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GLENCORE plc

GLENCORE PLC

(Incorporated in Jersey under the Companies (Jersey) Laws 1991 with registered number 107710)

(Stock Code: 805)

Release of Half-Year Report of 2017

Glencore plc (the "**Company**") is pleased to release its Half-Year Report of 2017. Please see the attached announcement for more details.

At the request of the Company, trading in its ordinary shares in Hong Kong was halted with effect from 9:00a.m. on Thursday, 10 August 2017, pending the release of this report. An application will be made by the Company to The Stock Exchange of Hong Kong Limited for resumption of trading in its ordinary shares in Hong Kong with effect from 9:00 a.m. on Friday, 11 August 2017.

By order of the Board
Glencore plc
Tony Hayward
Chairman

Baar, Switzerland, 10 August 2017

As of the date of this announcement, the executive directors are Mr Ivan Glasenberg (Chief Executive Officer) and the independent non-executive directors are Mr Anthony Hayward (Chairman), Mr Peter Coates, Mr Leonhard Fischer, Mr Peter Grauer, Mr John Mack, Ms Patrice Merrin and Mr Martin Gilbert.

GLENCORE

NEWS RELEASE

Baar, 10 August 2017

2017 Half-Year Report

Well positioned for the future

Glencore's Chief Executive Officer, Ivan Glasenberg, commented: "Our extensive efforts to reposition our balance sheet and drive further industrial asset portfolio improvements over the last twenty-four months, are reflected in our strong first-half financial performance. Adjusted EBITDA and EBIT increased 68% and 334% respectively over H1 2016, while Net debt fell a further $1.6 billion to $13.9 billion from end of 2016.

"Amid the best global economic growth momentum seen in recent years, our assets reported strong margins, generated by significantly better commodity prices and the favourable cost structures now embedded across the portfolio. Marketing similarly performed well, with Adjusted EBIT up 13% to $1.4 billion, as improving fundamentals created a more supportive marketing environment for our core commodities.

"As we look forward, the potential large-scale roll out of electric vehicles and energy storage systems looks set to unlock material new sources of demand for enabling underlying commodities, including copper, cobalt, zinc and nickel. Our portfolio of Tier 1 commodities underpins our ambition to create significant long-term value for Glencore shareholders."

US$ million	H1 2017	H1 2016	Change %	2016
Key statement of income and cash flows highlights[1]:				
Net income/(loss) attributable to equity holders	**2,450**	(369)	n.m.	1,379
Adjusted EBITDA[2]	**6,741**	4,020	68	10,268
Adjusted EBIT[2]	**3,801**	875	334	3,930
Earnings per share (Basic) (US$)	**0.17**	(0.03)	n.m.	0.10
Funds from operations (FFO)[3,4]	**5,201**	2,762	88	7,770
Capital expenditure[5]	**1,679**	1,571	7	3,497

US$ million	30.06.2017	31.12.2016	Change %
Key financial position highlights:			
Total assets	**119,098**	124,600	(4)
Current capital employed (CCE)[4]	**9,335**	10,075	(7)
Net funding[3,4]	**30,190**	32,619	(7)
Net debt[3,4]	**13,873**	15,526	(11)
Ratios:			
FFO to Net debt[3,4,6]	**74%**	50%	48
Net debt to Adjusted EBITDA[4,6]	**1.07x**	1.51x	(29)
Adjusted EBITDA to net interest[4,6]	**8.57x**	6.70x	28

1 Refer to basis of preparation on page 5.

2 Refer to note 3 of the interim financial statements for definition and reconciliation of Adjusted EBIT/EBITDA.

3 Refer to page 8.

4 Refer to Glossary for definition.

5 Refer to note 3 of the interim financial statements for reconciliation of capital expenditure.

6 H1 2017 ratio based on last 12 months' FFO, Adjusted EBITDA and net interest. Refer to Glossary for reconciliation.

Highlights

Strong financial performance

- Adjusted EBITDA of $6.7 billion, up 68%; Adjusted EBIT of $3.8 billion, up 334%
- Net income attributable to equity holders of $2.5 billion, up from a loss of $369 million
- Funds from operations of $5.2 billion, up 88%
- EPS increased to $0.17 per share from a loss of $0.03 per share in 2016

Underpinned by a diversified portfolio of Tier 1 assets and Tier 1 commodities…

- Favourable fundamentals and rising prices for key commodities amid robust growth momentum in the global economy: copper +22%, cobalt +109%, zinc +49% and thermal coal realisations +50% to 70% period-on-period
- Low-cost structures/high margins embedded in our key commodity industrial divisions: copper 88c/lb, zinc –9c/lb (16c/lb ex gold), nickel 240c/lb and thermal coal $45/t at a $32/t margin

… and the resilience of Marketing

- Marketing Adjusted EBIT of $1.4 billion, up 13% (+22% with Agriculture on a like-for-like basis)
- Reflecting the YTD performance, increased full year 2017 guidance range by $100 million to $2.4-$2.7 billion.

Balance Sheet further strengthened

- Net funding and Net debt reduced respectively by $2.4 billion & $1.6 billion over the first-half to $30.2 billion and $13.9 billion
- Robust cash flow coverage ratios at 30 June:
  - *FFO to Net debt: 74%*
  - *Net debt to Adjusted EBITDA: 1.07x*

Well positioned for the future

- Material growth projects / options in copper and zinc
- Poised to benefit from potential new demand opportunities that market growth in electric vehicles and energy storage systems could bring
- Strong investment grade balance sheet provides headroom for highly selective growth opportunities
- Annualised illustrative free cash flow of $7.1 billion at current spot prices, based on spot annualised Adjusted EBITDA of $15 billion

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Investors

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About Glencore

Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 90 commodities. The Group's operations comprise around 150 mining and metallurgical sites, oil production assets and agricultural facilities.

With a strong footprint in both established and emerging regions for natural resources, Glencore's industrial and marketing activities are supported by a global network of more than 90 offices located in over 50 countries.

Glencore's customers are industrial consumers, such as those in the automotive, steel, power generation, oil and food processing sectors. We also provide financing, logistics and other services to producers and consumers of commodities. Glencore's companies employ around 155,000 people, including contractors.

Glencore is proud to be a member of the Voluntary Principles on Security and Human Rights and the International Council on Mining and Metals. We are an active participant in the Extractive Industries Transparency Initiative.

Chief Executive Officer's Review

A more favourable operating environment

After years of challenging commodity economic conditions and declining prices, the recovery seen in late 2016 continued into the first half of 2017, amid the best growth momentum in the global economy in recent years. Global manufacturing PMIs recorded a six year high in June supported by broad strength across developed and emerging markets.

Benefitting from this momentum, Chinese policy makers have used the stronger than expected data to tighten financial conditions. Although initially unsettling markets in May, confirmation of higher than expected Q2 GDP growth of 6.9% has brought comfort and provided policy makers with some head room to pursue financial reforms around property and credit.

This more supportive environment buoyed fundamentals for our key commodities. Thermal coal realisations were up between 50% and 70% over the period, while copper, zinc and cobalt were up 22%, 49% and 115% respectively.

Strong Financial Performance

Reflecting the success of our efforts to reposition the Group during the recent economic downturn, Adjusted EBITDA increased almost 70% to $6.7 billion over the first half of 2017 and net profit attributable to equity holders increased to $2.5 billion from a loss in the prior period, underpinned by higher prices for most commodities, resulting in margin expansion across our key industrial assets and our highly cash generative marketing business.

Marketing delivered once again, performing above the implied run-rate of the $2.3 to $2.6 billion full year guidance range provided in May. First-half marketing Adjusted EBIT was $1.4 billion, up 13% year on year (+22% with Agriculture on a like-for-like basis), supported by generally supportive market conditions across the board. Following the creation of Glencore Agriculture Limited and subsequent deconsolidation, our proportional share of Glencore Agriculture industrial segment earnings is now allocated to the agriculture marketing segment, noting that the prior period restatement effect was to reduce Agricultural marketing EBIT by an immaterial $7 million. Due to the solid YTD marketing performance, we have increased the full year 2017 marketing Adjusted EBIT guidance range by $100 million to $2.4 - $2.7 billion.

In contrast to the weak commodity pricing backdrop in the first half of 2016, the recovery in prices through late 2016 and into 2017, underpinned a 95% increase in Industrial Adjusted EBITDA to $5.3 billion. Supporting this result, evidence of our efforts to reinforce our leading low cost positions can be seen during the period with Adjusted EBITDA mining margins up 36% in metals (28% to 38%) and 141% in coal (17% to 41%). Our various industrial teams around the world have delivered an extremely well positioned business of Tier 1 commodities that enjoy low costs, scale, diversification and optionality.

Maximising value for shareholders

In recent times, normalisation of business conditions and finalisation of our balance sheet repositioning, has allowed us to refocus our attention on optimal allocation of capital via the balance of shareholder returns (EPS increased to $0.17 per share from a loss of $0.03 per share in the prior period), maintaining balance sheet flexibility and business reinvestment/growth.

Through a range of recent transactions, we have targeted capital efficient M&A opportunities that add physical volume quality and quantity to our marketing business, while minimising equity funding requirements and being framed within our newly optimal capital structure, financial policies and leverage targets.

The oil division is having a growth spurt with the additional Rosneft volumes secured end of 2016, while sale of the African zinc assets to Trevali is expected to complete shortly. We have maintained marketing rights to all of Trevali's current and future zinc production and secured a 25% equity stake, which provides ongoing exposure to this unique global zinc vehicle. In February, we acquired the remaining 31% interest in Mutanda, with its Tier 1 copper / cobalt operations. More recently, we announced the formation of a JV with Yancoal, via agreeing to acquire a 49% interest in the Hunter Valley Operations (HVO) coal mine for $1.14 billion, plus $67 million of royalties over five years. HVO is a large-scale, long-life and low-cost coal mine producing premium quality export thermal coal and semi-soft coking coal. The addition of HVO to our existing portfolio in the Hunter Valley has the potential to unlock large-scale mining and operating synergies. This transaction is expected to close within six months.

Equally, we continue to review our global portfolio to unlock/create value where certain assets might best be owned in partnership or by others outright and the value proposition is attractive. Further to the agreement to sell a 51% stake in our petroleum storage and logistics business to China's HNA for $775 million (closing expected H2 2017), we are firming up the sale of a stake in a portfolio of base metals' royalty / income streams that have accumulated over many years.

We recommenced shareholder distributions in May with the payment of c.$500 million. A second payment of c.$500 million next month will complete our commitment to return $1 billion to shareholders in 2017. Cash flows generated this year will form the basis of February 2018's determined cash distribution recommendation to be paid in two equal instalments. This will comprise a fixed $1 billion component, underpinned by marketing cash flows, plus a minimum pay-out of 25% of industrial asset free cash flow. The annual shareholder distribution will reflect prevailing conditions and outlook at the time and will be confirmed alongside the release of our full year results in February. It should be noted that at interim reporting dates (i.e. August 2018), the company will have the opportunity to top-up shareholder distributions, as appropriate.

Chief Executive Officer's Review

The right commodities for the future

We remain firmly of the belief that not all commodities are equal and that differentiation will be increasingly important over the longer-term. As key developing markets mature, the early cycle commodities that underpinned the super cycle in fixed asset investment are likely to be relatively less important, as demand patterns shift in favour of mid and late cycle commodities. Our Tier 1 commodity portfolio, comprising metals, thermal coal and agricultural products is well placed to benefit from this transition.

Underpinning this shift, the potential large-scale roll out of electric vehicles and energy storage systems could unlock material new sources of demand for enabling underlying commodities, including copper, cobalt, nickel and zinc. Rapid technology advances in battery chemistry, along with strong government support, is accelerating the economic breakeven point of electric vehicles. Importantly, emerging transportation sector goals aimed at pollution/carbon emission reduction, are likely to rely heavily on new forms of mobility.

Corporate Governance and Sustainability

Our ambition to fully integrate sustainability throughout our business remains a key strategic priority for the Group and reflects our commitment to operate transparently and responsibly. It also encompasses our desire to protect the wellbeing of our people, our host communities and the natural environment, while sharing lasting benefits with the regions where we work and society as a whole.

Our progress over the first half included the publication of our commitment to preventing the occurrence of Modern Slavery and human trafficking in our operations and supply chains, the release of our 2016 Sustainability report, as well as updated reports on Payments to Governments and our approach to climate change via our Climate Change Considerations paper.

Sadly, we have recorded four fatalities at our operations from four separate incidents over the year to date. Our goal remains on achieving zero fatalities and we are focussed on ensuring leading practice at all our operations.

Outlook

Looking ahead, the potential large-scale roll out of electric vehicles and energy storage systems looks set to unlock material new sources of demand for enabling underlying commodities, including copper, cobalt, zinc and nickel. Our portfolio of Tier 1 enabling commodities underpins our ambition to create significant long-term value for Glencore shareholders.

Ivan Glasenberg
Chief Executive Officer

Financial Review

Basis of presentation

The financial information in the Financial and Operational Review is on a segmental measurement basis, including all references to revenue, (see note 3) and has been prepared on the basis as outlined in note 2 of the financial statements, with the exception of the accounting treatment applied to certain associates and joint ventures for which Glencore's attributable share of revenues and expenses are presented. Results are presented pre-significant items unless otherwise stated to provide an enhanced understanding and comparative basis of the underlying financial performance. Significant items (see reconciliation below) 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. Refer as well to Glossary for definition.

Financial results

Net income attributable to equity holders increased from a loss of $369 million in H1 2016 to a profit of $2,450 million in H1 2017 and EPS increased to $0.17 per share from a loss of $0.03 per share in 2016, driven by the factors discussed below.

Adjusted EBITDA was $6,741 million and Adjusted EBIT was $3,801 million over the first half of 2017, increases of 68% and 334% respectively, compared to H1 2016, primarily driven by higher commodity prices. Market sentiment and commodity prices during H1 2016, compared to H1 2017, were in stark contrast, as cyclical lows were reached in key markets in Q1 2016, with progressive improvements thereafter. Notable average period over period increases in commodity prices were cobalt (115%), coal (GC Newc. 57%), zinc (49%), lead (28%) and copper (22%). The positive impact of the higher prices on Adjusted EBITDA was somewhat tempered by modest cost inflation and the effects of a weaker US dollar against most producer country currencies, including average period over period declines against the South African rand (14%), the Kazakhstani Tenge (8%), Colombian Peso (6%), Chilean peso (4%) and Australian dollar (3%). Adjusted EBITDA mining margins were robust, up 36% and 141% respectively in our metals and coal segments, compared to H1 2016, at 38% and 41%.

Adjusted EBITDA/EBIT

Adjusted EBITDA by business segment is as follows:

US$ million	Marketing activities	Industrial activities	H1 2017 Adjusted EBITDA	Marketing activities	Industrial activities	H1 2016 Adjusted EBITDA	%
Metals and minerals	**1,060**	**3,639**	**4,699**	864	2,365	3,229	46
Energy products	**311**	**1,869**	**2,180**	276	571	847	157
Agricultural products[1]	**166**	**–**	**166**	183	–	183	(9)
Corporate and other	**(78)**	**(226)**	**(304)**	(9)	(230)	(239)	27
Total	**1,459**	**5,282**	**6,741**	1,314	2,706	4,020	68

Adjusted EBIT by business segment is as follows:

US$ million	Marketing activities	Industrial activities	H1 2017 Adjusted EBIT	Marketing activities	Industrial activities	H1 2016 Adjusted EBIT	%
Metals and minerals	**1,048**	**1,872**	**2,920**	852	485	1,337	118
Energy products	**291**	**809**	**1,100**	252	(589)	(337)	n.m.
Agricultural products[1]	**107**	**–**	**107**	115	–	115	(7)
Corporate and other	**(78)**	**(248)**	**(326)**	(9)	(231)	(240)	36
Total	**1,368**	**2,433**	**3,801**	1,210	(335)	875	334

1 The above balances represent Glencore's interest in Glencore Agri, being 49.9% post 1 December 2016, and 100% pre the sale date. Following the completion of the sale, the results from Agricultural products have been combined under Marketing activities and the 2016 comparatives (relating to Industrial 2016 EBITDA/EBIT of $29 million and negative $7 million respectively) in respect thereof have been reclassified from Industrial to Marketing activities. See page 30 and note 3 of the interim financial statements.

