4

1 Refer to page 6

2 Refer to glossary on page 79 for definitions and for Adjusted EBIT/EBITDA to note 3 of the interim financial statements

3 Refer to page 14 for pro forma results and page 8 for reported results

4 Refer to page 10

5 Pro forma FFO for H1 2013 calculated as pro forma Adjusted EBITDA less share of income from associates: $48 million, less tax paid: $707 million (including Xstrata's pre acquisition amount of $315 million), less net interest paid: $1,016 million (including Xstrata's pre acquisition amount of $158 million) plus dividends received of $33 million.

6 2013 ratio based on last 12 months' FFO and Adjusted EBITDA

Highlights

- Solid results with particularly pleasing overall performance in Marketing.
- A May Xstrata transaction close meant little synergy benefits recognised in H1 2013, but now flowing strongly.
- Adjusted pro forma EBITDA of $6.0 billion compared to $6.6 billion in H1 2012, down 9%.
  - Industrial pro forma EBITDA of $4.7 billion, down 14%, driven by weaker prices in core commodities, cushioned by volume improvements.
- Adjusted pro forma EBIT of $3.2 billion versus $4.4 billion in H1 2012, down 28%.
  - Marketing EBIT of $1.2 billion, up 6% period on period with strong metals and energy more than offsetting a slow start in agriculture.
- Highly attractive positions envisaged on the industry cost curves as current development programmes near completion within the next 12-18 months.
- Strong 6 months' pro forma cash flow generation despite the weaker commodity pricing backdrop, with FFO of $4.3 billion and rolling 12 months' FFO/Net debt of 28.2%.
- As expected, net debt has increased while the Group executes the final stages of its large growth pipeline, however pro forma net funding is only up $1.4 billion due to a substantial (primarily inventories) working capital release.
  - Flexibility of the balance sheet has once more been demonstrated.
  - Over $13.6 billion of committed available liquidity.
- Board has declared an interim dividend of $0.054 per share, in line with 2012, reflecting our continued confidence in the prospects for the group and the strength and flexibility of our balance sheet.
- Board reconstruction process commenced with the appointment of three new Directors: John Mack, Peter Grauer and Peter Coates.
- Progress made in integrating Xstrata has exceeded our expectations, enabled by timely preparation and decisive action. Achievable synergies / cost savings will be materially in excess of previous guidance of $500 million p.a..
- Fundamental portfolio review process launched and in progress.
  - Focus on defining core assets.
  - Las Bambas sale process underway.
  - Sale of Australian malt business agreed on 5 August.
- Statutory Day One goodwill impairment of $7.6 billion was recorded in relation to the Xstrata acquisition, reflecting the broader negative mining industry environment / sentiment which prevailed during H1 2013 and the heightened risks associated with greenfield and large scale expansion projects (refer page 59).
- 10 September Investor Day to provide a comprehensive update on expected synergies and portfolio review.

Chief Executive Officer's Review

During the first six months of 2013, the global economy continued its slow but steady progress towards a sustained recovery, following the 2008 financial crisis. In the US, consumer confidence improved, underpinned by improving job and housing markets. Japanese policy changes instituted by the new regime in 2012 began to bear fruit and justify some of the faith placed in them by investors. China's new government also set out in detail their ambitious priorities in respect of the level and nature of future economic growth. The level of Chinese growth remains healthy by any standard. Although Europe continues to lag the rest of the world and still managed to negatively surprise with the events surrounding Cyprus, its ability to dominate the global financial agenda appears to have receded further. Areas of Europe outside of the periphery such as the UK are also now beginning to show tentative signs of improvement.

Financial market reaction to two key inflection points in economic fundamentals has been somewhat predictable. The timing of the slowdown/end of Quantitative Easing and the trajectory and composition/sustainability of future Chinese economic growth has dominated all areas of financial markets during H1 2013. This resulted in major disparities in price performances between asset classes and between sectors within the equity space. Commodity metal prices fell on average 15% during H1 2013 compared to the 13% rise in the S&P 500. Within our business, we continue to see solid end user demand growth in our major commodities and in turn the physical availability of many commodities remains limited or within historical norms. These attractive fundamentals were reflected in the performance of our Marketing operations during H1 2013 which contributed $1.2 billion of EBIT, a 6% increase compared to the prior year period. The performance of coal for example during H1 2013 highlights the strength of Glencore's business model, based on scale, product expertise, global coverage and long established and diverse relationships. These allow us to benefit from quality and destination arbitrages, while providing an essential commodity to our customers on competitive terms. Metals once more enjoyed a solid performance across all key areas and commodities. Coal and metals are also beginning to deliver on the marketing synergies which were forecast as part of the Xstrata acquisition which completed 2 May. Whilst our agriculture business has had a slow start to the year, much of the underlying performance was encouraging and the benefits of the Viterra acquisition are starting to materialise.

Our H1 2013 Industrial results inevitably reflect some of the impact which financial market pessimism has had on commodity prices with pro forma Adjusted EBIT of $2.0 billion, a 39% decline versus H1 2012, although Adjusted EBITDA was a more respectable 14% lower. However, we are encouraged by the solid progression of our development projects. Once complete, in the next 12-18 months, Glencore will have a very competitive position on the cost curves within each of its core commodities. The head office and business unit streamlining/cost reduction phases of integration are almost complete, with detailed cost reviews now being extended to the operations themselves. In addition, we continue to see ample scope for further operational efficiencies within the enlarged Group, particularly in the former Xstrata businesses. We will provide a comprehensive update on the rapid progress that has been made in respect of such cost savings at our investor day on 10 September.

The capital invested by commodity producers over the past decade has dwarfed returns to shareholders. Many commodities now face near term oversupply and unsustainable returns, despite robust demand. The first six months of 2013 saw tentative signs that we may be entering a period of increased capital discipline within the sector. As a result, capital allocation is now finally the central topic of debate, which is essential in such a capital intensive sector.

We remain keenly focused on the disciplined and timely deployment of capital subject to our published value criteria and the maintenance of a strong investment grade rating. We are also currently focused on rationalising the pre-existing capital requirements of the enlarged entity. We have already made solid progress in this respect with the announcement of the sale of Joe White Maltings on 5 August and the commencement of the sale of select development projects, most notably Las Bambas. We will provide a detailed update on our portfolio review on 10 September.

The board of directors is pleased to announce an interim dividend of $0.054 per share, in line with H1 2012, demonstrating our continued faith in the outlook and prospects of our business and the medium term trajectory and flexibility of our balance sheet.

As we look ahead, we remain focused on the disciplined allocation of capital as well as robustly scrutinising all pre-existing capital plans of the enlarged entity. We continue to work tirelessly and diligently to maximise returns on our capital and to our shareholders.

Ivan Glasenberg
Chief Executive Officer

Financial Review

Pro forma financial results

Basis of presentation

The unaudited and unreviewed pro forma financial information detailed below 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 2012 to illustrate the effects of the acquisition on the profit from continuing operations and cash flow statement for the six month periods ended June 2013 and 2012. The pro forma financial information is presented before significant items unless otherwise stated to provide an enhanced understanding and comparative basis of the underlying financial performance.

The 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 provisional fair value adjustments arising from the acquisition of Xstrata on 2 May 2013 as if the acquisition had occurred and those fair value adjustments had arisen at 1 January 2012. 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 and 30 June 2012 is included in the Appendix on page 78.

Pro forma results

On a pro forma basis, Adjusted EBIT decreased by 28% (Adjusted EBITDA only 9% lower) over the first half of 2013 compared to 2012 due to the lower contribution from industrial activities which were affected by weaker period over period average commodity prices somewhat cushioned by improving production at many of our operations. Pro forma marketing Adjusted EBIT was $1,186 million a 6% increase over the prior year period representing 37% of pro forma Adjusted EBIT, an increase from 25% in the prior period. These results 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 - pro forma

Pro forma Adjusted EBIT by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**H1 2013 Adjusted EBIT**	Marketing activities	Industrial activities	H1 2012 Adjusted EBIT	%
Metals and minerals	**711**	**1,508**	**2,219**	688	2,000	2,688	(17)
Energy products	**501**	**581**	**1,082**	350	1,434	1,784	(39)
Agricultural products	**15**	**(35)**	**(20)**	114	(11)	103	n.m.
Corporate and other	**(41)**	**(58)**	**(99)**	(37)	(140)	(177)	n.m.
Total	**1,186**	**1,996**	**3,182**	1,115	3,283	4,398	(28)

Pro forma Adjusted EBITDA by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**H1 2013 Adjusted EBITDA**	Marketing activities	Industrial activities	H1 2012 Adjusted EBITDA	%
Metals and minerals	**721**	**3,153**	**3,874**	698	3,283	3,981	(3)
Energy products	**519**	**1,566**	**2,085**	372	2,290	2,662	(22)
Agricultural products	**123**	**3**	**126**	125	21	146	(13)
Corporate and other	**(41)**	**(42)**	**(83)**	(37)	(136)	(173)	(52)
Total	**1,322**	**4,680**	**6,002**	1,158	5,458	6,616	(9)

Reported financial results

Basis of presentation

The reported financial information has been prepared on the basis as outlined in note 2 of the financial statements. It 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 8) 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. The reported results comprise those of the legacy Glencore operations for the six month period ended 30 June 2013 (including the Group's equity accounted 34% interest in Xstrata up to the date of acquisition) plus 100% of the results of Xstrata plc from the date of acquisition, 2 May 2013. A summary of reported results and brief related commentary is provided below.

Adjusted EBIT/EBITDA

Adjusted EBIT by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**H1 2013 Adjusted EBIT**	Marketing activities	Industrial activities	H1 2012 Adjusted EBIT	%
Metals and minerals	**711**	**465**	**1,176**	688	399	1,087	8
Energy products	**501**	**342**	**843**	350	345	695	21
Agricultural products	**15**	**(35)**	**(20)**	114	(11)	103	n.m.
Corporate and other[1]	**(41)**	**108**	**67**	(37)	660	623	(89)
Total Adjusted EBIT	**1,186**	**880**	**2,066**	1,115	1,393	2,508	(18)

Adjusted EBITDA by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**H1 2013 Adjusted EBITDA**	Marketing activities	Industrial activities	H1 2012 Adjusted EBITDA	%
Metals and minerals	**721**	**1,380**	**2,101**	698	832	1,530	37
Energy products	**519**	**823**	**1,342**	372	528	900	49
Agricultural products	**123**	**3**	**126**	125	21	146	(14)
Corporate and other[1]	**(41)**	**109**	**68**	(37)	660	623	(89)
Total	**1,322**	**2,315**	**3,637**	1,158	2,041	3,199	14

1 Corporate industrial activities include $176 million (H1 2012: $721 million) of Glencore's equity accounted share of Xstrata's income

Marketing Adjusted EBIT for the six months ended 30 June 2013 was $1,186 million, 6% above the first half of 2012. The period saw a steadily good performance from metals and minerals, with healthy contributions from each of the metals marketing groups aided by overall volume growth and supportive demand conditions. The energy result was up 43% over the corresponding period, with coal in particular recovering from a base 2012 period, which offered limited arbitrage opportunities. The Agricultural products segment was substantially lower due to a combination of a crop shortfall in South Australia, some South American logistics and sourcing challenges (Brazil and Argentina) and a generally subdued environment.

Industrial Adjusted EBIT declined by 36% to $880 million for the six months ended 30 June 2013, owing primarily to weaker average period on period commodity prices, such as coal API4, nickel, silver, gold and copper down 15%, 12%, 14%, 8% and 7% respectively. Industrial Adjusted EBITDA increased by 13% to $2,315 million as increased production across many of our industrial operations, notably African copper and Prodeco up 42% and 22% compared to the prior period and the inclusion of two months of Xstrata on a fully consolidated basis offset the impact of commodity price declines. However, production based depreciation charges increased by 121% to $1,435 million, offsetting the benefit of the increased production at an Adjusted EBIT level.

Corporate and other primarily relates to the equity accounted interest in Xstrata and the variable pool bonus accrual, the net result of which was $67 million over the first half of 2013, a decrease of 89% compared to the corresponding 2012 period, due to a combination of lower commodity prices effecting Xstrata's profitability and the change in the accounting for Xstrata following the acquisition of the remaining 66% in May 2013.

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 2013	H1 2012
Adjusted EBIT[1]	**2,066**	2,508
Net finance and income tax expense in certain associates and joint ventures[1]	**(58)**	-
Net finance costs	**(645)**	(451)
Income tax expense	**(68)**	(130)
Non-controlling interests	**(88)**	(100)
Income attributable to equity holders pre significant items	**1,207**	1,827
Earnings per share (Basic) pre significant items (US$)	**0.13**	0.26
Other income/(expense) – net[2]	**(10,021)**	447
Mark to market valuation of certain natural gas forward contracts[3]	**-**	(65)
Mark to market loss on certain aluminium positions[3]	**(95)**	-
Unrealised intergroup profit elimination[3]	**(146)**	-
Share of Associates' exceptional items[4]	**(51)**	(87)
Write off of capitalized borrowing costs[5]	**(23)**	-
Loss on disposal of investments	**(40)**	(157)
Net deferred tax asset recorded[6]	**230**	282
Non-controlling interests share of other income[7]	**19**	28
Total significant items	**(10,127)**	448
(Loss)/Income attributable to equity holders	**(8,920)**	2,275
Earnings per share (Basic) (US$)	**(0.99)**	0.33

1 Refer to note 3 of the interim financial statements
2 Recognised within other income/(expense) – net, see note 5 of the interim financial statements
3 Recognised within cost of goods sold, see note 3 of the interim financial statements
4 Recognised within share of income from associates and joint ventures, see note 3 of the interim financial statements
5 Recognised within interest expense
6 Recognised within income tax credit, see note 7 of the interim financial statements
7 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 the Group's results to provide a better understanding and comparative basis of the underlying financial performance.

In the first half of 2013, the Group recognised $10,127 million net of other significant expenses which mainly comprised a $1,160 million accounting loss related to the revaluation of Glencore's initial 34% interest in Xstrata upon acquisition and a $7,658 million impairment of goodwill recognised on the acquisition of Xstrata. Upon acquisition of Xstrata, the underlying assets and liabilities acquired were fair valued, with an amount of resulting goodwill, to the extent possible, allocated to the business, leaving a residual goodwill of $7.7 billion which could not be supported and hence has been written off as explained further in note 6. 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. In addition, as a result of the persistent challenging nickel margin environment, a $452 million impairment charge was recognised at our Murrin Murrin operations and, due to requirements of accounting standards, a further $324 million impairment charge was recognised against the Group's investment in UC Rusal.

In the first half of 2012, Glencore recognised $448 million of other significant income which comprised a net $497 million accounting gain primarily related to the revaluation of the 40% interest in Mutanda held prior to the acquisition of an additional 20% interest in April 2012 and $169 million of mark to market adjustments associated with certain fixed price forward coal sales contracts relating to Prodeco's future production that did not qualify for "own use" or cash flow hedge accounting. These gains were offset by $100 million of asset impairments and a $157 million loss on disposal of investments mainly due to an accounting dilution loss arising on a change in Glencore's ownership interest in Xstrata following a share issuance in March 2012.

See notes 4, 5 and 6 to the condensed interim consolidated financial statements for further explanations.

Net finance costs

Net finance costs were $669 million over the 2013 period, up 49% increase from $451 million during the comparable period, or up 43% on a pre-exceptional basis, taking into account $23 million of capitalized borrowing costs written off upon refinance of the revolving credit facility. Interest income over the first half 2013, which includes interest on various loans extended, such as that to the Russneft Group, was $190 million consistent with the comparable 2012 period. Interest expense for the first half of 2013 was $859 million, a 32% increase from $653 million in the first half of 2012, due mainly to the consolidation of Xstrata from May 2013 and, to a lesser extent, the higher average debt levels.

Income taxes

A net income tax credit of $163 million was recognised over the first half of 2013, compared to a credit of $152 million over the first half of 2012. The 2013 amount resulted primarily from an accounting tax credit booked in conjunction with the Murrin Murrin impairment. The 2012 credit resulted primarily from the recognition of tax benefits (losses carried forward), following an internal reorganisation of our existing ownership interest in Xstrata. It has been Glencore's historical experience that its effective tax rate, pre significant items, on pre-tax income, excluding share of income from associates and jointly controlled entities and dividend income, has been approximately 10%, particularly in years where the marketing to industrial profit contribution mix is higher. This rate has been reflected in the table above. It is likely that the future effective tax rate will increase relative to the past, however, as noted above, this will be a function of Glencore's profit mix (industrial versus marketing).

Cash flow

Cash generated by operating activities before working capital changes

Net cash generated by operating activities before working capital changes over the first half 2013 was $2,912 million, an increase of 23% compared to the corresponding 2012 period, reflecting the higher Adjusted EBITDA.

Working capital changes

Over the first half of 2013, there was a release of net working capital of $4,922 million compared to $710 million in the comparable 2012 period, primarily attributable to a reduction in inventory levels (particularly agriculture) and to a lesser extent, the lower commodity prices at period end.

Net cash used by investing activities

Net cash used by investing activities over the first half 2013 was $2,817 million, compared to $2,536 million in the first half of 2012. The net outflow in 2013 primarily related to $3,251 million of net expenditure on property, plant and equipment offset by $1,477 million of cash assumed through acquisitions.

Net cash generated by financing activities

In the first half of 2013, the Group issued $5 billion of long-term bonds.

Assets, leverage and working capital

Total assets were $155,922 million as at 30 June 2013 compared to $105,537 million as at 31 December 2012, a period over which, current assets increased from $54,059 million to $56,313 million. The adjusted current ratio at 30 June 2013 was 1.21x, consistent with 31 December 2012. Non-current assets increased from $51,478 million to $99,609 million, primarily due to the acquisition of Xstrata.

Consistent with 31 December 2012, 99% ($14,401 million) of total marketing inventories were contractually sold or hedged (readily marketable inventories) as at 30 June 2013. 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.

