GLENCORE

INTERIM REPORT 2012

GLENCORE
INTERNATIONAL PLC
AND SUBSIDIARIES

INTERIM REPORT 2012

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Highlights

US $ million	H1 2012	H1 2011	Change	2011
Key statement of income and cash flows highlights:				
Revenue	107 957	92 120	17%	186 152
Adjusted EBITDA[1]	3 199	3 845	– 17%	6 464
Adjusted EBIT[1]	2 508	3 303	– 24%	5 398
Net income attributable to equity holders pre significant items[2]	1 809	2 439	– 26%	4 060
Net income attributable to equity holders	2 275	2 474	– 8%	4 048
Earnings per share (Basic) (US $)	0.33	0.57	– 42%	0.72
Funds from operations (FFO)[3]	1 930	2 145	– 10%	3 522

US $ million	30.06.2012	31.12.2011	Change	Annualised
Key financial position highlights:				
Total assets	93 665	86 165	9%	
Equity attributable to equity holders	30 988	29 265	6%	
Current capital employed (CCE)[1]	22 242	22 479	– 1%	
Net debt[3]	14 466	12 938	12%	
Ratios:				
Adjusted current ratio[1]	1.48x	1.53x	– 3%	
FFO to Net debt[4]	22.9%	27.2%	– 16%	26.7%
Net debt to Adjusted EBITDA[4]	2.49x	2.00x	25%	2.26x
Adjusted EBITDA to net interest	7.09x	7.63x	– 7%	

[1] Refer to glossary on page 64 for definitions and calculations. [2] Refer to page 9.
[3] Refer to page 11. [4] 2012 ratio based on last 12 months' FFO and Adjusted EBITDA, refer to page 65.

- Strong financial results supported by solid performance in marketing.
- Adjusted EBIT $ 2.5 billion, a 24% reduction in H1 2012 versus H1 2011, but up 20% on H2 2011.
  - Resilient performance from marketing business. Adjusted EBIT $ 1.12 billion, down 11% compared to $ 1.25 billion in H1 2011, a good performance in the current economic environment, with metals and minerals and agricultural segments performing strongly, while energy results came in below the relatively strong prior year period.
- Adjusted EBITDA $ 3.2 billion, a 17% reduction in H1 2012 versus H1 2011, but up 22% on H2 2011; annualised H1 2012 tracking closely with 2011 full year.
  - Industrial Adjusted EBITDA decreased 21% to $ 2.05 billion in H1 2012 predominately due to lower average metals' prices, impacting our own consolidated operations and that of our equity accounted associates.
- Performance of our directly owned industrial operations compares favourably with the sector, assisted by the ramp-up in operations in oil E&P, Kazzinc, Mutanda and our expanding coal portfolio.
- Strong cash flow generation, with funds from operations (FFO) of $ 1.9 billion and an Adjusted EBITDA interest cover in excess of 7 times. Annualised H1 2012 FFO is tracking 10% ahead of full year 2011, pointing to an improving credit metric trend.
- Abundant liquidity with $ 9.0 billion of committed headroom and no material refinancings in the next 12 months. This liquidity is spread across more than 100 banks globally.
- Strong and capital efficient volume growth supported by low risk brownfield expansions. Overall, growth pipeline in our industrial operations remains on time and on budget.
  - Conservatively in excess of 50% copper equivalent volume growth to 2014.
  - Oil E&P and Mutanda/Kansuki copper/cobalt development projects are ahead of schedule and expectation, balancing some ramp-up delays at Katanga and Kazzinc. Prodeco expansion on track.
- Strategy of value-driven merger and acquisitions has continued: Xstrata and Viterra transactions in progress; Optimum, Mutanda, Rosh Pinah have recently completed with Vale's European manganese ferroalloys acquisition expected to close shortly.
- The Board has declared an interim dividend of $ 5.4c per share, an 8% increase over 2011 reflecting our confidence in the diversification of our commodity mix, the robustness of our marketing business, the visibility of the ramp-up of our brownfield industrial assets and the strength of our balance sheet.

Chief Executive Officer's Review

Financial markets were relatively optimistic entering 2012, following the sovereign debt-related challenges experienced during H2 2011. This optimism generally faded as the half progressed and, with it, expectations for economic growth and commodity prices. Concerns over how precisely the European situation would and could be resolved have continued to erode global risk appetite. For the world's two most important economies, the US and China, 2012 is essentially a year of political transition. Each of these factors extends into H2 2012 and is likely to continue to hinder the gradual process of underlying economic recovery following the 2008 financial crisis.

Against the backdrop of this challenging economic environment, which saw most commodity prices down over 15% period-on-period, we are pleased to report that Glencore has continued to deliver a healthy financial performance with net income, pre-significant items, of $ 1.8 billion and statutory net income of $ 2.3 billion for H1 2012. While below the first half of last year, this is an improvement on the second half of 2011, and the annualised first half of 2012 is tracking closely the full 2011 performance. We achieved solid underlying profitability in our marketing businesses, with healthy volume growth in key commodities. Metals were a particular highlight with much stronger profitability despite materially weaker prices. The marketing result in H1 2012 demonstrates the strength of Glencore's highly diversified business model underpinned by its strong relationships with customers, suppliers and finance providers.

Aside from oil, our industrial operations experienced materially weaker average prices for the key commodities produced. We have meanwhile continued to deliver on our growth projects including Mutanda, Oil E&P, Prodeco, and South African coal. Our key industrial expansion projects continued to progress, with the portfolio overall on track and within budget. This has already shown in our first half results as the magnitude of the decline in earnings from our industrial operations compares favourably with our diversified peers. Furthermore this gives us confidence that we can deliver substantial growth in the next twelve months even absent an improvement in the economic environment. The performance of our oil growth projects and copper at Mutanda has been particularly pleasing.

The first half of 2012 also saw a number of material corporate transactions. Firstly, we announced the merger of equals with Xstrata. Then we also announced the acquisition of Viterra, which transforms our already strong agricultural business at a time when industry fundamentals are the most positive they have been for some time. Other highlights included the purchase of a majority stake in Mutanda and the acquisition of Vale's European manganese operations and associated marketing agreements, which demonstrate our continued ability to deploy capital in innovative ways beyond the reach of our peer group. We will continue to endeavour to deploy capital wisely and selectively, subject to our long-standing value driven criteria, maintenance of a conservative financial profile, all guided by our strong management ownership culture.

The Board of Directors proposes an interim dividend of $ 5.4c per share for H1 2012, an increase of 8% over the prior year. This increase reflects our confidence in the diversification of our commodities mix, the robustness of our marketing business, the visibility of the ramp-up of our brownfield industrial assets and the strength of our balance sheet.

Looking forward, we neither anticipate nor assume any material improvement in overall market or economic conditions in the near term. From a Glencore perspective, we will continue to diligently look to our own growth pipeline and end markets to maximise performance for our shareholders.

Ivan Glasenberg
Chief Executive Officer

Financial Review

BASIS OF PRESENTATION OF FINANCIAL INFORMATION

The financial information has been prepared on a basis as outlined in note 2 of the financial statements. It is presented in the Financial review sections before significant items unless otherwise stated to provide an enhanced understanding and comparative basis of the underlying financial performance. Significant items (refer to page 10) 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.

RESULTS

The first half of 2012 contrasted markedly with the first half of 2011 as the global economy and financial markets were weighed down by the European sovereign debt crisis and corresponding softening growth outlooks in many developed and emerging economies. Against this challenging backdrop, where average period on period prices for many key own produced commodities fell between 14% and 28%, Glencore, owing to its diversified business model, reported a respectable Adjusted EBIT of $ 2,508 million compared to $ 3,303 million over the corresponding period in 2011. Contribution from the marketing activities was $ 1,115 million (2011: $ 1,251 million) representing 44% of Adjusted EBIT for the period, an increase from a 38% contribution in the previous period, reinforcing 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

Adjusted EBIT by business segment is as follows:

US $ million	Marketing activities	Industrial activities	H1 2012 Adjusted EBIT		Marketing activities	Industrial activities	H1 2011 Adjusted EBIT	
Metals and minerals	688	399	1 087	43%	633	950	1 583	48%
Energy products	350	345	695	28%	552	211	763	23%
Agricultural products	114	– 11	103	4%	92	– 17	75	2%
Corporate and other [1]	– 37	660	623	25%	– 26	908	882	27%
Total	**1 115**	**1 393**	**2 508**	**100%**	**1 251**	**2 052**	**3 303**	**100%**

[1] Corporate industrial activities include $ 721 million (H1 2011: $ 977 million) of Glencore's equity accounted share of Xstrata's income. See note 3 of the interim financial statements for Adjusted EBITDA details.

Marketing Adjusted EBIT for the six months ended 30 June 2012 was $ 1,115 million. The period saw a strong performance by metals and minerals, in particular copper and aluminium, with physical premia remaining healthy reflecting continued tight physical supply and demand conditions. The energy result was weaker than the corresponding period due to a less favourable freight market and generally fewer arbitrage opportunities. Agricultural products showed improved performance year on year despite lacklustre fundamentals up to May. The sequential performance was materially stronger with events surrounding cotton now firmly behind us. Agricultural fundamentals appear strong for H2 2012.

Industrial Adjusted EBIT declined by 32% to $ 1,393 million for the six months ended 30 June 2012, owing primarily to weaker average period on period commodity prices, such as nickel, coal, zinc and copper, down 28%, 18%, 15% and 14% respectively, impacting our own controlled operations as well as our share of associate earnings, including Xstrata. The commencement of oil production at the Aseng field in Q4 2011 accounted for the increase in energy products' industrial performance.

Corporate and other primarily relates to the equity accounted interest in Xstrata and the variable pool bonus accrual, the net result of which was down 29% to $ 623 million over the first half of 2012 compared to the corresponding 2011 period.

Revenue

Revenue for the period ended 30 June 2012 was $ 107,957 million, a 17% increase from $ 92,120 million in the 2011 comparable period. Given the relatively high contribution of Glencore's oil division to Group revenue, the increase in revenue was primarily due to higher oil volumes handled and a slightly higher period-on-period average oil price (e.g. Brent up 3%), partially offset by lower period-on-period metals prices as noted above.

Cost of goods sold

Cost of goods sold for the period ended 30 June 2012 was $ 105,819 million, an 18% increase from $ 89,411 million over the comparable 2011 period, primarily due to the higher oil prices and volumes noted above and the resulting impact on the purchases of such commodities.

Selling and administrative expenses

Selling and administrative expenses for the period ended 30 June 2012 were $ 478 million, a 5% increase from $ 457 million in 2011.

Share of income from associates and jointly controlled entities

Share of income from associates and jointly controlled entities for the first half 2012 was $ 684 million, a 34% decrease from $ 1,040 million in 2011. The decrease is primarily due to the lower earnings flow-through from Xstrata primarily due to the decrease in commodity prices ($ 634 million, post exceptional items of $ 87 million, H1 2011: $ 977 million).

(Loss)/gain on disposal of investments

Loss on disposal of investments for the first half 2012 was $ 157 million, compared to a gain of $ 2 million in the first half of 2011. The amount in 2012 comprised primarily an accounting dilution loss following Xstrata's share issuance in March 2012 as part of its employee stock ownership plan, which saw Glencore's effective ownership reduce from 34.5% to 34.2%.

Other income/(expense) – net

Net other income for the first half of 2012 was $ 447 million, compared to a net other expense of $ 368 million in the first half of 2011. 2012 primarily comprised a net $ 497 million accounting gain predominantly related to the revaluation of Glencore's initial 40% interest in Mutanda at the time of the acquisition of an additional 20% interest in April 2012. There were also $ 169 million of positive mark to market adjustments related to certain fixed priced forward coal sales contracts in respect of Prodeco's future production, offset by $ 100 million of asset impairments, $ 29 million of negative mark to market adjustments related to foreign currency hedge contracts associated with the announced Viterra transaction and $ 33 million of expenses related to the phantom equity awards granted upon Glencore's listing. See note 5 to the interim condensed consolidated financial statements for further explanations.

Interest income

Interest income over the first half 2012 was $ 202 million, a $ 42 million increase over the prior period due to higher average cash and related balances. Interest income includes interest earned on various loans extended, including to the Russneft Group.

Interest expense

Interest expense for the first half 2012 was $ 653 million, a 4% increase from $ 626 million in the first half of 2011. The increase was predominately due to higher average debt levels.

Interest expense on floating rate debt increased by $ 56 million to $ 331 million from $ 275 million in the corresponding 2011 period. Floating rate debt is predominantly used to fund fast turning and liquid working capital, the funding cost of which is taken into account in transactional pricing and terms and accordingly is sought to be "recovered" in Adjusted EBIT of our marketing activities.

Interest expense on fixed rate funding was $ 322 million over the first half 2012, a decrease of $ 29 million over the corresponding 2011 period. The net decrease is due to the redemption and repayment at maturity of various higher coupon bonds (including the Perpetual bond) during 2011, partially offset with new Euro and GBP bond issuances in April 2012.

Income taxes

A net income tax credit of $ 152 million was recognised over the first half of 2012 compared to a credit of $ 201 million over the first half of 2011. The 2012 credit resulted primarily from the recognition of crystallised tax benefits (resulting in losses carried forward), following an internal reorganisation of our existing ownership interest in Xstrata. The 2011 credit resulted primarily from the recognition of tax deductions associated with the conversion of the Glencore Group from private to public ownership as part of its listing. 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 below. It is likely that the future effective tax rate will increase relative to the past, however, as noted above, this will largely be a function of Glencore's profit mix (marketing vs industrial).

Earnings

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

US $ million	H1 2012	H1 2011
Adjusted EBIT [1]	**2 508**	**3 303**
Net finance costs	– 451	– 466
Foreign exchange (loss)/gain [2]	– 18	26
Income tax expense	– 130	– 226
Non controlling interests	– 100	– 198
Income attributable to equity holders pre significant items	**1 809**	**2 439**
Earnings per share (Basic) pre significant items (US $)	0.26	0.56
Other income/(expense) – net		
Mark to market movements on investments held for trading [2]	9	6
Mark to market valuation of forward contracts [2]	169	– 161
Mark to market valuation of certain foreign currency forward contracts [2]	– 29	0
Revaluation of previously held interests in newly acquired businesses [2]	497	0
(Impairment)/impairment reversal [2]	– 100	16
(Loss)/gain on disposal of property, plant and equipment [2]	– 10	1
Phantom equity awards granted on listing and other listing related expenses [2]	– 33	– 258
Other [2]	– 38	2
Mark to market valuation of certain natural gas forward contracts [3]	– 65	0
Share of Associates' exceptional items [4]	– 87	0
Net (loss)/gain on disposal of investments	– 157	2
Net deferred tax asset recorded – mainly restructuring/listing benefits [5]	282	427
Non controlling interests share of other income/(expense) [6]	28	0
Total significant items	**466**	**35**
Income attributable to equity holders	**2 275**	**2 474**
Earnings per share (Basic) (US $)	0.33	0.57

[1] Refer to glossary on page 64.
[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 jointly controlled entities, see note 3 of the interim financial statements.
[5] Recognised within income tax credit, see note 6 of the interim financial statements.
[6] Recognised within non controlling interests.

SIGNIFICANT ITEMS

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

In the first half of 2012, Glencore recognised $ 466 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 (2011: – $ 161 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 offset by $ 100 million of asset impairments, $ 29 million of negative mark to market adjustments entered into to hedge the acquisition price foreign currency risk associated with the announced Viterra transaction, $ 65 million of negative mark to market adjustments of certain natural gas contracts entered into in 2008 (previously in cash flow hedge reserves) and $ 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. In addition a resulting net tax credit of $ 282 million was recognised, relating primarily to crystallised income tax benefits, following the internal reorganisation of Glencore's ownership stake in Xstrata.