Marketing Adjusted EBITDA and EBIT for the period ended 30 June 2017 increased by 11% and 13% to $1,459 million and $1,368 million respectively, compared to H1 2016.

- Metals and minerals Adjusted Marketing EBIT was up 23% over H1 2016, with strong contributions from most of the commodity departments, as a result of the improving / tightening market conditions, including healthy underlying demand.
- Energy products Adjusted Marketing EBIT was up 15% over H1 2016, owing to an improved coal contribution more than offsetting the impact of generally modest oil marketing conditions, relative to the buoyant comparative

prior period. In coal, market normalisation largely returned, following particularly challenging conditions through most of H1 2016, prior to the jolt introduced via Chinese domestic coal policy developments in Q2 2016.

- Like for like, Agricultural products Adjusted Marketing EBIT was 86% higher than H1 2016, which, in turn, was largely consistent with the prior period on a reported basis, given our reduced stake (100% to 50%). H1 2017 reflected the impact of a record Australian crop, which was beneficial for our local origination business and the Viterra handling operations. In the context of overall low commodity prices, grain, oilseeds, cotton and freight marketing performed well, with sugar more challenging.

Industrial Adjusted EBITDA increased by 95% (Adjusted EBIT was $2,433 million, compared to negative $335 million in H1 2016). As noted above, the increase was primarily driven by stronger average period over period commodity prices, offset by a modest production volume impact, minor adverse cost effect of mine plan changes enacted at various sites, moderate cost inflation and the negative outcome on US dollar costs, given the generally weaker US dollar against the vast majority of local currencies in our key operating jurisdictions.

Earnings

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

US$ million	H1 2017	H1 2016
Adjusted EBIT[1]	3,801	875
Net finance and income tax expense in certain associates and joint ventures[1]	(251)	(67)
Net finance and income tax expense of discontinued operations[2]	–	(39)
Net finance costs	(759)	(777)
Income tax (expense)/benefit[3]	(660)	62
Non-controlling interests	216	246
Income attributable to equity holders of the Parent from continuing and discontinued operations pre-significant items	**2,347**	300
Earnings per share (Basic) pre-significant items (US$)	**0.16**	0.02
Significant items		
Share of associates' significant items[4]	(6)	(40)
Unrealised intergroup profit elimination[5]	(99)	(92)
Mark-to-market valuation on certain coal hedging contracts[5]	75	(395)
Other income/(expenses) – net[6]	106	(131)
Income tax credit/(expense)[3]	27	(11)
Total significant items	**103**	(669)
Income/(loss) attributable to equity holders of the Parent from continuing and discontinued operations	**2,450**	(369)
Earnings/(loss) per share (Basic) (US$)	**0.17**	(0.03)

1 See note 3 of the interim financial statements.
2 See note 18 of the interim financial statements.
3 Refer to Glossary for the allocation of the total income tax (expense)/benefit between pre-significant and significant items
4 Recognised within share of income from associates and joint ventures, see note 3 of the interim financial statements.
5 Recognised within cost of goods sold, see note 3 of the interim financial statements.
6 Recognised within other expense – net and discontinued operations, see notes 3, 4 and 18 of the interim financial statements.

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 2017, Glencore recognised a net income from significant items of $103 million (2016: net expenses of $669 million) comprised primarily of:

- Income of $75 million (2016: $395 million expense) relating to the unwind of certain coal derivative positions that were open at year end and subsequently settled. These coal derivative positions are in respect of portfolio risk management/hedging activities initiated in Q2 2016 to manage forward sales price exposure, relating to future attributable coal production. The transactions were not able to be designated as hedging instruments under IFRS, which would have allowed for the deferment of any income statement effect until performance of the underlying

future sale transactions. The fair value movements are offset against revenue in the segment information as the related sales (of production) are realised. As at period end, some 6 million tonnes of future attributable coal production hedging remains, which is expected to be fully settled by 31 December 2017.

- A $6 million expense (2016: $40 million) representing Glencore's share of significant expenses recognised directly by our associates, primarily due to asset impairments.
- Other income/(expenses) – net includes $165 million (2016: $6 million) of mark-to-market gains on investments held for trading, offset by a $50 million non-current asset valuation provision. In 2016, the balance was primarily made up of $65 million related to restructuring and closure costs, mainly associated with finalisation of the disposal of Optimum.

See note 4 of the interim financial statements for further explanations.

Net finance costs

Net finance costs were $759 million during H1 2017, compared to $777 million in the comparable prior period. Interest expense for H1 2017 was $847 million, a 2% decrease from $862 million in H1 2016, owing mainly to lower average net funding levels. Interest income over the first half of 2017 was consistent with 2016 at $88 million.

Income taxes

An income tax expense of $633 million was recognised during H1 2017, compared to an income tax benefit of $51 million over the comparable 2016 period. Adjusting for a $27 million (2016: $11 million income tax expense) income tax benefit related to significant items, the 2017 pre-significant items income tax expense was $660 million (2016: $62 million income tax benefit). The effective tax rate, pre-significant items, in 2017 was 29.4% compared to 10.3% in 2016, as the mix of taxable profits between marketing and industrial, the latter in generally higher tax jurisdictions and subject to commodity price swings, changed substantially over H1 2017 compared to H1 2016 as noted above. Refer to the Glossary for further information and reconciliation.

Assets, leverage and working capital

Total assets were $119,098 million as at 30 June 2017 compared to $124,600 million as at 31 December 2016, a period over which, current assets decreased from $43,412 million to $39,377 million, due to reductions in receivables and inventories, in part due to lower commodity prices, notably oil in late H1 2017, and reduced margining relating to hedging activities. Non-current assets decreased from $81,188 million at 31 December 2016 to $79,721 million at 30 June 2017 primarily due to the net depletion of property plant and equipment (i.e. depreciation less new capex spent) and the reclassification of Glencore's zinc African operations and petroleum storage and logistics business to held for sale, pending their expected disposals in H2 2017. For the latter, see note 12 of the interim financial statements for further information.

Cash flow and net funding/debt

Net funding

US$ million	30.06.2017	31.12.2016
Gross debt	**30,410**	33,218
Associate and joint ventures net funding[1]	**1,753**	1,919
Cash and cash equivalents	**(1,973)**	(2,518)
Net funding	**30,190**	32,619

Cash and non-cash movements in net funding

US$ million	H1 2017	H1 2016	H2 2016
Cash generated by operating activities before working capital changes	**5,599**	2,851	5,017
Coal related hedging costs included above (via statement of income)	**(75)**	395	(27)
Associates and joint ventures Adjusted EBITDA[2]	**1,042**	548	899
Share in earnings from associates included within above Adjusted EBITDA	**(13)**	–	–
Net interest paid[1]	**(757)**	(819)	(452)
Tax paid[1]	**(609)**	(246)	(434)
Dividends received from associates[1]	**14**	33	5
Funds from operations	**5,201**	2,762	5,008
Working capital changes (excluding gold and silver streaming proceeds)[1]	**520**	1,089	(3,475)
Gold and silver streaming proceeds	**–**	500	471
Acquisition and disposal of subsidiaries	**(56)**	–	5,944
Purchase and sale of investments	**28**	6	(19)
Purchase and sale of property, plant and equipment[1]	**(1,612)**	(1,477)	(1,829)
Net margin receipts/(payments) in respect of financing related hedging activities	**895**	433	(1,128)
Acquisition of non-controlling interests in subsidiaries	**(562)**	–	(7)
Distributions paid and proceeds from own shares	**(620)**	(51)	(37)
Coal related hedging costs (refer above)	**75**	(395)	27
Cash movement in net funding	**3,869**	2,867	4,955
Foreign currency revaluation of borrowings and other non-cash items	**(1,440)**	(605)	1,409
Total movement in net funding	**2,429**	2,262	6,364
Net funding, beginning of period	**(32,619)**	(41,245)	(38,983)
Net funding, end of period	**(30,190)**	(38,983)	(32,619)
Less: Readily marketable inventories[3]	**16,317**	15,403	17,093
Net debt, end of period	**(13,873)**	(23,580)	(15,526)

1 Adjusted to include the impacts of proportionate consolidation of certain associates and joint ventures as outlined in the Glossary.

2 See note 3 of the interim financial statements.

3 Refer to Glossary for definition.

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

Net funding as at 30 June 2017 decreased to $30,190 million from $32,619 million as at 31 December 2016, as funds from operations significantly exceeded the $1,612 million of net capital expenditure, $562 million of acquisitions of non-controlling interests in subsidiaries (African copper) and payment of $620 million of dividends to shareholders and non-controlling interests.

Business and investment acquisitions and disposals

Net outflows from business divestitures and investments was $590 million in H1 2017 compared to an inflow from business divestitures and investments of $6 million in H1 2016, primarily due to the acquisition of the remaining 31% interest in the Mutanda copper and cobalt operations not previously owned and an increased interest in the Katanga copper and cobalt operations to 86.3% from 75.3%.

Liquidity and funding activities

During the first half of 2017, the following significant financing activities took place:

- In May 2017, Glencore signed new one-year revolving credit facilities for a total amount of $7.335 billion, refinancing the $7.700 billion one-year revolving credit facility signed in February 2016. Funds drawn under the facilities bear interest at US$LIBOR plus a margin of 40 basis points. Glencore also voluntarily reduced the medium term facility size from $6.800 billion to $5.425 billion and extended its maturity by 24 months to 2022. As at 30 June 2017, the facilities comprise:
  - a $7.335 billion one year revolving credit facility with a 12 month term-out borrower's option (to May 2019) and a 12-month extension option; and
  - a $5.425 billion medium-term revolving credit facility (to May 2022).
- In March 2017, Glencore issued a 10 year $1,000 million, 4% coupon bond.

Going concern

As at 30 June 2017, the Group had available committed undrawn credit facilities and cash amounting to $14.5 billion. Based on these available capital resources and the Group's financial forecasts and projections, which take into account expected purchases and sales of assets, reasonable possible changes in performance and consideration of the principal risks and uncertainties noted below, the directors believe the Group can continue as a going concern for the foreseeable future, a period not less than 12 months from the date of this report.

Credit ratings

In light of the Group's extensive funding activities, maintaining an investment grade credit rating status is a financial priority/target. The Group's credit ratings are currently Baa2 (stable) from Moody's and BBB (positive outlook) from Standard & Poor's. Glencore's publicly stated objective, as part of its overall financial policy package, is to seek and maintain strong Baa/BBB credit ratings from Moody's and Standard & Poor's respectively. In support thereof, Glencore targets a maximum 2x Net debt / Adjusted EBITDA ratio through the cycle.

Value at risk

One of the tools used by Glencore to monitor and limit its primary market risk exposure, namely commodity price risk related to its physical marketing activities, is the use of a value at risk (VaR) computation. VaR is a risk measurement technique which estimates the potential loss that could occur on risk positions as a result of movements in risk factors over a specified time horizon, given a specific level of confidence. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities, as well as risk diversification by recognising offsetting positions and correlations between commodities and markets. In this way, risks can be measured consistently across all markets and commodities and risk measures can be aggregated to derive a single risk value. Glencore has set a consolidated VaR limit (1 day 95%) of $100 million representing less than 0.2% of equity, which was not exceeded during the period. 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 2017 was $19 million, representing less than 0.1% of equity. Average equivalent VaR during the first half of 2016 was $36 million.

Distributions

Earlier in 2017 and approved at the Company's AGM, the directors recommended a cash distribution, in respect of the 2016 financial year, of $0.07 per share amounting to $996 million, excluding distributions on own shares and ignoring any attribution of shares. The first tranche of the 2016 distribution of $0.035 per ordinary share amounting to $499 million was paid on 31 May 2017. The second tranche of $0.035 per ordinary share is expected to be paid in September 2017, in accordance with the Company's announcement of the 2017 Distribution timetable made on 23 February 2017.

Second tranche of 2016 distribution	2017
Applicable exchange rate determination date (Johannesburg Stock Exchange (JSE))	29 August
Last time to trade on JSE to be recorded in the register for distribution	5 September
Last day to effect removal of shares cum div between Jersey and JSE registers	5 September
Ex-dividend date (JSE)	6 September
Ex-dividend date (HK)	6 September
Ex-dividend date (Jersey)	7 September
Last time for lodging transfers in Hong Kong	4:30 p.m. (HK), 7 September
Record date in JSE	Close of business (SA) 8 September
Record date in Hong Kong	Opening of business (HK) 8 September
Record date in Jersey	Close of business (UK) 8 September
Deadline for return of currency elections form (Jersey shareholders)	11 September
Removal of shares between the Jersey and JSE registers permissible from	11 September
Applicable exchange rate reference date (Jersey and Hong Kong)	13 September
Payment date	26 September

The distribution is to be effected as a reduction of the capital contribution reserves of the Company. As such, this distribution will be exempt from Swiss withholding tax. As at 30 June 2017, Glencore plc had CHF 38 billion of such capital contribution reserves in its statutory accounts.

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

Board changes

On 5 May 2017, Martin Gilbert was appointed as independent non-executive director of the Company, following the retirement of William Macaulay as non-executive director on 14 April 2017.

Principal risks and uncertainties

The Group is exposed to a number of risks and uncertainties which exist in its business and which may have an impact on the ability to execute its strategy effectively in the remaining six months of the financial year and could cause the actual results to differ materially from expected and historical results. The directors consider that the principal risks and uncertainties as summarised below and detailed in the Glencore plc 2016 Annual Report on pages 36 to 44, copies of which are available at www.glencore.com, remain appropriate for the remainder of 2017.

External risks:

- Fluctuations in the supply of, or demand for, commodities, currency exchange rates and reductions in commodity prices;
- Geopolitical risk;
- Laws, enforcements, permits and licences to operate; and
- Liquidity risk.

Business risks:

- Counterparty credit and performance risk;
- Sourcing, freight, storage, infrastructure and logistics;
- Development and operating risks and hazards; and
- Cost control.

Sustainable development risks:

- Health, Safety, Environment, including potential catastrophes;
- Emissions and climate change;
- Community relations; and
- Skills availability and retention.

Subsequent events affecting our financial position

- On 27 July 2017, Glencore announced that it had signed agreements with Yancoal Australia Limited ("Yancoal") to acquire a 49% interest in the Hunter Valley Operations ("HVO") coal mine in Australia for $1,139 million plus a 27.9% share of $240 million non-contingent royalties due over five years and a 49% share of price contingent royalties payable by Yancoal to Rio Tinto. Glencore will be entitled to its share of the profits of HVO from the date that Yancoal completes its acquisition of HVO from Rio Tinto. The transaction is subject to Glencore obtaining the necessary regulatory approvals which are expected to be received within six months. In addition, Glencore has also agreed to subscribe for $300 million of shares in Yancoal's equity raising.

- On 31 July 2017, Katanga Mining Limited ("Katanga"), a TSX listed company, in which the Group has an 86.3% interest, announced that Katanga's independent board members were conducting a review of its historical accounting relating to the production of copper cathode, copper concentrates and stockpiled ore, which may have an impact on the occurrence, classification and valuation of inventories and property, plant and equipment. Any potential adjustment that may result from the ongoing review is not expected to have a material adverse effect on the consolidated income, financial position or cash flows of Glencore.