Net debt

US$ million	30.06.2013	31.12.2012
Gross debt	52,799	35,526
Cash and cash equivalents and marketable securities	(3,553)	(2,820)
Net funding	49,246	32,706
Readily marketable inventories	(14,401)	(17,290)
Net debt	**34,845**	15,416

Movement in net debt

US$ million	30.06.2013	30.06.2012
Cash generated by operating activities before working capital changes	2,912	2,347
Associates and joint ventures Adjusted EBITDA[1]	224	-
Net interest paid	(858)	(561)
Tax paid[2]	(392)	(188)
Dividends received from associates[2]	33	305
Funds from operations	**1,919**	1,930
Working capital changes, excluding readily marketable inventory movements and other	(65)	235
Payments of non-current advances and loans	(971)	(227)
Acquisition of subsidiaries, net of cash acquired	1,477	(1,058)
Purchase and sale of investments	(110)	(192)
Purchase and sale of property, plant and equipment	(3,251)	(1,364)
Margin payments in respect of financing related hedging activities	(168)	(292)
Acquisition and disposal of additional interests in subsidiaries	(7)	(127)
Dividends paid and purchase of own shares	(1,388)	(692)
Cash movement in net debt	(2,564)	(1,787)
Net debt assumed in business combination	(17,183)	-
Foreign currency revaluation of non-current borrowings and other non-cash items	318	259
Non-cash movement in net debt	(16,865)	259
Total movement in net debt	**(19,429)**	(1,528)
Net debt, beginning of period	(15,416)	(12,938)
Net debt, end of period	**(34,845)**	(14,466)

1 Refer to note 3 of the interim financial statements.

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

Net debt as at 30 June 2013 increased to $34,845 million from $15,416 million as at 31 December 2012. During the first half of 2013, the following significant financing activities took place:

- In May 2013, Glencore issued in five tranches US$5 billion of interest bearing notes as follows:
  - 3 year $1,000 million 1.7% fixed coupon bonds;
  - 5 year $1,500 million 2.5% fixed coupon bonds;
  - 10 year $1,500 million 4.125% fixed coupon bonds;
  - 3 year $500 million floating coupon notes; and
  - 5 year $500 million floating coupon notes.
- In June 2013, Glencore signed new committed revolving credit facilities totalling $17,340 million, which extended and increased previous revolving credit facilities. The facilities comprise:
  - a $5,920 million 12 month revolving credit facility with a borrower's 12 month term-out option and a 12 month extension option;
  - a $7,070 million 3 year facility with two 12 month extension options; and
  - a $4,350 million 5 year facility.

Going concern

As at 30 June 2013, the Group had available committed undrawn credit facilities and cash amounting to $13.6 billion (as financial policy, the Group 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 reasonable possible changes in performance, consideration of the principal risks and uncertainties noted on page 12, 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. Following completion of the all-share acquisition of Xstrata, 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 the Group 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. The Group has set a consolidated VaR limit (1 day 95%) of $100 million representing less than 0.2% of equity.

The Group 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 2013 was $30 million, representing less than 0.1% of equity. Average equivalent VaR during the first half of 2012 was $32 million.

Dividends

The directors have declared a 2013 half-yearly dividend of $0.054 per share amounting to $707 million excluding dividends on own shares. The dividend will be paid on 12 September 2013.

Interim dividend	2013
Ex-dividend date (UK and Hong Kong)	28 August
Last time for lodging transfers in Hong Kong	4:30 pm (HK) 29 August
Interim dividend record date in Hong Kong	Opening of business (HK) 30 August
Interim dividend record date in UK	Close of business (UK) 30 August
Deadline for return of currency election form (Jersey shareholders)	30 August
Applicable exchange rate date	5 September
Payment date	12 September

As the half-yearly dividends will be paid out of capital contribution reserves, they are exempt from Swiss withholding tax. As at 30 June 2013, Glencore Xstrata plc had CHF12.1 billion of such capital contribution reserves in its statutory accounts.

The half-yearly dividend is declared and ordinarily paid in US dollars. Shareholders on the Jersey register may elect to receive the dividend in sterling, euros or Swiss francs, the exchange rates of which will be determined by reference to the rates applicable to the US dollar seven days prior to the dividend payment date. Shareholders on the Hong Kong branch register will receive their dividends in Hong Kong dollars. Further details on dividend payments, together with currency election and dividend mandate forms, are available from the Group's website (www.glencorexstrata.com) or from the Company's Registrars.

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 out in the Glencore Xstrata plc (formerly Glencore International plc) 2012 Annual Report on pages 22 to 33, copies of which are available at www.glencorexstrata.com, remain appropriate in 2013.

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;
- Liquidity risk;
- A reduction in the Group's credit rating;
- 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 products; and
- Significant amounts of freight, storage, infrastructure and logistics support required by its marketing activities and increases in costs thereof.

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;
- Infrastructure at its industrial assets being adequate and remaining available;
- Increases in production costs;
- Stated mineral and hydrocarbon reserves, resources and mineralised potential are only estimates;
- 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 25 July 2013, Glencore completed the planned merger of the Mutanda and Kansuki mining operations in the Democratic Republic of Congo (the Merger). Under the terms of the Merger, Mutanda (60% owned by Glencore prior to the Merger) acquired 100% of the share capital of Kansuki (37.5% owned by Glencore prior to the Merger) in exchange for shares of Mutanda. Upon completion of the Merger, Glencore holds a 54.5% controlling interest in the enlarged Mutanda group.
- On 5 August 2013, Glencore agreed to sell Joe White Maltings, acquired as part of the Viterra acquisition. The sale is subject to standard regulatory approvals and satisfaction of other customary closing conditions and is expected to close by the end of the fourth quarter.

Summary pro forma financial information

Information in this section has been presented on the pro forma basis described in the Financial Review section

Six months ended 30 June 2013

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue from third parties	**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 from third parties - 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**
Impact of presenting certain associates and joint ventures on proportionate consolidation basis					(149)
Total adjusted EBIT- reported measure					**3,033**
Interest expense – net					(766)
Net other items					(17)
Income tax expense					(78)
Non-controlling interests					(128)
Profit for the period before significant items					**2,044**

Six months ended 30 June 2012

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue from third parties	**40,178**	**73,699**	**9,446**	**184**	**123,507**
Impact of presenting certain associates and joint ventures on proportionate consolidation basis	(1,167)	(515)	-	-	(1,682)
Revenue from third parties - reported measure	39,011	73,184	9,446	184	121,825
Marketing activities					
Adjusted EBIT	688	350	114	(37)	1,115
Depreciation and amortisation	10	22	11	-	43
Adjusted EBITDA	**698**	**372**	**125**	**(37)**	**1,158**
Industrial activities					
Adjusted EBIT	2,000	1,434	(11)	(140)	3,283
Depreciation and amortisation	1,283	856	32	4	2,175
Adjusted EBITDA	**3,283**	**2,290**	**21**	**(136)**	**5,458**
Total adjusted EBITDA	**3,981**	**2,662**	**146**	**(173)**	**6,616**
Depreciation and amortisation	(1,293)	(878)	(43)	(4)	(2,218)
Total adjusted EBIT	**2,688**	**1,784**	**103**	**(177)**	**4,398**
Impact of presenting certain associates and joint ventures on proportionate consolidation basis					(199)
Total adjusted EBIT- reported measure					**4,199**
Interest expense - net					(481)
Net other items					(8)
Income tax expense					(174)
Non-controlling interests					(175)
Profit for the period before significant items					**3,361**

Metals and Minerals

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 2013	Marketing activities	Industrial activities	H1 2012
Revenue	21,134	15,256	36,390	25,859	14,319	40,178
Adjusted EBITDA	721	3,153	3,874	698	3,283	3,981
Adjusted EBIT	711	1,508	2,219	688	2,000	2,688
Adjusted EBITDA margin	*3.4%*	*20.7%*	*10.6%*	*2.7%*	*22.9%*	*9.9%*

MARKET CONDITIONS

Selected average commodity prices

	H1 2013	H1 2012	Change %
S&P GSCI Industrial Metals Index	365	390	(6)
LME (cash) copper price ($/t)	7,543	8,107	(7)
LME (cash) zinc price ($/t)	1,936	1,980	(2)
LME (cash) lead price ($/t)	2,172	2,036	7
Gold price ($/toz)	1,524	1,651	(8)
Silver price ($/toz)	27	31	(13)
LME (cash) nickel price ($/t)	16,137	18,432	(12)
Metal Bulletin ferrochrome 6-8% C basis 60% Cr, max 1.5% Si (¢/lb)	102	118	(14)
Metal Bulletin cobalt price 99.3% ($/lb)	12	14	(14)
Metal Bulletin alumina price ($/t)	334	317	5
LME (cash) aluminium price ($/t)	1,919	2,084	(8)
Iron ore (Platts 62% CFR North China) price ($/DMT)	137	142	(4)
Platinum price ($/toz)	1,549	1,555	-

Currency table

	Average H1 2013	Spot 30 June 2013	Average H1 2012	Spot 30 June 2012	Change in average %
AUD : USD	1.01	0.92	1.03	1.02	(2)
USD : CAD	1.02	1.05	1.01	1.02	1
USD : COP	1,827	1,923	1,792	1,784	2
EUR : USD	1.32	1.30	1.30	1.27	2
GBP : USD	1.54	1.52	1.58	1.57	(3)
USD : CHF	0.94	0.95	0.93	0.95	1
USD : KZT	151	152	148	149	2
USD : ZAR	9.21	9.88	7.94	8.16	16

Copper

Average copper prices fell 7% year on year. 2013 was widely expected to see increases in supply in excess of demand growth. As often in the past, this has so far proven to be overly optimistic. Copper supply continues to suffer from ubiquitous structural declines in grade levels which investment cannot fully offset. Simultaneously, existing productive capacity remains at or very close to being fully utilised so the margin for error is acutely narrow.

Demand growth for copper has remained robust and physical availability remains reasonably tight whether in the supply chain or on exchange. Global physical premia for copper reached record levels during H1 2013 even as financial market short interest peaked.

Zinc/Lead

Average zinc prices fell 2% year on year outperforming (together with lead) the rest of the LME complex, due to relatively sound fundamentals. H1 2013 refined zinc metal imports into China increased 29% versus H1 2012, leading to a premium increase in Asia. Elsewhere, zinc metal demand and consequently premia in the US also picked up, driven by stronger residential construction and oil and gas infrastructure demand. European demand remained flat meanwhile.

Exchange stocks continued to decrease since the end of last year, down approximately 200,000 tonnes to 30 June 2013 (a 16% reduction) for LME and SHFE.

Lead metal markets continued to be strong; annual contracts were concluded with a premium increase (between $50 and $150 per tonne, depending on region), driven, in large part, by a lack of scrap battery feed.

On the raw materials side lower Chinese mine production contributed to some softening of TCs worldwide. This reduction in prices has stretched the economics of smelters particularly in China resulting in lower operating rates. Chinese zinc concentrate imports were up by 7.9% whilst lead concentrate imports were down by 15.4% in H1 2013 compared to the prior year period, mainly due to arbitrage between SHFE and the LME.

Nickel and Ferroalloys

The stainless steel industry experienced a brief restocking period during the first few months of 2013, partly reflecting improved global economic sentiment. However, this was short lived with concerns over the pace of Chinese economic growth and expectations of tighter US monetary policy, resulting in lower stainless inventories throughout the supply chain. These developments, coupled with persistent oversupply in Western markets, led to declines in global stainless steel prices throughout the first half of the year.

Nickel prices declined during the year and currently sit around multi-year lows. Whilst demand was healthy, this outcome resulted from structural oversupply, a significant part of which is the growth of nickel in Nickel Pig Iron (NPI) production.

Ferrochrome and chrome ore prices were lower during H1 2013, reflecting subdued demand from the global stainless steel industry and depreciation in the South African rand and Indian rupee, the currencies of two major exporting countries.

Cobalt prices improved during H1 2013, achieving an average of $12.00/lb, a slightly higher sequential performance. Whilst activity in European metallurgical applications stabilised at low levels, Chinese destocking and industry consolidation continued. Cobalt consumption was supported by Lithium battery applications, particularly in Asia.

Alumina/Aluminium

Average alumina prices rose 5%, while aluminium fell 8% compared to H1 2012. Aluminium premiums for duty unpaid, in-warehouse material remained at levels comparable with those at the end of 2012, ending H1 2013 in the range of $207 to $235 per tonne.

Iron Ore

Average iron ore prices fell just 4% period on period. The sequential trend from December was negative in response to lower Chinese growth expectations and heightened concerns over the composition of future growth. Confirmation of further large increases in supply from major producers added to negative pricing momentum at the start of the half, before stabilising and recovering towards the end of the period.

The iron ore paper market remains relatively young in its current non-contractual form but has made good progress with the emergence of genuine liquidity in the futures market.

Marketing

Highlights

Against the lower price backdrop, Marketing EBIT increased 3% period on period. The profitability reflected solid contributions across all our core metals, with no one metal, market or feature overshadowing. This result once more demonstrates the strength and diversification of our activities within the individual metals themselves and the compelling and competitive proposition which we provide to our suppliers and customers. Financial market sentiment on metals demand reached a level of negativity relative to our experience in actual physical demand which we have not seen since 2011.

Our iron ore business continued to make good progress from a relatively standing start in 2009, increasing volumes by 54% period on period.

Since 3 May 2013, we have made steady progress in implementing our plans towards the realisation of the marketing synergies expected to be derived from capturing the flows from the former Xstrata operations.

Metals and Minerals

Financial information

US$ million	H1 2013	H1 2012	Change %
Revenue	**21,134**	25,859	(18)
Adjusted EBITDA	**721**	698	3
Adjusted EBIT	**711**	688	3

Selected marketing volumes sold

	Units	H1 2013	H1 2012	Change %
Copper metal and concentrates[1]	million MT	**1.3**	1.3	-
Zinc metal and concentrates[1]	million MT	**1.5**	1.3	15
Lead metal and concentrates[1]	million MT	**0.3**	0.3	-
Gold	thousand toz	**471**	352	34
Silver	million toz	**11.1**	11.8	(6)
Nickel	thousand MT	**125.4**	102.8	22
Ferroalloys (incl. agency)	million MT	**1.7**	1.6	6
Cobalt	thousand MT	**10.0**	8.4	19
Alumina/aluminium	million MT	**6.5**	5.9	10
Iron ore	million MT	**12.8**	8.3	54

1 Estimated metal unit contained.

Copper
Marketing performance was broadly in line with the prior year period, as were volumes. Chinese de-stocking ended during late 2012 and we have seen consistent evidence of modest and price sensitive restocking during H1 2013. We have also seen increasing demand from the US, as the housing and automotive sectors continue their recoveries.

Zinc/Lead
Marketing performance also remained fairly consistent with the increase in zinc metal sales, consistent with overall Chinese import changes noted above.

The falling prices (not only of zinc but also by-products, particularly silver) should restrain mine production, particularly in China, over the coming months, which, combined with the drying up of funds available to junior companies, could put at risk the development of projects needed to substitute not only the future loss of production from depleting mines such as Brunswick, Perseverance, Lisheen, Century and Skorpion, but also to fulfil the continuing growth in demand.

Nickel
Overall nickel volumes were 22% higher, mainly due to the continuing growth of the nickel ore business.

Ferroalloys
Cobalt volumes increased significantly (19%), supported by growing battery related consumption. Overall the ferroalloys marketing profits remain in line with the prior year period, notwithstanding a significantly more challenging environment.

Alumina/Aluminium
In H1 2013, marketed volumes of alumina/aluminium remained strong, increasing 10% to 6.5 million tonnes.

Iron Ore
The department saw a 54% increase in volumes during H1 2013 compared to the prior year period as it continues on its path towards achieving sufficient critical mass, which should allow it to begin contributing meaningfully to the overall metals marketing business. The current challenging market conditions for many in the sector are likely to create scope to profitably grow the business in a capital efficient manner.

Industrial activities

Highlights

Total industrial revenues for metals and minerals in H1 2013 were $15.3 billion, up 7% compared to $14.3 billion in H1 2012. Adjusted EBITDA for the period was $3.2 billion, down 4% compared to H1 2012, reflecting the lower average metal commodity prices, with the S&P GCSI Industrial Metal Index down 6%, offsetting the higher production volumes achieved across the Group from the various growth projects, particularly in copper, up 20% and gold, up 14%.

Financial information

US$ million	H1 2013	H1 2012	Change %
Revenue			
Copper assets			
African copper (Katanga, Mutanda, Mopani, Sable)	**1,502**	771	95
Collahuasi (Chile)	**402**	550	(27)
Antamina (Peru)	**394**	571	(31)
Other South America (Alumbrera, Lomas Bayas, Altonorte, Tintaya, Antapaccay, Punitaqui)	**2,324**	2,262	3
Australia and Asia (Ernest Henry, Mount Isa/Townsville, Cobar, Pasar)	**2,114**	1,604	32
North America (CCR, Horne)	**2,236**	2,367	(6)
Intercompany revenue elimination	**(446)**	(596)	n.m.
Copper	**8,526**	7,529	13
Zinc assets			
Kazzinc (Kazakhstan)	**1,307**	1,384	(6)
Australia (Mount Isa, McArthur River)	**474**	614	(23)
Europe (Portovesme, San Juan de Nieva, Nordenham, Northfleet)	**1,195**	1,264	(5)
North America (Brunswick, CEZ Refinery, Matagami/Perseverance, Kidd)	**838**	826	1
Antamina (Peru)	**54**	46	17
Other Zinc (Los Quenuales, Sinchi Wayra, AR Zinc, Rosh Pinah, Perkoa)	**250**	358	(30)
Intercompany revenue elimination	**(337)**	(514)	n.m.
Zinc	**3,781**	3,978	(5)
Nickel assets			
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)	**1,304**	1,343	(3)
Falcondo	**113**	129	(12)
Australia (XNA, Murrin Murrin)	**325**	386	(16)
Nickel	**1,742**	1,858	(6)
Aluminium/Alumina	**225**	201	12
Ferroalloys	**982**	753	30
Metals and minerals revenue – pro forma segmental measure	**15,256**	14,319	7
Impact of presenting joint ventures on an equity accounting basis	**(850)**	(1,167)	n.m.
Metals and minerals revenue – reported measure	**14,406**	13,152	10

US$ million	H1 2013	H1 2012	Change %
Adjusted EBITDA			
Copper assets			
African copper	**378**	151	150
Collahuasi	**176**	291	(40)
Antamina	**297**	414	(28)
Other South America	**560**	492	14
Australia and Asia	**308**	341	(10)
North America	**79**	81	(2)
Copper	**1,798**	1,770	2
Adjusted EBITDA margin	***21%***	*24%*	
Zinc assets			
Kazzinc	**377**	463	(19)
Australia	**117**	148	(21)
Europe	**87**	113	(23)
North America	**225**	222	1
Antamina	**37**	31	19
Other Zinc	**34**	116	(71)
Zinc	**877**	1,093	(20)
Adjusted EBITDA margin	***23%***	*27%*	
Nickel assets			
Integrated Nickel Operations	**403**	459	(12)
Falcondo	**(7)**	8	n.m.
Australia	**(32)**	(106)	n.m.
Koniambo	**(1)**	(1)	-
Nickel	**363**	360	1
Adjusted EBITDA margin	***21%***	*19%*	
Aluminium/Alumina	**(28)**	(10)	n.m.
Ferroalloys	**148**	78	90
Iron ore	**(5)**	(8)	n.m.
Metals and minerals Adjusted EBITDA – pro forma segmental measure	**3,153**	3,283	(4)
Adjusted EBITDA margin	***21%***	*23%*	
Impact of presenting joint ventures on an equity accounting basis	**(315)**	(322)	
Metals and minerals Adjusted EBITDA – reported measure	**2,838**	2,961	(4)