LIQUIDITY AND CAPITAL RESOURCES – 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 2012 was $ 2,374 million, a decrease of 4% compared to the corresponding 2011 period, consistent with the lower earnings from marketing and industrial activities. On a more comparable basis, the reduction is 14%, taking into account $ 297 million of listing related cash expenses in the 2011 period (see movement in net debt table below).

Working capital changes

Over the first half of 2012, there was a release of net working capital of $ 710 million compared to an increase of $ 984 million in the comparable 2011 period. The release is primarily attributable to the partial unwinding of the significant build-up in December 2011, with a further release expected in H2 2012.

Net cash used by investing activities

Net cash used by investing activities over the first half 2012 was $ 2,536 million compared to $ 1,282 million in the first half of 2011. The net outflow in 2012 primarily related to the acquisition of an additional 32% interest in Optimum Coal, an additional 20% interest in Mutanda and an 80% interest in Rosh Pinah, along with continued capital expenditure programs in respect of the various E&P upstream oil development projects, the development of the Mutanda and Kansuki copper/cobalt operations and the production expansions at Katanga and Prodeco.

Net cash generated by financing activities

Over the first half of 2012, Glencore issued $ 2,149 million of long term bonds: 6 year 4.125% Euro 1,250 million bonds and 10 year 5.50% GBP 300 million bonds.

ASSETS, LEVERAGE AND WORKING CAPITAL

Total assets were $ 93,665 million as at 30 June 2012 compared to $ 86,165 million as at 31 December 2011, a period over which, current assets increased from $ 45,731 million to $ 46,681 million. The adjusted current ratio at 30 June 2012 was a healthy 1.48 compared to 1.53 at 31 December 2011. Non current assets increased from $ 40,434 million as at 31 December 2011 to $ 46,984 million as at 30 June 2012, primarily due to the acquisitions of the new subsidiaries (including Mutanda) and the capital expenditure programs noted above.

Consistent with 31 December 2011, 99% ($ 13,309 million) of total marketing inventories were contractually sold or hedged (readily marketable inventories) as at 30 June 2012. 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, Glencore 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. Balance sheet liquidity is very healthy such that current capital employed plus liquid stakes in listed associates (at book carrying value) covers 135% of Glencore's total gross debt as at 30 June 2012.

Net debt

US $ million	30.06.2012	31.12.2011
Borrowings	29 312	28 029
Commodities sold with agreements to repurchase	0	39
Gross debt	**29 312**	**28 068**
Cash and cash equivalents and marketable securities	– 1 537	– 1 345
Net funding	**27 775**	**26 723**
Readily marketable inventories	– 13 309	– 13 785
Net debt	**14 466**	**12 938**

Movement in net debt

US $ million	30.06.2012	30.06.2011
Cash generated by operating activities before working capital changes	2 374	2 472
Listing related cash expenses included in number above (via statement of income)	0	297
Net interest paid	– 561	– 543
Tax paid	– 188	– 311
Dividends received from associates	305	230
Funds from operations	**1 930**	**2 145**
Working capital changes, excluding readily marketable inventory movements and other	235	– 1 200
Payments of non current advances and loans	– 227	– 64
Acquisition of subsidiaries, net of cash acquired	– 1 058	0
Purchase and sale of investments	– 192	– 409
Purchase and sale of property, plant and equipment	– 1 364	– 1 039
Margin (payments)/receipts in respect of financing related hedging activities	– 292	477
Share issuance, net of issue costs and Listing related cash expenses included in the statement of income (see above)	0	7 377
Acquisition and disposal of additional interests in subsidiaries	– 127	0
Dividends paid	– 692	0
Cash movement in net debt	**– 1 787**	**7 287**
Foreign currency revaluation of non current borrowings and other non cash items	259	– 550
Profit participation certificates redemptions	0	– 268
Non cash movement in net debt	**259**	**– 818**
Total movement in net debt	**– 1 528**	**6 469**
Net debt, beginning of period	– 12 938	– 14 756
Net debt, end of period	**– 14 466**	**– 8 287**

Net debt as at 30 June 2012 increased to $ 14,466 million from $ 12,938 million as at 31 December 2011.

The ratio of net debt to 12 months rolling Adjusted EBITDA increased from 2.00 times in 2011 to 2.49 times as at 30 June 2012 (a more modest 2.26 times, based on annualised first half results). While the ratio of 12 months rolling FFO to Net debt reduced from 27.2% in 2011 to 22.9% as at 30 June 2012, however was relatively steady at 26.7%, based on annualised first half results, signalling an improving trend.

CAPITAL RESOURCES AND FINANCING

During the first half of 2012, the following significant financing activities took place:

- In April 2012, Glencore issued EUR 1,250 million 4.125% bonds maturing in 2018 and GBP 300 million 5.5% bonds maturing in 2022, totalling $ 2.15 billion equivalent;
- In April 2012, Glencore updated its revolving credit facilities totalling $ 12.8 billion. The facilities comprise: 1) a $ 4,435 million 14 month revolving credit facility with a 10 month term-out option and 10 month extension option, that refinanced Glencore's existing $ 3,535 million 364-day revolving credit facility, i.e. an increase of $ 900 million and 2) an amount of $ 8,030 million of the existing $ 8,370 million 3-year revolving credit facility was extended for a further year to May 2015;
- In April 2012, Glencore signed a $ 3.1 billion syndicated loan backing the proposed merger with Xstrata, after raising $ 11 billion in syndication from 31 banks, a scale-back exceeding 70%; and
- In June 2012, Glencore concluded a 1 year syndicated term loan facility with a 1 year term out option at Glencore's discretion of some $ 1.5 billion in support of the announced acquisition of Viterra, once again scaling back an oversubscribed syndication process.

Going concern

Glencore's main refinancing requirements over the next twelve months relate to various secured borrowing base working capital facilities which ordinarily require extension/renewal each year. However, these tend to be routine given the underlying strong collateral and their modest amounts in the context of the overall balance sheet and funding/liquidity levels. As at 30 June 2012, Glencore had available committed undrawn credit facilities and cash amounting to $ 9 billion (as financial policy, Glencore seeks to maintain a $ 3 billion minimum threshold requirement). Based on these available capital resources and Glencore's financial forecasts and projections, which take into account reasonable possible changes in performance, consideration of the principle risks and uncertainties noted on page 14, and the announced potential Xstrata and Viterra transactions, the directors believe Glencore can continue as a going concern for the foreseeable future, a period not less than 12 months from the date of this report.

Value at risk

One of the tools used by Glencore to monitor and limit its primary market risk exposure, namely commodity price risk related to its physical marketing activities, is the use of a value at risk (VaR) computation. VaR is a risk measurement technique which estimates the potential loss that could occur on risk positions as a result of movements in risk factors over a specified time horizon, given a specific level of confidence. The VaR methodology is a statistically defined, probability based approach that takes into account market volatilities, as well as risk diversification by recognising offsetting positions and correlations between commodities and markets. In this way, risks can be measured consistently across all markets and commodities and risk measures can be aggregated to derive a single risk value. Glencore has set a consolidated VaR limit (1 day 95%) of $ 100 million representing less than 0.3% of equity.

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

Average market risk VaR (1 day 95%) during the first half of 2012 was $ 32 million, representing a modest 0.1% of equity. Average equivalent VaR during the first half of 2011 was $ 48 million.

Credit ratings

In light of Glencore's extensive funding activities, maintaining investment grade ratings is of the utmost importance. Following the Xstrata merger and the Viterra acquisition announcements, Glencore's current credit ratings are Baa2 (review with direction uncertain) from Moody's and BBB (watch positive) from S&P.

Dividends

The directors have declared a 2012 interim dividend of $ 0.054 per share amounting to $ 374 million. The dividend will be paid on 13 September 2012.

Interim dividend	2012
Ex-dividend date (UK and Hong Kong)	29 August
Last time for lodging transfers in Hong Kong	4:30 pm (HK) 30 August
Interim dividend record date in Hong Kong	Opening of business (HK) 31 August
Interim dividend record date in UK	Close of business (UK) 31 August
Deadline for return of currency election form (Jersey shareholders)	3 September
Applicable exchange rate date	7 September
Payment date	13 September

As the interim dividends will be paid out of capital contribution reserves, they are exempt from Swiss withholding tax. As at 30 June 2012, Glencore International plc had CHF 13.8 billion of such capital contribution reserves in its statutory accounts.

The interim 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 Sterling, Euro or Swiss Franc amount will be determined by reference to the exchange 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 Glencore's website (www.glencore.com) or from the Company's Registrars.

Notional allocation of debt and interest expense

Glencore's indebtedness is primarily arranged centrally, with the proceeds then applied to marketing and industrial activities as required.

Glencore does not allocate borrowings or interest to its three operating segments. However, to assist investors in the assessment of overall performance and underlying value contributors of its integrated business model, Glencore notionally allocates its borrowings and interest expense between its marketing and industrial activities as shown below. Further details as to the methodology used can be found in the 2011 Annual Report.

US $ million	Marketing activities	Industrial activities	Total
Adjusted EBIT – H1 2012	1 115	1 393	2 508
Interest expense allocation	– 172	– 481	– 653
Interest income allocation	0	202	202
Allocated profit before tax – H1 2012			
Allocated borrowings – 30 June 2012 [1]	14 164	15 148	29 312
Allocated borrowings – 31 December 2011	14 247	13 821	28 068
Allocated borrowings – quarterly average	14 464	15 351	29 815

[1] Allocated borrowings in industrial activities increased as a result of the acquisitions and capital expenditure programs.

RISKS AND UNCERTAINTIES

Glencore 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 the 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 do not consider that the principal risks and uncertainties as summarised below and detailed in the Glencore International plc prospectus dated 31 May 2012 filed in connection with the proposed merger with Xstrata plc on pages 7 to 27 and in the 2011 Annual Report on pages 24 to 34, copies of which are available at www.glencore.com, have changed materially.

Risks relating to the Glencore Group:

- Declines in the current and expected volumes of supply or demand for commodities, to commodity prices and to deterioration in economic and financial conditions.
- Significant geopolitical risk.
- Liquidity risk.
- A reduction in Glencore's credit rating.
- Glencore's ability to attract, retain and compensate key employees.
- Fluctuations in currency exchange and interest rates.

Risks relating to Glencore's marketing activities:

- Its ability to identify and take advantage of arbitrage opportunities.
- The effectiveness of its hedging strategy.
- Counterparty risk.
- Risk management policies and procedures that may leave it exposed to unidentified or unanticipated risks.
- Reliance on third parties to source the majority of its products.
- Reliance on certain agreements for the sourcing of commodities.
- Significant amounts of freight, storage, infrastructure and logistics support required by its marketing activities and increases in costs thereof.

Risks relating to Glencore's industrial activities:

- Delays in or failure to develop planned expansions or new projects.
- Operating risks and hazards at its industrial assets.
- 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 Glencore's extraction and production methods and its shipping and storage activities.
- Accidents at Glencore's industrial activities, logistics and storage facilities which could result in injuries and fatalities.

SUBSEQUENT EVENTS AFFECTING OUR FINANCIAL POSITION

- On 3 July 2012, Glencore issued CHF 450 million ($ 473 million) 2.625% interest bearing bonds due December 2018.
- On 11 July 2012, Glencore entered into a share purchase agreement to acquire Vale's European manganese ferroalloys operations for a cash consideration of $ 160 million. The transaction is still subject to certain regulatory approvals expected to be received in Q4 2012.

Metals and Minerals

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H1 2011
Revenue	26 439	3 595	30 034	20 666	4 556	25 222
Adjusted EBITDA	698	832	1 530	635	1 345	1 980
Adjusted EBIT	688	399	1 087	633	950	1 583
Adjusted EBITDA margin (%)	2.6%	23.1%	–	3.1%	29.5%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H1 2011	Change
S&P GSCI Industrial Metals Index	390	470	– 17%
LME (cash) zinc price ($/t)	1 980	2 324	– 15%
LME (cash) copper price ($/t)	8 107	9 396	– 14%
LME (cash) lead price ($/t)	2 036	2 576	– 21%
Gold price ($/toz)	1 651	1 449	14%
Metal Bulletin alumina price ($/t)	317	400	– 21%
LME (cash) aluminium price ($/t)	2 084	2 552	– 18%
LME (cash) nickel price ($/t)	18 432	25 573	– 28%
Metal Bulletin cobalt price 99.3% ($/lb)	14	18	– 22%
Iron ore (Platts 62% CFR North China) price ($/DMT)	142	179	– 21%

Currency table

	Average H1 2012	Spot 30.06.2012	Average H1 2011	Spot 30.06.2011	Change in average prices
AUD : USD	1.03	1.02	1.03	1.07	– 0%
USD : COP	1 792	1 784	1 837	1 771	– 2%
EUR : USD	1.30	1.27	1.40	1.45	– 7%
GBP : USD	1.58	1.57	1.62	1.61	– 2%
USD : CHF	0.93	0.95	0.90	0.84	3%
USD : KZT	148	149	146	146	1%
USD : ZAR	7.94	8.16	6.89	6.77	15%

Zinc/Copper/Lead

Zinc and copper average H1 2012 prices were 15% and 14% below corresponding 2011 levels respectively. It is our view that these price declines appear to have been principally driven by a more pessimistic outlook on global growth and risk appetite by financial markets, a view supported by the tight correlation in price performance between the various industrial metals. In terms of physical end demand, our experience has been more consistent with conditions at least as favourable as those experienced during 2011. In addition, the supply side provided fundamental support to physical markets, as production across the sector, once again, failed to keep pace with expectations as a result of a continuation of long-term, industry-wide trends of grade declines, cost inflation, project delays and other supply-side constraints. The market continues to underestimate the potential for supply-side weakness to keep key commodities such as copper, in deficit. These factors are reflected in the robust levels of physical premia for zinc and copper during H1 2012.

Alumina/Aluminium

The alumina/aluminium markets continued to be affected by the on-going sovereign debt issues in Europe and the ensuing pressure on the rate of global demand growth. In addition, the industry continued to over-produce despite cuts in production in response to materially lower flat prices. The LME aluminium average cash settlement price for H1 2012 was $ 2,084 per tonne, compared to approximately $ 2,400 per tonne for 2011. By contrast, the available physical inventory positions remained tight. This is reflected in the fact that premia for in warehouse, duty unpaid aluminium increased significantly during the first half of 2012, with current published premiums of between $ 185–220 per tonne compared to $ 95–120 per tonne at the end of 2011.

Ferroalloys/Nickel/Cobalt/Iron Ore

The global stainless steel industry experienced a brief recovery during the first two months of the year, prompting a partial restocking process. However, this subsequently unwound as the impact of the negative macroeconomic sentiment took hold. Overall demand for nickel and chrome therefore disappointed, despite continued growth in some sectors including plating and superalloys.

The H1 2012 cobalt price was 22% lower than the comparable period in 2011, due to factors which have driven the cobalt market in H2 2011, including destocking in China and the increased use of intermediary products.

Iron ore prices were fairly stable during the first four months of H1 2012 however, towards the end of the H1 2012, reduced steel demand and production in China as well as increased spot volumes offered from Brazil and Australia pulled the market down to a low of around $ 130 per DMT.

MARKETING

Highlights

The metals and minerals marketing business delivered a strong performance during H1 2012, continuing to grow profits despite continued economic uncertainty and a lower flat commodity price environment. This performance serves to highlight the strength of Glencore's unique global platform, combining its own production with long term and close relationships across a diverse supplier and consumer base.

Marketing revenues in H1 2012 were $ 26.4 billion versus $ 20.7 billion in H1 2011, an increase of 28%. This growth was principally driven by increased volumes, particularly in copper and, to a lesser extent, iron ore.