Metals and Minerals

US$ million	**Marketing activities**	**Industrial activities**	**H1 2017**	Marketing activities	Industrial activities	H1 2016
Revenue	**24,526**	**12,918**	**37,444**	20,014	10,840	30,854
Adjusted EBITDA	**1,060**	**3,639**	**4,699**	864	2,365	3,229
Adjusted EBIT	**1,048**	**1,872**	**2,920**	852	485	1,337
Adjusted EBITDA margin	***4.3%***	***28.2%***	***12.6%***	*4.3%*	*21.8%*	*10.5%*

Market conditions

Selected average commodity prices

	H1 2017	H1 2016	Change %
S&P GSCI Industrial Metals Index	321	257	25
LME (cash) copper price ($/t)	5,755	4,707	22
LME (cash) zinc price ($/t)	2,687	1,801	49
LME (cash) lead price ($/t)	2,218	1,729	28
LME (cash) nickel price ($/t)	9,750	8,669	12
Gold price ($/oz)	1,239	1,220	2
Silver price ($/oz)	17	16	6
Metal Bulletin cobalt price 99.3% ($/lb)	23	11	109
Metal Bulletin ferrochrome 6-8% C basis 60% Cr, max 1.5% Si (¢/lb)	133	82	62
Iron ore (Platts 62% CFR North China) price ($/DMT)	74	52	42

Currency table

	Average H1 2017	**Spot 30 June 2017**	Average H1 2016	Spot 30 June 2016	Change in average %
AUD : USD	**0.75**	**0.77**	0.73	0.75	3
USD : CAD	**1.33**	**1.30**	1.33	1.29	–
USD : COP	**2,924**	**3,046**	3,122	2,920	(6)
EUR : USD	**1.08**	**1.14**	1.12	1.11	(4)
GBP : USD	**1.26**	**1.30**	1.43	1.33	(12)
USD : CHF	**0.99**	**0.96**	0.98	0.98	1
USD : KZT	**319**	**322**	345	339	(8)
USD : ZAR	**13.21**	**13.07**	15.41	14.73	(14)

Marketing

Highlights

Adjusted EBIT for H1 2017 was $1,048 million, up 23% on the $852 million recorded in the comparable period, reflecting the improving market conditions, driven by continued demand strength from China and most other economies and a renewed realisation that the physical supply chain / market in many of our key commodities is tight and/or trending to deficit.

Metals and Minerals

Financial information

US$ million	H1 2017	H1 2016	Change %
Revenue	**24,526**	20,014	23
Adjusted EBITDA	**1,060**	864	23
Adjusted EBIT	**1,048**	852	23

Selected marketing volumes sold

	Units	H1 2017	H1 2016	Change %
Copper metal and concentrates[1]	mt	**1.9**	1.8	6
Zinc metal and concentrates[1]	mt	**1.2**	1.2	–
Lead metal and concentrates[1]	mt	**0.5**	0.5	–
Gold	koz	**989**	1,080	(8)
Silver	moz	**42.2**	43.8	(4)
Nickel	kt	**107**	114	(6)
Ferroalloys (incl. agency)	mt	**3.4**	3.6	(6)
Alumina/aluminium	mt	**6.3**	5.6	13
Iron ore	mt	**24.5**	23.6	4

1 Estimated metal unit contained.

Copper

In contrast to recent history, copper enjoyed a strong start to the year, supported by a more favourable global macroeconomic environment, elevated mine disruptions and broad demand strength in key markets.

Predictably, after several years of depressed prices, copper's rapid recovery in November 2016 resulted in a significant amount of long-held scrap flowing into the market. Such availability widened the price discount between cathodes and scrap, encouraging fabricators to switch to scrap and giving the illusion of deteriorating fundamentals via falling cathode premiums, when in fact demand growth appears solid across all the major consuming regions. Chinese macro and demand data remains supportive with similar trends seen in Europe and North America, as global PMI data recorded a six year high in June. The flood of scrap into the market, along with drawdowns of concentrates and blister stocks from the raw materials chain, tempered the impact of significant mine disruptions on cathode production.

Favourable demand conditions across key consuming regions, combined with elevated risk of mine disruptions, should lend support over the balance of the year, particularly given that scrap supply has now normalised and copper units have been drawn from the supply chain. Longer term, a lack of sector reinvestment, significant potential new demand from battery growth and technology, aging assets and a diminished realistic project pipeline, are likely to underpin significant deficits in the coming years.

Underpinning new battery technologies and applications, cobalt has enjoyed a significant price rise in 2017, having doubled to around $30/lb on the back of fundamental drivers and speculative activity. Most automotive players are now accelerating investment in/adoption of electric vehicle technologies, reflecting, in part, increasingly aggressive Government mandates around emission targets that look likely to result in reductions in demand for internal combustion engines.

Growth in electric vehicle/energy storage systems requires changes in material flows, including the installation, rebuild and replacement of supporting infrastructure. Based on current and emerging technologies, these changes should benefit enabling commodities such as copper, cobalt and nickel.

Zinc

Over H1 2017, the zinc price continued to advance, increasing 49% from an average of $1,801/t in H1 2016 to $2,687/t in H1 2017. During the period, zinc concentrate stocks were depleted and zinc metal stocks were drawn down to levels not seen since 2009, which, combined with healthy zinc demand, drove the zinc price higher.

Chinese year to date mine production was down (3%) vs the comparative period, despite the higher LME and SHFE zinc prices. It's our understanding that the environmental drive in China has somewhat prevented the industry from increasing production in response to higher prices, as in prior years, resulting in Chinese zinc mine production remaining relatively stable for the past three years.

Chinese metal production continues to be constrained by concentrate availability, decreasing 1.3% over the period. Metal production would have been even lower, if not for a 30% increase over the period in concentrate imports, albeit at less favourable terms compared to H1 2016 (H1 2017 average spot TC was $41/t vs $129/t in H1 2016).

China's end user demand for zinc-bearing finished products remained healthy, as the infrastructure, real estate and white goods sectors continued to show resilience over the half, following a strong 2016. As a result, SHFE metal stocks dropped by more than 50% since December 2016 to 65,000 tonnes, the lowest since Q1 2009. Bonded stocks also dropped, bringing total visible stock drawdown in China to over 100,000 tonnes since December 2016. Given the low level of stocks held locally, we expect a higher level of metal imports from the Rest of the World ("ROW") into China in H2 2017.

In the ROW, the realised TC benchmark reduced (18%) from $211/dmt in 2016 (based on a 2016 realised price of $2,091) to $172/dmt over H1 2017, reflecting expectations that the concentrate market will remain tight in 2017.

As the metal market is currently in deficit, any disruption of supply such as the one experienced in North America, is difficult and costly to replace, driving up regional premiums. Metal stocks have started to flow out of LME warehouses at an increasing pace; 137,000 tonnes since December 2016 to some 291,000 tonnes, a trend we expect to continue in H2 2017.

The lead market is challenged with similar factors. The lack of supply translated into the lead benchmark TC dropping from $170/dmt over H1 2016 to $125/dmt over H1 2017. Spot TCs of imports into China also fell sharply from $151/dmt in H1 2016 to $36/dmt in H1 2017.

Nickel

The fundamentals of the nickel market maintained positive momentum in Q1 2017, with continued strong demand growth seen across regions and industries, while underperformance from Western nickel producers and cuts to China's nickel pig iron output offset the ramp up of smelter capacity in Indonesia.

Although positive demand momentum continued in Europe and the US, the buoyancy of Chinese demand growth faltered somewhat in Q2 when tightened liquidity led to heavy destocking through to the first week of June, impacting both stainless production and nickel procurement. While this destocking appears to have run its course and demand growth has returned, developments on the supply side, specifically Indonesia's reversal of a ban on ore exports, have tilted risks towards increased supply and reduced the scale of forecast deficits, albeit non-Chinese production continues to underperform.

While our estimates indicate that the market was in deficit over H1 2017 and will continue to be through the year, the high absolute level of LME and SHFE stocks, together with concerns about additional supply from Indonesia, continue to weigh on sentiment and prices, albeit premiums are expected to remain strong.

Ferroalloys

Chrome ore supply surged towards the end of 2016, after pricing levels rose to multi-year highs, incentivising an increase in mining output. After a strong Q1 2017 for global stainless steel output, the Chinese market experienced a slowdown and destocking phase, which led to lower demand for chrome products and shifted the market to a state of oversupply and steep price decreases. Despite strengthening of the South African rand, affecting the world's largest chrome ore producing region, US dollar prices fell to their lowest levels in more than a year. However, towards the end of H1 2017, a revival in Chinese stainless steel production, coupled with improved conditions in Europe, India, Japan and the US, contributed to a recovery in pricing for chrome ore and ferrochrome.

Similarly, the robust carbon steel market led to strong demand for manganese alloy during H1 2017, with low stock levels and reduced production keeping prices buoyant.

Vanadium demand was also strong across all product applications. Supply was constrained in the period due to environmental inspections in China, which further supported prices.

Alumina/Aluminium

The alumina market entered H1 2017 in deficit, however higher prices incentivised increased production in China and it ended in a small surplus. Average prices in H1 2017 were 34% higher than the same period last year, but fell from $350/t at the start of the year to $307/t at the end of the half. Going forward, there is some uncertainty regarding environmental concerns on alumina production in China.

Such environmental concerns also extended to Chinese aluminium production, with announcements of supply side reform, coupled with a market slightly in deficit, driving prices higher. Average H1 2017 prices were 22% higher than H1 2016. Premium levels during the period were relatively stable, ranging between $65-120/t in-warehouse Rotterdam, $80-120/t CIF Main Japanese Ports and 6-10¢/lb delivered Midwest USA. Demand for aluminium remains healthy and further growth is expected, with demand currently still growing faster than GDP in many areas of the world. The key uncertainty is any potential change in China's approach towards Aluminium production and resulting link to production changes in the West.

Iron Ore

Iron ore continued to see significant price volatility in H1 2017; from $80/t at the start of the year, prices reached a high of $95/t, then reduced to $55/t before recovering to $70/t. The main reason was the interplay of two factors: steel demand and margins were good, driving demand for higher quality iron ore, however iron ore overall is oversupplied, with inventories increasing. As a result, we saw stress in discounts for lower quality iron ore, increasing from 5% at the lows to current levels around 30%. The iron ore market is trying to balance itself with a combination of decreasing price and increasing discounts and we expect a similar pattern over the next six months.

Metals and Minerals

Industrial activities

Highlights

Metals and minerals industrial revenue of $12,918 million was 19% above the comparable period, owing mainly to the significantly improved price environment, notably cobalt, zinc and copper, where average prices over the period were up, relative to H1 2016, by 115%, 49% and 22% respectively. Adjusted EBITDA was up 54% to $3,639 million, reflecting the increase in prices, somewhat offset by increased unit costs associated with mine sequencing changes, maintenance activities, modest inflationary impacts and a weakening of the US dollar against various producer currencies, notably the South African rand, Australian dollar and Kazakhstani Tenge up 14%, 3% and 8% respectively.

Financial information

US$ million	H1 2017	H1 2016	Change %
Revenue			
Copper assets			
African copper (Katanga, Mutanda, Mopani)	**1,093**	837	31
Collahuasi[1]	**495**	437	13
Antamina[1]	**527**	374	41
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)	**1,086**	908	20
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)	**937**	863	9
Custom metallurgical (Altonorte, Pasar, Horne, CCR)	**3,677**	2,956	24
Intergroup revenue elimination	**(317)**	(122)	n.m.
Copper	**7,498**	6,253	20
Zinc assets			
Kazzinc	**1,387**	1,185	17
Australia (Mount Isa, McArthur River)	**611**	470	30
European custom metallurgical (Portovesme, San Juan de Nieva, Nordenham, Northfleet)	**625**	566	10
North America (Matagami, Kidd, Brunswick, CEZ Refinery)	**696**	501	39
Other (Aguilar, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)	**308**	230	34
Zinc	**3,627**	2,952	23
Nickel assets			
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)	**625**	644	(3)
Australia (Murrin Murrin)	**227**	225	1
Nickel	**852**	869	(2)
Ferroalloys	**940**	759	24
Aluminium/Alumina	**1**	7	(86)
Metals and minerals revenue	**12,918**	10,840	19

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

Metals and Minerals

US$ million	Adjusted EBITDA H1 2017	H1 2016	Change %	Adjusted EBIT H1 2017	H1 2016	Change %
Copper assets						
African copper	**284**	91	212	**8**	(134)	n.m.
Collahuasi[1]	**289**	223	30	**169**	100	69
Antamina[1]	**402**	266	51	**273**	137	99
Other South America	**450**	376	20	**207**	54	283
Australia	**256**	192	33	**114**	7	1,529
Custom metallurgical	**156**	196	(20)	**90**	132	(32)
Copper	**1,837**	1,344	37	**861**	296	191
Adjusted EBITDA mining margin[2]	***41%***	*34%*				
Zinc assets						
Kazzinc	**603**	451	34	**384**	221	74
Australia	**301**	151	99	**172**	(3)	n.m.
European custom metallurgical	**83**	90	(8)	**38**	46	(17)
North America	**171**	54	217	**128**	15	753
Other	**95**	24	296	**51**	(32)	n.m.
Zinc	**1,253**	770	63	**773**	247	213
Adjusted EBITDA mining margin[2]	***39%***	*28%*				
Nickel assets						
Integrated Nickel Operations	**221**	190	16	**(8)**	(49)	n.m.
Australia	**(11)**	(22)	n.m.	**(30)**	(39)	n.m.
Nickel	**210**	168	25	**(38)**	(88)	n.m.
Adjusted EBITDA margin	***25%***	*19%*				
Ferroalloys	**347**	97	258	**284**	45	531
Aluminium/Alumina	**(13)**	(13)	n.m.	**(13)**	(13)	n.m.
Iron ore	**5**	(1)	n.m.	**5**	(2)	n.m.
Metals and minerals Adjusted EBITDA/EBIT	**3,639**	2,365	54	**1,872**	485	286
Adjusted EBITDA mining margin[2]	***38%***	*28%*				

1 Represents the Group's share of these JVs.

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

Metals and Minerals

US$ million	H1 2017 Sustaining	H1 2017 Expansion	H1 2017 Total	H1 2016 Sustaining	H1 2016 Expansion	H1 2016 Total
Capex						
Copper assets						
African copper	168	175	343	153	190	343
Collahuasi[1]	73	16	89	75	1	76
Antamina[1]	77	–	77	87	1	88
Other South America	109	7	116	134	16	150
Australia	86	3	89	65	1	66
Custom metallurgical	66	–	66	28	–	28
Copper	579	201	780	542	209	751
Zinc assets						
Kazzinc	47	14	61	54	10	64
Australia	112	–	112	75	–	75
European custom metallurgical	23	–	23	24	–	24
North America	26	7	33	30	2	32
Other	23	–	23	18	–	18
Zinc	231	21	252	201	12	213
Nickel assets						
Integrated Nickel Operations	48	38	86	40	20	60
Australia	6	–	6	3	–	3
Koniambo	–	114	114	–	148	148
Nickel	54	152	206	43	168	211
Ferroalloys	59	3	62	42	6	48
Capital expenditure	923	377	1,300	828	395	1,223

1 Represents the Group's share of these JVs.

Metals and Minerals

Production from own sources – Total[1]

		H1 2017	H1 2016	Change %
Copper	kt	642.9	703.0	(9)
Zinc	kt	570.8	506.5	13
Lead	kt	139.2	145.3	(4)
Nickel	kt	51.2	57.1	(10)
Gold	koz	524	472	11
Silver	koz	19,510	18,813	4
Cobalt	kt	12.7	12.7	–
Ferrochrome	kt	836	762	10
Platinum	koz	65	81	(20)
Palladium	koz	82	120	(32)
Rhodium	koz	8	8	–
Vanadium Pentoxide	mlb	9.5	10.1	(6)

Production from own sources – Copper assets[1]