Metals and Minerals

US$ million	H1 2013	H1 2012	Change %
Adjusted EBIT			
Copper assets			
African copper	**194**	43	351
Collahuasi	**83**	218	(62)
Antamina	**180**	322	(44)
Other South America	**358**	370	(3)
Australia and Asia	**76**	163	(53)
North America	**72**	48	50
Copper	**963**	1,164	(17)
Zinc assets			
Kazzinc	**171**	294	(42)
Australia	**24**	123	(80)
Europe	**50**	80	(38)
North America	**177**	171	4
Antamina	**21**	17	24
Other Zinc	**(23)**	58	n.m.
Zinc	**420**	743	(43)
Nickel assets			
Integrated Nickel Operations	**180**	264	(32)
Falcondo	**(7)**	7	n.m.
Australia	**(86)**	(162)	n.m.
Koniambo	**(1)**	(1)	-
Nickel	**86**	108	(20)
Aluminium/Alumina	**(35)**	(16)	n.m.
Ferroalloys	**79**	9	778
Iron ore	**(5)**	(8)	n.m.
Metals and minerals Adjusted EBIT – pro forma segmental measure	**1,508**	2,000	(25)
Impact of presenting joint ventures on an equity accounting basis	**(92)**	(156)	
Metals and minerals Adjusted EBIT – reported measure	**1,416**	1,844	(23)

US$ million	H1 2013	H1 2012
Sustaining capex		
Copper assets		
African copper	202	102
Collahuasi[1]	128	120
Antamina[1]	106	22
Other South America	214	65
Australia and Asia	190	191
North America	15	34
Copper	855	534
Zinc assets		
Kazzinc	81	109
Australia	291	267
Europe	23	16
North America	21	8
Other Zinc	67	51
Zinc	483	451
Nickel assets		
Integrated Nickel Operations	60	128
Australia	35	32
Nickel	95	160
Aluminium/Alumina	12	14
Ferroalloys	50	59
Total sustaining capex – pro forma segmental measure	1,495	1,218
Impact of presenting joint ventures on an equity accounting basis	(234)	(142)
Total sustaining capex – reported measure	1,261	1,076

US$ million	H1 2013	H1 2012
Expansion capex		
Copper assets		
African copper	**322**	221
Collahuasi[1]	**47**	61
Antamina[1]	**29**	94
Las Bambas	**899**	411
Other South America	**32**	424
Australia and Asia	**169**	202
North America	**2**	8
Copper	**1,500**	1,421
Zinc assets		
Kazzinc	**32**	59
Australia	**352**	224
Europe	**22**	29
North America	**73**	53
Other Zinc	**68**	55
Zinc	**547**	420
Nickel assets		
Integrated Nickel Operations	**125**	117
Falcondo	**1**	1
Australia	**5**	46
Koniambo	**565**	615
Other nickel projects	**4**	7
Nickel	**700**	786
Ferroalloys	**105**	143
Iron ore	**49**	89
Total expansion capex – pro forma segmental measure	**2,901**	2,859
Impact of presenting joint ventures on an equity accounting basis	**(76)**	(155)
Total expansion capex – reported measure	**2,825**	2,704

US$ million	H1 2013	H1 2012
Total capex		
Copper assets		
African copper	**524**	323
Collahuasi[1]	**175**	181
Antamina[1]	**135**	116
Las Bambas	**899**	411
Other South America	**246**	489
Australia and Asia	**359**	393
North America	**17**	42
Copper	**2,355**	1,955
Zinc assets		
Kazzinc	**113**	168
Australia	**643**	491
Europe	**45**	45
North America	**94**	61
Other Zinc	**135**	106
Zinc	**1,030**	871
Nickel assets		
Integrated Nickel Operations	**185**	245
Falcondo	**1**	1
Australia	**40**	78
Koniambo	**565**	615
Other nickel projects	**4**	7
Nickel	**795**	946
Aluminium/Alumina	**12**	14
Ferroalloys	**155**	202
Iron ore	**49**	89
Total capex – pro forma segmental measure	**4,396**	4,077
Impact of presenting joint ventures on an equity accounting basis	**(310)**	(297)
Total capex – reported measure	**4,086**	3,780

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

Pro forma production data

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Total Copper contained	MT	673.4	470.4	1,143.8	561.1	370.2	931.3	20
Total Zinc contained	MT	729.5	471.5	1,201.0	754.4	475.9	1,230.2	(3)
Total Lead contained	MT	153.2	143.5	296.7	162.0	150.0	312.0	(5)
Total Nickel contained	MT	54.6	51.6	106.2	53.8	49.7	103.5	1
Total Gold (incl. Gold equivalents)[3]	toz	838	349	1,187	760	375	1,135	10
Total Alumina	MT	-	777	777	-	634	634	-
Total Vanadium Pentoxide	k lb	9.8	-	9.8	9.9	-	9.9	(1)
Total Ferrovanadium	k kg	2.1	-	2.1	1.8	-	1.8	17
Total Ferro manganese	MT	-	52	52	-	-	-	-
Total Silicon manganese	MT	-	42	42	-	-	-	-
Total Cobalt	MT	9.3	2.0	11.3	6.5	2.0	8.5	43
Total Ferrochrome	MT	561	-	561	459	-	459	22
Total Platinum	toz	44	-	44	38	-	38	16
Total Palladium	toz	24	-	24	21	-	21	14
Total Rhodium	toz	8	-	8	6	-	6	33

Copper assets

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
African copper (Katanga, Mutanda, Mopani, Sable)								
Katanga								
Copper metal[4]	MT	60.3	-	60.3	43.1	-	43.1	40
Cobalt	MT	1.0	-	1.0	1.1	-	1.1	(9)
Mutanda								
Copper metal[4]	MT	61.2	-	61.2	38.3	-	38.3	60
Cobalt[5]	MT	6.4	-	6.4	3.6	-	3.6	78
Mopani								
Copper metal	MT	50.0	52.5	102.5	39.4	45.9	85.3	27
Cobalt	MT	-	-	-	-	0.1	0.1	-
Other								
Copper metal	MT	-	7.2	7.2	-	4.0	4.0	-
Cobalt[5]	MT	-	0.1	0.1	-	0.4	0.4	-
Total Copper metal[4]	MT	171.5	59.7	231.2	120.8	49.9	170.7	42
Total Cobalt[5]	MT	7.4	0.1	7.5	4.7	0.5	5.2	57
Collahuasi[6]								
Copper metal	MT	7.1	-	7.1	8.1	-	8.1	(12)
Copper in concentrates	MT	60.1	-	60.1	55.9	-	55.9	8
Silver in concentrates	toz	747	-	747	726	-	726	3

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Antamina[7]								
Copper in concentrates	MT	**62.2**	**-**	**62.2**	68.1	-	68.1	(9)
Silver in concentrates	toz	**2,377**	**-**	**2,377**	2,191	-	2,191	8
Other South America (Alumbrera, Lomas Bayas, Altonorte, Tintaya/Antapaccay, Punitaqui)								
Alumbrera								
Copper in concentrates	MT	**48.8**	**-**	**48.8**	67.3	-	67.3	(27)
Gold in concentrates and in doré	toz	**146**	**-**	**146**	172	-	172	(15)
Silver in concentrates and in doré	toz	**618**	**-**	**618**	425	-	425	45
Lomas Bayas								
Copper metal	MT	**37.6**	**-**	**37.6**	36.6	-	36.6	3
Altonorte								
Copper anode[8]	MT	**-**	**152.8**	**152.8**	-	135.5	135.5	-
Tintaya/Antapaccay								
Copper metal	MT	**7.8**	**-**	**7.8**	3.1	-	3.1	152
Copper in concentrates	MT	**67.7**	**-**	**67.7**	16.8	-	16.8	303
Gold in concentrates	toz	**38**	**-**	**38**	8	-	8	375
Silver in concentrates	toz	**478**	**-**	**478**	195	-	195	145
Other								
Copper in concentrates	MT	**5.3**	**0.1**	**5.4**	6.0	-	6.0	(12)
Silver in concentrates	toz	**52**	**1**	**53**	95	-	95	(45)
Total Copper metal	MT	**45.4**	**-**	**45.4**	39.7	-	39.7	14
Total Copper anode[8]	MT	**-**	**81.4**	**81.4**	-	77.0	77.0	-
Total Copper in concentrates	MT	**121.8**	**0.1**	**121.9**	90.1	-	90.1	35
Total Gold in concentrates and in doré	toz	**184**	**-**	**184**	180	-	180	2
Total Silver in concentrates and in doré	toz	**1,148**	**1**	**1,149**	715	-	715	61

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Australia and Asia (Ernest Henry, Mount Isa/Townsville, Cobar, Pasar)								
Ernest Henry								
Copper in concentrates	MT	**32.4**	**-**	**32.4**	14.9	-	14.9	117
Gold in concentrates	toz	**29**	**-**	**29**	18	-	18	61
Silver in concentrates	toz	**225**	**-**	**225**	81	-	81	178
Mount Isa/Townsville								
Copper metal	MT	**72.6**	**64.1**	**136.7**	66.5	73.8	140.3	9
Silver in concentrates	toz	**400**	**-**	**400**	320	-	320	25
Other								
Copper metal	MT	**-**	**87.9**	**87.9**	-	13.8	13.8	-
Copper in concentrates	MT	**22.6**	**-**	**22.6**	17.3	-	17.3	31
Silver in concentrates	toz	**218**	**-**	**218**	177	-	177	23
Total Copper metal	MT	**72.6**	**152.0**	**224.6**	66.5	87.6	154.1	9
Total Copper in concentrates	MT	**55.0**	**-**	**55.0**	32.2	-	32.2	71
Total Gold in concentrates	toz	**29**	**-**	**29**	18	-	18	61
Total Silver in concentrates	toz	**843**	**-**	**843**	578	-	578	46
North America (CCR, Horne)								
Copper metal	MT	**-**	**149.1**	**149.1**	-	133.4	133.4	-

Zinc assets

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Kazzinc								
Zinc metal	MT	**105.6**	**41.6**	**147.2**	113.7	35.8	149.5	(7)
Lead metal	MT	**15.6**	**27.9**	**43.5**	13.9	29.7	43.6	12
Copper metal	MT	**26.8**	**4.3**	**31.1**	24.5	1.4	25.9	9
Gold	toz	**277**	**51**	**328**	233	43	276	19
Silver	toz	**2,848**	**6,234**	**9,082**	2,636	7,330	9,966	8
Australia and Asia (Mount Isa, McArthur River)								
Mount Isa								
Zinc in concentrates	MT	**196.0**	**-**	**196.0**	181.4	-	181.4	8
Lead in concentrates	MT	**74.5**	**-**	**74.5**	75.0	-	75.0	(1)
Silver in concentrates	toz	**2,886**	**-**	**2,886**	2,780	951	3,731	4
McArthur River								
Zinc in concentrates	MT	**102.4**	**-**	**102.4**	98.7	-	98.7	4
Lead in concentrates	MT	**23.3**	**-**	**23.3**	20.0	-	20.0	17
Silver in concentrates	toz	**854**	**-**	**854**	848	-	848	1
Total Zinc in concentrates	MT	**298.4**	**-**	**298.4**	280.1	-	280.1	7
Total Lead in concentrates	MT	**97.8**	**-**	**97.8**	95.0	-	95.0	3
Total Silver in concentrates	toz	**3,740**	**-**	**3,740**	3,628	951	4,579	3
Europe (Portovesme, San Juan de Nieva, Nordenham, Northfleet)								
Total Zinc metal[9]	MT	**-**	**386.8**	**386.8**	-	398.3	398.3	-
Total Lead metal	MT	**-**	**78.5**	**78.5**	-	80.8	80.8	-
Total Silver	toz	**-**	**3,280**	**3,280**	-	3,606	3,606	-

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
North America (Brunswick, CEZ Refinery, Matagami/Perseverance[10], Kidd)								
Brunswick								
Zinc in concentrates	MT	**52.0**	**4.1**	**56.1**	107.2	2.8	110.0	(51)
Lead in concentrates	MT	**13.5**	**1.1**	**14.6**	30.1	0.6	30.7	(55)
Copper in concentrates	MT	**3.0**	**-**	**3.0**	3.8	0.2	4.0	(21)
Silver in concentrates	toz	**1,315**	**87**	**1,402**	1,551	29	1,580	(15)
Brunswick								
Lead metal	MT	**-**	**36.0**	**36.0**	-	38.9	38.9	-
Silver	toz	**-**	**7,493**	**7,493**	-	5,743	5,743	-
CEZ								
Zinc metal[11]	MT	**-**	**37.5**	**37.5**	-	35.5	35.5	-
Matagami/Perseverance								
Zinc in concentrates	MT	**39.4**	**-**	**39.4**	64.4	-	64.4	(39)
Copper in concentrates	MT	**4.4**	**-**	**4.4**	4.8	-	4.8	(8)
Kidd								
Zinc in concentrates	MT	**40.2**	**-**	**40.2**	32.0	-	32.0	26
Copper in concentrates	MT	**17.0**	**-**	**17.0**	17.3	-	17.3	(2)
Silver in concentrates	toz	**2,056**	**-**	**2,056**	1,255	-	1,255	64
Total Zinc metal	MT	**-**	**37.5**	**37.5**	-	35.5	35.5	-
Total Zinc in concentrates	MT	**131.6**	**4.1**	**135.7**	203.6	2.8	206.4	(35)
Total Lead metal	MT	**-**	**36.0**	**36.0**	-	38.9	38.9	-
Total Lead in concentrates	MT	**13.5**	**1.1**	**14.6**	30.1	0.6	30.7	(55)
Total Copper in concentrates	MT	**24.4**	**-**	**24.4**	25.9	0.2	26.1	(6)
Total Silver	toz	**3,371**	**7,580**	**10,951**	2,806	5,772	8,578	20
Antamina[7]								
Zinc in concentrates	MT	**53.2**	**-**	**53.2**	41.7	-	41.7	28
Other Zinc (Los Quenuales, Sinchi Wayra, AR Zinc, Rosh Pinah, Perkoa)								
Zinc metal	MT	**16.0**	**1.5**	**17.5**	13.1	3.5	16.6	22
Zinc in concentrates	MT	**124.7**	**-**	**124.7**	102.2	-	102.2	22
Lead metal	MT	**4.9**	**-**	**4.9**	5.8	-	5.8	(16)
Lead in concentrates	MT	**21.4**	**-**	**21.4**	17.2	-	17.2	24
Copper in concentrates	MT	**0.8**	**-**	**0.8**	1.0	-	1.0	(20)
Silver metal	toz	**324**	**-**	**324**	389	-	389	(17)
Silver in concentrates	toz	**4,495**	**-**	**4,495**	3,745	-	3,745	20
Tin in concentrates	MT	**-**	**-**	**-**	1.1	-	1.1	(100)

Nickel assets[12]

thousand[1,2]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)								
Sudbury – Mine/mill								
Nickel in concentrates	MT	8.0	4.7	12.7	10.1	3.5	13.6	(21)
Copper in concentrates	MT	20.8	5.4	26.2	24.6	2.1	26.7	(15)
Cobalt in concentrates	MT	0.1	0.2	0.3	0.2	0.1	0.3	(50)
Raglan								
Nickel in concentrates	MT	17.4	-	17.4	14.0	-	14.0	24
Copper in concentrates	MT	4.7	-	4.7	3.4	-	3.4	38
Cobalt in concentrates	MT	0.4	-	0.4	0.3	-	0.3	33
Nikkelverk								
Nickel metal	MT	-	44.8	44.8	-	45.5	45.5	-
Copper metal	MT	-	18.4	18.4	-	18.6	18.6	-
Cobalt metal	MT	-	1.6	1.6	-	1.4	1.4	-
Total Nickel metal	MT	-	44.8	44.8	-	45.5	45.5	-
Total Nickel in concentrates	MT	25.4	4.7	30.1	24.1	3.5	27.6	5
Total Copper metal	MT	-	18.4	18.4	-	18.6	18.6	-
Total Copper in concentrates	MT	25.5	5.4	30.9	28.0	2.1	30.1	(9)
Total Cobalt metal	MT	-	1.6	1.6	-	1.4	1.4	-
Total Cobalt in concentrates	MT	0.5	0.2	0.7	0.5	0.1	0.6	-
Falcondo								
Nickel in ferronickel	MT	7.0	-	7.0	7.3	-	7.3	(4)
Australia (XNA, Murrin Murrin)								
Total Nickel metal	MT	19.1	2.1	21.2	15.3	0.7	16.0	25
Total Nickel in concentrates	MT	3.1	-	3.1	7.1	-	7.1	(56)
Total Copper in concentrates	MT	0.2	-	0.2	0.3	-	0.3	(33)
Total Cobalt metal	MT	1.3	0.1	1.4	1.1	-	1.1	18
Total Cobalt in concentrates	MT	0.1	-	0.1	0.2	-	0.2	(50)

Aluminium/alumina assets

Thousand[1]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Sherwin Alumina								
Alumina	MT	-	777	777	-	634	634	-

Ferroalloys assets

Thousand[1]		Using feed from own sources	Using feed from third party sources	H1 2013 Total	Using feed from own sources	Using feed from third party sources	H1 2012 Total	Own feed change %
Ferro manganese	MT	-	52	52	-	-	-	-
Silicon manganese	MT	-	42	42	-	-	-	-
Ferrochrome[13]	MT	561	-	561	459	-	459	22
Platinum[14]	toz	44	-	44	38	-	38	16
Palladium[14]	toz	24	-	24	21	-	21	14
Rhodium[14]	toz	8	-	8	6	-	6	33
Gold[14]	toz	1	-	1	1	-	1	-
Vanadium Pentoxide	k lb	9.8	-	9.8	9.9	-	9.9	(1)
Ferrovanadium	k kg	2.1	-	2.1	1.8	-	1.8	17

1 Controlled industrial assets and JVs only. Production is on a 100% basis, except as stated.

2 Third party production volumes at custom smelters and refineries include where appropriate feed from Group mines, so as to avoid a double count of own source production volumes already recorded in the mine numbers.