Adjusted marketing EBITDA and EBIT for H1 2012 were $ 698 million and $ 688 million respectively, compared to $ 635 million and $ 633 million in H1 2011. As noted above, although H1 2012 was characterised by materially weaker flat prices for most of our core metals, the premia for physical delivery remained robust, indeed some reached new highs during the period. This reflects, with some exceptions, generally sound and consistent levels of end demand as well as physical inventory availability at levels below average, both on exchanges and within the global supply chain. The improved result also partly reflects increased volumes in key metals year-on-year, notably copper. H1 2012 saw strong performances from copper and aluminium while iron ore was weaker.

Financial information

US $ million	H1 2012	H1 2011	Change
Revenue	26 439	20 666	28%
Adjusted EBITDA	698	635	10%
Adjusted EBIT	688	633	9%

Selected marketing volumes sold

		H1 2012	H1 2011	Change
Zinc metal and concentrates [1]	million MT	1.3	1.3	0%
Copper metal and concentrates [1]	million MT	1.3	0.9	44%
Lead metal and concentrates [1]	million MT	0.3	0.3	0%
Gold	thousand toz	352	414	– 15%
Silver	million toz	11.8	4.9	141%
Alumina/aluminium	million MT	5.9	6.2	– 5%
Ferroalloys (incl. agency)	million MT	1.6	1.2	33%
Nickel	thousand MT	102.8	97.8	5%
Cobalt	thousand MT	8.4	12.3	– 32%
Iron ore	million MT	8.3	2.9	186%

[1] Estimated metal unit contained.

Zinc/Copper/Lead

H1 2012 volumes for zinc and lead were in line with H1 2011 at 1.3 million tonnes and 0.3 million tonnes respectively, while copper volumes increased from 0.9 million tonnes to 1.3 million tonnes over the same period. Global demand for physical copper has remained at the higher level experienced during H2 2011.

Alumina/Aluminium

Marketed volumes for alumina/aluminium decreased from 6.2 million tonnes in H1 2011 to 5.9 million tonnes in H1 2012. This reduction was mainly in alumina where volumes in Q1 2012 remained at the lower level of Q4 2011 before recovering into Q2 2012.

Ferroalloys/Nickel/Cobalt/Iron Ore

The decline in cobalt volumes sold during H1 2012 reflects a change in mix versus H1 2011. H1 2012 saw more crude hydroxide and less concentrates sales. The former has a materially higher cobalt content therefore distorting the comparability of headline volumes sold.

In line with our objective of building market share in iron ore, spot volumes increased materially in comparison to the prior year period. China remained key to global demand and to spot prices.

INDUSTRIAL ACTIVITIES

Highlights

Total industrial revenues for metals and minerals in H1 2012 were $ 3.6 billion, down 21% from H1 2011's $ 4.6 billion. Adjusted EBITDA for the period was $ 832 million, down 38% compared to H1 2011 but an increase of 7% compared to H2 2011. As noted above, sovereign and macroeconomic concerns have weighed on commodity prices, with the S&P GSCI Industrial Metal Index (reflecting a basket of commodity prices) falling on average 17% from 470 in H1 2011 to 390 in H1 2012, tempering the performance of the metals' industrial assets portfolio.

Despite short term production declines seen in certain commodities, the growth strategy to establish high quality, large scale, long life and low cost assets remains on track and on budget. The significant future growth in own source copper volumes and to a lesser extent gold, is expected to deliver substantially enhanced returns on invested capital.

US $ million	H1 2012	H1 2011	Change
Revenue			
Kazzinc	1 384	1 161	19%
Other Zinc	505	502	1%
Zinc	**1 889**	**1 663**	**14%**
Katanga	207	322	– 36%
Mutanda	108	–	n.m.
Mopani	422	597	– 29%
Other Copper	467	1 300	– 64%
Copper	**1 204**	**2 219**	**– 46%**
Alumina/Aluminium	**201**	**281**	**– 28%**
Ferroalloys/Nickel/Cobalt/Iron ore	**301**	**393**	**– 23%**
Total	3 595	4 556	– 21%
Adjusted EBITDA			
Kazzinc	463	524	– 12%
Other Zinc	116	154	– 25%
Zinc	**579**	**678**	**– 15%**
Katanga	37	141	– 74%
Mutanda	26	–	n.m.
Mopani	79	208	– 62%
Other Copper	112	114	– 2%
Copper	**254**	**463**	**– 45%**
Alumina/Aluminium	**4**	**52**	**– 92%**
Ferroalloys/Nickel/Cobalt/Iron ore	**– 1**	**110**	**n.m.**
Share of income from associates and dividends	– 4	42	n.m.
Total	832	1 345	– 38%
Adjusted EBITDA margin (%)	**23.1%**	**29.5%**	
Adjusted EBIT			
Kazzinc	294	372	– 21%
Other Zinc	53	98	– 46%
Zinc	**347**	**470**	**– 26%**
Katanga	– 9	106	n.m.
Mutanda	18	–	n.m.
Mopani	26	144	– 82%
Other Copper	81	93	– 13%
Copper	**116**	**343**	**– 66%**
Alumina/Aluminium	**– 2**	**47**	**n.m.**
Ferroalloys/Nickel/Cobalt/Iron ore	**– 58**	**48**	**n.m.**
Share of income from associates and dividends	– 4	42	n.m.
Total	399	950	– 58%
Capex			
Kazzinc	168	218	
Other Zinc	134	57	
Zinc	**302**	**275**	
Katanga	208	137	
Mutanda	39	–	
Mopani	75	56	
Other Copper	89	41	
Copper	**411**	**234**	
Alumina/Aluminium	**14**	**3**	
Ferroalloys/Nickel/Cobalt/Iron ore	**25**	**36**	
Total	752	548	

Production data

thousand[1]		Using feed from own sources	Using feed from third party sources	H1 2012 Total	Using feed from own sources	Using feed from third party sources	H1 2011 Total	Own feed change
Kazzinc								
Zinc metal	MT	113.7	35.8	149.5	126.0	23.3	149.3	– 10%
Lead metal[2]	MT	13.9	29.7	43.6	18.8	34.2	53.0	– 26%
Copper metal[3]	MT	24.5	1.4	25.9	25.8	0.7	26.5	– 5%
Gold	toz	233	43	276	207	17	224	13%
Silver	toz	2 636	7 330	9 966	2 296	1 740	4 036	15%
Katanga								
Copper metal[3]	MT	43.1	–	43.1	43.3	–	43.3	0%
Cobalt[4]	MT	1.07	–	1.07	1.30	–	1.30	– 18%
Mutanda								
Copper metal[3]	MT	38.3	–	38.3	25.8	–	25.8	48%
Cobalt[4]	MT	3.63	–	3.63	3.59	–	3.59	1%
Mopani								
Copper metal[3]	MT	39.4	45.9	85.3	49.6	52.8	102.4	– 21%
Cobalt[4]	MT	0.04	0.14	0.18	0.41	0.13	0.54	– 90%
Other Zinc (Los Quenuales, Sinchi Wayra, AR Zinc, Portovesme, Rosh Pinah)								
Zinc metal	MT	26.6	43.0	69.6	31.3	45.6	76.9	– 15%
Zinc oxide	DMT	22.9	–	22.9	13.2	–	13.2	73%
Zinc concentrates	DMT	201.0	–	201.0	247.2	–	247.2	– 19%
Lead metal	MT	5.8	–	5.8	5.9	–	5.9	– 2%
Lead concentrates	DMT	29.6	–	29.6	30.7	–	30.7	– 4%
Tin concentrates	DMT	2.35	–	2.35	2.19	–	2.19	7%
Silver metal	toz	389	–	389	368	–	368	6%
Silver in concentrates	toz	3 421	–	3 421	4 243	–	4 243	– 19%
Other Copper (Cobar, Pasar, Punitaqui, Sable)								
Copper metal	MT	–	17.8	17.8	–	80.6	80.6	n.m.
Copper concentrates	DMT	90.4	0.1	90.5	93.8	–	93.8	– 4%
Cobalt	MT	–	0.35	0.35	–	–	–	n.m.
Silver in concentrates	toz	596	–	596	388	–	388	54%
Alumina/Aluminium (Sherwin)								
Alumina	MT	–	634	634	–	751	751	n.m.
Nickel/Cobalt (Murrin Murrin)								
Nickel metal	MT	15.33	0.72	16.05	13.95	0.68	14.63	10%
Cobalt	MT	1.08	0.03	1.11	0.91	0.03	0.94	19%
Total Zinc contained	**MT**	**258.3**	**78.7**	**337.0**	**292.6**	**68.9**	**361.5**	**– 12%**
Total Copper contained	**MT**	**169.5**	**65.1**	**234.6**	**169.7**	**134.1**	**303.8**	**0%**
Total Lead contained	**MT**	**37.0**	**29.7**	**66.7**	**41.8**	**34.2**	**76.0**	**– 11%**
Total Tin contained	**MT**	**1.15**	**–**	**1.15**	**0.99**	**–**	**0.99**	**16%**
Gold (incl. Gold equivalents)[5]	**toz**	**365**	**181**	**546**	**382**	**59**	**441**	**– 4%**
Total Alumina	**MT**	**–**	**634**	**634**	**–**	**751**	**751**	**n.m.**
Total Nickel	**MT**	**15.33**	**0.72**	**16.05**	**13.95**	**0.68**	**14.63**	**10%**
Total Cobalt	**MT**	**5.82**	**0.52**	**6.34**	**6.21**	**0.16**	**6.37**	**– 6%**

[1] Controlled industrial assets only (with the exception in 2011 of Mutanda (40% owned) where Glencore had operational control). Production is on a 100% basis.
[2] Lead metal includes lead contained in lead concentrates.
[3] Copper metal includes copper contained in copper concentrates and blister copper.
[4] Cobalt contained in concentrates and hydroxide.
[5] Gold/Silver conversion ratio of 1/53.16 and 1/41.09 for H1 2012 and 2011 respectively based on average prices.

OPERATIONS

Kazzinc (Glencore interest: 50.7%)

Gold and silver production from own sources in H1 2012 increased by 13% and 15% respectively compared with the same period last year. The increases reflect the ramp up at Altyntau Kokshetau and an increase in gold recovered from the lead smelter.

In H1 2012 gold recoveries at Altyntau Kokshetau, Kazzinc's flagship gold asset, increased by 4% compared to H1 2011. An operational review process is currently nearing completion, the results of which are intended to drive capacity debottlenecking initiatives to allow the plant to reach design throughput with improved recovery levels by H2 2013.

Zinc, lead and copper production from own sources in H1 2012 were lower than in H1 2011, with lead reflecting an expected small reduction in grade during 2012 and a decision to process gold rich concentrates at the lead smelter to prioritise gold production at the expense of lead.

Kazzinc's new copper smelter, commissioned in August 2011, is still in ramp-up phase and operating at 80% of design capacity. It is expected to reach design capacity in H1 2013. Cold commissioning of the IsaSmelt lead smelter started in June 2012 with full commissioning expected in August, ahead of its original schedule in September. Kazzinc is also currently finalising the feasibility study for its Dolinnoye-Obruchevskoye gold deposit.

Katanga (Glencore interest: 75.2%)

Total ore mined in H1 2012 was 2,531,500 tonnes, an increase of 8% over H1 2011, which at a grade of 3.88%, resulted in contained copper in ore mined of 98,100 tonnes.

Ore mined at KTO underground mine for H1 2012 was 872,900 tonnes, a 9% increase over H1 2011, at an average copper grade of 3.65%. Ore mined at KOV open pit during H1 2012 was 1,658,600 tonnes, 44% above H1 2011, at an average copper grade of 4%; higher grade ore will be available during Q3 2012 in Cut 1D, as mud has now been removed from the bottom of KOV open pit.

Ore milled at KTC concentrator for H1 2012 was 2,236,700 tonnes, an increase of 13% over H1 2011.

Copper produced in metal and concentrate in H1 2012 was 43,100 tonnes, with copper metal production increasing by 12% during the same period in 2011.

Copper and cobalt production continued to be adversely affected by persistent general power disruptions in the DRC. During H1 2012, there were approximately 671 hours or 28 days of resulting lost production across the operation. This lost production time excludes the adverse impact on equipment availability following such unplanned shut downs and subsequent equipment start-ups. Katanga expects power disruptions to decrease during H2 2012, due to a new convertor expected to be commissioned by the end of August 2012, as part of the World Bank power project. A new synchronous condenser is also expected to be commissioned at the end Q3 2012. In the medium to long term, improvements in infrastructure, following launch of the Power Project (as previously announced in March 2012 and discussed below) are expected to improve reliability and availability of overall electricity supply.

Katanga expects first copper cathode production through the new Solvent Extraction plants and converted copper electrowinning facility during Q3 2012. Mechanical completion of the Updated Phase IV Expansion is expected in Q3 2013.

The feasibility study for the T17 underground mine is expected to complete during Q3 2012. This will potentially allow for exploitation of additional T17 mineral resources below the bottom of the current open pit through advanced underground mining techniques.

For further information please visit www.katangamining.com.

Mutanda (Glencore interest: 60.0%)

Copper production in H1 2012, including cathode and copper in concentrate, was 38,300 tonnes, representing a 48% increase compared to H1 2011. Cathodes contributed 36,200 tonnes, 153% higher than H1 2011, as the hydrometallurgical plant ramped up production.

Cobalt production in H1 2012, including cobalt in hydroxide and cobalt in concentrate was in line with H1 2011 at 3,600 tonnes.

Following commissioning of the EW4 tankhouse in January and completion and optimisation of the front end (milling and leaching) of the Phase II plant in Q2 2012, Mutanda now has installed copper production capacity of 110,000 tonnes per annum at design feed grades. Mutanda is on track to complete the associated cobalt circuit in Q4 2012, which will result in 23,000 tonnes per annum of cobalt in hydroxide production capacity.

The 390 tonnes per day sulphuric acid and 73 tonnes per day SO_2 plant was commissioned in February 2012 and at the end of March was operating at design capacity. A dedicated power generation plant is expected to be commissioned in Q3 2012 to ensure a reliable power supply to the acid plant.

Mutanda is currently preparing a feasibility study for the construction of a 100,000 tonnes (of copper contained) sulphide concentrator. The study is expected to be completed during Q1 2013.

During H1 2012, Glencore increased its attributable interest in Mutanda from 40% to 60% via an equity cash purchase of $ 420 million, as well as acquiring shareholder debts of approximately $ 60 million. Glencore also has the right, subject to the terms of a put and call option agreement, to acquire during December 2013 an additional 20% interest in Mutanda for a total cash consideration of $ 430 million.

The acquisition represents a significant first step towards achieving Glencore's previously announced intention to merge the Mutanda and Kansuki mining operations, which should result in the combined entity producing 200,000 tonnes per annum of copper cathodes and 23,000 tonnes per annum of cobalt in hydroxide by H1 2013.

Kansuki (Glencore interest: 37.5%)

Glencore holds a 50% interest in Kansuki Investments Sprl which in turn holds a 75% interest in the owner of the Kansuki concession, thereby giving Glencore an effective interest of 37.5%. Kansuki is a 185 square kilometre copper and cobalt pre-development project which borders the Mutanda concession. A total of $ 238 million of capital expenditure for mine and plant development has been committed of which $ 193 million had been spent as at 30 June 2012. Exploration of the Kansuki concession is on-going.

Katanga, Mutanda and Kansuki – Power Project

Mutanda, Katanga and Kansuki, are collectively undertaking a project to secure power for all three operations via the refurbishment of two turbines at the Inga dam which is expected to provide 450 megawatts of power by the end of 2015 (the 'Power Project'). The project is being executed in partnership with SNEL, DRC's national power operator and EGMF, the project contractor. The initial cost estimate is $ 284 million to be contributed by Mutanda, Katanga and Kansuki. The amount invested will be recovered via lower future energy tariffs.