			H1 2017	H1 2016	Change %
African Copper (Katanga, Mutanda, Mopani)					
	Copper metal[2]	kt	111.5	130.2	(14)
	Cobalt[3]	kt	11.2	10.9	3
Collahuasi[4]					
	Copper metal	kt	–	1.5	(100)
	Copper in concentrates	kt	108.6	105.8	3
	Silver in concentrates	koz	1,522	1,650	(8)
Antamina[5]					
	Copper in concentrates	kt	70.3	76.9	(9)
	Zinc in concentrates	kt	59.0	21.8	171
	Silver in concentrates	koz	3,327	3,677	(10)
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)					
	Copper metal	kt	41.0	39.3	4
	Copper in concentrates	kt	119.8	146.1	(18)
	Gold in concentrates and in doré	koz	163	171	(5)
	Silver in concentrates and in doré	koz	883	1,067	(17)
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)					
	Copper metal	kt	91.0	98.3	(7)
	Copper in concentrates	kt	25.4	26.3	(3)
	Gold	koz	38	36	6
	Silver	koz	741	749	(1)
Total Copper department					
	Copper	**kt**	**567.6**	**624.4**	**(9)**
	Cobalt	**kt**	**11.2**	**10.9**	**3**
	Zinc	**kt**	**59.0**	**21.8**	**171**
	Gold	**koz**	**201**	**207**	**(3)**
	Silver	**koz**	**6,473**	**7,143**	**(9)**

Metals and Minerals

Production from own sources – Zinc assets[1]

			H1 2017	H1 2016	Change %
Kazzinc					
	Zinc metal	kt	102.2	89.2	15
	Lead metal	kt	25.1	24.1	4
	Lead in concentrates	kt	3.9	7.8	(50)
	Copper metal[2]	kt	27.9	25.1	11
	Gold	koz	306	243	26
	Silver	koz	2,854	2,098	36
	Silver in concentrates	koz	106	202	(48)
Australia (Mount Isa, McArthur River)					
	Zinc in concentrates	kt	217.8	231.7	(6)
	Lead in concentrates	kt	78.9	88.4	(11)
	Silver in concentrates	koz	3,743	4,172	(10)
North America (Matagami, Kidd)					
	Zinc in concentrates	kt	71.2	58.3	22
	Copper in concentrates	kt	23.6	24.0	(2)
	Silver in concentrates	koz	1,505	879	71
Other Zinc: South America (Aguilar, Los Quenuales, Sinchi Wayra)					
	Zinc in concentrates	kt	51.2	49.4	4
	Lead metal	kt	6.2	6.1	2
	Lead in concentrates	kt	22.7	15.6	46
	Copper in concentrates	kt	1.1	0.9	22
	Silver metal	koz	290	306	(5)
	Silver in concentrates	koz	4,092	3,480	18
Other Zinc: Africa (Rosh Pinah, Perkoa)					
	Zinc in concentrates	kt	69.4	56.1	24
	Lead in concentrates	kt	2.4	3.3	(27)
	Silver in concentrates	koz	121	127	(5)
Total Zinc department					
	Zinc	**kt**	**511.8**	**484.7**	**6**
	Lead	**kt**	**139.2**	**145.3**	**(4)**
	Copper	**kt**	**52.6**	**50.0**	**5**
	Gold	**koz**	**306**	**243**	**26**
	Silver	**koz**	**12,711**	**11,264**	**13**

Metals and Minerals

Production from own sources – Nickel assets[1]

			H1 2017	H1 2016	Change %
Integrated Nickel Operations (“INO”) (Sudbury, Raglan, Nikkelverk)					
	Nickel metal	kt	29.4	33.5	(12)
	Nickel in concentrates	kt	0.3	0.3	–
	Copper metal	kt	8.1	8.4	(4)
	Copper in concentrates	kt	14.6	20.2	(28)
	Cobalt metal	kt	0.4	0.5	(20)
	Gold	koz	17	21	(19)
	Silver	koz	326	406	(20)
	Platinum	koz	36	50	(28)
	Palladium	koz	64	101	(37)
	Rhodium	koz	3	3	–
Murrin Murrin					
	Nickel metal	kt	13.5	17.7	(24)
	Cobalt metal	kt	1.1	1.3	(15)
Koniambo	Nickel in ferronickel	kt	8.0	5.6	43
Total Nickel department					
	Nickel	**kt**	**51.2**	**57.1**	**(10)**
	Copper	**kt**	**22.7**	**28.6**	**(21)**
	Cobalt	**kt**	**1.5**	**1.8**	**(17)**
	Gold	**koz**	**17**	**21**	**(19)**
	Silver	**koz**	**326**	**406**	**(20)**
	Platinum	**koz**	**36**	**50**	**(28)**
	Palladium	**koz**	**64**	**101**	**(37)**
	Rhodium	**koz**	**3**	**3**	**–**

Production from own sources – Ferroalloys assets[1]

			H1 2017	H1 2016	Change %
Ferrochrome[6]		kt	836	762	10
PGM[7]	Platinum	koz	29	31	(6)
	Palladium	koz	18	19	(5)
	Rhodium	koz	5	5	–
	Gold	koz	–	1	(100)
	4E	**koz**	**52**	**56**	**(7)**
Vanadium Pentoxide		mlb	9.5	10.1	(6)

Metals and Minerals

Total production – Custom metallurgical assets[1]

			H1 2017	H1 2016	Change %
Copper (Altonorte, Pasar, Horne, CCR)					
	Copper metal	kt	259.5	241.6	7
	Copper anode	kt	264.3	265.1	–
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)					
	Zinc metal	kt	395.2	394.9	–
	Lead metal	kt	99.8	110.3	(10)
	Silver	koz	7,465	7,305	2
Ferroalloys					
	Ferromanganese	kt	72	73	(1)
	Silicon Manganese	kt	26	44	(41)

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

Operating highlights

Copper assets

Own sourced copper production of 642,900 tonnes was 60,100 tonnes (9%) down on H1 2016, reflecting a transition to mining a greater portion of copper/zinc ores at Antamina, temporary lower copper grades at Antapaccay, the effects of wet weather at Mutanda, resulting in reduced ore throughput, and lower production / pit stability issues at Alumbrera as it nears end of life.

African copper

Mutanda's own sourced copper production of 96,500 tonnes was 12,400 tonnes (11%) down on H1 2016, reflecting reduced throughput, following unusually severe wet weather earlier in 2017. H1 cobalt production of 11,200 tonnes was 300 tonnes (3%) higher than H1 2016, reflecting upgrades to the plant completed during 2016.

Mopani's own sourced production of 15,000 tonnes was 6,300 tonnes (30%) down on H1 2016, reflecting a 45 day smelter shutdown in May/June. Mopani continues to produce at reduced rates while the new shaft projects are completed.

Collahuasi

Glencore's share of copper production of 108,600 tonnes was in line with H1 2016.

Antamina

The mine is currently accessing a higher portion of copper/zinc ores and less copper only ores. As such, Glencore's share of copper production at 70,300 tonnes was 9% down on H1 2016, however increased zinc production of 59,000 tonnes was 171% higher.

Other South America

Copper production of 160,800 tonnes was 24,600 tonnes (13%) down on H1 2016, reflecting lower grades / pit wall stability issues at Alumbrera as it approaches end of life, and expected transition to lower copper grades at Antapaccay. Gold production of 163,000 ounces was 8,000 ounces (5%) down, mainly relating to Alumbrera, partly offset by improved gold grades at Antapaccay.

Australia

Own sourced production of 116,400 tonnes was 8,200 tonnes (7%) down on H1 2016, mainly reflecting the sale of a 30% economic interest in Ernest Henry in Q4 2016.

Metals and Minerals

Custom metallurgical assets

Copper cathode production of 259,500 tonnes was 17,900 tonnes (7%) up on H1 2016, reflecting a more stable performance from Pasar, which was ramping up during the base period, post its smelter upgrade and expansion. Copper anode production of 264,300 tonnes was in line with H1 2016, as improved production at Pasar was offset by lower feed grades and timing of planned maintenance shutdowns at Altonorte and Horne.

Zinc assets

Own sourced zinc production of 570,800 tonnes was 64,300 tonnes (13%) higher than H1 2016, of which 37,000 tonnes related to Antamina as noted above, with the balance mainly due to stronger operating performances at Kazzinc, Kidd, Rosh Pinah and Bolivia.

H1 2017 zinc production included 69,400 tonnes from the African assets which are currently in the process of being sold to Trevali Mining (expected to complete within Q3 2017).

Kazzinc

Own-sourced zinc production of 102,200 tonnes was 13,000 tonnes (15%) higher than the comparable period, reflecting the processing of own sourced stockpiled material. Total zinc production, including third party feeds, was 152,500 tonnes, in line with H1 2016.

Own-sourced lead production of 29,000 tonnes was 2,900 tonnes (9%) lower than the comparable period, reflecting short-term mining changes at the Zhairem mine. Total lead production, including third party feed, of 77,300 tonnes was 1,400 tonnes (2%) higher than H1 2016.

Own-sourced copper production of 27,900 tonnes was 2,800 tonnes (11%) higher than the comparable period, reflecting higher head grades. Total copper production, including third party feed, of 34,100 tonnes was in line with H1 2016.

Own-sourced gold production of 306,000 ounces was 63,000 ounces higher than the comparable period, reflecting higher gold head grades at Vasilkovsky and improved recoveries.

Australia

Zinc production of 217,800 tonnes was 13,900 tonnes (6%) lower than H1 2016 and lead production of 78,900 tonnes was 9,500 tonnes (11%) down, attributable to operational mine changes.

North America

Zinc production of 71,200 tonnes was 12,900 tonnes (22%) higher than H1 2016, mainly reflecting higher grades at Kidd. Copper production of 23,700 tonnes was down by 400 tonnes (2%), mainly reflecting lower copper grades from Matagami.

Other Zinc

The South American assets produced 51,200 tonnes of zinc and 28,900 tonnes of lead, up 4% and 33%, respectively, on H1 2016. The increase in lead production mainly relates to improved head grades at Aguilar.

The African assets, pending sale to Trevali Mining, produced 69,400 tonnes of zinc and 2,400 tonnes of lead. The significant increase in zinc production (up 13,300 tonnes or 24%) reflects stabilised operating conditions, particularly in Namibia.

European custom metallurgical assets

Zinc production of 395,200 tonnes was in line with the comparable period. Lead production of 99,800 tonnes was 10,500 tonnes (10%) lower than the comparable period, reflecting a change in the feed mix at the European lead operations.

Nickel assets

Own sourced nickel production of 51,200 tonnes was 5,900 tonnes (10%) down on H1 2016, reflecting scheduled maintenance at Murrin and to a lesser extent, INO, partly offset by the stabilising and improving performance at Koniambo.

Integrated Nickel Operations ("INO")

Own sourced nickel production of 29,700 tonnes was 4,100 tonnes (12%) down on H1 2016, reflecting scheduled plant maintenance and the contribution change of own and third-party concentrates in the metallurgical mix. On a total basis, including third party feed, production was down 2,400 tonnes (5%).

Own sourced copper production of 22,700 tonnes was 5,900 tonnes (21%) down on H1 2016, reflecting lower grades at the Sudbury mines.

Metals and Minerals

Murrin Murrin

Own sourced nickel production of 13,500 tonnes was 4,200 tonnes (24%) below H1 2016, principally relating to the statutory maintenance shut in March/April and other required maintenance works.

Koniambo

Nickel production of 8,000 tonnes was 2,400 tonnes (43%) higher than H1 2016, as plant operations continue to improve.

Ferroalloys assets

Ferrochrome

Attributable ferrochrome production of 836,000 tonnes was 74,000 tonnes (10%) higher than H1 2016, reflecting more furnace production time, period over period, and strong furnace operational performances.

Platinum Group Metals ("PGM")

Glencore's share of Mototolo production was 52,000 ounces (4E), down 4,000 ounces (7%) on H1 2016, reflecting lower head grades.

Vanadium

Production of 9.5 million pounds was 0.6 million pounds (6%) down on H1 2016, reflecting additional maintenance required and the impacts of network power failures.

Manganese

Production of 98,000 tonnes was 19,000 tonnes (16%) below H1 2016, reflecting a furnace lining replacement at the plant in France.

Energy Products

US$ million	Marketing activities	Industrial activities	H1 2017	Marketing activities	Industrial activities	H1 2016
Revenue	**59,195**	**5,037**	**64,232**	36,244	3,363	39,607
Adjusted EBITDA	**311**	**1,869**	**2,180**	276	571	847
Adjusted EBIT	**291**	**809**	**1,100**	252	(589)	(337)
Adjusted EBITDA margin	***0.5%***	***37.1%***	***3.4%***	*0.8%*	*17.0%*	*2.1%*

Market conditions

Selected average commodity prices

	H1 2017	H1 2016	Change %
S&P GSCI Energy Index	173	138	25
Coal API4 ($/t)	79	53	49
Coal Newcastle (6,000 Kcal/kg) ($/t)	80	51	57
Oil price – Brent ($/bbl)	53	41	29

Marketing

Highlights

Adjusted EBIT of $291 million was 15% up on H1 2016, with healthy contributions from both oil and coal. A decline in oil from the buoyant comparative period was more than offset by the increased contribution from coal as it continued to capitalise on significantly improved market conditions, compared to H1 2016, in the aftermath of Chinese policy developments to curb domestic coal production from Q2 2016.

Financial information

US$ million	H1 2017	H1 2016	Change %
Revenue	**59,195**	36,244	63
Adjusted EBITDA	**311**	276	13
Adjusted EBIT	**291**	252	15

Selected marketing volumes sold

	Unit	H1 2017	H1 2016	Change %
Thermal coal[1]	mt	**51.1**	53.5	(4)
Metallurgical coal[1]	mt	**1.0**	1.0	–
Coke[1]	mt	**0.2**	0.5	(60)
Crude oil	mbbls	**607**	394	54
Oil products	mbbls	**501**	401	25

1 Includes agency volumes

Coal

H1 2017 saw API2 and API4 average coal prices above those during H2 2016, while the GC Newcastle average price was within $1 of the preceding half. Prices have been supported by demand growth in the Pacific and Atlantic markets. In the Atlantic, Mediterranean markets led by Turkey continue to grow while across Europe, import coal demand grew in Spain, Portugal, France, Germany and Ireland. In Asia, demand in China, Japan and Korea more than offset the modest decline in India, while the emerging and growing markets of Pakistan, Malaysia, Vietnam and Philippines grew as new coal fired generation projects continue to be commissioned to meet their growing energy needs. Chinese domestic coal demand is being supported by a strong and broad-based growth in electricity demand, up 6% period-over-period, with demand up in each of the industrial, service, residential and agricultural sectors. Electricity demand from coal fired plants increased coal demand by more than 5%.

Higher prices supported increased supply from the US, however much of this growth is lower energy and/or higher sulphur coals, which do not directly compete with Australian, Colombian or South African supply. Stronger prices are also supporting growth from Russia and Indonesia, however the latter is from low energy sources, as supply of higher energy, bituminous coals continues to decline. Thermal coal supply from Australia in H1 2017 was impacted by Cyclone Debbie and was down 4%, although less so than metallurgical which was down 11%. Supply from South Africa has marginally

increased, while average quality continues to decline. Overall, supply in H1 2017 has not kept up with demand as weather impacts in both Australia and Indonesia have hampered production and exports.

While API2, API4 and Newcastle index prices at the end of June 2017 were down between 7% and 18% on the elevated levels seen in Q4 2016, such prices are ~50-60% higher than H1 2016 and continue to support positive cash margins for the majority of seaborne thermal coal suppliers.

Oil

Year to date prices were range-bound, with Brent effectively capped around $55 per barrel, despite the late rally last year following the output cut by OPEC in December and the nine month extension announced in May. In the face of stubbornly high global inventories, rising US production, Libyan/Nigerian ramp up in volumes and slower than expected crude demand growth, the market began to liquidate long positions. Speculators carried net length into the year at historically high levels, but have since unwound much of this length, with prices and market structure giving way. Brent dropped below $50 per barrel and, in the forward market, backwardation in the deferred part of the curve moved back into contango, pointing to generally lower expectations about the pace of global oil market rebalancing. Volatility remained remarkably low throughout the first half, despite geo-political tensions rising in the Middle East, the South China Sea and North Asia. Against this backdrop, the first six months of the year proved a challenging environment for trading opportunities.