3 Gold/Silver conversion ratios of 1/57.29 for H1 2013 and 1/53.16 for H1 2012 based on average prices.

4 Copper metal includes copper contained in copper concentrates and blister copper.

5 Cobalt contained in concentrates and hydroxides.

6 The Group's pro-rata share of Collahuasi production (44%).

7 The Group's pro-rata share of Antamina production (33.75%).

8 71,400 tonnes (H1 2012: 58,500 tonnes) of copper anode produced at Altonorte is refined to produce copper cathode at either Townsville or CCR and hence is excluded from the totals.

9 Zinc metal includes zinc contained in zinc oxide.

10 Matagami is the site where the Perseverance mine is located. Matagami will be used as the name going forward as other mines on the overall site are added.

11 The Group's pro-rata share of CEZ production (25%).

12 In addition to the nickel production in the table, the Group has a 50% investment in PT Stargate Pasific Resources (accounted for as an investment) which produced 23,100 tonnes of nickel contained in ore in H1 2013 (12,300 tonnes in H1 2012).

13 Reflects the Group's 79.5% share of the Xstrata-Merafe Chrome Venture.

14 Consolidated 100% of Eland and 50% of Mototolo.

OPERATIONAL HIGHLIGHTS

Copper Assets

Total own sourced copper production was 673,400 tonnes, a 20% increase over the comparable prior year period, driven mainly by the various project ramp-ups at Katanga, Mutanda, Antapaccay and Ernest Henry.

African Copper (Katanga, Mutanda/Kansuki, Mopani, Sable)

African copper production was 171,500 tonnes, an increase of 42% against the comparable period, reflecting strong growth at both Katanga and Mutanda, as they execute on their respective expansion projects, expected in the near term to deliver annualised production capacity of up to 270,000 tonnes and 200,000 tonnes respectively.

Own sourced cobalt production was 7,400 tonnes, a 57% increase over the comparable period, reflecting the continued expansion at Mutanda.

On 25 July 2013, Mutanda and Kansuki merged, via the issue of new shares in Mutanda, resulting in the Group having a 54.5% interest in the enlarged entity (previously the Group held 60% in Mutanda and 37.5% in Kansuki). The remaining interests in Mutanda are indirectly held 14.5% by High Grade Minerals S.A. ("HGM") and 31% by Rowny Assets Limited. Subject to the terms of put and call option agreements, the Group has the right to acquire HGM's remaining 14.5% in December 2013 and to acquire 50% of Rowny's interest in July 2016 and the remainder in July 2018.

Collahuasi

The Group's share of copper production at Collahuasi was 67,200 tonnes, a 5% increase compared to the prior year period. This increase relates to improved operational performance following management changes, in part offset by a planned shutdown of a SAG mill for 49 days and the subsequent ramp up in throughput rates. Following re-commissioning, the SAG mill throughput has increased in line with expectations and the return to higher ore grades has been maintained.

Antamina

The Group's share of copper production at Antamina declined by 9% to 62,200 tonnes, due to planned lower copper head grades and recoveries. A record of 4.4 million tonnes mill throughput was achieved in June 2013.

Other South America (Alumbrera, Lomas Bayas, Altonorte, Tintaya, Antapaccay, Punitaqui)

Other South American copper assets increased own sourced copper production (metal and metal contained in concentrate) by 29% to 167,200 tonnes. This increase relates mainly to the continued ramp up at Antapaccay (Tintaya's replacement), following commencement of commercial production in November 2012. The Antapaccay plant delivered mill throughput rates in excess of nameplate capacity of 70,000 tonnes per day in June 2013. Alumbrera however, saw a 27% decline in production due to the planned mining of lower grade ore.

Third party copper anode production at Altonorte was 152,800 tonnes, a 13% increase over the prior year period, due to an increase in concentrate grades and reliability improvements following some operational issues in 2012.

Own sourced gold production was 184,000 toz, an increase of 2%, reflecting the production ramp-up at Antapaccay, offset by lower production volumes at Alumbrera.

Own sourced silver production was 1.1 million toz, an increase of 61%, also primarily on the back of Antapaccay and higher silver grades at Alumbrera.

Australia and Asia (Ernest Henry, Mount Isa/Townsville, Cobar, Pasar)

The region produced 127,600 tonnes of own sourced copper (metals and contained in concentrate), a 29% increase over the comparable prior year period, with improvements at all operations. Ernest Henry increased production by 117% to 32,400 tonnes, reflecting the ramp up of the underground decline mine and the satellite Mount Margaret open pit mine, which started production in September 2012. Mount Isa increased production by 9% to 72,600 tonnes due to increased mining rates and higher recoveries, partially offset by an unplanned smelter shut down in May 2013.

Copper production from third party feed was 152,000 tonnes, a 74% increase over the comparable period, with Pasar delivering a normal contribution, following the fire in early 2012, which largely halted production during such period.

Construction of a new shaft at Cobar has been suspended. Studies are currently being undertaken to determine how best to take this project forward.

North America (CCR, Horne)

CCR refinery produced 149,100 tonnes of cathode, a 12% increase over the comparable period, on the back of increased annualised throughput rates and process improvements resulting from an increase in annual capacity from 270,000 tonnes per annum to 310,000 tonnes per annum from February 2013.

Zinc Assets

Total own sourced zinc production was 729,500 tonnes and lead production was 153,200 tonnes, a moderate reduction of 3% and 5% respectively compared to H1 2012. The key movements were gains from the recently acquired Rosh Pinah and growth projects in Australia, not quite being able to fully offset the declines from Brunswick and Perseverance as they reached the end of their mine lives.

Kazzinc

Gold production from own sources increased 19% to 277,000 toz, as Vasilkovskoye continued to ramp up production. Copper and lead production from own sources were up 9% and 12% to 26,800 tonnes and 15,600 tonnes, reflecting an increase in the processing of work-in-progress at the copper and lead smelters.

Zinc production from own sources was down 7% to 105,600 tonnes, in line with expectations, reflecting a modest decline in grades.

Australia and Asia (Mount Isa, McArthur River)

Australia zinc produced 298,400 tonnes and 97,800 tonnes of zinc in concentrate and lead in concentrate respectively, an increase of 7% and 3%. The increases mainly relate to the expansion projects at Mount Isa (George Fisher North) which increased ore mined from 1.6 million tonnes to 2.1 million tonnes for the half year, as part of the expansion plan to increase ore mined to 4.5 million tonnes per annum (run rate achieved in June 2013 for the first time) and at McArthur River, based on some initial benefits from the Phase 3 expansion project, which is expected to increase ore mining capacity from 2.5 million tonnes to over 5.0 million tonnes from 2015.

Total silver production (in concentrates) was 3.7 million toz, broadly in line with the comparable period.

Europe (Portovesme, San Juan de Nieva, Nordenham, Northfleet)

The Group's European zinc assets produced 386,800 tonnes of zinc metal, broadly the same as the comparable period.

Total lead production was 78,500 tonnes, also in-line with comparable period levels, reflecting the restart of the Kivcet lead plant at Portovesme, offset by a decrease in production at Northfleet based on lower feed received.

North America (Brunswick, CEZ Refinery, Matagami/Perseverance, Kidd)

Zinc North America produced 131,600 tonnes and 13,500 tonnes of own sourced zinc in concentrates and lead in concentrates respectively, a reduction of 35% and 55% over the prior year period, primarily reflecting the wind-down of the Brunswick mine, following depletion of the ore reserve in April 2013 after nearly 50 years of mining.

Antamina

Antamina produced 53,200 tonnes (Group's share) of own sourced zinc in concentrates, a 28% increase compared to H1 2012, largely due to mine sequencing which resulted in the treatment of higher zinc grade ore in H1 2013.

Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)

The acquisition of Rosh Pinah (effective 1 June 2012) contributed to the growth in own sourced production of zinc and lead (both in concentrates) of 25,400 tonnes and 3,300 tonnes respectively versus the comparable period. The inclusion of Rosh Pinah was partly offset by modest declines in production at most other assets, due to a combination of factors, including small expected declines in head grades.

Perkoa started production in 2013, contributing 9,200 tonnes of own sourced zinc, and 187,800 toz of own sourced silver (both in concentrates).

Nickel Assets

Total own sourced nickel produced was 54,600 tonnes, 1% more than the comparable period. The main drivers of the growth were record production at Murrin Murrin and a temporary increase in grades at Raglan.

Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)

Integrated Nickel Operations (INO) produced 25,400 tonnes of own sourced nickel, an increase of 5% versus the comparable period. The key driver was the Raglan mine, which increased production 24% to 17,400 tonnes due to higher grades and improved recoveries, offset by a decline in Sudbury production due to maintenance at the Strathcona mill. The Nikkelverk refinery produced 44,800 tonnes of nickel metal from third party sources, slightly below the same period last year.

Australia (XNA, Murrin Murrin)

The Australian nickel assets produced 22,200 tonnes of own sourced nickel, in line with the prior year period. Significant production growth at Murrin Murrin, up 25% to 19,100 tonnes, due to consistent plant availability and the absence of the acid plant shut down that impacted Q1 2012, was offset by a 56% reduction at the other operations, as they transition to care and maintenance.

Falcondo

Falcondo produced 7,000 tonnes of ferronickel, 4% below the comparable period, due to a few minor operational disruptions during the period.

Koniambo

Extensive monitoring and review of the project's timelines, production profile and costs is the Group's ongoing focus. Construction of the Line 1 metallurgical plant is complete and commissioning continues with Koniambo beginning to produce small lots of nickel in ferronickel during Q2 2013. Construction of Line 2 is expected to be completed in November 2013 and commence ramp-up in Q1 2014. The Line 1 power station has completed construction and is undergoing early certification testing, with construction of the Line 2 power station expected to be completed by the end of 2013.

Aluminium Assets

Sherwin Alumina

Alumina production increased 23% to 777,000 tonnes, mainly driven by the planned calciner overhaul that took place in Q1 2012 and better overall plant operational performance.

Alloys Assets

Manganese

Manganese production was 94,000 tonnes during the period. Due to weaker market conditions, production was curtailed by a decision to reduce production by 30% in France and to only produce Silicon Manganese in Norway.

Ferrochrome

Attributable ferrochrome production was 561,000 tonnes, an increase of 22% over the prior year period. The increase reflects operational improvements across most of the furnaces and the impact of the successful commissioning and ramp up of the Tswelopele pelletizing plant during Q1 2013. Volumes during the period continued to be impacted by participation in the Eskom power buyback programme that restricted production to 79% of operating capacity. This programme was also in place in 2012, whereby foregone power is compensated. The power buyback agreement expired on 1 June 2013 and 17 out of 20 furnaces are now operating, following 4 furnace restarts after 1 June 2013.

Platinum Group Metals

PGM volumes (for the four PGM elements (4E)), 77,000 toz, were 17% higher than the comparable prior year period, mainly due to a strong performance from the Mototolo mine, which operated in line with design capacity. Eland continued its production build-up, although production was negatively impacted by a labour strike of the main sinking contractor.

Vanadium

Vandium pentoxide volumes were in line with the prior year period, at 9.8 million lbs.

Ferrovanadium volumes of 2.1 million kgs, were 17% higher for the first half of 2013 compared to H1 2012 mainly due to the decrease in vanadium pentoxide flake sales resulting in more vanadium pentoxide equivalent units available for conversion to ferrovanadium.

Iron Ore Assets

Mauritania

The feasibility study for the Askaf project continues with engineering being further defined for capital estimation purposes.

The pre-feasibility studies for El Aouj Stage 1 (15 million tonnes per annum) also continue. Resource drilling is completing, with estimation to follow.

Congo

The Zanaga (50% + 1 share interest) 30 million tonne pipeline pre-feasibility study was completed in Q4 2012. The feasibility study to support the mining license application is commencing.

Energy Products

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 2013	Marketing activities	Industrial activities	H1 2012
Revenue	**61,882**	**6,948**	**68,830**	66,379	7,320	73,699
Adjusted EBITDA	**519**	**1,566**	**2,085**	372	2,290	2,662
Adjusted EBIT	**501**	**581**	**1,082**	350	1,434	1,784
Adjusted EBITDA margin	***0.8%***	***22.5%***	***3.0%***	*0.6%*	*31.3%*	*3.6%*

Market conditions

Selected average commodity prices

	H1 2013	H1 2012	Change %
S&P GSCI Energy Index	**327**	338	(3)
Coal API2 ($/t)	**84**	95	(12)
Coal API4 ($/t)	**84**	99	(15)
Australian coking coal average realised export price ($/t)	**155**	217	(29)
Australian thermal coal average realised export price ($/t)	**86**	108	(20)
Australian thermal coal average realised domestic price ($/t)	**47**	46	2
Australian semi-soft coal average realised export price ($/t)	**118**	174	(32)
South African thermal coal average realised export price ($/t)	**83**	102	(19)
South African thermal coal average realised domestic price ($/t)	**27**	28	(4)
Cerrejón (Colombia) thermal coal average realised export price ($/t)	**76**	92	(17)
Prodeco (Colombia) thermal coal average realised export price ($/t)	**88**	89	(1)
Oil price – Brent ($/bbl)	**108**	114	(5)

Coal

Atlantic

Despite poor economic prospects in some regions, demand levels in most importing countries remained relatively healthy, somewhat supported by high gas prices. Domestic supply issues also played a part in stronger imports, especially in the UK and German markets. However, high US export levels continued to apply pressure on prices. With little logistical constraints and a relatively mild winter in the Baltic, supply volumes remained strong across all markets.

On an average basis, API2 and API4 levels were down 12% and 15% respectively compared to H1 2012.

Pacific

The slowdown in growth in China had an impact on perception and despite maintaining relatively high level of imports year on year, prices came off. Indian import levels were also strong, but with Australian and Indonesian production and exports increasing and, with little logistical constraints, prices remained under pressure.

The Newcastle index was down 15% compared to H1 2012.

Metallurgical coal demand and prices remained under pressure due to the lack of prospects for sustainable economic growth in the traditional European, South American and Chinese markets, which would enable a steel market recovery.

Oil

Nearby Brent started 2013 at $111 per barrel and finished the half-year at $102 per barrel, but this belies a period range of $98 to $119 per barrel, slightly less wide than the equivalent for 2012. Overall, the market was characterised by much less of the drama of preceding years, associated with the financial crisis, and to some degree a resumption of more typical trading patterns, uninterrupted by sovereign crises and interventions. Brent term structure continued in backwardation during the period.

With the US recovery ostensibly underway, the narrowing of the WTI/Brent spread was perhaps the most notable market feature. The Atlantic crude oil "arbitrage" started the year with WTI trading at a discount of $19 per barrel to Brent, but ended the period trading into $6 per barrel, as reasonable refining margins and de-bottlenecking of the US pipeline system normalised demand for the domestic grades. Whilst WTI went some way to recovering its benchmark status, US light products markets were complicated by uncertainties over the blending of renewable fuels, which contributed to volatile and uncertain markets for US gasoline. The tanker freight market was generally better in several classes for significant periods of the first half of the year.

Marketing

Highlights

Notwithstanding weaker spot prices (particularly coal), Marketing EBIT increased 43% period on period, reflecting improved contributions from both coal and oil. Glencore was able to successfully capitalise on various opportunities for arbitraging destinations and qualities.

Looking forward, since 3 May 2013, we have made rapid progress in implementing our plans to realise the expected coal synergies from the flows of the former Xstrata operations.

Financial information

US$ million	**H1 2013**	H1 2012	Change %
Revenue	**61,882**	66,379	(7)
Adjusted EBITDA	**519**	372	40
Adjusted EBIT	**501**	350	43

Selected marketing volumes sold

Million	**H1 2013**	H1 2012	Change %
Thermal coal (MT)[1]	**36.8**	38.3	(4)
Metallurgical coal (MT) [1]	**2.8**	2.7	4
Coke (MT)[1]	**0.4**	0.1	300
Crude oil (bbls)	**202.3**	190.4	6
Oil products (bbls)	**342.9**	366.2	(6)

1 Includes agency volumes

Coal

Thermal volumes in H1 2013 were slightly down compared to the same period in 2012, on the back of selected reduced business opportunities due to lower freight rates and market volatility. Volumes were however up in the second quarter as some relative volatility returned to the market and opportunities arose. Metallurgical coal volumes remained low due to the lack of demand on the back of the weaker prospects for steel.

The outlook in the medium to long term remains positive as a large portion of production costs remain above market prices. Closures and restructuring of the US coal industry are taking place, albeit at a slow pace. This is likely to have a profound effect on future coal flows which should in turn, have a positive effect on prices. Coal prices remain low relative to other forms of energy and with better prospects for the global economy, coal is well placed to capitalise on this growth.

We remain focused on blending and quality arbitrage which allow us to maximise opportunities.

Oil

Traded volumes, on an overall basis, were broadly flat with the same period last year. There was some minor rotation from products to crude oil, driven by the start of the Rosneft off-take contract in April 2013.

Industrial activities

Highlights

Energy Products' performance was down in H1 2013, driven primarily by lower average coal prices, including API2 and API4, down 12% and 15% respectively. Coal production was up 4% in H1 2013, mainly relating to higher thermal coal production as key expansion projects in Australia and Prodeco delivered growth, partly offset by lower production at Cerrejón due to a strike during the period. Oil volumes were down 10% as the Aseng field comes off plateau, a trend which is expected to reverse in H2 2013, as the Alen and Chad fields start to produce.

Industrial revenues in H1 2013 were $6.9 billion, down 5% compared to H1 2012 revenues of $7.3 billion. Adjusted EBITDA for H1 2013 was $1.6 billion, down 32% from $2.3 billion in H1 2012.