Mopani (Glencore interest: 73.1%)

Total contained copper in ore hoisted and mined for the first half of 2012 was 3% below the same period of 2011, whilst total contained copper in concentrate for the same period was 2% higher than 2011. Gross anode production from the smelter for the first half of 2012 was 19% lower than 2011 levels, due to the planned smelter maintenance shutdown in May 2012, which was completed ahead of schedule and allowed Mopani to restart five days earlier than planned.

Total finished copper from own sources in H1 2012 was 21% below H1 2011 at 39,400 tonnes. Finished copper, including purchased material and toll, was 17% lower at 85,300 tonnes. The reduction in copper production was due to the planned smelter shutdown in May 2012, as described above, and to a lesser extent, the temporary suspension of the Mufulira West heap leach process earlier in the year.

Finished cobalt production in H1 2012 was 67% lower than H1 2011 due to the cobalt roaster being placed on care and maintenance in the second half of 2011, primarily due to lower cobalt grades in both Mopani and purchased concentrates.

The current capital expenditure projects to increase mine production and further improve and modernise the smelter remain on track, including the $ 323 million Synclinorium project, scheduled to come on line at the end of 2015.

Mopani announced earlier in the year that the smelter upgrade project (including improving sulphur dioxide emissions capture to above 97%) is expected to be completed by December 2013, 18 months ahead of the schedule initially agreed with the Zambian Government.

Other Zinc

Los Quenuales (Glencore interest: 97.5%)

Los Quenuales, which comprises the Iscaycruz and Yauliyacu mines, processed 3% less ore (1,282,900 tonnes) in H1 2012 compared to H1 2011, mainly due to disruptions associated with contractor union difficulties. Reductions in head grades at the Iscaycruz mine, owing to a general shift towards lower grade ore bodies, was the primary reason for the overall reduction in zinc concentrate production.

Sinchi Wayra (Glencore interest: 100%)

Ore treated at Sinchi Wayra during H1 2012 was 725,500 tonnes, 8% lower than the same period in 2011, mainly due to operational interruptions associated with elements of social unrest and the nationalisation of the Colquiri mine. Zinc head grades were also lower than during H1 2011, which contributed to the reduction in zinc concentrates production during H1 2012.

Negotiations with the Bolivian government to amend Sinchi Wayra's mining contracts in accordance with the new constitution are on-going.

AR Zinc (Glencore interest: 100%)

AR Zinc, comprising the Aguilar mine, Palpala lead smelter and AR zinc smelter, performed strongly in H1 2012, increasing ore processing by 23% to 354,500 tonnes and concentrate production by 38% to 33,600 tonnes and 24% to 18,600 tonnes for zinc and lead concentrate respectively compared to H1 2011.

Perkoa (Glencore interest: 50.1%)

Construction of the mine at Perkoa is on-going, with first production expected in H2 2012. The mine plan has been improved by introducing a new open-cut source of ore, providing the ability to produce lead concentrate, and increasing the planned plant capacity to 1 million tonnes of ore per annum. These improvements should also increase the life of mine and overall total production.

Rosh Pinah (Glencore interest: 80.1%)

Glencore acquired an 80.1% interest in the Rosh Pinah zinc and lead mine in June 2012. June's production of 4,666 tonnes of zinc contained and 1,203 tonnes of lead contained were both above expectations.

Other Copper

Sable (Glencore interest: 100%)

Sable, a Zambian processing plant, was purchased in September 2011 and has a current production capacity of 9,600 tonnes of copper cathode per annum (being increased to 14,400 tonnes) and 900 tonnes of cobalt contained in carbonate. H1 2012 production was 4,000 tonnes of copper cathode and 400 tonnes of cobalt.

Cobar (Glencore interest: 100%)

Copper concentrate production for H1 2012 was 15% lower than H1 2011 at 63,800 tonnes, primarily due to a temporary blockage of the fill lines that supply cement to back fill the mining stopes in H1 2012.

The main capital expenditure project currently underway is the shaft extension which is expected to reduce unit operating costs by allowing access to more ore and increasing levels of production. The project is expected to be completed in 2014.

Pasar (Glencore interest: 78.2%)

Copper cathode production in H1 2012 was significantly lower than in the same period in 2011 as a result of a fire at the plant in January which stopped production. Production restarted in July 2012.

Punitaqui (Glencore interest: 100%)

Copper concentrate for the period was 22,100 tonnes up 23% compared to H1 2011, reflecting higher rates of plant processing and a 9% increase in copper head grades.

Alumina/Aluminium

Sherwin Alumina (Glencore interest: 100%)

Production in H1 2012 was 634,200 tonnes, a decrease of 16% compared to H1 2011, primarily related to the overhaul of a calciner in Q1 2012.

Ferroalloys/Nickel/Cobalt

Murrin Murrin (Glencore interest: 100%)

Own sourced production for H1 2012 was 15,300 tonnes of nickel and 1,100 tonnes of cobalt, representing 10% and 19% increases respectively compared to the same period in 2011. Production during the first quarter was affected by some maintenance issues. However, the plant operated consistently throughout the second quarter, benefitting from throughput enhancements and other previous capital investments, to achieve a record quarterly nickel production of 9,600 tonnes. In response to the lower nickel price environment, Murrin Murrin has implemented a 'Margin Improvement Plan' designed to deliver cost and cash savings over the remainder of 2012.

Energy Products

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H1 2011
Revenue	66 379	2 098	68 477	57 053	1 005	58 058
Adjusted EBITDA	372	528	900	568	305	873
Adjusted EBIT	350	345	695	552	211	763
Adjusted EBITDA margin (%)	0.6%	25.2%	–	1.0%	30.3%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H1 2011	Change
S&P GSCI Energy Index	338	341	– 1%
API2 ($/t)	95	122	– 22%
API4 ($/t)	99	120	– 18%
Prodeco realised price ($/t) [1]	89	97	– 8%
South African Coal realised export price ($/t)	97	103	– 6%
South African Coal realised domestic price ($/t)	30	45	– 33%
Oil price – Brent ($/bbl)	114	111	3%

[1] As of 30 June 2012, 26 million tonnes had been sold forward at an average price of $ 91 per tonne.

Coal

Atlantic markets

Healthy production levels in the traditional exporting countries, compounded by a significant increase in US year-on-year thermal coal exports due to low domestic natural gas prices, precipitated Atlantic market price declines, notwithstanding record high levels of coal consumption in Europe. On an average basis, API 2 and API 4 were down 22% and 18% respectively compared to H1 2011.

Pacific markets

Prices were initially supported by strong demand across the region, especially China, where imports annualised at above 200 million tonnes in 2012 against some 175 million tonnes in 2011. However, strong Indonesian production together with higher Chinese hydro production and some displaced Atlantic market coal placed some downward pressure on prices, notably from Australia and Indonesia.

Metallurgical coal markets remain somewhat restrained due to the macroeconomic outlook and slowing steel demand growth in Europe, South America and China.

Oil

Brent front month prices started the year at $ 107 per barrel and fell to $ 95 per barrel at June 2012 with a range of $ 89 to $ 126 per barrel and average Brent price increasing slightly from $ 111 in H1 2011 to $ 114 per barrel in H2 2012.

During the first quarter 2012, price increases were driven by geo-political events, production delays and revised economic data from the US and China. The imposition of an EU embargo against Iranian oil exports further enhanced this trend. At the end of Q2 2012, prices eased following bearish economic growth forecasts, increased oil supply from Saudi Arabia and a lower price benchmark signalled by OPEC.

WTI continued its dislocation from other international grades in H1 2012, due to the domestic US crude benchmark's captive delivery location and continuing high stocks. The Brent-WTI differential started the year at $ 9 per barrel before widening to $ 13 per barrel by the end of June 2012.

MARKETING

Highlights

H1 2012 saw a reduced performance from energy marketing compared to H1 2011. Lower volatility across the oil and coal markets and the continued weak freight environment provided fewer arbitrage opportunities than H1 2011.

Adjusted Marketing EBITDA and EBIT for H1 2012 were $ 372 million and $ 350 million respectively, compared to $ 568 million and $ 552 million in H1 2011, a decrease of 35% and 37% respectively. Oil, in particular, had a strong H1 2011, exacerbating the period-on-period headline decline. This is borne out by energy marketing's sequential improvement in results compared to H2 2011.

Financial information

US $ million	H1 2012	H1 2011	Change
Revenue	66 379	57 053	16%
Adjusted EBITDA	372	568	– 35%
Adjusted EBIT	350	552	– 37%

Selected marketing volumes sold

million	H1 2012	H1 2011	Change
Thermal coal (MT)	38.3	44.6	– 14%
Metallurgical coal (MT)	2.7	1.8	50%
Coke (MT)	0.1	0.2	– 50%
Crude oil (bbls)	190.4	155.0	23%
Oil products (bbls)	366.2	273.5	34%

Coal

Volumes in H1 2012 were lower than those achieved in the comparable 2011 period, as a result of reduced volatility and lower freight rates, which limited geographical arbitrage opportunities. Furthermore, the market was focused on lower quality grades due to price advantages, which can have an impact on deliveries of higher quality coals and the premiums these coals can command.

The outlook for coal is more encouraging with a large portion of seaborne exports selling at below average global production cost. This should result in further production cuts and support prices. Demand for coal across most markets remains strong with the global 'burn rate' at record levels on a seasonally adjusted basis. Moreover, an overhang of off-specification coals should in time lead to a positive outcome for quality oriented exports and a return to favourable premiums for such products.

Oil

H1 2012 volumes, on an overall barrels per day basis, increased by 30% to 3.1 million barrels per day from 2.4 million barrels per day in H1 2011. This increase was largely due to the first time inclusion of Chemoil volumes, following Glencore increasing its stake to 89% earlier this year. Excluding Chemoil, volumes were similar.

The oil freight market continued to remain challenging during the first half of 2012 with high bunker fuel prices and lower back-haul optimisation opportunities.

INDUSTRIAL ACTIVITIES

Highlights

The energy industrial segment delivered a substantially improved performance during H1 2012 off the back of the oil E&P operations with the first full half year of production from the Aseng oil field, following its commissioning in November 2011. At industrial coal EBITDA level, the lower contribution from Prodeco (mainly due to lower realised coal prices), was largely offset by an increased contribution from the South African coal portfolio over the last 12 months, following the Optimum and Umcebo acquisitions and the Shanduka Coal transactions.

Industrial revenues in H1 2012 were $ 2,098 million versus $ 1,005 million in H1 2011, an increase of 109%. Adjusted EBITDA for H1 2012 was $ 528 million, up 73% compared to $ 305 million in H1 2011.

Financial information

US $ million	H1 2012	H1 2011	Change
Revenue			
Prodeco	667	641	4%
South African Coal	562	151	272%
Coal	**1 229**	**792**	**55%**
Oil	**869**	**213**	**308%**
Total	**2 098**	**1 005**	**109%**
Adjusted EBITDA			
Prodeco	130	232	– 44%
South African Coal	133	39	241%
Coal	**263**	**271**	**– 3%**
Oil	**252**	**7**	**3 500%**
Share of income from associates and dividends	13	27	– 52%
Total	**528**	**305**	**73%**
Adjusted EBITDA margin (%)	**25.2%**	**30.3%**	
Adjusted EBIT			
Prodeco	52	164	– 68%
South African Coal	68	22	209%
Coal	**120**	**186**	**– 35%**
Oil	**212**	**– 2**	**n.m.**
Share of income from associates and dividends	13	27	– 52%
Total	**345**	**211**	**64%**
Capex			
Prodeco	159	274	
South African Coal	120	6	
Coal	**279**	**280**	
Oil	**191**	**162**	
Total	**470**	**442**	

Production data

thousand MT[1]	Own	Buy-in Coal	H1 2012 Total	Own	Buy-in Coal	H1 2011 Total	Own production change
Thermal Coal							
Prodeco	7 944	107	8 051	7 093	94	7 187	12%
Shanduka (Export)	199	–	199	250	–	250	– 20%
Shanduka (Domestic)	2 980	539	3 519	2 500	257	2 757	19%
Umcebo (Export)	131	–	131	–	–	–	n.m.
Umcebo (Domestic)	3 620	18	3 638	–	–	–	n.m.
Optimum (Export)	3 769	–	3 769	–	–	–	n.m.
Optimum (Domestic)	3 155	358	3 513	–	–	–	n.m.
Total	**21 798**	**1 022**	**22 820**	**9 843**	**351**	**10 194**	**121%**

[1] Controlled industrial assets only. Production is on a 100% basis.

thousand bbls	H1 2012	H1 2011	Change
Oil[1]			
Block I	11 022	–	n.m.
Total	**11 022**	**–**	**n.m.**

[1] On a 100% basis. Glencore's ownership interest in the Aseng field is 23.75%

OPERATIONS

Prodeco (Glencore interest: 100%)

Own production was 7.9 million tonnes in H1 2012, a 12% increase compared to H1 2011. This increase is attributable to the broad expansion project currently underway which is expected to increase annualised production to 21 million tonnes by Q4 2014. All mine-based infrastructure and support projects to facilitate the expansion (including maintenance workshops and crushing and coal handling systems) have been completed on time and on budget and are in operation.

The construction of the new direct loading port, Puerto Nuevo, is on schedule and on budget and expected to be commissioned in H1 2013, following which, the current port (Puerto Prodeco) will be decommissioned. Puerto Nuevo is expected to provide higher annual throughput capacity and at a lower operating cost per tonne.

South African Coal (Glencore interest: Shanduka Coal: 49.99%, Umcebo Mining: 43.66% and Optimum Coal: 63%)

Glencore's South African coal operations comprise Shanduka Coal (including Kangra Coal), Umcebo Mining and Optimum Coal. The portfolio has continued to expand during H1 2012, following the increase in ownership of Optimum and the acquisition of Kangra by Shanduka.

In March 2012, Glencore closed the acquisition of Optimum following conclusion of the mandatory offer and associated delisting. As at 30 June 2012 Glencore had an effective 63% interest in Optimum, which exports approximately 6.8 million tonnes per annum of thermal coal through Richards Bay Coal Terminal.

In June 2012, Glencore completed a transaction whereby it reduced its ownership in Shanduka Coal by 20% (from 70% to 49.99%), while maintaining control of the operation, in return for a cash consideration of ZAR 368 million and the transfer by Shanduka Resources to Shanduka Coal of its 30% shareholding in Kangra Coal. Kangra is owner of the Savmore Colliery in the Ermelo fields, which exports approximately 1.7 million tonnes per annum of thermal coal.

Results at the Shanduka and Umcebo operations during the first half of 2012 exceeded expectations, while Optimum's results were lower than expected as production continued to ramp up following completion of the Kwagga North project.

Work is currently proceeding well on the Wonderfontein project, with the rail siding nearing completion and first coal expected to be railed before the end of 2012. Likewise, the Springboklaagte project studies are progressing well and it is expected that the definitive feasibility study will be completed by the end of the year. In March 2012, Shanduka Coal acquired the rights to the Argent coal deposit and a pre-feasibility study is currently in progress.

Oil Exploration & Production (Glencore interest: Block I: 23.8%/Block O: 25.0%)

The Aseng field (Block I) in Equatorial Guinea continued to perform well, reaching a single day gross production record of 70,000 barrels during Q2 2012. Field operations have run at nearly 100% capacity and produced at an average gross production rate of 61,000 barrels per day during H1 2012. In the eight months since start-up, Aseng has produced 13.8 million barrels of cumulative gross production and operated with less than one per cent downtime.