On a brighter note, refinery margins remained healthy, with solid product demand keeping most product curves backwardated in the near-months. In shipping, the tanker freight market remained under pressure as fleet expansion continues to outpace scrapping of tanker tonnage.

Energy Products

Industrial activities

Highlights

Energy products industrial revenue of $5,037 million was 50% up on H1 2016, reflecting higher coal prices and production. The comparative period reflects stark coal price contrasts where, in Q1 2016, coal prices recorded cyclical lows, following which Chinese policy developments provided strong pricing support. Over H1 2017, realised USD thermal coal prices were on average 50-70% greater than H1 2016. The higher coal price effect was modestly offset by some inflationary pressure and adverse foreign exchange movements, resulting from a generally weaker US dollar.

Financial information

US$ million	H1 2017	H1 2016	Change %
Net revenue			
Coal operating revenue			
Coking Australia	586	210	179
Thermal Australia	2,490	1,559	60
Thermal South Africa	721	543	33
Prodeco	664	479	39
Cerrejón[1]	385	242	59
Impact of corporate coal economic hedging	(158)	–	n.m.
Coal operating revenue	4,688	3,033	55
Coal other revenue			
Coking Australia	1	1	–
Thermal Australia	182	157	16
Thermal South Africa	9	2	350
Prodeco	3	1	200
Cerrejón[1]	1	–	n.m.
Coal other revenue (buy-in coal)	196	161	22
Coal total revenue			
Coking Australia	587	211	178
Thermal Australia	2,672	1,716	56
Thermal South Africa	730	545	34
Prodeco	667	480	39
Cerrejón[1]	386	242	60
Impact of corporate coal economic hedging	(158)	–	n.m.
Coal total revenue	4,884	3,194	53
Oil revenue	153	169	(9)
Energy products revenue	5,037	3,363	50

1 Represents the Group's share of this JV.

Energy Products

US$ million	Adjusted EBITDA H1 2017	H1 2016	Change %	Adjusted EBIT H1 2017	H1 2016	Change %
Coking Australia	**330**	(38)	n.m.	**240**	(102)	n.m.
Thermal Australia	**996**	354	181	**384**	(314)	n.m.
Thermal South Africa	**253**	135	87	**116**	25	364
Prodeco	**213**	(4)	n.m.	**143**	(84)	n.m.
Cerrejón[1]	**185**	59	214	**98**	(26)	n.m.
Coal result prior to hedging	**1,977**	506	291	**981**	(501)	n.m.
Impact of corporate coal economic hedging	**(158)**	–	n.m.	**(158)**	–	n.m.
Coal	**1,819**	506	259	**823**	(501)	n.m.
Adjusted EBITDA margin[2]	***41%***	*17%*				
Oil	**50**	65	(23)	**(14)**	(88)	n.m.
Adjusted EBITDA margin	***33%***	*38%*				
Energy products Adjusted EBITDA/EBIT	**1,869**	571	227	**809**	(589)	n.m.
Adjusted EBITDA margin - pre economic hedge	***41%***	*18%*				
Adjusted EBITDA margin - post economic hedge	***39%***	*18%*				

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

US$ million	H1 2017 Sustaining	H1 2017 Expansion	H1 2017 Total	H1 2016 Sustaining	H1 2016 Expansion	H1 2016 Total
Capex						
Australia (thermal and coking)	**40**	**29**	**69**	83	37	120
Thermal South Africa	**75**	**6**	**81**	53	8	61
Prodeco	**83**	**1**	**84**	7	2	9
Cerrejón[1]	**16**	**–**	**16**	13	1	14
Coal	**214**	**36**	**250**	156	48	204
Oil	**33**	**–**	**33**	29	–	29
Capital expenditure	**247**	**36**	**283**	185	48	233

1 Represents the Group's share of this JV.

Energy Products

Production from own sources

Coal assets[1]

		H1 2017	H1 2016	Change %
Australian coking coal	mt	2.7	2.0	35
Australian semi-soft coal	mt	2.2	2.2	–
Australian thermal coal (export)	mt	26.2	24.1	9
Australian thermal coal (domestic)	mt	3.3	3.2	3
South African thermal coal (export)	mt	8.7	8.4	4
South African thermal coal (domestic)	mt	4.8	5.7	(16)
Prodeco	mt	8.0	8.3	(4)
Cerrejón[2]	mt	5.2	4.9	6
Total Coal department	**mt**	**61.1**	**58.8**	**4**

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis except for joint ventures, where the Group's attributable share of production is included.

2 The Group's pro-rata share of Cerrejón production (33.3%).

Oil assets

		H1 2017	H1 2016	Change %
Glencore entitlement interest basis				
Equatorial Guinea	kbbl	1,333	2,100	(37)
Chad	kbbl	1,307	2,250	(42)
Total Oil department	**kbbl**	**2,640**	**4,350**	**(39)**
Gross basis				
Equatorial Guinea	kbbl	6,297	9,641	(35)
Chad	kbbl	1,787	3,076	(42)
Total Oil department	**kbbl**	**8,084**	**12,717**	**(36)**

Energy Products

Operating highlights

Coal assets

Production of 61.1 million tonnes was 2.3 million tonnes (4%) higher than H1 2016, reflecting expected increases in the Australian thermal portfolio and improved coking coal production.

Australian coking

Production of 2.7 million tonnes was 0.7 million tonnes (35%) higher than H1 2016, as the comparable period was impacted by geological challenges at Oaky Creek.

Australian thermal and semi-soft

Production of 31.7 million tonnes was 2.2 million tonnes (7%) higher than H1 2016, reflecting productivity initiatives at South Blakefield and Bulga, an expected increase at Ulan with the comparable period impacted by longwall moves, and Glencore's increased equity ownership of the Newlands and Collinsville mines.

South African thermal

Production of 13.5 million tonnes was in line with H1 2016, reflecting improved operating performances, particularly at Tweefontein, offset by scheduled mine closures (Springlake and Hlagisa) in 2017.

Prodeco

Production of 8.0 million tonnes was 0.3 million tonnes (4%) down on H1 2016, reflecting disruption due to unusually heavy rainfall in Q2 2017.

Cerrejón

Glencore's share of production was 5.2 million tonnes, up 0.3 million tonnes (6%) on H1 2016, reflecting an easement of dust emission restrictions.

Oil assets

Glencore's oil entitlement production interest of 2.6 million barrels was 39% down on H1 2016, reflecting natural field decline with no drilling activity. As previously noted, a single-rig drilling campaign has recommenced in Chad in H2 2017.

Agricultural Products

US$ million	**H1 2017**	*H1 2017 (100% basis)*	H1 2016	Change % (100% basis)
Revenue	**6,335**	*12,674*	11,290	12
Adjusted EBITDA	**166**	*331*	183	81
Adjusted EBIT	**107**	*214*	115	86
Adjusted EBITDA margin	***2.6%***	*2.6%*	*1.6%*	*63*
Sustaining capex	**28**	*57*	55	4
Expansionary capex	**22**	*44*	11	300
Total capex	**50**	*101*	66	53

In December 2016, the sale of 50% of the Agricultural products business segment completed (see note 18). Post close, it was determined that Glencore Agri met the definition of a joint arrangement, to be classified as a joint venture under IFRS 11 and be accounted for using the equity method in Glencore's financial statements in accordance with IAS 28. For internal reporting and analysis, Glencore evaluates the performance of this investment under the proportionate consolidation method, reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities. The above balances represent Glencore's interest in Glencore Agri, being 49.9% post 1 December 2016, and 100% pre the sale date.

Market conditions

Selected average commodity prices

	H1 2017	H1 2016	Change %
S&P GSCI Agriculture Index	296	294	1
CBOT wheat price (US¢/bu)	432	468	(8)
CBOT corn no.2 price (US¢/bu)	366	377	(3)
CBOT soya beans (US¢/bu)	981	971	1
ICE cotton price (US¢/lb)	76	61	25
ICE sugar # 11 price (US¢/lb)	17	16	6

Highlights

H1 2017 reflected the impact of a record Australian crop, which was beneficial for both our local origination business and the Viterra handling operations. This more than compensated for Viterra Canada, which was satisfactory, but below expectation as low prices, farmer retention and some crop quality issues pressurised margins. Prices have declined over the medium term, with the S&P GSCI index reducing by 40% from 2011 to 2015 and broadly flat since then, putting sustained pressure onto the industry as a whole. In H1 2017, commodity prices remained at low levels, particularly grains, and markets were subdued until late in the period when wheat rallied due to a US spring weather concern. Against this overall backdrop, grain, oilseeds, cotton and freight marketing performed well, with sugar more challenging.

Soft seed crush and biodiesel margins in the EU continued to be under pressure, while the wheat milling business in Brazil performed in line with expectations, despite challenges posed by the currency devaluation. The decline in sugar and Brazilian ethanol prices negatively impacted sugar milling results, however this was partially offset by hedging and improved farm and factory production yields.

Agricultural Products

Operating highlights

Global processing volumes of 6.5 million tonnes were in line with H1 2016. Farming decreased following the sale of the Russian assets towards the end of 2016. Crushing volumes were consistent period on period, with increases across the European and CIS portfolio partly offset by reduced production at Timbues (Argentina), due to timing of maintenance.

Selected marketing volumes sold[1]

Million tonnes	**H1 2017**	H1 2016	Change %
Grains	**22.0**	21.5	2
Oil/oilseeds	**15.2**	13.5	13
Cotton	**0.3**	0.2	50
Sugar	**0.2**	0.3	(33)

Processing/production data[1]

		H1 2017	H1 2016	Change %
Farming	kt	148	189	(22)
Crushing	kt	3,781	3,761	1
Long term toll agreement	kt	454	355	28
Biodiesel	kt	334	277	21
Rice milling	kt	93	115	(19)
Wheat milling	kt	462	480	(4)
Sugarcane processing	kt	1,253	1,265	(1)
Total agricultural products	**kt**	**6,525**	**6,442**	**1**

1 Reported on a 100% basis.

Responsibility Statement

We confirm that to the best of our knowledge:

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

By order of the Board,

Steven Kalmin
Chief Financial Officer

9 August 2017

Independent review report to Glencore plc

We have been engaged by Glencore plc ("the Company") to review the condensed interim consolidated financial statements in the half-year financial report for the six months ended 30 June 2017 which comprises the condensed consolidated statements of income/(loss), comprehensive income/(loss), financial position, cash flows and changes in equity and related notes 1 to 25. We have read the other information contained in the half-year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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

Directors' responsibilities

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

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

Our responsibility

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements in the half-year financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP

Deloitte LLP
Recognized Auditor

London, United Kingdom

9 August 2017

Condensed consolidated statement of income/(loss)

For the six months ended 30 June (unaudited)

US$ million	Notes	2017	2016
Revenue		**100,287**	69,425
Cost of goods sold		**(96,535)**	(68,824)
Selling and administrative expenses		**(660)**	(549)
Share of income from associates and joint ventures	8/12	**428**	114
Other income/(expense) – net	4	**106**	(87)
Interest income		**88**	85
Interest expense		**(847)**	(862)
Income/(loss) before income taxes		**2,867**	(698)
Income tax (expense)/credit	5	**(633)**	51
Income/(loss) for the period from continuing operations		**2,234**	(647)
Income from discontinued operations, net of tax	18	**–**	32
Income/(loss) for the period		**2,234**	(615)
Attributable to:			
Non-controlling interests		**(216)**	(246)
Equity holders of the Parent		**2,450**	(369)

Earnings/(loss) per share – continuing operations:			
Basic (US$)	14	**0.17**	(0.03)
Diluted (US$)	14	**0.17**	(0.03)
Earnings/(loss) per share – continuing and discontinued operations:			
Basic (US$)	14	**0.17**	(0.03)
Diluted (US$)	14	**0.17**	(0.03)

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

Condensed consolidated statement of comprehensive income/(loss)

For the six months ended 30 June (unaudited)

US$ million	Notes	2017	2016
Income/(loss) for the period		**2,234**	(615)
Other comprehensive income			
Items not to be reclassified to the statement of income in subsequent periods:			
Defined benefit plan actuarial losses, net of tax of $7 million (2016: $45 million)		**(26)**	(124)
Net items not to be reclassified to the statement of income in subsequent periods		**(26)**	(124)
Items that are or may be reclassified to the statement of income in subsequent periods:			
Exchange gain on translation of foreign operations		**191**	212
(Losses)/gains on cash flow hedges, net of tax of $5 million (2016: $1 million)		**(250)**	216
Share of comprehensive income from associates and joint ventures	8/12	**49**	5
Unrealised gain/(loss) on available for sale financial instruments	8	**191**	(11)
Discontinued operations		**–**	67
Net items that are or may be reclassified to the statement of income in subsequent periods		**181**	489
Other comprehensive income		**155**	365
Total comprehensive income/(loss)		**2,389**	(250)
Attributable to:			
Non-controlling interests		**(210)**	(226)
Equity holders of the Parent		**2,599**	(24)

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

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Condensed consolidated statement of financial position

As at 30 June 2017 and 31 December 2016

US$ million	Notes	2017 (unaudited)	2016 (audited)
Assets			
Non-current assets			
Property, plant and equipment	6	**52,427**	53,826
Intangible assets	7	**6,753**	6,716
Investments in associates and joint ventures	8	**12,951**	13,086
Other investments	8	**2,400**	1,753
Advances and loans	9	**2,711**	3,483
Inventories		**634**	564
Deferred tax assets		**1,845**	1,760
		79,721	81,188
Current assets			
Inventories	10	**17,868**	18,347
Accounts receivable	11	**16,226**	20,066
Other financial assets	20	**2,059**	2,212
Prepaid expenses and other assets		**339**	269
Cash and cash equivalents		**1,973**	2,518
		38,465	43,412
Assets held for sale	12	**912**	–
		39,377	43,412
Total assets		**119,098**	124,600
Equity and liabilities			
Capital and reserves – attributable to equity holders			
Share capital	13	**146**	146
Reserves and retained earnings		**45,626**	44,097
		45,772	44,243
Non-controlling interests	24	**(1,631)**	(462)
Total equity		**44,141**	43,781
Non-current liabilities			
Borrowings	16	**23,007**	23,188
Deferred income		**2,218**	2,266
Deferred tax liabilities		**5,779**	5,664
Other financial liabilities	20	**421**	403
Provisions		**6,087**	5,931
		37,512	37,452
Current liabilities			
Borrowings	16	**7,403**	10,030
Accounts payable	17	**25,038**	26,176
Deferred income		**156**	138
Provisions		**421**	458
Other financial liabilities	20	**3,886**	6,386
Income tax payable		**329**	179
		37,233	43,367
Liabilities held for sale	12	**212**	–
		37,445	43,367
Total equity and liabilities		**119,098**	124,600

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

Condensed consolidated statement of cash flows

For the six months ended 30 June (unaudited)

US$ million	Notes	2017[1]	2016[2]
Operating activities			
Income/(loss) before income taxes from continuing operations		**2,867**	(698)
Income before income taxes from discontinued operations		**–**	38
Adjustments for:			
Depreciation and amortisation		**2,545**	2,808
Share of income from associates and joint ventures	8/12	**(428)**	(123)
Increase/(decrease) in employee benefit liabilities		**23**	(10)
Unrealised mark to market movements on other investments	4	**(165)**	(6)
Other non-cash items – net[3]		**(2)**	32
Interest expense – net		**759**	810
Cash generated by operating activities before working capital changes		**5,599**	2,851
Working capital changes			
Decrease/(increase) in accounts receivable[4]		**3,107**	(1,001)
Decrease/(increase) in inventories		**629**	(24)
(Decrease)/increase in accounts payable[5]		**(3,356)**	2,197
Proceeds from gold and silver streaming		**–**	500
Total working capital changes		**380**	1,672
Income taxes paid		**(351)**	(205)
Interest received		**53**	54
Interest paid		**(777)**	(872)
Net cash generated by operating activities		**4,904**	3,500
Investing activities			
Purchase of investments	8	**(3)**	–
Proceeds from sale of investments		**38**	6
Purchase of property, plant and equipment		**(1,441)**	(1,360)
Proceeds from sale of property, plant and equipment		**55**	54
Dividends received from associates and joint ventures	8	**413**	275
Net cash used by investing activities		**(938)**	(1,025)

1 Includes results from assets held for sale, see note 12.
2 Includes results from discontinued operations, see note 18.
3 Includes certain non-cash items as disclosed in note 4.
4 Includes movements in other financial assets, prepaid expenses, long-term advances and other assets. Cash outflows of $485 million relating to non-current loans and advances provided in H1 2016 were reclassified from investing to operating activities to better reflect the nature of these cash flows.
5 Includes movements in other financial liabilities, provisions and deferred income.