Energy Products

Financial information

US$ million	H1 2013	H1 2012	Change %
Net revenue			
Coal operating revenue			
Coking Australia	**771**	825	(7)
Thermal Australia	**2,727**	2,743	(1)
Thermal South Africa	**1,222**	1,247	(2)
Prodeco	**653**	667	(2)
Cerrejón	**373**	514	(27)
Coal operating revenue	**5,746**	5,996	(4)
Coal other revenue			
Coking Australia	**211**	86	145
Thermal Australia	**350**	275	27
Thermal South Africa	**53**	93	(43)
Cerrejón	**-**	1	(100)
Coal other revenue (buy-in coal)	**614**	455	35
Coal total revenue			
Coking Australia	**982**	911	8
Thermal Australia	**3,077**	3,018	2
Thermal South Africa	**1,275**	1,340	(5)
Prodeco	**653**	667	(2)
Cerrejón	**373**	515	(28)
Coal total revenue	**6,360**	6,451	(1)
Oil	**588**	869	(32)
Energy products revenue – pro forma segmental measure	**6,948**	7,320	(5)
Impact of presenting joint ventures on an equity accounting basis	**(373)**	(515)	n.m.
Energy products revenue – reported measure	**6,575**	6,805	(3)
Adjusted EBITDA			
Coking Australia	**196**	295	(34)
Thermal Australia	**554**	934	(41)
Thermal South Africa	**372**	420	(11)
Prodeco	**133**	130	2
Cerrejón	**128**	246	(48)
Other coal	**-**	12	(100)
Total coal	**1,383**	2,037	(32)
Adjusted EBITDA margin	***22%***	32%	
Oil	**183**	253	(28)
Adjusted EBITDA margin	***31%***	29%	
Energy products Adjusted EBITDA – pro forma segmental measure	**1,566**	2,290	(32)
Adjusted EBITDA margin	***23%***	*31%*	
Impact of presenting joint ventures on an equity accounting basis	**(86)**	(106)	
Energy products Adjusted EBITDA – reported measure	**1,480**	2,184	(32)

US$ million	H1 2013	H1 2012	Change %
Adjusted EBIT			
Coking Australia	**117**	231	(49)
Thermal Australia	**91**	543	(83)
Thermal South Africa	**139**	226	(38)
Prodeco	**50**	52	(4)
Cerrejón	**48**	157	(69)
Other coal	**-**	12	(100)
Total coal	**445**	1,221	(64)
Oil	**136**	213	(36)
Energy products Adjusted EBIT – pro forma segmental measure	**581**	1,434	(59)
Impact of presenting joint ventures on an equity accounting basis	**(57)**	(43)	
Energy products Adjusted EBIT – reported measure	**524**	1,391	(62)

US$ million	H1 H1 2013	H1 H1 2012
Sustaining capex		
Australia (thermal and coking)	**202**	453
Thermal South Africa	**125**	95
Prodeco	**30**	3
Cerrejón[1]	**68**	30
Total sustaining capex – pro forma segmental measure	**425**	581
Impact of presenting joint ventures on an equity accounting basis	**(68)**	(30)
Total sustaining capex – reported measure	**357**	551
Expansion capex		
Australia (thermal and coking)	**624**	790
Thermal South Africa	**219**	152
Prodeco	**15**	156
Cerrejón[1]	**61**	42
Total coal	**919**	1,140
Oil	**597**	191
Total expansion capex – pro forma segmental measure	**1,516**	1,331
Impact of presenting joint ventures on an equity accounting basis	**(61)**	(42)
Total expansion capex – reported measure	**1,455**	1,289
Total capex		
Australia (thermal and coking)	**826**	1,243
Thermal South Africa	**344**	247
Prodeco	**45**	159
Cerrejón[1]	**129**	72
Total coal	**1,344**	1,721
Oil	**597**	191
Total capex – pro forma segmental measure	**1,941**	1,912
Impact of presenting joint ventures on an equity accounting basis	**(129)**	(72)
Total capex – reported measure	**1,812**	1,840

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

Pro forma production data

Coal assets

million MT [1]	Own	Buy-in Coal	H1 2013 Total	Own	Buy-in Coal	H1 2012 Total	Own production change %
Australian coking coal	**4.0**	**-**	**4.0**	3.3	-	3.3	21
Australian thermal coal (export)	**23.3**	**-**	**23.3**	19.8	-	19.8	18
Australian thermal coal (domestic)	**2.6**	**-**	**2.6**	2.6	-	2.6	-
Australian semi-soft coal	**2.3**	**-**	**2.3**	2.2	-	2.2	5
South African thermal coal (export)	**9.8**	**-**	**9.8**	10.7	-	10.7	(8)
South African thermal coal (domestic)	**11.7**	**0.8**	**12.5**	12.6	0.9	13.5	(7)
Prodeco (Colombia) thermal coal	**9.6**	**-**	**9.6**	7.9	0.1	8.0	22
Cerrejón (Colombia) thermal coal[2]	**4.5**	**-**	**4.5**	6.1	-	6.1	(26)
Total coal	**67.8**	**0.8**	**68.6**	65.2	1.0	66.2	4

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

Oil assets

thousand bbls	H1 2013 Total	H1 2012 Total	Change %
Oil[1]			
Block I	**9,942**	11,022	(10)
Total	**9,942**	11,022	(10)

1 On a 100% basis. The Group's ownership interest in the Aseng field, within Block I, is 23.75%.

OPERATIONAL HIGHLIGHTS

Coal Assets

Total own coal production was 67.8 million tonnes, a 4% increase over the comparable period, relating mainly to higher thermal coal production as key expansion projects in Australia and Prodeco delivered growth, partly offset by lower production at Cerrejón due to a strike.

Australia coking

Australian coking coal production increased 21% to 4 million tonnes, driven mainly by productivity improvements at Oaky Creek, combined with geology related issues which impacted production in H1 2012. Yield improvements at Tahmoor also contributed to the higher production in H1 2013.

Australia thermal and semi-soft

Australian thermal coal (including semi-soft) production was 28.2 million tonnes, an increase of 15%. The continued ramp up of the Ravensworth North, Rolleston and Ulan open-cut operations, together with the return to full scale production at South Blakefield in H1 2013 were the main reasons for the higher production.

South Africa thermal

South Africa thermal coal production was 21.5 million tonnes, an 8% reduction against the prior year period, representing lower production at Tweefontein and Impunzi, following the decision not to develop/process certain areas on account of softer coal prices, plus lower production at Koornfontein (Optimum) due to unfavourable geological conditions in some sectors.

Prodeco (Colombia)

In H1 2013 Prodeco's production increased by 22% to 9.6 million tonnes, in line with its planned expansion. The increased volumes and associated productivity resulted in a 12% reduction in unit FOB cash costs, also with significant contribution by the change from barge to direct loading. The new direct loading port (Puerto Nuevo) commenced loading in April 2013 and achieved an average loading rate of 1.6 million tonnes per month. The $550 million project was delivered on time and on budget.

Cerrejón (Colombia)

Cerrejón produced 4.5 million tonnes of coal, 26% below the prior year. The reduction mainly related to the 32 day strike that impacted production in Q1 2013. Following the restart of production, it has been broadly in line with the prior year period.

Oil E&P Assets

Equatorial Guinea

Block I - the Aseng field reached a milestone of 35 million barrels of oil produced and recently came off plateau, currently producing approximately 50 thousand barrels of oil per day (gross).

Block O - the Alen field commenced production at the end of the second quarter, significantly ahead of schedule, under the sanctioned budget cost of $1,370 million (gross development cost) and less than two and a half years from the time of approval. Commissioning efforts are underway with full operations expected by the end of the third quarter.

Cameroon

The first of two exploration / appraisal wells in the Matanda Block, offshore Cameroon, is underway, with final results of the first well expected in Q4 2013.

The 3-well Oak appraisal programme in the Bolongo Block, offshore Cameroon, is still on track to commence in H2 2013.

Chad

In June 2013, the Group completed the previously announced Farm-in Agreement (the "Agreement") with Caracal Energy Inc. ("Caracal", previously Griffiths Energy).

Under the terms of the Agreement, the Group acquired a 33.3% working interest in each of Caracal's three production sharing contracts in the Republic of Chad (the "PSCs"). In addition, the Group also acquired a 25% working interest in the Badila and Mangara oil field Exclusive Exploitation Authorizations (the "EXAs") with Caracal retaining a 50% working interest. Under the terms of a separate agreement between the Group and Société des Hydrocarbures du Tchad ("SHT"), the Group acquired a further 10% working interest in the EXAs, with SHT retaining the remaining 15%.

The three PSCs cover an area of 26,103 km^2 in southern Chad. The Badila oil field covers an area of approximately 29 km^2 and is located approximately 16 kilometres from an oil export pipeline. The Mangara oil field covers an area of approximately 71km^2 and is located approximately 111km from the same oil export pipeline.

Agricultural Products

Information in this section has been presented on the pro forma basis described in the Financial Review

US$ million	Marketing activities	Industrial activities	H1 2013	Marketing activities	Industrial activities	H1 2012
Revenue	**14,600**	**1,470**	**16,070**	8,041	1,405	9,446
Adjusted EBITDA	**123**	**3**	**126**	125	21	146
Adjusted EBIT	**15**	**(35)**	**(20)**	114	(11)	103
Adjusted EBITDA margin	***0.8%***	***0.2%***	***0.8%***	*1.6%*	*1.5%*	*1.5%*

Market conditions

Selected average commodity prices

	H1 2013	H1 2012	Change %
S&P GSCI Agriculture Index	**434**	426	2
CBOT wheat price (US¢/bu)	**716**	642	12
CBOT corn no.2 price (US¢/bu)	**688**	629	9
CBOT soya beans (US¢/bu)	**1,459**	1,350	8
ICE cotton price (US¢/lb)	**84**	87	(3)
NYMEX sugar # 11 price (US¢/lb)	**18**	23	(22)

Old crop grain and oilseed prices remained firm in H1 2013, as a consequence of the 2012 US production shortfall. Brazil and Ukraine emerged as large exporters of corn limiting the need for US exports.

Conversely, abundant South American crops and the prospect of record 2013 northern hemisphere production kept new crop prices in check and, towards the end of the period, as the crop outlook became more certain, new crop prices declined. Chinese wheat buying had little impact on the market in the face of large new crops. In the absence of any significant crop problems anywhere, stocks, whilst not overly burdensome, will be replenished and the market looks likely to be amply supplied in H2 2013.

The overall result has been a grain market which has been unprospective.

Highlights

Grain and oilseeds volumes grew considerably in H1 2013 as a result of the acquisition of Viterra. The integration of Viterra has proceeded relatively smoothly, with cost savings as anticipated and full integration and ramp up expected next year. The disposals to Richardson were completed in the period and the sale to Agrium awaits Canadian competition approval, which is expected in the third quarter.

Viterra's procurement business in Australia and Canada contributed in line with expectations. The significant crop reduction in South Australia in 2012 did impact H1 2013 results however. Generally, a lack of old crop carry charges and price volatility provided limited arbitrage opportunities. Our port joint venture in Taman (Russia) was idle for most of H1 2013, as the poor 2012 Russian grain crop was not export competitive. Oilseed and cotton results were satisfactory, but grain results were disappointing due to the lack of opportunities.

Marketing

Financial information

US$ million	H1 2013	H1 2012	Change %
Revenue	**14,600**	8,041	82
Adjusted EBITDA	**123**	125	(2)
Adjusted EBIT	**15**	114	(87)

Selected marketing volumes sold

million MT	H1 2013	H1 2012	Change %
Grains	**21.9**	14.6	50
Oil/oilseeds	**12.2**	6.8	79
Cotton	**0.2**	0.3	(33)
Sugar	**0.3**	0.2	50

Industrial activities

Financial information

US$ million	H1 2013	H1 2012	Change %
Revenue	**1,470**	1,405	5
Adjusted EBITDA	**3**	21	(86)
Adjusted EBIT	**(35)**	(11)	n.m.
Adjusted EBITDA margin	***0.2%***	*1.5%*	
Sustaining capex	**24**	47	
Expansionary capex	**70**	86	
Total capex	**94**	133	

Agricultural Products production data

thousand MT	H1 2013 Total	H1 2012 Total	Change %
Farming	**385**	327	18
Oilseed crushing	**1,548**	1,106	40
Oilseed crushing long term toll agreement	**289**	397	(27)
Biodiesel	**252**	260	(3)
Rice milling	**120**	126	(5)
Wheat milling	**555**	534	4
Sugarcane processing	**509**	251	103
Malt	**128**	-	n.m.
Pasta	**147**	-	n.m.
Total	**3,933**	3,001	31

OPERATIONAL HIGHLIGHTS

Rio Vermelho

As expected sugarcane crushing restarted in April 2013 following the intercrop season. Volumes crushed were 509,000 tonnes, 103% higher than the prior year due to added crushing capacity and cane availability as a result of the various investment programmes.

The ongoing expansion plan continues per schedule. The first phase of the cogeneration plant, eventually capable of supplying 55 megawatts of surplus capacity to the power grid at maturity of the project in 2015, will become operational during Q4 2013.

Viterra

The malt and pasta volumes relate to the recently acquired Viterra business. On 5 August 2013, the Group entered into an agreement to sell Joe White Maltings in Australia to Cargill Inc. The sale is subject to regulatory approvals and satisfaction of other customary closing conditions and is expected to close by the end of 2013.

Other

Oilseed crushing and biodiesel

Processed volumes increased substantially compared to H1 2012 due to the addition of new plants in Central Europe and Canada; however crush margins in the EU, Ukraine, Argentina and Canada were generally poor for most of the period. The new joint venture facility at Timbues did not commence production as anticipated due to a port issue which has only recently been resolved. Additionally in Argentina cost inflation, excess capacity and a lack of farmer selling pressured margins. Overcapacity in the EU biodiesel industry continues to impact margins although towards the end of period there were some signs of improvement.

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";
- 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 2013

Independent review report to Glencore Xstrata plc

We have been engaged by the company to review the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2013 which comprises the condensed consolidated statements of income, comprehensive income, financial position, cash flows and changes in equity and related notes 1 to 27. We have read the other information contained in the half-yearly 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-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly 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-yearly 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-yearly 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 set of financial statements in the half-yearly financial report for the six months ended 30 June 2013 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 2013

Condensed Consolidated Statement of Income

For the six months ended 30 June (unaudited)

US$ million	Notes	2013	2012 Restated[1]
Revenue		**112,035**	107,957
Cost of goods sold		**(109,977)**	(105,819)
Selling and administrative expenses		**(589)**	(478)
Share of income from associates and joint ventures	10	**208**	684
Loss on sale on investments – net	4	**(40)**	(157)
Other (expense)/income – net	5	**(10,021)**	447
Dividend income		**39**	12
Interest income		**190**	202
Interest expense		**(859)**	(653)
(Loss)/Income before income taxes		**(9,014)**	2,195
Income tax credit	7	**163**	152
(Loss)/Income for the period		**(8,851)**	2,347
Attributable (from)/to:			
Non-controlling interests		**69**	72
Equity holders		**(8,920)**	2,275
Loss/earnings per share			
Basic (US$)	15	**(0.99)**	0.33
Diluted (US$)	15	**(0.99)**	0.32

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of income for the six month period ended 30 June 2012.

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

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June (unaudited)

US$ million	Notes	2013	2012 Restated[1]
(Loss)/Income for the period		**(8,851)**	2,347
Other comprehensive income			
Items not to be reclassified to the statement of income in subsequent periods:			
Defined benefit plan actuarial gains, net of tax of $46 million		**155**	-
Net items not to be reclassified to the statement of income in subsequent periods		**155**	-
Items that are or may be reclassified to the statement of income in subsequent periods:			
Exchange loss on translation of foreign operations		**(906)**	(63)
Loss on cash flow hedges, net of tax of $29 million (2012: $3 million)		**(322)**	(32)
Loss on available for sale financial instruments		**-**	(71)
Share of other comprehensive (loss)/income from associates and joint ventures		**(15)**	115
Cash flow hedges transferred to the statement of income, net of tax of $5 million (2012: $9 million)		**11**	65
Net items that are or may be reclassified to the statement of income in subsequent periods		**(1,232)**	14
Other comprehensive (loss)/income		**(1,077)**	14
Total comprehensive (loss)/income		**(9,928)**	2,361
Attributable (from)/to:			
Non-controlling interests		**(26)**	48
Equity holders		**(9,902)**	2,313

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of comprehensive income for the six month period ended 30 June 2012.

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

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Condensed Consolidated Statement of Financial Position

As at 30 June 2013 and 31 December 2012

US$ million	Notes	2013 (unaudited)	2012 (audited) Restated[1]
Assets			
Non-current assets			
Property, plant and equipment	8	**67,532**	23,238
Intangible assets	9	**9,344**	2,664
Investments in associates and joint ventures	10	**12,702**	18,767
Other investments	10	**1,154**	1,589
Advances and loans		**6,323**	3,758
Deferred tax assets		**2,554**	1,462
		99,609	51,478
Current assets			
Inventories	11	**21,384**	20,682
Accounts receivable	12	**25,922**	24,882
Other financial assets	23	**4,343**	2,650
Prepaid expenses and other assets		**548**	235
Marketable securities		**28**	38
Cash and cash equivalents		**3,525**	2,782
		55,750	51,269
Assets held for sale	13	**563**	2,790
		56,313	54,059
Total assets		**155,922**	105,537

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of financial position as at 31 December 2012.

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

Condensed Consolidated Statement of Financial Position
As at 30 June 2013 and 31 December 2012

US$ million	Notes	2013 (unaudited)	2012 (audited) Restated[1]
Capital and reserves – attributable to equity holders			
Share capital	14	133	71
Reserves and (deficit)/retained earnings		49,238	31,068
		49,371	31,139
Non-controlling interests		4,102	3,034
Total equity		53,473	34,173
Non-current liabilities			
Borrowings	18	38,126	19,028
Deferred income	19	1,316	601
Deferred tax liabilities		6,778	2,906
Provisions	20	9,354	1,680
		55,574	24,215
Current liabilities			
Borrowings	18	14,673	16,498
Viterra asset acquirer loans	13	797	2,580
Accounts payable	21	26,134	23,501
Deferred income	19	138	116
Provisions		134	62
Other financial liabilities	23	4,095	3,388
Income tax payable		399	257
		46,370	46,402
Liabilities held for sale	13	505	747
		46,875	47,149
Total equity and liabilities		155,922	105,537

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of financial position as at 31 December 2012.

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

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June (unaudited)

US$ million	Notes	2013	2012 Restated[1]
Operating activities			
(Loss)/income before income taxes		**(9,014)**	2,195
Adjustments for:			
Depreciation and amortisation		**1,483**	691
Share of income from associates and joint ventures	10	**(208)**	(684)
Decrease in non-current provisions		**(31)**	(33)
Loss on sale of investments – net	4	**40**	157
Unrealised mark to market movements on other investments		**568**	(9)
Impairments and other non-cash items – net		**9,405**	(394)
Interest expense – net		**669**	451
Cash generated by operating activities before working capital changes		**2,912**	2,374
Working capital changes			
Decrease/(increase) in accounts receivable[2]		**124**	(1,264)
Decrease in inventories		**5,366**	1,376
(Decrease)/increase in accounts payable[3]		**(568)**	598
Total working capital changes		**4,922**	710
Income tax paid		**(378)**	(188)
Interest received		**44**	48
Interest paid		**(902)**	(609)
Net cash generated by operating activities		**6,598**	2,335
Investing activities			
Payments of non-current advances and loans		**(971)**	(227)
Acquisition of subsidiaries, net of cash acquired	22	**1,477**	(1,058)
Purchase of investments		**(143)**	(199)
Proceeds from sale of investments		**33**	7
Purchase of property, plant and equipment	8	**(3,345)**	(1,489)
Proceeds from sale of property, plant and equipment		**94**	125
Dividends received from associates and joint ventures		**38**	305
Net cash used by investing activities		**(2,817)**	(2,536)

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of cash flows for the six month period ended 2012.