Development of the Alen field (Block O) in Equatorial Guinea remains on budget and scheduled for first production in Q3 2013. All of the development wells have been drilled and completed and construction of the production platform continues as planned.

Agricultural Products

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H1 2011
Revenue	8 041	1 405	9 446	7 249	1 591	8 840
Adjusted EBITDA	125	21	146	92	13	105
Adjusted EBIT	114	– 11	103	92	– 17	75
Adjusted EBITDA margin (%)	1.6%	1.5.%	–	1.3%	0.8%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H1 2011	Change
S&P GSCI Agriculture Index	426	522	– 18%
CBOT corn no.2 price (US¢/bu)	629	701	– 10%
ICE cotton price (US¢/lb)	87	174	– 50%
CBOT soya beans (US¢/bu)	1 350	1 370	– 1%
NYMEX sugar # 11 price (US¢/lb)	23	27	– 15%
CBOT wheat price (US¢/bu)	642	766	– 16%

Grain prices were directionless and range bound in H1 2012 and, for most of the period, were below the price levels of H2 2011 and well below price levels of H1 2011. Oilseed prices, having reached a low early in the year, subsequently increased as Argentine production fell short of expectations due to an extended drought for the second year in the past three years. Cotton prices were also subdued, considerably below 2011 levels and gradually weakened over the period.

At the end of H1 2012, a drought in the US, FSU and Eastern/Southern Europe began to impact both grain and oilseed production forecasts and increase prices. Subsequently, with continuing dry and hot weather, particularly in the US, it has become apparent that production shortfalls will be severe and supply/demand will consequently be extremely tight. H2 2012 is therefore likely to be a considerably higher priced and more volatile environment than H1 2012.

MARKETING

Highlights

Grain, oilseed and freight volumes maintained their growth trend in H1 2012, with oilseed volumes, in particular, up substantially versus H1 2011. With good wheat crops in both Russia and Ukraine, there were no export restrictions in place. Grain arbitrage opportunities were generally limited but performance was nevertheless satisfactory, particularly in wheat. Oilseeds experienced a more volatile environment due to the Argentinean soyabean production shortfall and a cold winter impacting the EU rapeseed crop. Softseed marketing and oil and oilseed arbitrage made a good contribution during H1 2012.

Financial information

US $ million	H1 2012	H1 2011	Change
Revenue	8 041	7 249	11%
Adjusted EBITDA	125	92	36%
Adjusted EBIT	114	92	24%

Selected marketing volumes sold

million MT	H1 2012	H1 2011	Change
Grains	14.6	13.2	11%
Oil/oilseeds	6.8	5.1	33%
Cotton	0.3	0.2	50%
Sugar	0.2	0.2	0%

INDUSTRIAL ACTIVITIES

Financial information

US $ million	H1 2012	H1 2011	Change
Revenue	1 405	1 591	– 12%
Adjusted EBITDA [1]	21	13	62%
Adjusted EBIT [1]	– 11	– 17	n.m.
Adjusted EBITDA margin (%)	1.5%	0.8%	
Capex	133	83	

[1] Includes share of income from associates and dividends of $ 7 million (H1 2011: $ 5 million).

Production data

thousand MT	H1 2012	H1 2011	Change
Farming	327	191	71%
Oilseed crushing	1 106	911	21%
Oilseed crushing long term toll agreement	397	445	– 11%
Biodiesel	260	273	– 5%
Rice milling	126	113	12%
Wheat milling	534	506	6%
Sugarcane processing	251	320	– 22%
Total	3 001	2 759	9%

OPERATIONS

Viterra (pending completion)

Glencore announced it had concluded an agreement to acquire Viterra Inc. for CAD 16.25 per share on 19 March 2012, subject to regulatory and shareholder approvals. Viterra's shareholders voted to approve the acquisition on 29 May 2012. Substantially all regulatory approvals have now been received, including competition and foreign investment clearances in Canada and Australia. The only outstanding approval remaining is MOFCOM, China.

Rio Vermelho (Glencore interest: 100%)

During H1 2012, Rio Vermelho crushed a total of 251,200 tonnes of sugarcane (22% lower than H1 2011), producing 14,350 cubic metres of hydrous ethanol (compared to 24,500 tonnes in H1 2011) and 3,600 tonnes of Very High Pol ('VHP') sugar, the first sugar produced at Rio Vermelho following the construction of the VHP sugar plant. Crushing volumes and production were below expectations due to a delayed start of the harvest to allow for further maturation of the sugarcane following unseasonal levels of rainfall in May and June, impacting the broader Brazilian industry.

In the first half of 2012, Rio Vermelho farmed 72% (compared to 81% in H1 2011) of its sugarcane feedstock, with the balance supplied by independent farmers.

The first phase of Rio Vermelho's five year expansion plan, the construction of a VHP sugar plant, was completed on schedule in June 2012. During the current crop cycle, the sugar plant will run at a daily capacity of 750 tonnes, reaching an eventual capacity of 1,500 tonnes per day in line with the overall increase in crushing capacity from 1.3 million tonnes to 2.6 million tonnes. Furthermore, the expansion will add 80,000 cubic metres of anhydrous ethanol production capacity as well as a cogeneration plant capable of supplying 200,000 megawatt hours of surplus electricity to the power grid. The overall project is on schedule and total forecast capital expenditure remains at $ 322 million.

Other Agricultural Products

Oilseed crushing

Two softseed crushing plants were acquired at Usti, Czech Republic and Bodaczow, Poland late last year. After upgrades and safety improvements, both plants commenced operations under Glencore ownership early in 2012. In addition a sunseed crushing plant at Kharkov, Ukraine was acquired in February 2012. Our greenfield softseed plant at Fokto, Hungary was commissioned in May 2012 and is now in operation. Volumes and margins in the European crushing business have generally been below expectations due to poor rapeseed crops and reduced demand for oil as a result of weak biodiesel margins.

Commissioning of the joint venture greenfield soyabean crushing plant at Timbues, Argentina is slightly delayed with an updated target of September 2012. Margins have also been poor in Argentina due a reduced soyabean crop and excess crushing capacity.

Biodiesel

The EU biodiesel business continues to be very challenging with new capacity coming on stream in 2012 despite poor margins. Imports of soy based biodiesel from South America have eroded EU biodiesel demand as has an effective reduction of the EU biodiesel use mandate.

Farming

Overall farm production rose 71% compared to the same period in 2011. This increase reflects this year's earlier Russian harvest as well as an increase in our Argentinean activities.

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 4.2.7 (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 4.2.8 (being disclosure of related party transactions and changes therein).

By order of the Board,

Steven Kalmin
Chief Financial Officer

21 August 2012

INDEPENDENT REVIEW REPORT TO GLENCORE INTERNATIONAL 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 2012 which comprises the statements of financial position, income, comprehensive income, cash flows and changes in equity and related notes 1 to 20. 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 Services 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 2012 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 Services Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

21 August 2012

CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE SIX MONTHS ENDED 30 JUNE (UNAUDITED)

US $ million	Notes	2012	2011
Revenue		107 957	92 120
Cost of goods sold		– 105 819	– 89 411
Selling and administrative expenses		– 478	– 457
Share of income from associates and jointly controlled entities		684	1 040
(Loss)/gain on sale on investments – net	4	– 157	2
Other income/(expense) – net	5	447	– 368
Dividend income		12	11
Interest income		202	160
Interest expense		– 653	– 626
Income before income taxes		**2 195**	**2 471**
Income tax credit	6	152	201
Income for the period		**2 347**	**2 672**
Attributable to:			
Non controlling interests		72	198
Equity holders		2 275	2 474
Earnings per share			
Basic (US $)	12	0.33	0.57
Diluted (US $)	12	0.32	0.53

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE (UNAUDITED)

US $ million	Notes	2012	2011
Income for the period		2 347	2 672
Exchange (loss)/gain on translation of foreign operations		– 63	20
Loss on cash flow hedges		– 35	– 56
Loss on available for sale financial instruments	9	– 71	– 224
Share of comprehensive income from associates and jointly controlled entities		115	11
Income tax relating to components of other comprehensive income		3	– 24
Net loss recognised directly in equity		**– 51**	**– 273**
Cash flow hedges transferred to the statement of income, net of tax		65	0
Other comprehensive income/(loss)		**14**	**– 273**
Total comprehensive income		**2 361**	**2 399**
Attributable to:			
Non controlling interests		48	202
Equity holders		2 313	2 197

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

US $ million	Notes	2012 (unaudited)	2011 (audited)
Assets			
Non current assets			
Property, plant and equipment	7	20 250	14 639
Intangible assets	8	1 221	210
Investments in associates and jointly controlled entities	9	18 725	18 858
Other investments	9	1 517	1 547
Advances and loans		3 910	4 141
Deferred tax assets		1 361	1 039
		46 984	**40 434**
Current assets			
Inventories	10	16 045	17 129
Accounts receivable	11	23 459	21 895
Other financial assets		5 286	5 065
Prepaid expenses and other assets		354	297
Marketable securities		45	40
Cash and cash equivalents		1 492	1 305
		46 681	**45 731**
Total assets		**93 665**	**86 165**
Equity and liabilities			
Capital and reserves – attributable to equity holders			
Share capital		69	69
Reserves and retained earnings		30 919	29 196
		30 988	**29 265**
Non controlling interests		3 860	3 070
Total equity		**34 848**	**32 335**
Non current liabilities			
Borrowings	14	20 490	19 844
Deferred income	15	712	158
Deferred tax liabilities		2 639	1 399
Other financial liabilities	16	419	0
Provisions		1 296	953
		25 556	**22 354**
Current liabilities			
Borrowings	14	8 822	8 185
Commodities sold with agreements to repurchase		0	39
Accounts payable		18 660	18 136
Deferred income	15	126	24
Provisions		90	98
Other financial liabilities		5 375	4 804
Income tax payable		188	190
		33 261	**31 476**
Total equity and liabilities		**93 665**	**86 165**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE (UNAUDITED)

US $ million	Notes	2012	2011
Operating activities			
Income before income taxes		2 195	2 471
Adjustments for:			
Depreciation and amortisation		691	542
Share of income from associates and jointly controlled entities		– 684	– 1 040
(Decrease)/increase in non current provisions		– 33	20
Loss/(gain) on sale of investments – net		157	– 2
Unrealised mark to market movements on other investments		– 9	– 6
Impairments and other non cash items – net		– 394	21
Interest expense – net		451	466
Cash generated by operating activities before working capital changes		**2 374**	**2 472**
Working capital changes			
(Increase)/decrease in accounts receivable [1]		– 1 264	793
Decrease/(increase) in inventories		1 376	– 448
Increase/(decrease) in accounts payable [2]		598	– 1 329
Total working capital changes		**710**	**– 984**
Income tax paid		– 188	– 311
Interest received		48	63
Interest paid		– 609	– 606
Net cash generated by operating activities		**2 335**	**634**
Investing activities			
Payments of non current advances and loans		– 227	– 64
Acquisition of subsidiaries, net of cash acquired	16	– 1 058	0
Purchase of investments		– 199	– 417
Proceeds from sale of investments		7	8
Purchase of property, plant and equipment		– 1 489	– 1 113
Proceeds from sale of property, plant and equipment		125	74
Dividends received from associates		305	230
Net cash (used by) investing activities		**– 2 536**	**– 1 282**
Financing activities			
Share issuance, net of issue costs		0	7 674
Repurchase of Perpetual bonds		0	– 292
Proceeds from Xstrata secured bank loans		0	384
Proceeds from issuance of Sterling, Swiss Franc and Euro bonds		2 149	237
Proceeds from other non current borrowings		84	26
Margin (payments)/receipts in respect of financing related hedging activities		– 292	477
Repayment of current borrowings		– 443	– 7 235
Acquisition of additional interest in subsidiaries		– 172	– 25
Disposal of interest in subsidiary		45	0
Payment of profit participation certificates		– 291	– 468
Dividend paid to equity holders of the parent	13	– 692	0
Dividend paid to non controlling interests		0	– 17
Net cash generated by financing activities		**388**	**761**
Increase in cash and cash equivalents		187	113
Cash and cash equivalents, beginning of period		1 305	1 463
Cash and cash equivalents, end of period		**1 492**	**1 576**

[1] Includes movements in other financial assets and prepaid expenses, other assets and other non cash current assets.
[2] Includes movements in other financial liabilities and current provisions.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED (UNAUDITED)

US $ million	Retained earnings	Share premium	Other reserves	Total reserves and retained earnings	Share capital	Total equity attributable to equity holders	Non con-trolling interests	Total equity
At 1 January 2011	**5 659**	**0**	**– 272**	**5 387**	**37**	**5 424**	**2 894**	**8 318**
Income for the period	2 474	0	0	2 474	0	2 474	198	2 672
Other comprehensive loss	11	0	– 288	– 277	0	– 277	4	– 273
Total comprehensive income	**2 485**	**0**	**– 288**	**2 197**	**0**	**2 197**	**202**	**2 399**
Conversion of HPPS and PPS profit participation plans	0	13 821	0	13 821	16	13 837	0	13 837
Conversion of LTS and LTPPS profit participation plans	– 5 701	5 694	0	– 7	7	0	0	0
Issue of share capital	0	7 607	0	7 607	9	7 616	0	7 616
Change in ownership interest in subsidiaries	0	0	– 25	– 25	0	– 25	0	– 25
Equity settled share-based payments	7	0	0	7	0	7	0	7
Dividends paid	0	0	0	0	0	0	– 17	– 17
At 30 June 2011	**2 450**	**27 122**	**– 585**	**28 987**	**69**	**29 056**	**3 079**	**32 135**
Income for the period	1 574	0	0	1 574	0	1 574	22	1 596
Other comprehensive loss	– 36	0	– 982	– 1 018	0	– 1 018	– 10	– 1 028
Total comprehensive income	**1 538**	**0**	**– 982**	**556**	**0**	**556**	**12**	**568**
Tax on Listing related expenses	0	21	0	21	0	21	0	21
Equity settled share-based payments	51	0	0	51	0	51	0	51
Change in ownership interest in subsidiaries	0	0	– 73	– 73	0	– 73	– 235	– 308
Acquisition of subsidiaries	0	0	0	0	0	0	215	215
Dividends paid[1]	0	– 346	0	– 346	0	– 346	– 1	– 347
At 31 December 2011	**4 039**	**26 797**	**– 1 640**	**29 196**	**69**	**29 265**	**3 070**	**32 335**
At 1 January 2012	**4 039**	**26 797**	**– 1 640**	**29 196**	**69**	**29 265**	**3 070**	**32 335**
Income for the period	2 275	0	0	2 275	0	2 275	72	2 347
Other comprehensive income	115	0	– 77	38	0	38	– 24	14
Total comprehensive income	**2 390**	**0**	**– 77**	**2 313**	**0**	**2 313**	**48**	**2 361**
Equity settled share-based payments	23	0	0	23	0	23	0	23
Change in ownership interest in subsidiaries	0	0	79	79	0	79	– 102	– 23
Put option relating to additional interest in subsidiary[2]	0	0	0	0	0	0	– 419	– 419
Acquisition of subsidiaries[2]	0	0	0	0	0	0	1 263	1 263
Dividends paid[1]	0	– 692	0	– 692	0	– 692	0	– 692
At 30 June 2012	**6 452**	**26 105**	**– 1 638**	**30 919**	**69**	**30 988**	**3 860**	**34 848**

[1] See note 13.
[2] See note 16.

Notes to the unaudited condensed interim consolidated financial statements

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 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.

These unaudited condensed interim consolidated financial statements for the six months ended 30 June 2012 were authorised for issue in accordance with a resolution of the directors on 21 August 2012.