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

Condensed consolidated statement of cash flows (continued)

For the six months ended 30 June (unaudited)

US$ million	Notes	2017[1]	2016[2]
Financing activities[3]			
Proceeds from issuance of capital market notes[4]	16	**987**	258
Repayment of capital market notes		**(2,829)**	(3,837)
Repayment of revolving credit facility	16	**(526)**	(479)
(Repayment of)/proceeds from other non-current borrowings	16	**(30)**	109
Margin receipts in respect of financing related hedging activities		**895**	433
(Repayment of)/proceeds from current borrowings	16	**(2,307)**	1,073
Proceeds from U.S. commercial papers	16	**509**	–
Acquisition of non-controlling interests in subsidiaries	24	**(562)**	–
Return of capital/distributions to non-controlling interests		**(126)**	(54)
Disposal of own shares		**6**	3
Distributions paid to equity holders of the Parent	15	**(499)**	–
Net cash used by financing activities		**(4,482)**	(2,494)
Decrease in cash and cash equivalents		**(516)**	(19)
Cash and cash equivalents, beginning of period		**2,518**	2,707
Cash and cash equivalents, end of period		**2,002**	2,688
Cash and cash equivalents reported in the statement of financial position		**1,973**	2,535
Cash and cash equivalents attributable to assets held for sale / discontinued operations	12/18	**29**	153

1 Includes results from assets held for sales, see note 12.
2 Includes results from discontinued operations, see note 18.
3 Presented net of directly attributable issuance costs where applicable.
4 Net of issuance costs relating to capital market notes of $5 million (2016: $1 million).

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

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Condensed consolidated statement of changes in equity

For the six months ended 30 June (unaudited)

US$ million	(Deficit)/ retained earnings	Share premium	Other reserves	Own shares	Total reserves and (deficit)/ retained earnings	Share capital	Total equity attributable to equity holders	Non-controlling interests	Total equity
1 January 2016	**(5,099)**	**52,338**	**(4,419)**	**(1,712)**	**41,108**	**146**	**41,254**	**89**	**41,343**
Loss for the period	(369)	–	–	–	(369)	–	(369)	(246)	(615)
Other comprehensive loss	(165)	–	510	–	345	–	345	20	365
Total comprehensive loss	**(534)**	**–**	**510**	**–**	**(24)**	**–**	**(24)**	**(226)**	**(250)**
Own share disposal[1]	(9)	–	–	12	3	–	3	–	3
Equity settled share-based expenses	37	–	–	–	37	–	37	–	37
Discontinued operations[3]	–	–	–	–	–	–	–	(40)	(40)
Distributions paid[2]	–	–	–	–	–	–	–	(54)	(54)
30 June 2016	**(5,605)**	**52,338**	**(3,909)**	**(1,700)**	**41,124**	**146**	**41,270**	**(231)**	**41,039**
1 January 2017	**(3,739)**	**52,338**	**(2,802)**	**(1,700)**	**44,097**	**146**	**44,243**	**(462)**	**43,781**
Income for the period	2,450	–	–	–	2,450	–	2,450	(216)	2,234
Other comprehensive income	23	–	126	–	149	–	149	6	155
Total comprehensive income/(loss)	**2,473**	**–**	**126**	**–**	**2,599**	**–**	**2,599**	**(210)**	**2,389**
Own share disposal[1]	(52)	–	–	106	54	–	54	–	54
Equity settled share-based expenses	51	–	–	–	51	–	51	–	51
Change in ownership interest in subsidiaries[4]	–	–	(165)	–	(165)	–	(165)	(833)	(998)
Distributions[2]	–	(1,010)	–	–	(1,010)	–	(1,010)	(126)	(1,136)
30 June 2017	**(1,267)**	**51,328**	**(2,841)**	**(1,594)**	**45,626**	**146**	**45,772**	**(1,631)**	**44,141**

1 See note 13.
2 See notes 15 and 17.
3 See note 18.
4 See note 24.

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

Notes to the unaudited condensed interim consolidated financial statements

For the six months ended 30 June (unaudited)

1. Corporate information

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

Glencore plc is a publicly traded limited company incorporated in Jersey and domiciled in Switzerland. Its ordinary shares are traded on the London, Hong Kong and Johannesburg stock exchanges.

These unaudited condensed interim consolidated financial statements for the six months ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 9 August 2017.

2. Accounting policies

Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC), IAS 34 *Interim Financial Reporting* as adopted by the European Union (EU), and the Disclosure and Transparency Rules of the Financial Conduct Authority effective for Glencore's reporting for the six months ended 30 June 2017. These unaudited condensed interim consolidated financial statements should be read in conjunction with the financial statements and the notes thereto included in the audited 2016 Annual Report of Glencore plc and subsidiaries (2016 Annual Report) available at www.glencore.com. These financial statements for the six months ended 30 June 2017 and 2016, and financial information for the year ended 31 December 2016 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 2016 Annual Report and audited financial statements for the year ended 31 December 2016 have been filed with the Jersey Registrar of Companies and the audit report on those financial statements was not qualified.

The interim financial report for the six months ended 30 June 2017 has been prepared on a going concern basis as the directors believe there are no material uncertainties that lead to significant doubt that the Group can continue as a going concern in the foreseeable future, a period not less than 12 months from the date of this report. Further information is included on page 9 of the Financial Review.

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

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

Significant accounting policies

In addition to the accounting policies applied in the audited 2016 Annual Report, these unaudited condensed interim consolidated financial statements also include a policy on non-current assets and liabilities held for sale.

Non-current assets and liabilities held for sale

Non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, they are available for immediate disposal and the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Adoption of new and revised standards

These unaudited condensed interim consolidated financial statements are prepared using the same accounting policies as applied in the audited 2016 Annual Report, except for the adoption of a number of new accounting pronouncements, principally minor amendments to existing standards, that became effective on 1 January 2017 and have been adopted by the Group. The adoption of these new amendments and interpretations has had no material impact on the Group.

New and revised standards not yet effective

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

Amendments to IFRS 2 – Classification and measurement of share-based payment transactions – effective for year ends beginning on or after 1 January 2018

The amendments to IFRS 2 *Share-based payments* clarify the classification and measurement of share-based payments transactions with respect to accounting for cash-settled share-based payment transactions that include a performance obligation, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The Group has assessed the impact of the change on its consolidated financial statements and, it does not expect any significant impact.

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

IFRS 9 will supersede IAS 39 ‘Financial Instruments: Recognition and Measurement’ and covers classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting. IFRS 9 modifies the classification and measurement of certain classes of financial assets and liabilities and will require the Group to reassess classification of financial assets from four to two primary categories, reflecting the business model in which assets are managed and their cash flow characteristics. IFRS 9 introduces expected credit losses impairment model, which means that anticipated as opposed to incurred credit losses will be recognised resulting in earlier recognition of impairment. The Group is currently in the process of completing its review of the impact of adopting IFRS 9 and, considering the nature of financial instruments currently held by the Group, management does not expect the changes to have a significant effect on the Group’s consolidated financial statements.

IFRS 15 – Revenue from Contracts with Customers – effective for year ends beginning on or after 1 January 2018

IFRS 15 applies to revenue from contracts with customers and replaces all of the revenue standards and interpretations in IFRS. The standard outlines the principles an entity must apply to measure and recognise revenue and the related cash flows. The Group is currently in the process of completing its review of the potential impact of adopting IFRS 15 with the primary focus being to understand whether the timing and amount of revenue recognised could differ under IFRS 15. As the majority of the Group’s revenue is derived from arrangements in which the transfer of risks and rewards coincides with the fulfilment of performance obligations, no material changes in respect of timing and amount of revenue currently recognised by the Group are expected.

IFRS 16 – Leases – effective for year ends beginning on or after 1 January 2019

IFRS 16 provides a comprehensive model for identification of lease arrangements and their treatment (on-balance sheet) in the financial statements of both lessees and lessors. It supersedes IAS 17 *Leases* and its associated interpretative guidance. Under the new standard, a lessee is required to recognise all lease assets and liabilities (including those currently classified as operating leases) on the statement of financial position at the present value of the unavoidable lease payments and an amortisation charge on the leased assets and an interest charge on the leased liabilities. Although the Group is still evaluating the potential impact of IFRS 16 on the financial statements and performance measures, including an assessment of whether any arrangements the Group enters into will be considered a lease under IFRS 16, it is expected IFRS 16 will increase the Group’s recognised assets and liabilities and affect the presentation and timing of related depreciation and interest charges in the consolidated statement of income/loss. Upon adoption of IFRS 16, the most significant impact is likely to be the present value of the operating lease commitments being shown as a liability on the statement of financial position together with an asset representing the right of use.

3. Segment information

Glencore is organised and operates on a worldwide basis in 3 core business segments – metals and minerals, energy products and agricultural products, with each business segment responsible for the marketing, sourcing, hedging, logistics and industrial investment activities of their respective products and reflecting the structure used by Glencore's management to assess the performance of Glencore.

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

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

Corporate and other: consolidated statement of income amount represents unallocated Group related expenses (including variable pool bonus charges). Statement of financial position amounts represent Group related balances.

The financial performance of the segments is principally evaluated by management with reference to Adjusted EBIT/EBITDA which is the net result of segmental revenue (revenue including an Adjustment for Proportionate Consolidation as defined in the Glossary) less cost of goods sold and selling and administrative expenses plus share of income from associates and joint ventures, dividend income and the attributable share of underlying Adjusted EBIT/EBITDA of certain associates and joint ventures which are accounted for internally by means of proportionate consolidation, excluding significant items. The 2016 segment information includes the Agricultural products business which has been disclosed as a discontinued operation until close of transaction on 1 December 2016, see note 18. Following the completion of the sale, the results from Agricultural products have been combined under marketing activities and the 2016 comparatives (relating to Industrial 2016 EBITDA/EBIT of $29 million and negative $7 million respectively) in respect thereof have been reclassified from Industrial to Marketing activities in the below tables.

The accounting policies of the operating segments are the same as those described in note 2 with the exception of certain associates and joint ventures. Under IFRS 11, Glencore's investments in the Antamina copper/zinc mine (34% owned) and the Cerrejón coal mine (33% owned) are considered to be associates as they are not subject to joint control and the Collahuasi copper mine (44% owned) and Glencore Agri (50% owned) are considered to be joint ventures. Associates and joint ventures are required to be accounted for in Glencore's financial statements under the equity method. For internal reporting and analysis, Glencore evaluates the performance of these investments under the proportionate consolidation method, reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities of the investments. Under IFRS 5, 100% of the results of the Agricultural business segment up to the date of completion of the sale were presented as a discontinued operation in the Group's statement of income, following the agreed sale of a 50% interest in Glencore Agri, see note 18. Prior to completion of the sale, Glencore evaluated the performance of this segment under the full consolidation method, consistent with prior periods. The balances as presented for internal reporting purposes are reconciled to Glencore's statutory disclosures in the following tables.

3. Segment information (continued)

Six months ended 30 June 2017

US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue – Marketing activities[1]	24,526	59,195	6,335	–	**90,056**
Revenue – Industrial activities	12,918	5,037	–	19	**17,974**
Revenue	37,444	64,232	6,335	19	**108,030**
Marketing activities					
Adjusted EBITDA	1,060	311	166	(78)	**1,459**
Depreciation and amortisation	(12)	(20)	(59)	–	**(91)**
Adjusted EBIT	1,048	291	107	(78)	**1,368**
Industrial activities					
Adjusted EBITDA	3,639	1,869	–	(226)	**5,282**
Depreciation and amortisation	(1,767)	(1,060)	–	(22)	**(2,849)**
Adjusted EBIT	1,872	809	–	(248)	**2,433**
Total Adjusted EBITDA	4,699	2,180	166	(304)	**6,741**
Depreciation and amortisation[2]	(1,779)	(1,080)	(59)	(22)	**(2,940)**
Total Adjusted EBIT	2,920	1,100	107	(326)	**3,801**
Share of associates' significant items[3,4]					**(6)**
Unrealised intergroup profit elimination adjustments[5]					**(99)**
Mark-to-market valuation on certain coal hedging contracts[6]					**75**
Other income – net[7]					**106**
Interest expense – net[8]					**(797)**
Income tax expense[9]					**(846)**
Income for the period					**2,234**
Total assets (as at 30 June 2017)	69,718	41,430	3,248	4,702	**119,098**
Capital expenditure – Marketing activities	7	30	50	–	**87**
Capital expenditure – Industrial activities[10]	1,300	283	–	9	**1,592**
Capital expenditure (30 June 2017)	1,307	313	50	9	**1,679**

1 Balance is net of intra-segment sales arising from transactions between the Industrial and Marketing activities. Metals and minerals segment: $9,029 million and Energy products segment: $1,271 million.
2 Includes an adjustment of $395 million to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $249 million, Energy products segment: $87 million and Agricultural products segment: $59 million, see reconciliation table below.
3 Refer to Glossary for definition of significant items.
4 Share of associates' significant items comprise Glencore's share of significant charges booked directly by various associates.
5 Represents the required adjustment to eliminate unrealised profit or losses arising on intergroup transactions. For Glencore, such adjustments arise on the sale of product, in the ordinary course of business, from its Industrial to Marketing operations. Management assesses segment performance prior to any such adjustments, as if the sales were to third parties.
6 Represents an accounting measurement mismatch between the fair value of coal derivative positions in respect of portfolio risk management/hedging activities initiated in Q2 2016 and the anticipated future revenue to be generated from the sale of future unsold coal production. The derivative positions manage forward sales price exposure relating to some 6 million tonnes of future attributable coal production, which is expected to be settled before 31 December 2017. The derivative positions included pre-existing trading contracts, for which mark-to-market movements, up until the time of them being ring-fenced for hedging activities, were included in trading results. These transactions were not able to be designated as hedging instruments under IFRS, which would have allowed for the deferment of any income statement effect until performance of the underlying future sale transactions. The fair value movements in the derivative portfolio will be offset against future revenue in the segment information as the related sales (of production) are realised.
7 See note 4.
8 Includes an adjustment for net finance costs of $38 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: net finance income of $3 million, Energy products segment: net finance costs of $1 million and Agricultural products segment: net finance costs of $40 million, see reconciliation table below.
9 Includes an adjustment of $213 million to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $147 million, Energy products segment: $43 million and Agricultural products segment: $23 million, see reconciliation table below.
10 Includes an adjustment to capital expenditure of $232 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $166 million, Energy products segment: $16 million and Agricultural products segment: $50 million, see reconciliation table below.