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

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

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

Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June (unaudited)

US$ million	Notes	2013	2012 Restated[1]
Financing Activities[2]			
Proceeds from issuance of capital market notes		**4,974**	2,149
(Repayment of)/proceeds from other non-current borrowings		**(252)**	84
Margin payments in respect of financing related hedging activities		**(168)**	(292)
Repayment of current borrowings		**(5,968)**	(443)
Acquisition of additional interest in subsidiaries		**(7)**	(172)
Disposal of interest in subsidiary		-	45
Payment of profit participation certificates		**(229)**	(291)
Dividend paid to equity holders of the parent	16	**(1,355)**	(692)
Dividend paid to non-controlling interests		**(29)**	-
Net purchase of own shares		**(4)**	-
Net cash (used by)/generated by financing activities		**(3,038)**	388
Increase in cash and cash equivalents		**743**	187
Cash and cash equivalents, beginning of period		**2,782**	1,305
Cash and cash equivalents, end of period		**3,525**	1,492

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and therefore do not correspond to the condensed consolidated statement of cash flows for the six month period ended 2012.

2 Presented net of directly attributable issuance costs where applicable.

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

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Condensed Consolidated Statement of Changes in Equity

For the six months ended (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
At 1 January 2012	4,039	26,797	(1,640)	-	29,196	69	29,265	3,070	32,335
Impact of adoption of IAS 19[2]	**(117)**	**-**	**-**	**-**	**(117)**	**-**	**(117)**	**-**	**(117)**
At 1 January 2012 (Restated[1])	**3,922**	**26,797**	**(1,640)**	**-**	**29,079**	**69**	**29,148**	**3,070**	**32,218**
Income for the period	2,275	-	-	-	2,275	-	2,275	72	2,347
Other comprehensive income	115	-	(77)	-	38	-	38	(24)	14
Total comprehensive income	2,390	-	(77)	-	2,313	-	2,313	48	2,361
Equity settled share-based payments	23	-	-	-	23	-	23	-	23
Change in ownership interest in subsidiaries	-	-	79	-	79	-	79	(102)	(23)
Put option relating to additional interest in subsidiary	-	-	-	-	-	-	-	(419)	(419)
Acquisition of subsidiaries	-	-	-	-	-	-	-	1,263	1,263
Dividends paid[4]	-	(692)	-	-	(692)	-	(692)	-	(692)
At 30 June 2012	6,335	26,105	(1,638)	-	30,802	69	30,871	3,860	34,731
At 1 January 2013	5,375	26,688	(868)	-	31,195	71	31,266	3,034	34,300
Impact of adoption of IAS 19[2]	**(127)**	**-**	**-**	**-**	(127)	-	(127)	-	(127)
At 1 January 2013 (Restated[1])	**5,248**	**26,688**	**(868)**	**-**	**31,068**	**71**	**31,139**	**3,034**	**34,173**
Income for the period	(8,920)	-	-	-	(8,920)	-	(8,920)	69	(8,851)
Other comprehensive income	140	-	(1,122)	-	(982)	-	(982)	(95)	(1,077)
Total comprehensive income	**(8,780)**	**-**	**(1,122)**	**-**	**(9,902)**	**-**	**(9,902)**	**(26)**	**(9,928)**
Issue of share capital[3, 5]	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 payments	23	-	-	-	23	-	23	-	23
Change in ownership interest in subsidiaries	-	-	(7)	-	(7)	-	(7)	-	(7)
Acquisition of subsidiaries[3]	-	-	-	-	-	-	-	1,123	1,123
Dividends paid[4]	-	(1,355)	-	-	(1,355)	-	(1,355)	(29)	(1,384)
At 30 June 2013	**(3,370)**	**55,406**	**(1,997)**	**(801)**	**49,238**	**133**	**49,371**	**4,102**	**53,473**

1 Certain amounts shown here reflect the adoption of new and revised standards as detailed in note 2 and do not correspond to the condensed consolidated statement of changes in equity as at 31 December 2012.

2 See note 17.

3 See note 22.

4 See note 16.

5 See note 14.

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

Notes to the unaudited condensed interim consolidated financial statements

For the six months ended (unaudited)

1. General information

The Glencore Group (Glencore) is a leading integrated marketer and producer of natural resources, with worldwide activities in the marketing of metals and minerals, energy products and agricultural products and the production, refinement, processing, storage and transport of these 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. Glencore’s long experience as a commodity 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. Glencore’s marketing activities are supported by investments in industrial assets operating in Glencore’s core commodities.

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

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 $29.6 billion. See note 22.

These unaudited condensed interim consolidated financial statements for the six months ended 30 June 2013 were authorised for issue in accordance with a resolution of the directors on 19 August 2013.

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 Financial Reporting 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 2013. These unaudited condensed interim consolidated financial statements should be read in conjunction with the financial statements and the notes thereto included in the audited 2012 Annual Report of Glencore International plc and subsidiaries (2012 Annual Report) available at www.glencorexstrata.com. These financial statements for the six months ended 30 June 2013 and 2012, and financial information for the year ended 31 December 2012 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 2013 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 11 of the Financial Review.

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

Significant accounting policies

These unaudited condensed interim consolidated financial statements are prepared using the same accounting policies as applied in the audited 2012 Annual Report, except for the adoption of the following new standards, amendments to existing standards and interpretations as of 1 January 2013:

- IFRS 10 – Consolidated Financial Statements ("IFRS 10")
- IFRS 11 – Joint Arrangements ("IFRS 11")
- IFRS 12 – Disclosure of Interest in Other Entities ("IFRS 12")
- IFRS 13 – Fair Value Measurement ("IFRS 13")
- IAS 19 – Employee Benefits (2011) ("IAS 19")
- IAS 27 – Separate Financial Statements (2011) ("IAS 27")
- IAS 28 – Investment in Associates and Joint Ventures ("IAS 28")
- Amendments to IAS 1 – Presentation of Items of Other Comprehensive Income ("Amendments to IAS 1")
- Amendments to IFRS 7 – Disclosures – Offsetting Financial Assets and Financial Liabilities ("IFRS 7")
- IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

IFRS 10, 11, 12, IAS 1, 19, 27, 28 and IFRIC 20 required retrospective application and impacted the historical presentation as described below. The adoption of IFRS 13 resulted in additional disclosures in the interim financial statements in connection with financial instruments consistent with certain of the disclosures which previously were only included in the annual financial statements (see note 23). The Amendments to IFRS 7 will not impact accounting balances however they require additional disclosure in connection with assets and liabilities which are offset under master netting agreements. These additional IFRS 7 disclosures will be included in the annual financial statements as they are not required under IAS 34.

IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 (the "Consolidation Standards")

IFRS 10 provides a single basis for consolidation with a new definition of control based on having the power to direct the relevant activities of the investee. IFRS 11 impacts the accounting for joint arrangements, defined as investments or arrangements which are subject to joint control through contractually agreed sharing of control between two or more parties. A joint arrangement is classified as either a joint operation or a joint venture, and the option to proportionately consolidate joint ventures has been removed requiring them to be accounted for under the equity method whilst joint operations are accounted for using the proportionate consolidation method. This is consistent with historical Glencore policy under which investments in jointly controlled entities were accounted for using the equity method. IFRS 12 combines the disclosure requirements previously covered by existing standards and includes additional disclosure requirements in connection with consolidated entities with non-controlling interests (i.e. not 100% owned by the Group) and joint arrangements. These additional disclosures will be included in the annual financial statements as they are not required under IAS 34.

There were no changes in the accounting previously applied to the Glencore subsidiaries, investments and joint arrangements as a result of the adoption of the Consolidation Standards.

Amendments to IAS 1

The amendments to IAS 1 do not impact Glencore's financial statement balances however they impact the presentation within the Statement of Comprehensive Income as Glencore is now required to classify components of other comprehensive income based on whether they are or may eventually be recycled into income (e.g. currency translation and cash flow hedging adjustments) versus those items that will never be recycled into income (e.g. actuarial gains and losses on pension plans). Glencore applied the standard retrospectively with effect from 1 January 2012 in accordance with the transitional provisions in the Statement of Comprehensive Income included in the interim financial statements.

IAS 19

IAS 19 requires all actuarial gains and losses to be recognised immediately in other comprehensive income (which differs from Glencore's previous policy which applied the corridor method) and requires the expected return on plan assets (recognised in the statement of income) to be calculated based on the rate used to discount the defined benefit obligations. Glencore applied the standard retrospectively in accordance with the transitional provisions and as a result recognised $164 million of previously unrecognised actuarial losses as at 1 January 2012 ($176 million at 1 January 2013), increasing the post retirement benefits provision with a corresponding adjustment to shareholders' equity with an associated deferred tax impact (see note 17).

Significant accounting policies continued

IFRIC 20

IFRIC 20 provides a model for accounting for costs associated with the removal of waste during the production phase of a surface (open pit) mine, including guidance on the apportionment of the costs incurred for obtaining a current and future benefit and how capitalised costs are to be depreciated.

The Group operates open pit mines at a number of its existing operations. Upon adoption of IFRIC 20, there were no significant changes in the balances previously recognised.

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 Glencore are primarily derived from 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 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 comprise the following underlying key commodities:

- Metals and minerals: zinc, copper, lead, alumina, aluminium, ferroalloys, nickel, cobalt and iron ore, including mining, smelting, refining, 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 -production operations, ports, vessels and storage facilities;
- Agriculture 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: statement of income amounts represent Glencore's share of income related to Xstrata (prior to the date of acquisition) and other unallocated Group related expenses (mainly variable pool bonus accrual). 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 the summary of significant accounting policies with the exception of certain associates and joint ventures. Under IFRS 11 (see note 2), 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%) is considered to be a joint venture. Associates and joint ventures are required to and have been accounted for in the statutory accounts under the equity method. For internal reporting and analysis purposes, 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 are reconciled to Glencore's statutory disclosures as outlined in the following tables.

Glencore accounts for inter-segment sales and transfers where applicable as if the sales or transfers were to third parties, i.e. at arm's length commercial terms.

Six months ended 30 June 2013

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue from third parties	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[1]	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[2]					
Other expense – net[3]					**(10,021)**
Share of associates' exceptional items[4]					**(51)**
Mark to market loss on certain aluminium positions[5]					**(95)**
Unrealised intergroup profit elimination adjustments[6]					**(146)**
Loss on sale of investments					**(40)**
Interest expense – net					**(669)**
Income tax credit[7]					**105**
Loss for the period					**(8,851)**
Total assets (as at 30 June 2013)	74,755	52,216	11,943	17,008	**155,922**
Capital expenditure (30 June 2013)[8]	2,164	1,141	95	-	**3,400**

1 Includes an adjustment of $88 million (2012 - $Nil) related to depreciation and amortisation expenses associated with presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $78 million, Energy products segment $10 million, Agricultural products segment $Nil and Corporate and other $Nil, see table below.

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 5.

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

5 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.

6 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.

7 Includes an adjustment of $58 million (2012 - $Nil) related to income tax expenses associated with presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $29 million, Energy products segment $29 million, Agricultural products segment $Nil and Corporate and other $Nil, see table below.

8 Includes an adjustment of $160 million (2012 - $Nil) related to capital expenditure associated with presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $104 million, Energy products segment $56 million, Agricultural products segment $Nil and Corporate and other $Nil, see table below.

Six months ended 30 June 2012

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue from third parties	30,034	68,477	9,446	-	**107,957**
Marketing activities					
Adjusted EBIT	688	350	114	(37)	**1,115**
Depreciation and amortisation	10	22	11	-	**43**
Adjusted EBITDA	698	372	125	(37)	**1,158**
Industrial activities					
Adjusted EBIT	399	345	(11)	660	**1,393**
Depreciation and amortisation	433	183	32	-	**648**
Adjusted EBITDA	832	528	21	660	**2,041**
Total adjusted EBITDA	1,530	900	146	623	**3,199**
Depreciation and amortisation	(443)	(205)	(43)	-	**(691)**
Total adjusted EBIT	1,087	695	103	623	**2,508**
Significant items[1]					
Other income – net[2]					**447**
Share of associates exceptional items[3]					**(87)**
Mark to market loss on certain natural gas contracts[4]					**(65)**
Loss on sale of investments					**(157)**
Interest expense – net					**(451)**
Income tax credit					**152**
Income for the period					**2,347**
Total assets (30 June 2012)	36,847	30,095	7,265	19,458	**93,665**
Capital expenditure (30 June 2012)	752	542	133	-	**1,427**

1 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.

2 See note 5.

3 Share of associates' exceptional items comprise Glencore's share of exceptional charges booked directly by Xstrata relating mainly to various impairment charges impacted by the challenging market environments and costs incurred by Xstrata in connection with the proposed merger with Glencore.

4 Represents movements in fair value of certain fixed price forward natural gas purchase contracts entered into to hedge the price risk of this cost exposure in our alumina production activities. These contracts were initially concluded in 2008 with mark to market movements accounted for in equity (cash flow hedge reserves). Consistent with Glencore's current policy not to hedge future operating expenditures there are no such contracts covering periods beyond 2012.

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 from third parties	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 from third parties - 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. Loss on sale of investments – net

US$ million	**H1 2013**	H1 2012
Loss on sale of investments in associates	**(40)**	(121)
Other	**-**	(36)
Total	**(40)**	(157)

The net loss on sale of investments in 2013 and 2012 comprised primarily an accounting dilution loss following Xstrata's share issuances in April 2013 and March 2012, which saw Glencore's effective ownership reduce.

5. Other (expense)/income – net

US$ million	Notes	**H1 2013**	H1 2012
Changes in mark to market valuations on investments held for trading – net		**(244)**	9
Changes in mark to market valuation of certain coal forward contracts[1]		**57**	169
Viterra acquisition related income/(expense)		**6**	(29)
Revaluation of previously held interests in newly acquired businesses		**(1,160)**	497
Impairments	6	**(8,473)**	(100)
Phantom equity awards granted on listing		**-**	(33)
Foreign exchange (loss)		**(75)**	(18)
Xstrata acquisition related expenses		**(131)**	(5)
Other		**(1)**	(43)
Total		**(10,021)**	447

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

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, 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 Blackthorn Resources Ltd, Volcan Compania Minera S.A.A. and Nyrstar N.V. accounting for the majority of the movement in 2013 and 2012.

Changes in mark to market valuation of certain coal forward contracts

Represents movements in fair value of certain fixed price forward coal sales contracts relating to Prodeco's future production, into which it plans 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 period end, approximately 1.5 million tonnes (2012: 4.6 million tonnes) of such coal had been sold forward at a fixed price in respect of quarterly periods to the end of 2013.

Net Viterra related acquisition income/(expense)

H1 2013 income of $6 million primarily includes $49 million relating to final sales adjustments of a previous Viterra acquisition and $43 million of professional/advisors' fees and restructuring expenses.

H1 2012 expenses represent movements in fair value of CAD2.7 billion fixed price forward foreign currency purchase contracts entered into in 2012 to hedge the acquisition price foreign currency risk associated with the Viterra acquisition (see note 22).

Revaluation of previously held interests in newly acquired businesses

In May 2013, Glencore completed the acquisition of the additional 66% interest in Xstrata it did not previously own (see note 22). 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 and as a result, a $1,160 million loss was recognized.

In March 2012, Glencore purchased an additional 31.8% interest in Optimum Coal Holdings Limited (Optimum) and in April 2012, acquired an additional 20% interest in Mutanda Group (Mutanda). At the date of the acquisitions, the previously owned interests were revalued to their fair value and as a result, a $20 million loss and $517 million gain, respectively, were recognised.

Xstrata acquisition related expenses

Expenses incurred in connection with the acquisition of Xstrata (see note 22), 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.

6. Impairments

US$ million	H1 2013	H1 2012
Xstrata acquisition goodwill impairment	(7,658)	-
Available for sale investments	(324)	-
Property, plant and equipment	(491)	(100)
Total[1]	(8,473)	(100)

1 Impairments recognized during the period ended 30 June 2013 are allocated to Glencore's operating segments as follows: Metals and minerals $5,909 million (2012 - $55 million), Energy products $2,564 (2012 - $Nil) and Agricultural products $Nil (2012 - $45 million).

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 22), Glencore provisionally recognised goodwill of $12.7 billion of which $5.0 billion was allocated to the metals and coal marketing cash generating units ("CGUs") and $7,658 million was provisionally allocated to the Xstrata mining operations CGUs.

The goodwill allocated to the metals 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 $7,658 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 the assets and liabilities of the Xstrata mining operations are currently recorded at fair value (including reserves and resources and expected operational synergies) following 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 provisional purchase price allocation process (see note 22) and determined that the allocated goodwill was impaired and therefore recorded an impairment charge at acquisition of $7,658 million.

The key circumstances that led to the impairment are:

- 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 costs to sell determined in accordance with IFRS 13 and was primarily based on discounted cash flow techniques using, where possible, market based forecasts and assumptions.

Based on year to date marketing results, Glencore has not identified any indicators of impairment related to the goodwill allocated to the metals and coal marketing operations.

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). As a result of the challenging macro-economic environment impacting the global aluminium market, in December 2012, it was determined that previously recognized negative fair value adjustments were of a prolonged nature and thus were reclassified from OCI to the statement of income. As at 30 June 2013, UC Rusal's share price was below the 31 December 2012 price and as required under IAS 39 such fair value movements are to be accounted for in the statement of income rather than OCI (see note 10).

Property, plant and equipment

During the regular assessment of whether there is an indication of asset impairment or whether a previously recorded impairment may no longer be required, 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 costs to sell, determined by discounted cash flow techniques using, where possible, market forecasts and assumptions.

7. Income taxes

Income taxes consist of the following:

US$ million	H1 2013	H1 2012
Current income tax expense	(220)	(248)
Deferred income tax credit	383	400
Total tax credit	**163**	152

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 2013	H1 2012
(Loss)/Income before income taxes and attribution	**(9,014)**	2,195
Less: share of income from associates and joint ventures	(208)	(684)
Parent company's and subsidiaries' (loss)/income before income tax and attribution	**(9,222)**	1,511
Income tax recovery/(expense) calculated at the Swiss income tax rate	1,383	(227)
Effect of different tax rates from the standard Swiss income tax rate	192	(47)
Tax effect of non-deductible Xstrata related revaluation and goodwill impairment charges	(1,323)	-
Tax exempt income, net of non-deductible expenses and other permanent differences	(18)	123
Tax implications of restructurings, including deductions/losses triggered[1]	-	425
Effect of available tax losses not recognised, and other changes in the valuation of deferred tax assets	(71)	(122)
Income tax credit	**163**	152

1 In 2012, Glencore restructured its ownership interest in Xstrata which crystallised income tax deductions/losses that can be carried forward and applied against future taxable income.