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 2012. These unaudited condensed interim consolidated financial statements should be read in conjunction with the financial statements and the notes thereto included in the audited 2011 Annual Report of Glencore International plc and subsidiaries ("2011 Annual Report") available at www.glencore.com. These financial statements for the six months ended 30 June 2012 and 2011, and financial information for the year ended 31 December 2011 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 2012 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 pages 7 and 14 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 2011 Annual Report, except for the adoption of the following amendments to existing standards and interpretations as of 1 January 2012:

- Amendments to IFRS 7 – Financial Instruments: Disclosures
- Amendments to IAS 12 – Deferred Tax: Recovery of Underlying Assets

The adoption of these amendments had no material impact on Glencore's unaudited condensed interim consolidated financial statements.

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 net margin or premium earned from physical marketing activities (net sale and purchase of physical commodities), provision of marketing and related value-add services and the margin earned from industrial asset activities (net resulting from the sale of physical commodities over the cost of production and/or cost of sales) and comprise the following underlying key commodities:

- Metals and minerals: Zinc, copper, lead, alumina, aluminium, ferro alloys, 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, barley, rice, oilseeds, 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 and other unallocated Group related expenses (mainly variable pool bonus accrual). Balance sheet 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 jointly controlled entities and dividends as disclosed on the face of the consolidated statement of income. Furthermore, given that funding costs in relation to working capital employed in the marketing activities are sought to be "recovered" via transactional terms, the performance of marketing activities is also assessed at a net income level.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Glencore accounts for inter-segment sales and transfers where applicable as if the sales or transfers were to third parties, i.e. at current market prices.

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**	**0**	**107 957**
Marketing activities					
Adjusted EBIT	688	350	114	– 37	1 115
Depreciation and amortisation	10	22	11	0	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	0	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	0	– 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) [5]	**36 847**	**30 095**	**7 265**	**19 458**	**93 665**

[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.
[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. As at period end, approximately 10,580,500 btus of natural gas remains sold forward at a fixed price in respect of monthly periods to the end of 2012. These contracts were initially concluded in 2008 with mark to market movements accounted for in equity (cash flow hedge reserves). There are no such contracts covering periods beyond 2012.
[5] During the period ended 30 June 2012, the Metals and Minerals and Agricultural products segments recognised impairments of $ 55 million and $ 45 million respectively (see note 5).

Six months ended 30 June 2011 US $ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue from third parties	**25 222**	**58 058**	**8 840**	**0**	**92 120**
Marketing activities					
Adjusted EBIT	633	552	92	– 26	1 251
Depreciation and amortisation	2	16	0	5	23
Adjusted EBITDA	**635**	**568**	**92**	**– 21**	**1 274**
Industrial activities					
Adjusted EBIT	950	211	– 17	908	2 052
Depreciation and amortisation	395	94	30	0	519
Adjusted EBITDA	**1 345**	**305**	**13**	**908**	**2 571**
Total adjusted EBITDA	**1 980**	**873**	**105**	**887**	**3 845**
Depreciation and amortisation	– 397	– 110	– 30	– 5	– 542
Total adjusted EBIT	**1 583**	**763**	**75**	**882**	**3 303**
Significant items[1]					
Other (expense)/income – net[2]					– 368
Gain on sale of investments					2
Interest expense – net					– 466
Income tax credit					201
Income for the period					**2 672**
Total assets (30 June 2011)	**33 751**	**19 956**	**5 837**	**21 819**	**81 363**
Total assets (31 December 2011)	**32 272**	**25 627**	**6 528**	**21 738**	**86 165**

[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.

4. (LOSS)/GAIN ON SALE OF INVESTMENTS – NET

US $ million	H1 2012	H1 2011
Loss on sale of investments in associates	– 121	0
Other	– 36	2
Total	**– 157**	**2**

The net loss on sale of investments in 2012 comprised primarily an accounting dilution loss of $ 121 million following Xstrata's share issuance in March 2012, which saw Glencore's effective ownership reduce from 34.5% to 34.2%.

5. OTHER INCOME/(EXPENSE) – NET

US $ million	Notes	H1 2012	H1 2011
Changes in mark to market valuations on investments held for trading – net		9	6
Changes in mark to market valuation of certain coal forward contracts [1]		169	– 161
Changes in mark to market valuation of certain foreign currency forward contracts		– 29	0
Revaluation of previously held interests in newly acquired businesses	16	497	0
(Impairment)/impairment reversal		– 100	16
(Loss)/gain on disposal of property, plant and equipment		– 10	1
Phantom equity awards granted on listing		– 33	– 7
Foreign exchange (loss)/gain		– 18	26
Listing related expenses		0	– 251
Other		– 38	2
Total		**447**	**– 368**

[1] This other expense 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.

In addition to foreign exchange gains/(losses) and mark to market movements on investments held for trading, other income/(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 income/(expense) – net includes, but is not limited to, impairment charges/reversals, revaluation of previously held interests in business combinations and restructuring and closure costs.

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

Primarily relates to movements on interests in other investments classified as held for trading and carried at fair value, with Glencore's interest in Century Aluminum Company cash settled equity swaps, Blackthorn Resources Ltd, Volcan Compania Minera S.A.A. and Nyrstar N.V. accounting for the majority of the movement in 2012 and 2011.

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 Group's (Prodeco) 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 cashflow hedges, which would have deferred the income statement effect until performance of the underlying future sale transactions. As at period end, approximately 4.1 million tonnes (2011: 14.1 million tonnes) of such coal had been sold forward at a fixed price in respect of quarterly periods to the end of 2013.

Changes in mark to market valuation of certain foreign currency forward contracts

Represents movements in fair value of CAD 2.7 billion fixed price forward foreign currency purchase contracts entered into to hedge the acquisition price foreign currency risk associated with the announced Viterra transaction.

Revaluation of previously held interests in newly acquired businesses

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) (see note 16). 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.

Impairment

During the regular assessment of whether there is an indication of an asset impairment or whether a previously recorded impairment may no longer be required, the continuing challenging European biodiesel margin environment was the largest contributor towards an aggregate impairment charge of $ 100 million being recognised. The recoverable amounts of the underlying assets were determined using discounted cash flow techniques less estimated selling costs.

6. INCOME TAXES

Income taxes consist of the following:

US $ million	H1 2012	H1 2011
Current income tax expense	– 248	– 302
Deferred income tax credit [1]	400	503
Total credit	**152**	**201**

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 2012	H1 2011
Income before income taxes and attribution	**2 195**	**2 471**
Less: share of income from Associates	– 684	– 1 040
Parent company's and subsidiaries' income before income tax and attribution	**1 511**	**1 431**
Income tax expense calculated at the Swiss income tax rate	– 227	– 227
Effect of different tax rates from the standard Swiss income tax rate	– 47	– 107
Tax exempt income, net of non-deductible expenses and other permanent differences	123	39
Tax implications of restructurings, including deductions/losses triggered [1]	425	427
Effect of available tax losses not recognised, and other changes in the valuation of deferred tax assets	– 122	69
Total credit	**152**	**201**

[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. In conjunction with the listing of the Company in 2011, the potential amounts owing to the shareholder employees under the various active profit participation plans at the time were settled and Swiss and other country income tax deductions/losses that can be carried forward and applied against future taxable income were crystallised.

7. PROPERTY, PLANT AND EQUIPMENT

US $ million	Notes	Land and buildings	Plant and equipment	Mineral and petroleum rights	Deferred mining costs	Total
Cross carrying amount:						
1 January 2012		**1 521**	**12 045**	**4 617**	**675**	**18 858**
Business combination	16	205	1 359	3 730	0	5 294
Additions		65	988	310	43	1 406
Disposals		– 9	– 260	0	0	– 269
Effect of foreign currency exchange difference		– 8	– 47	– 21	0	– 76
Other movements		18	– 70	98	– 69	– 23
30 June 2012		**1 792**	**14 015**	**8 734**	**649**	**25 190**
Accumulated amortisation and impairment:						
1 January 2012		**323**	**2 997**	**770**	**129**	**4 219**
Depreciation		33	436	190	23	682
Disposals		– 7	– 11	0	– 20	– 38
Impairments		0	45	35	0	80
Effect of foreign currency exchange difference		– 1	– 3	– 1	0	– 5
Other movements		6	– 4	7	– 7	2
30 June 2012		**354**	**3 460**	**1 001**	**125**	**4 940**
Net carrying amount		**1 438**	**10 555**	**7 733**	**524**	**20 250**

During the period ended 30 June 2011, Glencore added property, plant and equipment with a cost of $ 1,113 million and disposed of property, plant and equipment with a net book value of $ 72 million.

8. INTANGIBLE ASSETS

US $ million	Notes	Port alloca-tion rights	Goodwill	Future ware-housing fees	Other	Total
Cost:						
1 January 2012		**0**	**169**	**32**	**13**	**214**
Business combination	16	988	0	0	0	988
Additions		21	0	0	30	51
Disposal		0	– 5	0	– 1	– 6
Effect of foreign exchange differences		– 13	0	0	0	– 13
30 June 2012		**996**	**164**	**32**	**42**	**1 234**
Accumulated amortisation and impairment:						
1 January 2012		**0**	**0**	**3**	**1**	**4**
Amortisation expense		3	0	4	2	9
30 June 2012		**3**	**0**	**7**	**3**	**13**
Net carrying amount		**993**	**164**	**25**	**39**	**1 221**

The port allocation rights have been recognised as part of the acquisitions of the South African coal operations, see note 16. The rights are being amortised on a straight line basis over the estimated economic life of the port.

During the period ended 30 June 2011 goodwill of $ 133 million and future warehousing fees of $ 32 million were recognised as part of the finalised acquisition accounting of the Pacorini metals warehousing business.

9. INVESTMENTS IN ASSOCIATES AND OTHER INVESTMENTS

US $ million	as at 30.06.2012	as at 31.12.2011
Xstrata plc	16 556	16 187
Other listed Associates [1]	906	1 337
Listed Associates	**17 462**	**17 524**
Non listed Associates	1 263	1 334
Investments in Associates	**18 725**	**18 858**

[1] The decrease in the carrying value of other listed Associates is primarily related to the acquisition of a controlling interest in Optimum (see note 16).

US $ million	as at 30.06.2012	as at 31.12.2011
Available for sale		
United Company Rusal	771	842
	771	**842**
Fair value through profit and loss		
Volcan Compania Minera S.A.A.	415	359
Nyrstar N.V.	75	105
Century Aluminum Company cash settled equity swaps	67	78
Jurong Aromatics Corporation Pte Ltd	55	55
Blackthorn Resources Ltd	24	8
Other	110	100
	746	**705**
Other investments	**1 517**	**1 547**

10. INVENTORIES

US $ million	as at 30.06.2012	as at 31.12.2011
Production inventories	2 616	3 150
Marketing inventories	13 429	13 979
Total	**16 045**	**17 129**

Production inventories consist of materials, spare parts and work in process. Marketing inventories are saleable commodities held primarily by the marketing entities. Marketing inventories of $ 13,309 million (2011: $ 13,785 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 either current borrowings or commodities sold with agreements to repurchase, depending upon their funding nature. As at 30 June 2012, the total amount of inventory securitised under such facilities was $ 2,097 million (2011: $ 1,834 million). The proceeds received and recognised as current borrowings (see note 14) were $ 1,560 million (2011: $ 1,631 million) and as commodities sold with agreements to repurchase $ nil million (2011: $ 39 million).

11. ACCOUNTS RECEIVABLE

US $ million	as at 30.06.2012	as at 31.12.2011
Trade receivables	16 620	15 903
Trade advances and deposits	3 368	3 022
Associated companies	956	643
Other receivables	2 515	2 327
Total	**23 459**	**21 895**

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 14). As at 30 June 2012, the total amount of trade receivables secured was $ 2,929 million (2011: $ 2,934 million) and proceeds received and classified as current borrowings amounted to $ 2,338 million (2011: $ 2,265 million).

12. EARNINGS PER SHARE

US $ million	H1 2012	H1 2011
Profit attributable to equity holders for basic earnings per share	2 275	2 474
Interest in respect of Convertible bonds	67	67
Profit attributable to equity holders for diluted earnings per share	2 342	2 541
Weighted average number of shares for the purposes of basic earnings per share (thousand)	6 922 714	4 375 551
Effect of dilution:		
Equity settled share-based payments	21 980	24 025
Convertible bonds	413 609	403 435
Weighted average number of shares for the purposes of diluted earnings per share (thousand)	7 358 303	4 803 011
Basic earnings per share (US $)	**0.33**	**0.57**
Diluted earnings per share (US $)	**0.32**	**0.53**

In May 2011, the Company issued shares to employee shareholders as settlement of amounts due under various profit participation plans as well as new shares in conjunction with its listing on the London and Hong Kong stock exchanges. The issuance of such shares towards the end of the prior year period is the primary driver of the calculated period over period earnings per share reduction.

13. DIVIDENDS

An interim 2012 dividend of $ 0.054 per share was declared by the board of directors on 21 August 2012 (2011: $ 0.05 per share) and is payable on 13 September 2012, based on a record date of 31 August 2012. This interim dividend, amounting to $ 374 million (2011: $ 346 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 2012. The 2011 final dividend of $ 0.10 per share, amounting to $ 692 million was paid on 1 June 2012.

14. BORROWINGS

US $ million	Notes	as at 30.06.2012	as at 31.12.2011
Non current borrowings			
144A Notes		948	947
Xstrata secured bank loans		2 692	2 688
Convertible bonds		2 162	2 152
Eurobonds		5 121	3 612
Swiss Franc bonds		871	882
Sterling bonds		1 472	996
Perpetual notes		347	347
Ordinary profit participation certificates		522	750
Committed syndicated revolving credit facility		4 803	5 907
Finance lease obligations		264	278
Other bank loans		1 288	1 285
Total non current borrowings		**20 490**	**19 844**
Current borrowings			
Committed secured inventory/receivables facility	10/11	1 700	1 700
Committed secured receivables facilities	11	1 210	1 181
Bilateral uncommitted secured inventory facilities	10	988	1 015
U.S. commercial paper		540	512
Ordinary profit participation certificates		480	533
Finance lease obligations		40	39
Other bank loans [1]		3 864	3 205
Total current borrowings		**8 822**	**8 185**

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

Xstrata secured bank loans
As at 30 June 2012, $ 5,541 million (2011: $ 5,343 million) of the value of Glencore's investment in Xstrata was pledged as security.

Eurobonds
In April 2012, Glencore issued EUR 1,250 million ($ 1,670 million) 4.125% interest bearing bonds due April 2018.

Sterling bonds
In April 2012, Glencore issued GBP 300 million ($ 480 million) 5.5% interest bearing bonds due April 2022.

Committed syndicated revolving credit facility
In April Glencore signed new committed revolving credit facilities, which renewed existing revolving credit facilities. Funding terms are essentially unchanged in comparison to the previous facilities. The facilities comprise a $ 4,435 million 14 month revolving credit facility with a borrower's 10 month term-out option and a 10 month extension option, that refinanced Glencore's existing $ 3,535 million 364-day revolving credit facility. The facility has two tranches of $ 3,725 million and $ 710 million respectively. In addition, the maturity of $ 8,030 million of the existing $ 8,370 million 3-year revolving credit facility has been extended for a further year to May 2015.

15. DEFERRED INCOME

US $ million	Unfavourable contract	Prepayment	Total
1 January 2012	**0**	**182**	**182**
Assumed in business combination	691	0	691
Utilised in the period	– 23	– 12	– 35
30 June 2012 [1]	**668**	**170**	**838**

[1] Includes the current portion of $ 102 million in respect of the unfavourable contract and $ 24 million in respect of the prepayment.