3. Segment information (continued)

Six months ended 30 June 2016

US$ million	Metals and minerals	Energy products	Agricultural products (Discontinued)	Corporate and other	Total
Revenue – Marketing activities[1]	20,014	36,244	11,290	–	**67,548**
Revenue – Industrial activities	10,840	3,363	–	17	**14,220**
Revenue	30,854	39,607	11,290	17	**81,768**
Marketing activities					
Adjusted EBITDA	864	276	183	(9)	**1,314**
Depreciation and amortisation	(12)	(24)	(68)	–	**(104)**
Adjusted EBIT	852	252	115	(9)	**1,210**
Industrial activities					
Adjusted EBITDA	2,365	571	–	(230)	**2,706**
Depreciation and amortisation	(1,880)	(1,160)	–	(1)	**(3,041)**
Adjusted EBIT	485	(589)	–	(231)	**(335)**
Total Adjusted EBITDA	3,229	847	183	(239)	**4,020**
Depreciation and amortisation[2]	(1,892)	(1,184)	(68)	(1)	**(3,145)**
Total Adjusted EBIT	1,337	(337)	115	(240)	**875**
Share of associates' significant items[3,4]					**(40)**
Unrealised intergroup profit elimination adjustments[5]					**(92)**
Mark-to-market valuation on certain coal hedging contracts[6]					**(395)**
Other expense – net[7]					**(131)**
Interest expense – net[8]					**(817)**
Income tax expense[9]					**(15)**
Loss for the period from continuing and discontinued operations					**(615)**
Total assets (as at 30 June 2016)	68,642	44,934	10,165	4,113	**127,854**
Capital expenditure – Marketing activities	9	20	66	–	**95**
Capital expenditure – Industrial activities[10]	1,223	233	–	20	**1,476**
Capital expenditure (30 June 2016)	1,232	253	66	20	**1,571**

1 Balance is net of intra-segment sales arising from transactions between the Industrial and Marketing activities. Metals and minerals segment: $7,359 million and Energy products segment: $1,029 million.
2 Includes an adjustment of $337 million to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment $252 million and Energy products segment: $85 million, see reconciliation table below.
3 Refer to Glossary for definition of significant items.
4 Share of associates' significant items comprise Glencore's share of significant charges booked directly by various associates.
5 Represents the required adjustment to eliminate unrealised profit or losses arising on intergroup transactions. For Glencore, such adjustments arise on the sale of product, in the ordinary course of business, from its Industrial to Marketing operations. Management assesses segment performance prior to any such adjustments, as if the sales were to third parties.
6 Represents an accounting measurement mismatch between the fair value of coal derivative positions in respect of portfolio risk management/hedging activities initiated in Q2 2016 and the anticipated future revenue to be generated from the sale of future unsold coal production. The derivative positions manage forward sales price exposure relating to some 55 million tonnes of future attributable coal production, substantially all of which is expected to be settled before 31 December 2017. The derivative positions included pre-existing trading contracts, for which mark to market movements, up until the time of them being ringfenced for hedging activities, were included in trading results. These transactions were not able to be designated as hedging instruments under IFRS, which would have allowed for the deferment of any income statement effect until performance of the underlying future sale transactions. The fair value movements in the derivative portfolio will be offset against future revenue in the segment information as the related sales (of production) are realised.
7 Other expense – net of $87 million as disclosed in note 4 and $44 million of other expenses related to discontinued operations, see note 18.
8 Includes an adjustment to net finance costs of $33 million related to discontinued operations, see note 18, and $7 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: net finance income of $5 million and Energy products segment: net finance costs of $2 million, see reconciliation table below.
9 Includes an adjustment for income tax expense of $6 million related to discontinued operations, see note 18, and $60 million to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $81 million and Energy products segment: $21 million, see reconciliation table below.
10 Includes an adjustment to capital expenditure of $66 million related to discontinued operations and $178 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $164 million, Energy products segment: $14 million and Agricultural products segment: $66 million, see reconciliation table below.

3. Segment information (continued)

The reconciliation of revenue, certain associates' and joint ventures' Adjusted EBIT to "Share of net income from associates and joint ventures" and capital expenditure for the six months period ended 30 June 2017 and 30 June 2016 is as follows:

US$ million

2017	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue					
Revenue	37,444	64,232	6,335	19	**108,030**
Impact of:					
Presenting certain associates and joint ventures on a proportionate consolidation basis	(1,022)	(386)	(6,335)	–	**(7,743)**
Revenue - reported measure	36,422	63,846	–	19	**100,287**
Share of income from certain associates and joint ventures					
Associates' and joint ventures' Adjusted EBITDA	691	185	166	–	**1,042**
Depreciation and amortisation	(249)	(87)	(59)	–	**(395)**
Associates' and joint ventures' Adjusted EBIT	442	98	107	–	**647**
Net finance costs	3	(1)	(40)	–	**(38)**
Income tax expense	(147)	(43)	(23)	–	**(213)**
Net finance costs and income tax expense	(144)	(44)	(63)	–	**(251)**
Share of income from certain associates and joint ventures	298	54	44	–	**396**
Share of income from other associates	2	30	–	–	**32**
Share of income from associates and joint ventures[1]	300	84	44	–	**428**
Capital expenditure					
Capital expenditure	1,307	313	50	9	**1,679**
Impact of:					
Presenting certain associates and joint ventures on a proportionate consolidation basis	(166)	(16)	(50)	–	**(232)**
Capital expenditure - reported measure	1,141	297	–	9	**1,447**

1 Comprises share in earnings of $364 million from Industrial activities and $64 million from Marketing activities.

3. Segment information (continued)

US$ million 2016	Metals and minerals	Energy products	Agricultural products (Discontinued)	Corporate and other	Total
Revenue					
Revenue	30,854	39,607	11,290	17	**81,768**
Impact of:					
Presenting certain associates and joint ventures on a proportionate consolidation basis	(811)	(242)	–	–	**(1,053)**
Discontinued operations	–	–	(11,290)	–	**(11,290)**
Revenue - reported measure	30,043	39,365	–	17	**69,425**
Share of income from certain associates and joint ventures					
Associates' and joint ventures' Adjusted EBITDA	489	59	–	–	**548**
Depreciation and amortisation	(252)	(85)	–	–	**(337)**
Associates' and joint ventures' Adjusted EBIT	237	(26)	–	–	**211**
Net finance costs	(5)	(2)	–	–	**(7)**
Income tax expense	(81)	21	–	–	**(60)**
Net finance costs and income tax expense	(86)	19	–	–	**(67)**
Share of income from certain associates and joint ventures	151	(7)	–	–	**144**
Share of income from other associates	(15)	(15)	–	–	**(30)**
Share of income from associates and joint ventures[1]	136	(22)	–	–	**114**
Capital expenditure					
Capital expenditure	1,232	253	66	20	**1,571**
Impact of:					
Presenting certain associates and joint ventures on a proportionate consolidation basis	(164)	(14)	–	–	**(178)**
Discontinued operations	–	–	(66)	–	**(66)**
Capital expenditure - reported measure	1,068	239	–	20	**1,327**

1 Comprises share in earnings of $126 million from Industrial activities and share in losses of $12 million from Marketing activities.

3. Segment information (continued)

Adjusted EBIT is revenue less cost of goods sold and selling and administrative expenses, plus share of income from associates and joint ventures, dividend income and the attributable share of underlying Adjusted EBIT of certain associates, joint ventures and the discontinued Agricultural products segment in 2016, excluding significant items. Adjusted EBITDA consists of Adjusted EBIT plus depreciation and amortisation. The reconciliation of Adjusted EBIT/EBITDA to the reported measures is as follows:

US$ million	**H1 2017**	H1 2016
Reported measures		
Revenue	100,287	69,425
Cost of goods sold	(96,535)	(68,824)
Selling and administrative expenses	(660)	(549)
Share of income from associates and joint ventures	428	114
	3,520	166
Adjustments to reported measures		
Share of associates' significant items	6	40
Unrealised intergroup profit elimination	99	92
Mark-to-market valuation on certain coal hedging contracts	(75)	395
Net finance and income tax expense impact of presenting certain associates and joint ventures on a proportionate consolidation basis	251	67
Adjusted EBIT from discontinued operations	–	115
Adjusted EBIT from continuing and discontinued operations	**3,801**	**875**
Depreciation and amortisation from continuing operations	2,545	2,740
Depreciation impact of presenting certain associates and joint ventures on a proportionate consolidation basis	395	337
Depreciation from discontinued operations	–	68
Adjusted EBITDA from continuing and discontinued operations	**6,741**	**4,020**

4. Other income/(expenses) – net

US$ million	Notes	H1 2017	H1 2016
Net changes in mark-to-market valuations on investments held for trading		**165**	6
Net foreign exchange losses		**(20)**	(41)
Other expenses – net[1]		**(39)**	(52)
Total		**106**	(87)

1 "Other expenses – net" for the six months ended 30 June 2017 mainly comprises a non-current asset valuation provision of $50 million, offset by a $3 million gain on disposal of property, plant and equipment. "Other expenses – net" for the six months ended 30 June 2016 mainly comprises restructuring and closure costs of $65 million, offset by a $1 million gain on disposal of property, plant and equipment.

Together with foreign exchange movements and mark-to-market movements on investments held for trading, other expense – net includes other significant items of income and expense which due to their non-operational nature or expected infrequency of the events giving rise to them are reported separately from operating segment results. Other expense – net includes, but is not limited to, impairment charges 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 (see note 8) and the ARM Coal non-discretionary dividend obligation (see note 20) carried at fair value.

5. Income taxes

Income taxes consist of the following:

US$ million	H1 2017	H1 2016
Current income tax expense	**(491)**	(289)
Adjustments in respect of prior year income tax	**(4)**	(8)
Deferred income tax (expense)/credit	**(134)**	345
Adjustment in respect of prior year deferred income tax	**(4)**	3
Total tax (expense)/credit reported in the statement of income/(loss)	**(633)**	51
Deferred income tax credit recognised directly in other comprehensive income	**2**	48
Total tax credit recognised directly in other comprehensive income	**2**	48

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 2017	H1 2016
Income/(loss) before income taxes and attribution from continuing operations	**2,867**	(698)
Income before income taxes and attribution from discontinued operations	**–**	38
Income/(loss) before income taxes and attribution from continuing and discontinued operations	**2,867**	(660)
Less: Share of income from associates and joint ventures from continuing operations	**(428)**	(114)
Less: Share of income from associates and joint ventures from discontinued operations	**–**	(9)
Parent Company's and subsidiaries' income/(loss) before income tax and attribution from continuing and discontinued operations	**2,439**	(783)
Income tax (expense)/credit calculated at the Swiss income tax rate	**(366)**	117
Tax effects of:		
Different tax rates from the standard Swiss income tax rate	**(184)**	200
Tax exempt income ($182 million (2016: $83 million) from recurring items and $41 million (2016: $6 million) from non-recurring items)	**223**	89
Items not tax deductible ($183 million (2016: $161 million) from recurring items and $9 million (2016: $22 million) from non-recurring items)	**(192)**	(183)
Foreign exchange fluctuations	**15**	(62)
Changes in tax rates	**(5)**	1
Utilisation and changes in recognition of tax losses and temporary differences	**16**	44
Tax losses not recognised	**(148)**	(156)
Adjustments in respect of prior years	**8**	(5)
Income tax (expense)/credit	**(633)**	45
Income tax (expense)/credit reported in the statement of income/(loss)	**(633)**	51
Income tax expense attributable to discontinued operations	**–**	(6)

The non-tax deductible items of $192 million (2016: $183 million) primarily relate to non-deductible financing costs and various other expenses. The impact of tax exempt income of $223 million (2016: $89 million) primarily relates to non-taxable dividends, income that is not effectively connected to the taxable jurisdiction, and various other items.

The tax impact of foreign exchange fluctuations relates to the foreign currency movements on deferred tax balances where the underlying tax balances are denominated in a currency different to the functional currency determined for accounting purposes.

6. Property, plant and equipment

US$ million	Freehold land and buildings	Plant and equipment	Mineral and petroleum rights	Exploration and evaluation	Deferred mining costs	**Total**
Net book value:						
1 January 2017	3,747	32,230	15,113	1,205	1,531	**53,826**
Additions	13	1,303	77	–	34	**1,427**
Disposals	(20)	(32)	–	–	–	**(52)**
Depreciation	(112)	(1,865)	(416)	–	(106)	**(2,499)**
Effect of foreign currency exchange movements	10	118	90	–	–	**218**
Reclassification to assets held for sale[1]	(37)	(421)	(55)	–	(5)	**(518)**
Other movements	22	–	1	1	1	**25**
Net book value 30 June 2017	**3,623**	**31,333**	**14,810**	**1,206**	**1,455**	**52,427**

1 See note 12.

During the period ended 30 June 2016, Glencore added property, plant and equipment with a cost of $1,321 million and disposed of property, plant and equipment with a net book value of $18 million.

7. Intangible assets

US$ million	Goodwill	Port allocation rights	Licenses, trademarks and software	Royalty and acquired offtake arrangements	**Total**
Net book value:					
1 January 2017	5,050	1,308	222	136	**6,716**
Additions	–	–	4	16	**20**
Amortisation	–	(18)	(15)	(13)	**(46)**
Effect of foreign currency exchange movements	–	58	1	1	**60**
Reclassification to assets held for sale[1]	–	–	(1)	(2)	**(3)**
Other movements	–	–	3	3	**6**
Net carrying value 30 June 2017	**5,050**	**1,348**	**214**	**141**	**6,753**

1 See note 12.

8. Investments in associates, joint ventures and other investments

Investments in associates and joint ventures

US$ million	2017
1 January 2017	**13,086**
Additions	**3**
Disposals	**(12)**
Share of income from associates and joint ventures	**425**
Share of other comprehensive income from associates and joint ventures	**46**
Dividends received	**(413)**
Reclassification to assets held for sale[1]	**(185)**
Other movements	**1**
30 June 2017	**12,951**
Of which:	
Investments in associates	**6,695**
Investments in joint ventures	**6,256**

1 See note 12.

Other investments

US$ million	as at 30.06.2017	as at 31.12.2016
Available for sale		
United Company Rusal plc	**652**	562
OAO NK Russneft	**996**	895
	1,648	1,457
Fair value through profit and loss		
Volcan Compania Minera S.A.A.	**182**	124
Century Aluminum Company cash-settled equity swaps	**142**	78
OSJC Rosneft Oil total return swap	**332**	–
Other	**96**	94
	752	296
Total	**2,400**	1,753

OSJC Rosneft Oil

On 3 January 2017, Glencore and Qatar Investment Authority ("QIA") entered into various agreements establishing a 50:50 consortium to acquire 19.5% of OSJC Rosneft Oil ("Rosneft") and enter into a 5 year offtake agreement with Rosneft. The joint investments established, constitute joint arrangements subject to joint control by virtue of the partnership agreements in accordance with IFRS 11, and will be accounted for under the equity method and included within investments in joint ventures. The structure requires unanimous consent for all key decisions regarding the relevant activities of the joint investments. As the joint arrangements are structured through separate vehicles and Glencore is not the only possible source of funding, nor does it have a direct or indirect obligation for the liabilities of the arrangements, the arrangements have been accounted for as joint ventures. Glencore's initial investment into this joint venture was EUR2.

In relation to these arrangements, Glencore advanced EUR300 million in the form of a total return swap over 0.57% of Rosneft shares, accounted for at fair value through profit and loss, which constitutes the substantial majority of Glencore's investment in the consortium. Also see note 22.

9. Advances and loans

US$ million	as at 30.06.2017	as at 31.12.2016
Loans to associates	**383**	526
Rehabilitation trust fund	**205**	193
Other long term receivables and loans[1]	**2,123**	2,764
Total	**2,711**	3,483

1 Includes advances, net of $2,174 million (2016: $2,039 million) provided by various banks. During the period, $556 million of loans were settled as part of the acquisition of the additional 31% interest in Mutanda not previously owned, see note 24.