8. Property, plant and equipment

US$ million	Notes	Land and buildings	Plant and equipment	Mineral and petroleum rights	Deferred mining costs	Total
Net book value:						
1 January 2013		2,212	12,934	7,497	595	23,238
Business combination	22	1,649	27,558	14,321	669	44,197
Additions		189	2,514	497	145	3,345
Disposals		(8)	(63)	(3)	-	(74)
Depreciation		(40)	(959)	(363)	(72)	(1,434)
Impairments	6	(5)	(314)	(31)	(141)	(491)
Effect of foreign currency exchange movements		(92)	(548)	(542)	(8)	(1,190)
Other movements		(37)	8	(158)	128	(59)
Net book value 30 June 2013		**3,868**	**41,130**	**21,218**	**1,316**	**67,532**

During the period ended 30 June 2012, Glencore added property, plant and equipment with a cost of $1,406 million and disposed of property, plant and equipment with a net book value of $231 million.

9. Intangible assets

US$ million	Notes	Port allocation rights	Goodwill	Other	Total
Net book value:					
1 January 2013		1,085	1,420	159	2,664
Business combination	22	1,882	12,580	319	14,781
Amortisation expense		(18)	-	(31)	(49)
Impairment	6	-	(7,658)	-	(7,658)
Effect of foreign exchange differences		(319)	(63)	(12)	(394)
Net book value 30 June 2013		**2,630**	**6,279**	**435**	**9,344**

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 acquisition 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.

Goodwill

The carrying amount of goodwill has been allocated to cash generating units (CGUs), or groups of CGUs as follows:

US$ million	2013	2012
Grain marketing business	**1,110**	1,251
Metals and minerals marketing businesses	**3,326**	-
Coal marketing business	**1,674**	-
Metals warehousing business	**133**	133
Other	**36**	36
Total	**6,279**	1,420

Metals and coal marketing business

Goodwill of $12,658 million was provisionally recognised in connection with the acquisition of Xstrata, see note 22, and allocated to the metals and coal marketing CGUs and the Xstrata mining operations CGUs on a basis consistent with the expected benefits arising from the business combination. The metals and coal marketing synergies were fair valued at $5.0 billion based on the annual synergies expected to accrue to the respective marketing departments as a result of increased volumes, blending opportunities and freight and logistics arbitrage opportunities. The residual balance of the goodwill ($7.7 billion) was allocated to the acquired mining operations of Xstrata and subsequently impaired (see note 6).

Grain marketing business

Goodwill of $1,110 million (net of $63 million foreign exchange movement) has been recognised as part of the acquisition of Viterra, see note 22. The goodwill is primarily related to the Viterra grain marketing and merchandising business and is substantively attributable to synergies which are expected to arise in conjunction with the grain marketing division's increased geographic coverage and scale of activities.

Metals warehousing / Other

Other intangible assets consist primarily of trademarks, licences, software and future warehousing fees. As part of the business acquisition, intangibles related to internally developed technology and patents ($108 million) and other favourable contracts ($145 million) were recognized, all of which are being amortised over the expected useful life and returns.

10. Investments in associates and joint ventures and other investments

Investments in associates and joint ventures

US$ million	Notes	2013	2012
1 January		**18,767**	18,858
(Loss)/gain on revaluation of previously held interest on acquisition	5	**(1,160)**	497
Transfer of previous equity accounted investments to subsidiary	22	**(15,142)**	(1,274)
Assumed in business combination[1]	22	**10,108**	-
Additions		**19**	274
Share of income from associates and joint ventures		**208**	684
Dividends received		**(38)**	(305)
Other		**(59)**	(9)
At 30 June		**12,702**	18,725

1 Comprises primarily investments in Cerrejón Coal mine, Antamina Copper/Zinc mine, Collahuasi Copper mine and Lonmin plc.

Other investments

US$ million	as at 30.06.2013	as at 31.12.2012
Available for sale		
United Company Rusal	**516**	840
	516	840
Fair value through profit and loss		
Volcan Compania Minera S.A.A.	**273**	410
Nyrstar N.V.	**-**	78
Century Aluminum Company cash settled equity swaps	**85**	80
Jurong Aromatics Corporation Pte Ltd	**55**	55
Other	**225**	126
	638	749
Other investments	**1,154**	1,589

11. Inventories

US$ million	as at 30.06.2013	as at 31.12.2012
Production inventories	**6,784**	3,153
Marketing inventories	**14,600**	17,529
Total	**21,384**	20,682

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 $14,401 million (2012: $16,027 million) are carried at fair value less costs to sell.

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 18). As at 30 June 2013, the total amount of inventory secured under such facilities was $2,128 million (2012: $2,946 million). The proceeds received and recognised as current borrowings (see note 18) were $1,739 million (2012: $2,248 million).

12. Accounts receivable

US$ million	as at 30.06.2013	as at 31.12.2012
Trade receivables	**18,849**	18,386
Trade advances and deposits	**3,456**	3,270
Associated companies	**485**	1,031
Other receivables	**3,132**	2,195
Total	**25,922**	24,882

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 18). As at 30 June 2013, the total amount of trade receivables secured was $3,981 million (2012: $4,398 million) and proceeds received and classified as current borrowings amounted to $3,131 million (2012: $3,146 million).

13. Assets and liabilities held for sale

As part of Glencore's acquisition of Viterra (see note 22), Glencore entered into agreements with Agrium Inc (Agrium) and Richardson International Limited (Richardson) which provide for the 'back-to-back' sale of certain operations of Viterra. Upon acquisition of Viterra, in December 2012, Agrium and Richardson advanced the agreed consideration for these operations amounting to CAD1,775 million ($1,781 million) and CAD796 million ($797 million) respectively (the Asset Acquirer Loans). Upon subsequent closing of these divestitures, the relevant net assets are transferred to Agrium and Richardson in satisfaction of the Asset Acquirer Loans advanced.

During the period, Glencore completed the sale to Richardson of various entities and assets of the Viterra group together with an amount of net working capital in accordance with the provisions of the purchase agreement, reducing the asset acquirer loan by CAD677 million ($688 million).

In addition, the sale of a minority interest in a nitrogen facility located in Medicine Hat, Alberta to CF Industries (as nominated by Agrium) was completed, reducing the asset acquirer loans provided by Agrium by CAD995 million ($1,011 million).

Following these agreed disposals, assets of $563 million (31 December 2012: $2,790 million) and liabilities of $505 million (31 December 2012: $747 million) as at 30 June 2013, remain classified as held for sale.

14. Share capital and reserves

	Number of shares (thousand)	Share capital (US$ million)	Share premium (US$ million)
Authorised:			
30 June 2013 Ordinary shares with a par value of $0.01 each	50,000,000		
Issued and fully paid up:	6,922,714	69	26,797
1 January 2012 – Ordinary shares			
Dividends paid	-	-	(692)
30 June 2012 – Ordinary shares	**6,922,714**	**69**	**26,105**
11 October 2012 – Ordinary shares issued on acquisition of 18.91% interest in Kazzinc	176,742	2	957
Dividends paid	-	-	(374)
31 December 2012 – Ordinary shares	**7,099,456**	**71**	**26,688**
2 May 2013 – Ordinary shares issued on acquisition of Xstrata	6,163,949	62	30,073
Dividends paid	-	-	(1,355)
30 June 2013 – Ordinary shares	**13,263,405**	**133**	**55,406**

	Number of shares (thousand)	US$ million
Own shares:		
1 January 2013, 30 June and 31 December 2012	-	-
Own shares assumed on acquisition of Xstrata	212,744	(1,041)
Own shares purchased during the period	3,000	(13)
Own shares disposed during the period	(51,921)	253
30 June 2013	**163,823**	**(801)**

Ordinary shares issued on acquisition of Xstrata

On 2 May 2013, Glencore completed its acquisition of the remaining 66% of the issued and outstanding equity of Xstrata (see note 22) that the Group did not previously own, through the issuance of 6,163,949,435 new ordinary shares of the Company, of which 212,743,594 shares were issued to the Orbis Trust to satisfy the potential future settlement of certain stock and option awards held by Xstrata employees.

Own shares

Own shares comprise shares of Glencore Xstrata 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. The Trust 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 2013, 163,822,909 shares, equivalent to 1.2% of the issued share capital were held at a cost of $801 million and market value of $678 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 2013	H1 2012
(Loss)/profit attributable to equity holders for basic earnings per share	**(8,920)**	2,275
Interest in respect of Convertible bonds	**-**	67
(Loss)/profit attributable to equity holders for diluted earnings per share	**(8,920)**	2,342
Weighted average number of shares for the purposes of basic earnings per share (thousand)	**9,051,197**	6,922,714
Effect of dilution:		
Equity settled share-based payments	**-**	21,980
Convertible bonds	**-**	413,609
Weighted average number of shares for the purposes of diluted earnings per share (thousand)	**9,051,197**	7,358,303
Basic (loss)/earnings per share (US$)	**(0.99)**	0.33
Diluted (loss)/earnings per share (US$)[1]	**(0.99)**	0.32

As Glencore incurred a loss for the six months ended 30 June 2013, 30,325,000 ordinary shares issuable under equity settled share-based payments and 426,083,664 ordinary shares issuable under convertible bonds are anti-dilutive and have been excluded from the diluted earnings per share calculation. In 2012, the convertible bonds have been anti-dilutive and therefore have been excluded from the diluted earnings per share calculation.

16. Dividends

An interim 2013 dividend of $0.054 per share was declared by the board of directors on 19 August 2013 (2012: $0.054 per share) and is payable on 12 September 2013, based on a record date of 31 August 2013. This interim dividend, amounting to $707 million (2012: $374 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 2013. The 2012 final dividend of $0.1035 per share, amounting to $1,355 million was paid on 7 June 2013.

17. Employee benefits

On 1 January 2013, Glencore applied the amendments to IAS 19, retrospectively from 1 January 2012. The amendments require all actuarial gains and losses to be recognised immediately in other comprehensive income and the expected return on plan assets (recognised in the statement of income) to be calculated based on the rate used to discount the defined benefit obligations. As a result, Glencore recognised $164 million of unrecognised actuarial losses as at 1 January 2012, increasing the post retirement benefits provision with a corresponding adjustment to shareholders' equity and associated deferred tax impact. In the first half of 2012, the impact of these restatements is an additional income of $7 million before tax ($5 million after tax), offset by a corresponding adjustment of the actuarial losses recognized in comprehensive income. The adoption had an immaterial impact on the statement of cash flows and basic and diluted earnings per share.

Impact on condensed interim consolidated statement of financial position due to change of IAS 19:

US$ million	Post retirement benefit provision	Deferred tax liability	Retained earnings
Balance as reported at 1 January 2012	**61**	1,399	4,039
Effect of amendments to IAS 19	**164**	(47)	(117)
Restated balance at 1 January 2012	**225**	1,352	3,922

US$ million	Post retirement benefit provision	Deferred tax liability	Retained earnings
Balance as reported at 31 December 2012	**93**	2,955	5,375
Effect of amendments to IAS 19	**176**	(49)	(127)
Restated balance at 31 December 2012	**269**	2,906	5,248

18. Borrowings

US$ million	Notes	as at 30.06.2013	as at 31.12.2012
Non-current borrowings			
Convertible bonds		**2,182**	2,172
Capital market notes		**29,376**	9,418
Ordinary profit participation certificates		**103**	332
Committed syndicated revolving credit facility		**4,902**	5,881
Finance lease obligations		**366**	233
Other bank loans		**1,197**	992
Total non-current borrowings		**38,126**	19,028
Current borrowings			
Committed secured inventory/receivables facilities	11/12	**3,776**	3,702
Uncommitted secured inventory/receivables facilities	11/12	**1,094**	1,692
U.S. commercial paper		**2,353**	726
Xstrata secured bank loans		**-**	2,696
Capital market notes		**2,037**	1,061
Ordinary profit participation certificates		**422**	418
Finance lease obligations		**58**	48
Other bank loans[1]		**4,933**	6,155
Total current borrowings		**14,673**	16,498

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

Xstrata secured bank loans

In April 2013, the Xstrata secured bank loans were repaid.

Committed syndicated revolving credit facility

In June 2013 Glencore signed new committed revolving credit facilities totalling $17,340 million, which extended and increased previous revolving credit facilities. The facilities comprise a $5,920 million 12 month revolving credit facility with a borrower's 12 month term-out option and a 12 month extension option, a $7,070 million 3 year facility with two 12 month extension options and a $4,350 million 5 year facility.

Capital Market Notes

	Maturity	as at 30.06.2013	as at 31.12.2012
Euro 750 million 7.125% coupon bonds	Apr 2015	976	982
Euro 600 million 6.25% coupon bonds	May 2015	833	-
Euro 1,250 million 1.5% coupon bonds	May 2016	1,619	-
Euro 1,250 million 5.250% coupon bonds	Mar 2017	1,621	1,648
Euro 500 million 5.250%, coupon bonds	Jun 2017	754	-
Euro 1,250 million 4.125% coupon bonds	Apr 2018	1,616	1,626
Euro 1,000 million 2.380% coupon bonds	Nov 2018	1,336	-
Eurobonds		**8,755**	4,256
GBP 650 million 6.500% coupon bonds	Feb 2019	978	1,045
GBP 500 million 7.375% coupon bonds	May 2020	864	-
GBP 500 million 5.500% coupon bonds	Apr 2022	783	837
Sterling bonds		**2,625**	1,882
CHF 825 million 3.625% coupon bonds	Apr 2016	873	903
CHF 450 million 2.625% coupon bonds	Dec 2018	475	489
Swiss Franc bonds		**1,348**	1,392
CAD 200 million 7.45% coupon bonds	Feb 2021	190	192
US$ 950 million 6% coupon bonds	Apr 2014	-	948
US$ 800 million 2.85% coupon bonds	Nov 2014	818	-
US$ 250 million 5.375% coupon bonds	Jun 2015	270	-
US$ 1,250 million 1.8% coupon bonds	Oct 2015	1,264	-
US$ 341 million 6.0% coupon bonds	Oct 2015	377	-
US$ 500 million Libor plus 1.16% coupon bonds	May 2016	499	-
US$ 1,000 million 1.7% coupon bonds	May 2016	998	-
US$ 1,000 million 5.8% coupon bonds	Nov 2016	1,142	-
US$ 700 million 3.6% coupon bonds	Jan 2017	741	-
US$ 250 million 5.5% coupon bonds	Jun 2017	283	-
US$ 1,750 million 2.45% coupon bonds	Oct 2017	1,781	-
US$ 500 million Libor plus 1.36% coupon bonds	Jan 2019	498	-
US$ 1,500 million 2.5% coupon bonds	Jan 2019	1,496	-
US$ 400 million 6.19% coupon bonds	Aug 2020	400	400
US$ 1,000 million 4.95% coupon bonds	Nov 2021	1,090	-
US$ 1,000 million 4.0% coupon bonds	Oct 2022	1,025	-
US$ 1,500 million 4.125% coupon bonds	May 2023	1,494	-
US$ 250 million 6.2% coupon bonds	Jun 2035	276	-
US$ 500 million 6.9% coupon bonds	Nov 2037	605	-
US$ 500million 6.0% coupon bonds	Nov 2041	546	-
US$ 500 million 5.3% coupon bonds	Oct 2042	507	-
US$ 350 million 7.5% coupon bonds	Perpetual	348	348
US$ bonds		**16,458**	1,696
Total non-current bonds		**29,376**	9,418
Euro 850 million 5.250% coupon bonds	Oct 2013	1,089	1,061
US$ 950 million 6% coupon bonds	Apr 2014	948	-
Total current bonds		**2,037**	1,061

US$ bonds

In May 2013, Glencore issued in five tranches US$5 billion of interest bearing notes as follows:

- 3 year $1,000 million 1.7% fixed coupon bonds;
- 5 year $1,500 million 2.5% fixed coupon bonds;
- 10 year $1,500 million 4.125% fixed coupon bonds;
- 3 year $500 million Libor plus 1.16% coupon notes; and
- 5 year $500 million Libor plus 1.36% coupon notes.

19. Deferred income

US$ million	Notes	Unfavourable contracts	Prepayment	**Total**
1 January 2013		554	163	**717**
Assumed in business combination	22	950	-	**950**
Utilised in the year		(98)	(4)	**(102)**
Effect of foreign currency exchange difference		(111)	-	**(111)**
30 June 2013		1,295	159	**1,454**
Current				**138**
Non-current				**1,316**

20. Provisions

The increase in provisions compared to 31 December 2012 relates primarily to the acquisition of Xstrata (see note 22). Upon acquisition Glencore recognised provisions totalling $7.5 billion related to rehabilitation ($3.6 billion), onerous contracts within the coal operations ($1.9 billion), post retirement benefits and employee entitlements ($1.5 billion) and other provisions ($0.5 billion). Glencore also recognised, within provisions, other non-current financial liabilities totalling $0.6 billion relating to loans from joint venture and development project partners (see note 23).

21. Accounts payable

US$ million	**as at 30.06.2013**	as at 31.12.2012
Trade payables	**22,836**	19,890
Trade advances from buyers	**912**	546
Associated companies	**281**	1,552
Other payables and accrued liabilities	**2,105**	1,513
Total	**26,134**	23,501

22. Acquisition of subsidiaries

Acquisitions

2013

Over the first half of 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	Other	Total
Property, plant and equipment	44,030	189	**44,219**
Intangible assets	2,214	-	**2,214**
Investments in associates and joint ventures	10,108	-	**10,108**
Loans and advances[1]	1,987	-	**1,987**
Deferred tax asset	864	-	**864**
	59,203	189	**59,392**
Inventories	6,047	36	**6,083**
Accounts receivable[1]	3,632	9	**3,641**
Cash and cash equivalents	1,690	-	**1,690**
Other financial assets	483	-	**483**
	11,852	45	**11,897**
Non-controlling interest[2]	(1,118)	(5)	**(1,123)**
Non-current borrowings	(17,260)	-	**(17,260)**
Other non-current liabilities	(610)	-	**(610)**
Non-current deferred income	(898)	-	**(898)**
Non-current provisions	(7,480)	(2)	**(7,482)**
Deferred tax liabilities	(4,373)	(34)	**(4,407)**
	(30,621)	(36)	**(30,657)**
Current borrowings	(1,884)	(13)	**(1,897)**
Accounts payable	(5,157)	(5)	**(5,162)**
Current deferred income	(52)	-	**(52)**
Current provision	(169)	-	**(169)**
Other financial liabilities	(93)	-	**(93)**
	(7,355)	(18)	**(7,373)**
Total fair value of net assets acquired	31,961	175	**32,136**
Goodwill arising on acquisition[3]	12,658	-	**12,658**
Less: amounts previously recognised through investments	(15,142)	-	**(15,142)**
Less: Fair value of ordinary shares issued	(29,094)	-	**(29,094)**
Less: Fair value of share based awards	(383)	-	**(383)**
Less: cash and cash equivalents acquired	(1,690)	-	**(1,690)**
Acquisition related costs	38	-	**38**
Net cash (received from)/used in acquisition of subsidiaries	(1,652)	175	**(1,477)**

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.