Unfavourable contract

Upon acquisition of Optimum in March 2012 (see note 16), Glencore recognised a liability of $ 691 million related to an existing contractual agreement to deliver a certain quantity of coal over a period ending 31 December 2018 at fixed prices lower than the prevailing market price for coal of equivalent quality. This amount will be released to revenue as the underlying tonnes of coal are delivered to the buyer over the life of the contract at the rate consistent with the implied forward price curve at the time of the acquisition.

Prepayment

In 2006, Glencore entered into an agreement to deliver a fixed quantity of silver concentrate, a by-product from its mining operations, for a period of 15 years at a fixed price for which Glencore received an up front payment of $ 285 million. The outstanding balance represents the remaining non current portion of the up front payment. The up front payment is released to revenue at a rate consistent with the implied forward price curve at the time of the transaction and the actual quantities delivered.

16. ACQUISITION OF SUBSIDIARIES

2012

Acquisitions

Over the first half of 2012, Glencore acquired controlling interests in various businesses, the most significant being Mutanda, Optimum and Rosh Pinah Zinc Corporation (Pty) Ltd (Rosh Pinah). 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	Mutanda[1]	Optimum[1]	Rosh Pinah[1]	Other[1]	Total
Property, plant and equipment	3 496	1 491	265	214	5 466
Intangible assets	0	914	0	0	914
Loans and advances[2]	11	174	0	0	185
Inventories	223	50	13	6	292
Accounts receivable[2]	99	57	8	15	179
Cash and cash equivalents	38	25	8	11	82
Non controlling interest	– 807	– 460	– 28	– 29	– 1 324
Non current borrowings	– 11	– 108	– 3	– 19	– 141
Non current deferred income	0	– 589	0	0	– 589
Deferred tax liabilities	– 882	– 342	– 87	– 17	– 1 328
Non current provisions	– 7	– 235	– 11	– 3	– 256
Accounts payable	– 152	– 87	– 16	– 15	– 270
Current deferred income	0	– 102	0	0	– 102
Current borrowings	0	– 6	0	– 2	– 8
Total fair value of net assets acquired	**2 008**	**782**	**149**	**161**	**3 100**
Less: amounts previous recognised through investments and loans	1 528	381	0	51	1 960
Less: cash and cash equivalents acquired	38	25	8	11	82
Net cash used in acquisition of subsidiaries	**442**	**376**	**141**	**99**	**1 058**

[1] The fair values are provisional due to the complexity of the valuation process. The finalisation of the fair value of the assets and liabilities acquired will be completed within 12 months of the acquisition.
[2] There is no material difference between the gross contractual amounts for loans and advances and accounts receivable and their fair value.

Mutanda

In April 2012, Glencore concluded its agreement to acquire an additional 20% interest in Mutanda, a copper and cobalt mining company located in the Democratic Republic of the Congo, for a total cash consideration of $ 480 million (equity of $ 420 million and shareholder debt of $ 60 million) thereby increasing its ultimate ownership in Mutanda from 40% to 60% and enhancing its attributable copper production base. Prior to acquisition, Glencore owned a 40% interest in Mutanda which, in accordance with IFRS 3, at the date of acquisition was revalued to its fair value of $ 960 million and as a result, a gain of $ 517 million was recognised in other income (see note 5). The acquisition has been accounted for as a business combination with the non controlling interest being measured at its percentage of net assets acquired.

If the acquisition had taken place effective 1 January 2012, the operation would have contributed additional revenue of $ 236 million and additional attributable income of $ 9 million. From the date of acquisition the operation contributed $ nil million and $ 114 million to Glencore's income and revenue, respectively.

In addition to the acquisition of the 20% interest in Mutanda noted above, Glencore concurrently entered into a put and call option arrangement, whereby Glencore has the right to acquire and the seller has the ability to force Glencore to acquire an additional 20% interest in Mutanda for a total cash consideration of $ 430 million. The put and call options are exercisable in the period between 15 December 2013 and 31 December 2013. The present value of the put option ($ 419 million) has been accounted for as a non current other financial liability with the corresponding amount recognised against non controlling interest.

Optimum

In March 2012, Glencore acquired an additional 31.8% interest in Optimum, a South African coal mining company, for a total consideration of $ 401 million thereby increasing its ultimate ownership in Optimum from 31.2% to 63.0% and enhancing its existing South African coal market presence. Prior to acquisition, Glencore owned a 31.2% interest in Optimum which, in accordance with IFRS 3, at the date of acquisition was revalued to its fair value of $ 381 million and as a result, a loss of $ 20 million was recognised in other income (see note 5). The acquisition has been accounted for as a business combination with the non controlling interest being measured at its percentage of net assets acquired.

If the acquisition had taken place effective 1 January 2012, the operation would have contributed additional revenue of $ 196 million and additional attributable income of $ 8 million. From the date of acquisition the operation contributed $ 12 million and $ 195 million to Glencore's income and revenue, respectively.

Rosh Pinah

In June 2012, Glencore completed the acquisition of an 80.1% interest in Rosh Pinah, a Namibian zinc and lead mining operation, for cash consideration of $ 149 million increasing our zinc and lead production footprint. The acquisition has been accounted for as a business combination with the non controlling interest being measured at its percentage of net assets acquired.

If the acquisition had taken place effective 1 January 2012, the operation would have contributed additional revenue of $ 27 million and a decrease in attributable income of $ 3 million. From the date of acquisition the operation contributed $ nil million and $ nil million to Glencore's income and revenue, respectively, due to the fact that the acquisition was completed in late June 2012.

Other

Other comprises primarily an acquisition of a 100% interest in a sunseed crushing plant in Ukraine for cash consideration of $ 80 million. If the acquisitions had taken place effective 1 January 2012, the operations would have contributed additional revenue of $ 2 million and a decrease in attributable income of $ 1 million. From the date of acquisition the operation contributed $ 1 million and $ 16 million to Glencore's income and revenue, respectively.

Acquisition related costs (included within selling and administrative expenses) related to all the acquisitions incurred during the periods ended 30 June 2012 and 2011 are insignificant.

2011

Acquisitions

During 2011, Glencore acquired interests in various businesses, the most significant being Umcebo Mining (Pty) Ltd ("Umcebo"). The net cash used in the acquisition and preliminary assessment of the fair value of the assets acquired and liabilities assumed at the date of acquisition are detailed below:

US $ million	Umcebo [1]	Other	Total
Property, plant and equipment	383	220	603
Intangible assets	74	13	87
Investments in Associates	10	0	10
Loans and advances	30	6	36
Inventories	10	13	23
Accounts receivable	34	19	53
Cash and cash equivalents	4	14	18
Non controlling interest	– 145	– 7	– 152
Non current borrowings	– 57	–12	– 69
Deferred tax liabilities	– 83	– 3	– 86
Provisions	– 53	– 4	– 57
Accounts payable	– 84	– 28	– 112
Current borrowings	0	– 7	– 7
Total fair value of net assets acquired	**123**	**224**	**347**
Goodwill arising on acquisition	0	36	36
Less: cash and cash equivalents acquired	4	14	18
Less: contingent consideration	0	15	15
Net cash used in acquisition of subsidiaries	**119**	**231**	**350**

[1] During the period ended 30 June 2012 the fair values of the assets acquired and liabilities assumed reported at 31 December 2011 have been updated as follows: Property, plant and equipment (– $ 172 million), Intangible assets (+ $ 74 million), Non controlling interest (+ $ 63 million) and Deferred tax liabilities (+ $ 35 million). The fair values are still provisional due to the complexity of the valuation process. The finalisation of the fair value of the assets and liabilities acquired will be completed within 12 months of the acquisition.

Umcebo

In December 2011, in order to increase its South African coal market presence, Glencore completed the acquisition of a 43.7% stake in Umcebo, an unlisted South African coal mining company, for $ 123 million cash consideration. Although Glencore holds less than 50% of the voting rights, it has the ability to exercise control over Umcebo as the shareholder agreements allow Glencore to control the Board of Directors through the ability to appoint half of the Directors and the CEO, who has the casting vote in respect of the financial and operating policies of Umcebo. The acquisition was accounted for as a business combination with the non controlling interest being measured at its percentage of net assets acquired.

If the acquisition had taken place effective 1 January 2011, the operation would have contributed additional revenue of $ 309 million and a decrease in attributable income of $ 3 million. From the date of acquisition the operation contributed $ nil million and $ nil million to Glencore's income and revenue, respectively, due to the fact that the acquisition was completed in late December 2011.

Details on other acquisitions completed in 2011 were disclosed in note 22 of the 2011 Annual Report. There have been no changes subsequent to the issuance of the 2011 Annual report.

Disposals

In 2012 and 2011, there were no material disposals of subsidiaries.

17. 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 2012, $ 701 million (2011: $ 884 million), of which 93% (2011: 92%) 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 2012, $ 428 million (2011: $ 549 million) of such development expenditures are to be incurred, of which 29% (2011: 57%) 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 2012, Glencore has committed to future hire costs to meet future physical delivery and sale obligations and expectations of $ 1,700 million (2011: $ 2,171 million), 44% (2011: 50%) of which are for services to be received over the next 2 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 2012, $ 10,335 million (2011: $ 8,642 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

Kazzinc

In April 2011, Glencore agreed to acquire additional stakes in Kazzinc. Upon closing, these purchases will increase Glencore's ownership from 50.7% to 93.0% for a total transaction consideration of $ 2.2 billion in cash and $ 1 billion in equity based on the listing price (116.8 million shares). Glencore is currently targeting a H2 2012 completion date, subject to government's first right of purchase.

Xstrata

On 7 February 2012, the Glencore Directors and the Independent Xstrata Directors announced that they had reached an agreement on the terms of a recommended all-share merger (the "Merger") of equals of Glencore and Xstrata to create a unique $ 90 billion natural resources group. The terms of the Merger provide Xstrata shareholders with 2.8 newly issued shares in Glencore for each Xstrata share held. The Merger is to be effected by way of a court sanctioned scheme of arrangement of Xstrata under Part 26 of the UK Companies Act, pursuant to which Glencore will acquire the entire issued and to be issued ordinary share capital of Xstrata not already owned by the Glencore Group. The Merger is subject to shareholder, anti-trust and regulatory approvals. Glencore anticipates incurring costs of $ 69 million and will be required to repay the Xstrata secured bank loan (see note 14) in the event the Merger proceeds as planned. Costs of $ 1 million (included within selling and administrative expenses) have been expensed to date.

Viterra

In March 2012, Glencore agreed to acquire all of the issued and outstanding shares of Viterra Inc., a leading global agricultural business, for CAD 16.25 per share (an approximate equity value of CAD 6.1 billion). Separately, Glencore has agreed with Agrium and Richardson International to sell the majority of Viterra's Canadian assets and certain other assets for approximately CAD 2.6 billion. The transaction has received shareholder approval but is still subject to certain regulatory approvals expected to be received in H2 2012.

Prodeco

Prodeco currently exports the majority of its coal through Puerto Prodeco which operates under a private concession awarded by the Colombian government. This concession expired in March 2009, however the Colombian government has continued to grant Prodeco the right to use the port under annual lease agreements, currently expiring around the time of the expected commissioning of Puerto Nuevo in the first half of 2013 as discussed below. To comply with new government regulations on loading methods, which became effective from July 2010 and to alleviate itself from the uncertainty of the annual concession renewal process associated with Puerto Prodeco, Prodeco has commenced construction of a new, wholly owned, port facility (Puerto Nuevo) which is estimated to cost $ 560 million and be commissioned over the first half of 2013. As at 30 June 2012, $ 376 million of the estimated initial investment has been incurred and $ 72 million has been contractually committed and is included in the capital expenditure commitments disclosure above.

Kansuki

In August 2010, Glencore acquired an ultimate 37.5% interest in the Kansuki concession (Kansuki), a 185 square kilometre copper and cobalt pre-development project which borders Glencore's partly owned Mutanda concession in the DRC. In exchange, Glencore has a) an obligation to finance the first $ 400 million of development related expenditures, if any, as and when such expenditure is incurred, b) the right to operate the operations and c) a life of mine off-take agreement for all copper and cobalt produced by Kansuki. In addition, one of the partners in Kansuki has the right to sell an additional 18.75% ultimate interest to Glencore at the then calculated equity value of the operation, at the earlier of the date the operation produces a minimum annual 70,000 tonnes of copper and August 2013. A total of $ 238 million of capital expenditure for mine and plant development has been committed of which $ 193 million has been spent. Exploration of the Kansuki concession is ongoing. Discussions with respect to a potential combination of the Mutanda and Kansuki operations are ongoing, with a view to ultimately obtaining a majority stake in the merged entity.

18. CONTINGENT LIABILITIES

The amount of corporate guarantees in favour of associated and third parties as at 30 June 2012 was $ 48 million (2011: $ 53 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 cashflows.

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.

Bolivian constitution

In 2009 the Government of Bolivia enacted a new constitution. One of the principles of the constitution requires mining entities to form joint ventures with the government. Glencore, through its subsidiary Sinchi Wayra, has, in good faith, entered into negotiations with the Bolivian government regarding this requirement. Whilst some progress has been made, in June 2012 the government of Bolivia nationalised Sinchi Wayra's Colquiri mine. Sinchi Wayra continues to negotiate joint venture arrangements for its other mines along with restitution in respect of its nationalised mine, the final outcome and the timing thereof cannot be determined at this stage.

19. 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 2012	H1 2011
Sales	876	862
Purchases	– 5 075	– 5 055
Interest income	13	15
Agency income	48	38
Accounts receivable (30 June 2012)	955	644
Accounts payable (30 June 2012)	1 832	1 512

20. SUBSEQUENT EVENTS

- On 3 July 2012, Glencore issued CHF 450 million ($ 473 million) 2.625% interest bearing bonds due December 2018.
- On 11 July 2012, Glencore entered into a share purchase agreement to acquire Vale's European manganese ferroalloys operations for a cash consideration of $ 160 million. The transaction is still subject to certain regulatory approvals expected to be received in Q4 2012.

Appendix

ADJUSTED EBIT

US $ million	Marketing activities	Industrial activities	H1 2012 Adjusted EBIT		Marketing activities	Industrial activities	H2 2011 Adjusted EBIT	
Metals and minerals	688	399	1 087	43%	609	407	1 016	48%
Energy products	350	345	695	28%	145	164	309	15%
Agricultural products	114	– 11	103	4%	– 100	– 22	– 122	– 6%
Corporate and other [1]	– 37	660	623	25%	6	886	892	43%
Total	1 115	1 393	2 508	100%	660	1 435	2 095	100%

[1] Corporate industrial activities include $ 721 million (H2 2011: $ 916 million) of Glencore's equity accounted share of Xstrata's income.