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 fair values are provisional due to the complexity of the valuation process. The finalisation of the fair value of the acquired assets and liabilities will be completed within 12 months of the acquisition. It is expected that adjustments could be made to the allocation of value between fixed asset classes, deferred taxes, rehabilitation and other provisions and goodwill.

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, the operations contributed $4,192 million and $511 million of revenue and attributable income, respectively.

Glencore incurred acquisition related costs of $96 million, of which $58 million was recognised in the prior year and $38 million was recognised within other expense – net in the current period, see note 5.

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, the other acquisitions contributed $17 million and $3 million to Glencore's revenue and attributable income, respectively.

Disposals
Refer to note 13 regarding the Viterra related assets and liabilities held for sale.

Acquisitions

2012

During 2012, Glencore acquired interests in various businesses. 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. Further details on these acquisitions were disclosed in note 24 of the 2012 Annual Report.

US$ million	Viterra[1]	Mutanda	Optimum	Rosh Pinah	European Manganese[1]	Other	Total
Property, plant and equipment	2,497	3,496	1,311	231	58	259	**7,852**
Intangible assets	89	-	1,096	-	-	-	**1,185**
Investments in Associates	73	-	-	1	-	-	**74**
Loans and advances[2]	6	11	175	-	-	-	**192**
Deferred tax asset	1	-	-	-	5	-	**6**
	2,666	3,507	2,582	232	63	259	**9,309**
Inventories	1,570	223	50	13	127	44	**2,027**
Accounts receivable[2]	1,062	99	57	8	85	11	**1,322**
Cash and cash equivalents	1,097	38	25	8	16	11	**1,195**
Assets held for sale	2,773	-	-	-	-	-	**2,773**
	6,502	360	132	29	228	66	**7,317**
Non-controlling interest[3]	-	(807)	(460)	(28)	-	(28)	**(1,323)**
Non-current borrowings	(592)	(5)	(99)	(1)	-	(1)	**(698)**
Other non-current liabilities	-	(6)	(9)	-	-	-	**(15)**
Non-current deferred income	-	-	(591)	-	-	-	**(591)**
Non-current provisions	(132)	(7)	(235)	(10)	-	(40)	**(424)**
Deferred tax liabilities	(222)	(882)	(335)	(56)	-	(25)	**(1,520)**
	(946)	(900)	(1,269)	(67)	-	(66)	**(3,248)**
Current borrowings	(1,222)	-	(6)	-	(2)	-	**(1,230)**
Accounts payable	(1,501)	(152)	(100)	(16)	(113)	(43)	**(1,925)**
Current deferred income	-	-	(97)	-	-	-	**(97)**
Current provision	(8)	-	-	-	-	-	**(8)**
Liabilities held for sale	(484)	-	-	-	-	-	**(484)**
	(3,215)	(152)	(203)	(16)	(115)	(43)	**(3,744)**
Total fair value of net assets acquired	5,007	2,008	782	150	176	188	**8,311**
Goodwill arising on acquisition[4]	1,173	-	-	-	-	-	**1,173**
Less: Amounts previously recognised through investments and loans	-	1,528	381	-	-	51	**1,960**
Less: cash and cash equivalents acquired	1,097	38	25	8	16	11	**1,195**
Acquisition related costs[5]							**120**
Net cash used in acquisition of subsidiaries	5,083	442	376	142	160	126	**6,449**
Less: Asset acquirer loans	2,580	-	-	-	-	-	**2,580**
Net cash outflow	2,503	442	376	142	160	126	**3,869**

1 During the period ended 30 June 2013 the fair values of the assets acquired and liabilities assumed reported in 31 December 2012 have been updated as outlined in the respective tables below. These purchase price allocations remain provisional as at 30 June 2013.

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

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

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

5 Includes $58 million related to the Xstrata acquisition.

Viterra

US$ million	Provisional as previously reported	Fair value adjustments	Total
Property, plant and equipment	2,505	(8)	**2,497**
Intangible assets	102	(13)	**89**
Investments in Associates	76	(3)	**73**
Loans and advances	6	-	**6**
Deferred tax asset	1	-	**1**
Inventories	1,572	(2)	**1,570**
Accounts receivable	1,063	(1)	**1,062**
Cash and cash equivalents	1,097	-	**1,097**
Assets held for sale	2,677	96	**2,773**
Non-current borrowings	(592)	-	**(592)**
Non-current provisions	(114)	(18)	**(132)**
Deferred tax liabilities	(279)	57	**(222)**
Current borrowings	(1,222)	-	**(1,222)**
Accounts payable	(1,496)	(5)	**(1,501)**
Current provisions	(6)	(2)	**(8)**
Liabilities held for sale	(461)	(23)	**(484)**
Total fair value of net assets acquired	4,929	78	**5,007**
Goodwill arising on acquisition	1,251	(78)	**1,173**
Less: cash and cash equivalents acquired	(1,097)	-	**(1,097)**
Net cash used in acquisition of subsidiaries	5,083	-	**5,083**
Less: Asset acquirer loans	(2,580)	-	**(2,580)**
Net cash used in acquisition of subsidiaries	2,503	-	**2,503**

On 17 December 2012, Glencore completed the acquisition of a 100% interest in Viterra Inc., a leading global agricultural commodity business for a net cash consideration of $6.2 billion ($3.6 billion net of assets acquirer loans). The above fair value adjustments to the previously reported provisional values relate to adjustments to the fair value calculations for the assets held for sale and selected storage units in the New Zealand business.

European Manganese

US$ million	Provisional as previously reported	Fair value adjustments	Total
Property, plant and equipment	72	(14)	**58**
Deferred tax asset	5	-	**5**
Inventories	127	-	**127**
Accounts receivable[1]	85	-	**85**
Cash and cash equivalents	16	-	**16**
Current borrowings	(2)	-	**(2)**
Accounts payable	(113)	-	**(113)**
Total fair value of net assets acquired	190	(14)	**176**
Less: cash and cash equivalents acquired	16	-	**16**
Net cash used in acquisition of subsidiaries	174	(14)	**160**

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

In November 2012, Glencore completed the acquisition of a 100% interest in Vale's European manganese ferroalloys operations, located in Dunkirk, France and Mo I Rana, Norway, for a cash consideration of $190 million. This is the first time that Glencore has expanded into manganese production, strengthening its marketing offer and complementing existing production of steel-making products. The acquisition has been accounted for as a business combination. The fair value adjustments recorded during the period relate to final purchase price adjustments agreed with Vale.

Optimum, Mutanda and Rosh Pinah

During the period, Glencore finalised the acquisition accounting for the acquisitions of Optimum Coal, Mutanda mine and Rosh Pinah mine. There were no material adjustments made to the provisional acquisition accounting as disclosed in Glencore's 2012 Annual Report.

Other (2012)

Other comprises primarily an acquisition of a 100% interest in a sun seed crushing operation in Ukraine for a cash consideration of $80 million. During the period, Glencore finalised the acquisition accounting for the other acquisitions. There were no material adjustments made to the provisional acquisition accounting as disclosed in Glencore's 2012 Annual Report.

23. Financial instruments

Fair value of financial instruments

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to the fair values with the exception of borrowings. In the case of $52,799 million of borrowings (31 December 2012: $35,526 million), the fair value at 30 June 2013 is $53,314 million (31 December 2012: $36,371 million).

2013

US$ million As at 30 June 2013	Carrying value	Available for sale	FVtPL	**Total**
Assets:				
Other investments	-	516	638	**1,154**
Advances and loans	6,323	-	-	**6,323**
Accounts receivable	25,922	-	-	**25,922**
Other financial assets	-	-	4,343	**4,343**
Cash and cash equivalents and marketable securities	-	-	3,553	**3,553**
Total financial assets	**32,245**	**516**	**8,534**	**41,295**
Liabilities:				
Borrowings	52,799	-	-	**52,799**
Non-current other financial liabilities[1]	-	-	610	**610**
Viterra assets acquirer loans	797	-	-	**797**
Accounts payable	26,134	-	-	**26,134**
Other financial liabilities	-	-	4,095	**4,095**
Total financial liabilities	**79,730**	**-**	**4,705**	**84,435**

1 Reported as part of provisions, see note 20.

2012

US$ million As at 31 December 2012	Carrying value	Available for sale	FVtPL	Total
Assets:				
Other investments	-	840	749	**1,589**
Advances and loans	3,758	-	-	**3,758**
Accounts receivable	24,882	-	-	**24,882**
Other financial assets	-	-	2,650	**2,650**
Cash and cash equivalents and marketable securities	-	-	2,820	**2,820**
Total financial assets	28,640	840	6,219	**35,699**
Liabilities:				
Borrowings	35,526	-	-	**35,526**
Viterra assets acquirer loans	2,580	-	-	**2,580**
Accounts payable	23,501	-	-	**23,501**
Other financial liabilities	-	-	3,388	**3,388**
Total financial liabilities	61,607	-	3,388	**64,995**

Fair value hierarchy

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 unadjusted quoted inputs in active markets for identical assets or liabilities; or
- Level 2 inputs other than quoted inputs included in Level 1 that are directly or indirectly observable in the market; or
- Level 3 unobservable market inputs or observable but cannot be market corroborated, requiring Glencore to make market based assumptions.

Other financial assets

2013

US$ million As at 30 June 2013	Level 1	Level 2	Level 3	Total
Futures	1,224	605	-	**1,829**
Options	22	5	1	**28**
Swaps	174	164	-	**338**
Physical forwards	5	830	536	**1,371**
Cross currency swaps	48	56	-	**104**
Foreign currency and interest rate contracts	654	19	-	**673**
Total	2,127	1,679	537	**4,343**

2012

US$ million As at 30 June 2012	Level 1	Level 2	Level 3	Total
Futures	564	141	-	**705**
Options	27	-	4	**31**
Swaps	75	304	-	**379**
Physical forwards	12	778	485	**1,275**
Cross currency swaps	5	147	-	**152**
Foreign currency and interest rate contracts	63	45	-	**108**
Total	746	1,415	489	**2,650**

Other financial liabilities

2013

US$ million As at 30 June 2013	Level 1	Level 2	Level 3	Total
Futures	533	171	-	**704**
Options	68	4	19	**91**
Swaps	21	159	-	**180**
Physical forwards	-	698	479	**1,177**
Cross currency swaps	408	768	-	**1,176**
Foreign currency and interest rate contracts	235	106	-	**341**
Put option over non-controlling interest	-	-	426	**426**
Current other financial liabilities	1,265	1,906	924	**4,095**
Non-current other financial liabilities (see note 20)	-	-	610	**610**
Total	1,265	1,906	1,534	**4,705**

2012

US$ million As at 30 June 2012	Level 1	Level 2	Level 3	Total
Futures	712	283	-	**995**
Options	96	1	37	**134**
Swaps	25	267	-	**292**
Physical forwards	14	439	393	**846**
Cross currency swaps	-	633	-	**633**
Foreign currency and interest rate contracts	48	21	-	**69**
Put option over non-controlling interest	-	-	419	**419**
Total	895	1,644	849	**3,388**

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 2013	96	(456)	-	**(360)**
Business combination	(65)	-	(610)	**(675)**
Total gain /(loss) recognised in cost of goods sold	40	(11)	-	**29**
Put option over non-controlling interest	-	(7)	-	**(7)**
Realised	(10)	26	-	**16**
30 June 2013	61	(448)	(610)	**(997)**

2012

US$ million	Physical forward	Options	Total Level 3
1 January 2012	42	(25)	**17**
Total gain /(loss) recognised in cost of goods sold	10	(33)	**(23)**
Put option over non-controlling interest	-	(419)	**(419)**
Realised	44	21	**65**
31 December 2012	96	(456)	**(360)**

24. 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 2013, $3,515 million (31 December 2012: $756 million), of which 58% (31 December 2012: 63%) 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 2013, $641 million (31 December 2012: $343 million) of such development expenditures are to be incurred, of which 51% (31 December 2012: 41%) 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 2013, Glencore has committed to future hire costs to meet future physical delivery and sale obligations and expectations of $1,836 million (31 December 2012: $1,419 million), of which 47% (31 December 2012: 55%) 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 2013, $12,003 million (31 December 2012: $10,509 million) of such commitments have been issued on behalf of Glencore, which will generally be settled simultaneously with the payment for such commodity.

Future development and related commitments

SNEL power project

In early 2012, a joint programme with Société Nationale d'Électricité (SNEL), the DRC's national electricity utility, was signed. Glencore's operations will contribute $284 million to a major electricity infrastructure refurbishment programme of transmission and distribution systems. This should facilitate a progressive increase in power availability to 450 megawatts by the end of 2015. Funding started in the second quarter of 2012 and will continue until the end of 2015. As at 30 June 2013, $16 million has been advanced under this joint agreement.

Las Bambas

In accordance with the merger remedy commitments made to the Ministry of Commerce of the Peoples' Republic of China ('MOFCOM') related to the acquisition of Xstrata, Glencore has agreed, subject to a minimum defined reserve price, to sell the Las Bambas copper mine project in Peru by 30 September 2014. Glencore has commenced the process to sell its entire interest in Las Bambas.

25. Contingent liabilities

The amount of corporate guarantees in favour of associated and third parties as at 30 June 2013 was $59 million (31 December 2012: $46 million).

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.

26. 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. Glencore entered into the following transactions with its Associates:

US$ million	H1 2013	H1 2012
Sales[1]	**1,217**	876
Purchases[2]	**(3,928)**	(5,075)
Interest income[3]	**14**	13
Agency income[4]	**32**	48
Accounts receivable (30 June 2013)	**485**	955
Accounts payable (30 June 2013)	**281**	1,832

[1] Includes pre acquisition sales to Xstrata which comprise 43% of the balance (2012: 67%)
[2] Includes pre acquisition purchases from Xstrata which comprise 93% of the balance (2012: 87%)
[3] Includes pre acquisition interest income from Xstrata which comprises 11% of the balance (2012: 15%)
[4] Includes pre acquisition agency income from Xstrata which comprises 93% of the balance (2012: 92%)

27. Subsequent events

- On 25 July 2013, Glencore completed the planned merger of the Mutanda and Kansuki mining operations in the Democratic Republic of Congo (the Merger). Under the terms of the Merger, Mutanda (60% owned by Glencore prior to the Merger) acquired 100% of the share capital of Kansuki (37.5% owned by Glencore prior to the Merger) in exchange for shares of Mutanda. Upon completion of the Merger, Glencore holds a 54.5% controlling interest in the enlarged Mutanda group. Due to timing of the transaction, management is in the preliminary stages of determining values of the assets and liabilities acquired and the associated accounting for the acquisition. Accordingly, certain disclosures relating to the transaction, such as the fair values of the net assets acquired, have not been presented.
- On 5 August 2013, Glencore agreed to sell Joe White Maltings, acquired as part of the Viterra acquisition. The sale is subject to standard regulatory approvals and satisfaction of other customary closing conditions and is expected to close by the end of the fourth-quarter.

Appendix

Reconciliation of selected pro forma financial information

Six months ended 30 June 2013

US$ million	Adjusted EBITDA	Adjusted EBIT	Net income before significant items
Reported in the financial review section	**3,637**	**2,066**	**1,208**
Less: Glencore's pre-acquisition share of Xstrata's earnings	(176)	(176)	(176)
Add: Xstrata's pre-acquisition earnings on a consolidated basis	2,130	902	536
Add: effect of fair value adjustments[1]	411	390	236
Add: deferred tax impact	-	-	240
Reported pro forma financial information	**6,002**	**3,182**	**2,044**

Six months ended 30 June 2012

US$ million	Adjusted EBITDA	Adjusted EBIT	Net income before significant items
Reported in the financial review section	**3,199**	**2,508**	**1,809**
Less: Glencore's pre-acquisition share of Xstrata's earnings	(721)	(721)	(721)
Add: Xstrata's pre-acquisition earnings on a consolidated basis	3,987	2,434	2,194
Add: effect of fair value adjustments	151	177	146
Less: deferred tax impact	-	-	(67)
Reported pro forma financial information	**6,616**	**4,398**	**3,361**

1 The fair value adjustments are determined in accordance with the basis of preparation on page 6. 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 (six months ended 30 June 2012 - six month period). 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. The inventory uplift did not impact the pro forma results for the six months ended 30 June 2012.

Glossary

Available committed liquidity

US$ million	as at 30.06.2013	as at 31.12.2012
Cash and cash equivalents and marketable securities	3,553	2,820
Headline committed syndicated revolving credit facilities	17,340	12,805
Amount drawn under syndicated revolving credit facilities	(4,902)	(5,881)
Amounts drawn under U.S. commercial paper program	(2,353)	(726)
Total	**13,638**	**9,018**

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 2013	H1 2012
Revenue	112,035	107,957
Cost of goods sold	(109,977)	(105,819)
Selling and administrative expenses	(589)	(478)
Share of associates and joint ventures	208	684
Share of associates exceptional items	51	87
Dividend income	39	12
Mark to market valuation on certain contracts	95	65
Unrealised intergroup profit elimination	146	-
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	58	-
Adjusted EBIT	**2,066**	2,508
Depreciation and amortisation	1,483	691
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	88	-
Adjusted EBITDA	**3,637**	3,199

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.

Forward looking statements

This document contains statements that are, or may be deemed to be, “forward looking statements” which are prospective in nature. These forward looking statements may be identified by the use of forward looking terminology, or the negative thereof such as “plans”, “expects” or “does not expect”, “is expected”, “continues”, “assumes”, “is subject to”, “budget”, “scheduled”, “estimates”, “aims”, “forecasts”, “risks”, “intends”, “positioned”, “predicts”, “anticipates” or “does not anticipate”, “believes”, or variations of such words or comparable terminology and phrases or statements that certain actions, events or results “may”, “could”, “should”, “shall”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward looking statements are not based on historical facts, but rather on current predictions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy.

By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond Glencore Xstrata’s control. Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results.

Important factors that could cause these uncertainties include, but are not limited to, those discussed under “Principal risks and uncertainties” in section 1.7 of Glencore’s Annual Report 2012 and “Risks and uncertainties” in this document.

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