METALS AND MINERALS

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H2 2011
Revenue	26 439	3 595	30 034	22 651	4 111	26 762
Adjusted EBITDA	698	832	1 530	612	777	1 389
Adjusted EBIT	688	399	1 087	609	407	1 016
Adjusted EBITDA margin (%)	2.6%	23.1%	–	2.7%	18.9%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H2 2011	Change
S&P GSCI Industrial Metals Index	390	410	– 5%
LME (cash) zinc price ($/t)	1 980	2 066	– 4%
LME (cash) copper price ($/t)	8 107	8 254	– 2%
LME (cash) lead price ($/t)	2 036	2 225	– 8%
Gold price ($/toz)	1 651	1 695	– 3%
Metal Bulletin alumina price ($/t)	317	351	– 10%
LME (cash) aluminium price ($/t)	2 084	2 249	– 7%
LME (cash) nickel price ($/t)	18 432	20 219	– 9%
Metal Bulletin cobalt price 99.3% ($/lb)	14	15	– 7%
Iron ore (Platts 62% CFR North China) price ($/DMT)	142	160	– 11%

Currency table

	Average H1 2012	Spot 30.06.2012	Average H2 2011	Spot 31.12.2011	Change in average prices
AUD : USD	1.03	1.02	1.03	1.02	0%
USD : COP	1 792	1 784	1 859	1 939	– 4%
EUR : USD	1.30	1.27	1.38	1.30	– 6%
GBP : USD	1.58	1.57	1.59	1.55	– 1%
USD : CHF	0.93	0.95	0.87	0.94	7%
USD : KZT	148	149	147	148	1%
USD : ZAR	7.94	8.16	7.63	8.09	4%

MARKETING

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue	26 439	22 651	17%
Adjusted EBITDA	698	612	14%
Adjusted EBIT	688	609	13%

Selected marketing volumes sold

		H1 2012	H2 2011	Change
Zinc metal and concentrates [1]	million MT	1.3	1.4	– 7%
Copper metal and concentrates [1]	million MT	1.3	1.0	30%
Lead metal and concentrates	million MT	0.3	0.4	– 25%
Gold	thousand toz	352	342	3%
Silver	million toz	11.8	6.2	90%
Alumina/aluminium	million MT	5.9	5.2	13%
Ferroalloys (incl. agency)	million MT	1.6	1.5	7%
Nickel	thousand MT	102.8	93.6	10%
Cobalt	thousand MT	8.4	10.6	– 21%
Iron ore	million MT	8.3	7.4	12%

[1] Estimated metal unit contained.

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue			
Kazzinc	1 384	1 101	26%
Other Zinc	505	527	– 4%
Zinc	**1 889**	**1 628**	**16%**
Katanga	207	206	0%
Mutanda	108	–	n.m.
Mopani	422	558	– 24%
Other Copper	467	1 193	– 61%
Copper	**1 204**	**1 957**	**– 38%**
Alumina/Aluminium	**201**	**239**	**– 16%**
Ferroalloys/Nickel/Cobalt/Iron ore	**301**	**287**	**5%**
Total	**3 595**	**4 111**	**– 13%**
Adjusted EBITDA			
Kazzinc	463	338	37%
Other Zinc	116	143	– 19%
Zinc	**579**	**481**	**20%**
Katanga	37	57	– 35%
Mutanda	26	–	n.m.
Mopani	79	120	– 34%
Other Copper	112	105	7%
Copper	**254**	**282**	**– 10%**
Alumina/Aluminium	**4**	**8**	**– 50%**
Ferroalloys/Nickel/Cobalt/Iron ore	**– 1**	**– 27**	**n.m.**
Share of income from associates and dividends	– 4	33	n.m.
Total	**832**	**777**	**7%**
Adjusted EBITDA margin (%)	**23.1%**	**18.9%**	
Adjusted EBIT			
Kazzinc	294	189	56%
Other Zinc	53	93	– 43%
Zinc	**347**	**282**	**23%**
Katanga	– 9	35	n.m.
Mutanda	18	–	n.m.
Mopani	26	63	– 59%
Other Copper	81	68	19%
Copper	**116**	**166**	**– 30%**
Alumina/Aluminium	**– 2**	**3**	**n.m.**
Ferroalloys/Nickel/Cobalt/Iron ore	**– 58**	**– 77**	**n.m.**
Share of income from associates and dividends	– 4	33	n.m.
Total	**399**	**407**	**– 2%**
Capex			
Kazzinc	168	221	
Other Zinc	134	74	
Zinc	**302**	**295**	
Katanga	208	188	
Mutanda	39	–	
Mopani	75	107	
Other Copper	89	75	
Copper	**411**	**370**	
Alumina/Aluminium	**14**	**17**	
Ferroalloys/Nickel/Cobalt/Iron ore	**25**	**40**	
Total	**752**	**722**	

Production data

thousand[1]		Using feed from own sources	Using feed from third party sources	H1 2012 Total	Using feed from own sources	Using feed from third party sources	H2 2011 Total	Own feed change
Kazzinc								
Zinc metal	MT	113.7	35.8	149.5	120.0	31.5	151.5	– 5%
Lead metal[2]	MT	13.9	29.7	43.6	16.8	32.0	48.8	– 17%
Copper metal[3]	MT	24.5	1.4	25.9	25.4	1.1	26.5	– 4%
Gold	toz	233	43	276	183	22	205	27%
Silver	toz	2 636	7 330	9 966	2 003	3 831	5 834	32%
Katanga								
Copper metal[3]	MT	43.1	–	43.1	47.9	–	47.9	– 10%
Cobalt[4]	MT	1.07	–	1.07	1.13	–	1.13	– 5%
Mutanda								
Copper metal[3]	MT	38.3	–	38.3	37.9	–	37.9	1%
Cobalt[4]	MT	3.63	–	3.63	4.28	–	4.28	– 15%
Mopani								
Copper metal[3]	MT	39.4	45.9	85.3	51.8	50.2	102.0	– 24%
Cobalt[4]	MT	0.04	0.14	0.18	0.15	0.20	0.35	– 73%
Other Zinc (Los Quenuales, Sinchi Wayra, AR Zinc, Portovesme, Rosh Pinah)								
Zinc metal	MT	26.6	43.0	69.6	29.7	47.1	76.8	– 10%
Zinc oxide	DMT	22.9	–	22.9	17.7	–	17.7	29%
Zinc concentrates	DMT	201.0	–	201.0	214.0	–	214.0	– 37%
Lead metal	MT	5.8	–	5.8	6.0	–	6.0	– 3%
Lead concentrates	DMT	29.6	–	29.6	30.3	–	30.3	– 2%
Tin concentrates	DMT	2.35	–	2.35	2.55	–	2.55	– 8%
Silver metal	toz	389	–	389	386	–	386	1%
Silver in concentrates	toz	3 421	–	3 421	3 840	–	3 840	– 11%
Other Copper (Cobar, Pasar, Punitaqui, Sable)								
Copper metal	MT	–	17.8	17.8	–	83.5	83.5	n.m.
Copper concentrates	DMT	90.4	0.1	90.5	111.1	–	111.1	– 19%
Cobalt	MT	–	0.35	0.35	–	0.16	0.16	n.m.
Silver in concentrates	toz	596	–	596	651	–	651	– 8%
Alumina/Aluminium (Sherwin)								
Alumina	MT	–	634	634	–	709	709	n.m.
Nickel/Cobalt (Murrin Murrin)								
Nickel metal	MT	15.33	0.72	16.05	14.55	0.82	15.37	5%
Cobalt	MT	1.08	0.03	1.11	1.11	0.04	1.15	– 3%
Total Zinc contained	**MT**	**258.3**	**78.7**	**337.0**	**270.5**	**78.6**	**349.1**	**– 5%**
Total Copper contained	**MT**	**169.5**	**65.1**	**234.6**	**192.9**	**134.8**	**327.7**	**– 12%**
Total Lead contained	**MT**	**37.0**	**29.7**	**66.7**	**40.7**	**32.0**	**72.7**	**– 9%**
Total Tin contained	**MT**	**1.15**	**–**	**1.15**	**1.24**	**–**	**1.24**	**– 7%**
Gold (incl. Gold equivalents)[5]	**toz**	**365**	**181**	**546**	**327**	**102**	**429**	**12%**
Total Alumina	**MT**	**–**	**634**	**634**	**–**	**709**	**709**	**n.m.**
Total Nickel	**MT**	**15.33**	**0.72**	**16.05**	**14.55**	**0.82**	**15.37**	**5%**
Total Cobalt	**MT**	**5.82**	**0.52**	**6.34**	**6.67**	**0.40**	**7.07**	**– 13%**

[1] Controlled industrial assets only (with the exception in 2011 of Mutanda (40% owned) where Glencore had operational control). Production is on a 100% basis.
[2] Lead metal includes lead contained in lead concentrates.
[3] Copper metal includes copper contained in copper concentrates and blister copper.
[4] Cobalt contained in concentrates and hydroxide.
[5] Gold/Silver conversion ratio of 1/53.16 and 1/47.90 for H1 2012 and H2 2011 respectively based on average prices.

ENERGY PRODUCTS

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H2 2011
Revenue	66 379	2 098	68 477	57 703	1 304	59 007
Adjusted EBITDA	372	528	900	156	266	422
Adjusted EBIT	350	345	695	145	164	309
Adjusted EBITDA margin (%)	0.6%	25.2%	–	0.3%	20.4%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H2 2011	Change
S&P GSCI Energy Index	338	325	4%
API2 ($/t)	95	119	– 20%
API4 ($/t)	99	111	– 11%
Prodeco realised price ($/t)	89	93	– 4%
South African Coal realised export price ($/t)	97	109	– 11%
South African Coal realised domestic price ($/t)	30	40	– 25%
Oil price – Brent ($/bbl)	114	111	3%

MARKETING

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue	66 379	57 703	15%
Adjusted EBITDA	372	156	138%
Adjusted EBIT	350	145	141%

Selected marketing volumes sold

	H1 2012	H2 2011	Change
Thermal coal (MT)	38.3	46.4	– 17%
Metallurgical coal (MT)	2.7	2.3	17%
Coke (MT)	0.1	0.1	0%
Crude oil (bbls)	190.4	116.4	64%
Oil products (bbls)	366.2	304.3	20%

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue			
Prodeco	667	703	– 5%
South African Coal	562	172	227%
Coal	**1 229**	**875**	**40%**
Oil	**869**	**429**	**103%**
Total	2 098	1 304	61%
Adjusted EBITDA			
Prodeco	130	186	– 30%
South African Coal	133	36	269%
Coal	**263**	**222**	**18%**
Oil	**252**	**16**	**1 475%**
Share of income from associates and dividends	13	28	– 54%
Total	528	266	98%
Adjusted EBITDA margin (%)	**25.2%**	**20.4%**	
Adjusted EBIT			
Prodeco	52	117	– 56%
South African Coal	68	27	152%
Coal	**120**	**144**	**– 17%**
Oil	**212**	**– 8**	**n.m.**
Share of income from associates and dividends	13	28	– 54%
Total	345	164	110%
Capex			
Prodeco	159	236	
South African Coal	120	23	
Coal	**279**	**259**	
Oil	**191**	**544**	
Total	470	803	

Production data

thousand MT [1]	Own	Buy-in Coal	H1 2012 Total	Own	Buy-in Coal	H2 2011 Total	Own production change
Thermal Coal							
Prodeco	7 944	107	8 051	7 493	101	7 594	6%
Shanduka (Export)	199	–	199	248	–	248	– 20%
Shanduka (Domestic)	2 980	539	3 519	2 922	545	3 467	2%
Umcebo (Export)	131	–	131	–	–	–	n.m.
Umcebo (Domestic)	3 620	18	3 638	–	–	–	n.m.
Optimum (Export)	3 769	–	3 769	–	–	–	n.m.
Optimum (Domestic)	3 155	358	3 513	–	–	–	n.m.
Total	21 798	1 022	22 820	10 663	646	11 309	104%

[1] Controlled industrial assets only. Production is on a 100% basis.

thousand bbls	H1 2012	H2 2011	Change
Oil [1]			
Block I	11 022	2 785	296%
Total	**11 022**	**2 785**	**296%**

[1] On a 100% basis. Glencore's ownership interest in the Aseng field is 23.75%

AGRICULTURAL PRODUCTS

US $ million	Marketing activities	Industrial activities	H1 2012	Marketing activities	Industrial activities	H2 2011
Revenue	8 041	1 405	9 446	6 495	1 768	8 263
Adjusted EBITDA	125	21	146	– 100	10	– 90
Adjusted EBIT	114	– 11	103	– 100	– 22	– 122
Adjusted EBITDA margin (%)	1.6%	1.5%	–	n.m.	0.6%	–

MARKET CONDITIONS

Selected average commodity prices

	H1 2012	H2 2011	Change
S&P GSCI Agriculture Index	426	458	– 7%
CBOT corn no.2 price (US¢/bu)	629	659	– 5%
ICE cotton price (US¢/lb)	87	101	– 14%
CBOT soya beans (US¢/bu)	1 350	1 266	7%
NYMEX sugar # 11 price (US¢/lb)	23	27	– 15%
CBOT wheat price (US¢/bu)	642	653	– 2%

MARKETING

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue	8 041	6 495	24%
Adjusted EBITDA	125	– 100	n.m.
Adjusted EBIT	114	– 100	n.m.

Selected marketing volumes sold

million MT	H1 2012	H2 2011	Change
Grains	14.6	12.1	21%
Oil/oilseeds	6.8	5.6	21%
Cotton	0.3	0.3	0%
Sugar	0.2	0.5	– 60%

INDUSTRIAL ACTIVITIES

Financial information

US $ million	H1 2012	H2 2011	Change
Revenue	1 405	1 768	– 21%
Adjusted EBITDA [1]	21	10	110%
Adjusted EBIT [1]	– 11	– 22	n.m.
Adjusted EBITDA margin (%)	1.5%	0.6%	
Capex	133	138	

[1] Includes share of income from associates and dividends of $ 7 million (H2 2011: $ 13 million).

Production data

thousand MT	H1 2012	H2 2011	Change
Farming	327	636	– 49%
Oilseed crushing	1 106	1 097	1%
Oilseed crushing long term toll agreement	397	503	– 21%
Biodiesel	260	296	– 12%
Rice milling	126	191	– 34%
Wheat milling	534	495	8%
Sugarcane processing	251	586	– 57%
Total	3 001	3 804	– 21%

Glossary

AVAILABLE COMMITTED LIQUIDITY

US $ million	30.06.2012	31.12.2011
Cash and cash equivalents and marketable securities	1 537	1 345
Headline committed syndicated revolving credit facilities	12 805	11 905
Amount drawn under syndicated revolving credit facilities	– 4 803	– 5 907
Amount drawn under U.S. commercial paper program	– 540	– 512
Total	8 999	6 831

ADJUSTED CURRENT RATIO

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

ADJUSTED EBIT/EBITDA

US $ million	H1 2012	H1 2011
Revenue	107 957	92 120
Cost of goods sold	– 105 819	– 89 411
Selling and administrative expenses	– 478	– 457
Share of income from associates and jointly controlled entities	684	1 040
Share of Associates' exceptional items	87	0
Dividend income	12	11
Mark to market valuation of certain natural gas forward contracts	65	0
Adjusted EBIT	2 508	3 303
Depreciation and amortisation	691	542
Adjusted EBITDA	3 199	3 845

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.

COPPER EQUIVALENT

Glencore has adopted a copper equivalent measure to assist in analysing and evaluating across its varied commodity portfolio. The copper equivalent measure is determined by multiplying the volumes of the respective commodity produced or marketed by the ratio of the respective commodity's average price over the average copper price in the prevailing period.

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 risk is covered either by a physical sale transaction or hedge transaction.

ROLLING 12 MONTHS ADJUSTED EBITDA AND FFO

US $ million	Total
Adjusted EBITDA – year ended 31 December 2011	6 464
Less: Adjusted EBITDA – 6 months period ended 30 June 2011	3 845
Adjusted EBITDA – 6 months period ended 31 December 2011	**2 619**
Adjusted EBITDA – 6 months period ended 30 June 2012	3 199
Adjusted EBITDA – rolling last 12 months	**5 818**
FFO – year ended 31 December 2011	3 522
Less: FFO – 6 months period ended 30 June 2011	2 145
FFO – 6 months period ended 31 December 2011	**1 377**
FFO – 6 months period ended 30 June 2012	1 930
FFO – rolling last 12 months	**3 307**

Forward looking statements

This document contains statements that are, or may be deemed to be, "forward looking statements". These forward looking statements may be identified by the use of forward looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "will", "could", or "should" or in each case, their negative or other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward looking statements include all matters that are not historical facts and include, but are not limited to, statements regarding Glencore's beliefs, opinions or current expectations concerning, among other things, the business, financial condition, results of operations, prospects, strategies and plans of Glencore.

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