10. Inventories

Current

Inventories of $17,868 million (2016: $18,347 million) comprise $10,126 million (2016: $11,323 million) of inventories carried at fair value less costs to sell and $7,742 million (2016: $7,024 million) valued at the lower of cost or net realisable value.

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

Glencore has a number of dedicated financing facilities, which finance a portion of its inventories. In each case, the inventory has not been derecognised as the Group retains the principal risks and rewards of ownership. The proceeds received are recognised as current borrowings (see note 16). As at 30 June 2017, the total amount of inventory secured under such facilities was $912 million (2016: $1,632 million). The proceeds received and recognised as current borrowings were $681 million (2016: $1,320 million) and $80 million (2016: $61 million) were recognised as non-current borrowings.

11. Accounts receivable

US$ million	as at 30.06.2017	as at 31.12.2016
Trade receivables	**9,271**	10,482
Trade advances and deposits[1,2]	**4,623**	7,053
Associated companies	**482**	444
Income tax receivable	**228**	201
Other receivables	**1,622**	1,886
Total	**16,226**	20,066

1 Includes advances, net of $1,159 million (2016: $1,004 million) provided by banks, the repayment terms of which are contingent upon and connected to the contractual future delivery of production over the next 12 months.

2 Includes $943 million (2016: $2,181 million) of cash collateral payments under margin arrangements related to the cross currency swaps held to hedge non-US dollar denominated bonds.

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 16). As at 30 June 2017, the total amount of trade receivables secured was $727 million (2016: $1,917 million) and proceeds received and classified as current borrowings amounted to $636 million (2016: $1,670 million).

12. Assets and liabilities held for sale

On 13 March 2017, Glencore entered into an agreement with Trevali Mining Corporation (“Trevali”) to sell its 80% equity interest in the Rosh Pinah mine in Namibia (“Rosh Pinah”) and its 90% interest in the Perkoa mine in Burkina Faso (“Perkoa”) for an aggregate consideration of $416 million (cash of $227 million, with the remainder in shares).

On 31 March 2017, Glencore entered into an agreement with HNA Innovation Finance Group Co. Ltd (“HNA”) for HNA to purchase a 51% equity interest in Glencore’s petroleum storage and logistics business (“Oil Storage and Logistics”) for $775 million.

The transactions are subject to customary regulatory approvals and closing conditions and are expected to complete during the second half of 2017.

As a result, assets of $912 million and liabilities of $212 million have been classified as held for sale within the metals and minerals and energy segments as detailed below:

US$ million	Rosh Pinah	Perkoa	Oil Storage and Logistics	**As at 30.06.2017**
Non-current assets				
Property, plant and equipment[1]	150	110	279	**539**
Intangible assets[1]	1	2	1	**4**
Investments in associates[2]	1	–	186	**187**
	152	112	466	**730**
Current assets				
Inventories	16	38	4	**58**
Accounts receivable	8	22	64	**94**
Prepaid expenses and other assets	–	–	1	**1**
Cash and cash equivalents	9	–	20	**29**
	33	60	89	**182**
Total assets held for sale	185	172	555	**912**
Non-controlling interest	(23)	21	(2)	**(4)**
Non-current liabilities				
Borrowings	–	(10)	(20)	**(30)**
Deferred tax liabilities	(50)	–	(58)	**(108)**
Other financial liabilities	(2)	(1)	–	**(3)**
Provisions	(4)	(6)	–	**(10)**
	(56)	(17)	(78)	**(151)**
Current liabilities				
Borrowings	–	(7)	–	**(7)**
Accounts payable	(11)	(21)	(17)	**(49)**
Income tax payable	–	–	(5)	**(5)**
	(11)	(28)	(22)	**(61)**
Total liabilities held for sale	(67)	(45)	(100)	**(212)**
Total net assets held for sale	95	148	453	**696**

1 Includes additions of $20 million and foreign currency exchange movements of $2 million since reclassification to assets held for sale.

2 Includes share in earnings from associates of $3 million, share of other comprehensive income from associates of $3 million and other movements of negative $4 million since reclassification to assets held for sale.

13. Share capital and reserves

	Number of shares (thousand)	Share capital (US$ million)	Share premium (US$ million)
Authorised:			
30 June 2017 and 31 December 2016 Ordinary shares with a par value of $0.01 each	50,000,000		
Issued and fully paid up:			
1 January 2017 and 31 December 2016 – Ordinary shares	14,586,200	146	52,338
Distributions (see notes 15 and 17)	–	–	(1,010)
30 June 2017 – Ordinary shares	**14,586,200**	**146**	**51,328**

	Treasury Shares		Trust Shares		**Total**	
	Number of shares (thousand)	Own shares (US$ million)	Number of shares (thousand)	Own shares (US$ million)	**Number of shares (thousand)**	**Own shares (US$ million)**
Own shares:						
1 January 2017	191,459	(948)	166,930	(752)	358,389	(1,700)
Own shares disposed during the period	–	–	(33,035)	106	(33,035)	106
30 June 2017	**191,459**	**(948)**	**133,895**	**(646)**	**325,354**	**(1,594)**

Own shares

Own shares comprise shares acquired under the Company's previous share buy-back programme and shares of Glencore plc held by Group employee benefit trusts ("the Trusts") to satisfy the potential future settlement of the Group's employee stock plans, primarily assumed as part of previous business combinations.

The Trusts also coordinate the funding and manage the delivery of ordinary shares and free share awards under certain of Glencore's share plans. The shares have been acquired by either stock market purchases or share issues from the Company. The Trusts are permitted to sell the shares and may hold up to 5% of the issued share capital of the Company at any one time. The Trusts have waived the right to receive distributions from the shares that they hold. Costs relating to the administration of the Trust are expensed in the period in which they are incurred.

As at 30 June 2017, 325,354,742 shares (2016: 358,389,443 shares), equivalent to 2.2% (2016: 2.5%) of the issued share capital were held at a cost of $1,594 million (2016: $1,700 million) and market value of $1,214 million (2016: $1,227 million).

14. Earnings per share

US$ million	H1 2017	H1 2016
Income/(loss) attributable to equity holders of the Parent:		
Continuing operations	**2,450**	(401)
Discontinued operations	**–**	32
Income/(loss) attributable to equity holders of the Parent for basic earnings per share	**2,450**	(369)
Weighted average number of shares for the purposes of basic earnings per share (thousand)	**14,248,660**	14,220,554
Effect of dilution:		
Equity-settled share-based payments (thousand)[1]	**116,033**	–
Weighted average number of shares for the purposes of diluted earnings per share (thousand)	**14,364,693**	–
Basic earnings/(loss) per share (US$)		
From continuing operations	**0.17**	(0.03)
From discontinued operations	**–**	0.00
Total basic earnings/(loss) per share	**0.17**	(0.03)
Diluted earnings/(loss) per share (US$)		
From continuing operations	**0.17**	(0.03)
From discontinued operations	**–**	0.00
Total diluted earnings/(loss) per share	**0.17**	(0.03)

1 In 2016, as both the result attributable to equity holders of the Parent and to Headline earnings is a loss, there is no effect of dilution as the equity-settled share based payments would be anti-dilutive.

Headline earnings:

Headline earnings is a Johannesburg Stock Exchange ("JSE") defined performance measure. The calculation of basic and diluted earnings per share, based on headline earnings as determined by the requirements of Circular 2/2015 as issued by the South African Institute of Chartered Accountants ("SAICA"), is reconciled using the following data:

US$ million	Notes	H1 2017	H1 2016
Income/(loss) attributable to equity holders of the Parent from continuing and discontinued operations for basic earnings per share		**2,450**	(369)
Gain on disposals (no non-controlling interest impact)[1]		**(3)**	(1)
Gain on disposals – tax		**1**	–
Headline and diluted headline earnings for the period		**2,448**	(370)
Headline earnings/(loss) per share (US$)		**0.17**	(0.03)
Diluted headline earnings/(loss) per share (US$)		**0.17**	(0.03)

1 2017 comprises a gain on disposal of property, plant and equipment of $3 million (2016: $1million). See note 4.

15. Distributions

The first tranche of the 2016 distribution of $0.035 per ordinary share amounting to $499 million was paid on 31 May 2017. The second tranche of $0.035 per ordinary share amounting to $499 million is expected to be paid in September 2017 and has been recognised as a liability, see note 17.

16. Borrowings

US$ million	Notes	as at 30.06.2017	as at 31.12.2016
Non-current borrowings			
Capital market notes		**22,302**	21,968
Committed syndicated revolving credit facility		**–**	476
Finance lease obligations		**322**	326
Other bank loans[1]		**383**	418
Total non-current borrowings		**23,007**	23,188
Current borrowings			
Secured inventory/receivables facilities	10/11	**1,317**	2,990
U.S. commercial paper		**509**	–
Capital market notes		**3,522**	4,388
Finance lease obligations		**70**	75
Other bank loans[1]		**1,985**	2,577
Total current borrowings		**7,403**	10,030

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

Committed syndicated Revolving Credit Facility ("RCF")

In May 2017, Glencore signed new one-year revolving credit facilities for a total amount of $7.335 billion, refinancing the $7.700 billion one-year revolving credit facility signed in February 2016. Funds drawn under the facilities bear interest at US$LIBOR plus a margin of 40 basis points. Glencore also voluntarily reduced the medium term facility size from $6.800 billion to $5.425 billion and extended its maturity by 24 months to 2022.

As at 30 June 2017, the facilities comprise:

- a $7.335 billion one year revolving credit facility with a 12 month borrower's term-out option (to May 2019) and 12 month extension option; and
- a $5.425 billion medium-term revolving credit facility (to May 2022).

2017 Bond activities

In March 2017, Glencore issued a 10 year $1,000 million, 4% coupon bond.

17. Accounts payable

US$ million	as at 30.06.2017	as at 31.12.2016
Trade payables	**20,437**	22,438
Trade advances from buyers[1]	**1,131**	1,071
Associated companies	**927**	635
Shareholder distribution payable	**499**	–
Other payables and accrued liabilities	**2,044**	2,032
Total	**25,038**	26,176

1 Includes $189 million (2016: $Nil) of cash collateral receipts under margin arrangements related to the cross currency swaps held to hedge non-US dollar denominated bonds.

18. Acquisition and disposal of subsidiaries

2017 Acquisitions and disposals

In 2017, there were no material acquisitions or disposals of subsidiaries.

2016 Acquisitions

In 2016, Glencore acquired controlling interests in Newlands Collinsville Abbot Point Joint Venture ("NCA"). The net cash received in the acquisition of subsidiaries and the provisional fair value of assets acquired and liabilities assumed on the acquisition date are detailed below:

US$ million	NCA	Other	Total
Non-current assets			
Property, plant and equipment	39	20	**59**
Advances and loans	2	–	**2**
	41	20	**61**
Current assets			
Inventories	41	7	**48**
Accounts receivable[1]	24	6	**30**
Cash and cash equivalents	11	–	**11**
	76	13	**89**
Non-current liabilities			
Provisions	(242)	(4)	**(246)**
	(242)	(4)	**(246)**
Current liabilities			
Borrowings	–	(10)	**(10)**
Accounts payable	(33)	(17)	**(50)**
Provisions	(1)	–	**(1)**
Other financial liabilities	(8)	–	**(8)**
	(42)	(27)	**(69)**
Total fair value of net (liabilities)/assets acquired	(167)	2	**(165)**
Less: cash and cash equivalents acquired	(11)	–	**(11)**
Net cash (received)/used in acquisition of subsidiaries	(178)	2	**(176)**

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

NCA

In September 2016, Glencore completed the acquisition of the remaining 45% interest in NCA, for cash consideration received of $167 million. This increased Glencore's ownership from 55% to 100%, providing the ability to exercise control over NCA.

If the acquisition had taken place effective 1 January 2016, the operation would have contributed additional revenue of $173 million and an additional attributable loss of $21 million. From the date of acquisition, the operation contributed $72 million and $25 million of revenue and attributable income, respectively.

18. Acquisition and disposal of subsidiaries (continued)

2016 Disposals

In 2016, Glencore disposed of its controlling interest in the Glencore Agricultural Products business ("Glencore Agri"), Ernest Henry mining operation ("EHM") and its New South Wales' coal rail haulage business ("GRail").

The carrying value of the assets and liabilities over which control was lost and the net cash received from these disposals are detailed below:

US$ million	Glencore Agri	EHM	GRail	Others	Total
Non-current assets					
Property, plant and equipment	2,919	244	413	212	**3,788**
Intangible assets	892	–	–	24	**916**
Investments in associates	624	–	–	–	**624**
Advances and loans	116	–	–	13	**129**
Deferred tax assets	103	–	–	1	**104**
	4,654	244	413	250	**5,561**
Current assets					
Inventories	2,725	6	–	57	**2,788**
Accounts receivable	2,774	1	2	77	**2,854**
Other financial assets	746	–	–	2	**748**
Cash and cash equivalents	469	–	–	27	**496**
	6,714	7	2	163	**6,886**
Non-controlling interest	(37)	–	–	(29)	**(66)**
Non-current liabilities					
Borrowings	(602)	–	–	(1)	**(603)**
Deferred tax liabilities	(138)	(36)	–	(30)	**(204)**
Provisions	(111)	(9)	–	(40)	**(160)**
	(851)	(45)	–	(71)	**(967)**
Current liabilities					
Borrowings	(3,751)	–	–	(35)	**(3,786)**
Accounts payable	(2,315)	(7)	(5)	(54)	**(2,381)**
Provisions	(36)	(1)	–	–	**(37)**
Other financial liabilities	(629)	–	–	(2)	**(631)**
	(6,731)	(8)	(5)	(91)	**(6,835)**
Carrying value of net assets disposed	3,749	198	410	222	**4,579**
Cash and cash equivalents received	(3,125)	(198)	(840)	(198)	**(4,361)**
Future consideration	–	–	–	(46)	**(46)**
Items recycled to the statement of income	602	–	–	–	**602**
Reclassified to investment in joint venture[1]	(3,125)	–	–	–	**(3,125)**
Transaction fees	51	–	–	–	**51**
Net gain on disposal	(1,848)	–	(430)	(22)	**(2,300)**
Cash and cash equivalents received	3,125	198	840	198	**4,361**
Less: Cash and cash equivalents disposed	(469)	–	–	(27)	**(496)**
Settlement of debt due from Glencore Agri	1,670	–	–	–	**1,670**
Net cash received from disposal	4,326	198	840	171	**5,535**

1 Includes a gain of $1,252 million attributable to the remeasurement of the retained Glencore Agri investment to its fair value upon change in control.

18. Acquisition and disposal of subsidiaries (continued)

Glencore Agri

In 2016, Glencore entered into an agreement with the Canada Pension Plan Investment Board for the sale of a 40% equity interest in Glencore Agri and an agreement with British Columbia Investment Management Corporation for the sale of a 10% equity interest in Glencore Agri. The aggregate equity consideration for the combined 50% interest, including the indirect assumption of certain levels of net working capital and debt, amounted to $3.125 billion, payable in cash upon closing.

Glencore Agri represents the entire Agricultural products operating segment and was determined to be a discontinued operation prior to the close of transaction on 1 December 2016, and has been disclosed as such. Upon closing of the sale, Glencore is no longer able to unilaterally direct the key strategic, operating and capital decisions of Glencore Agri and was deemed to dispose of its controlling interest at fair value. The difference to the net carrying value was recognised through the statement of income, with Glencore subsequently accounting for its share of the resulting joint venture using the equity method in accordance with IFRS 11 and IAS 28.

The results of Glencore Agri for the six months period were as follows:

US$ million	H1 2016
Revenue	11,290
Cost of goods sold	(11,086)
Selling and administrative expenses	(98)
Share of income from associates	9
Other expense – net	(44)
Interest income	8
Interest expense	(41)
Income before income taxes from discontinued operations	38
Income tax expense	(6)
Income for the period from discontinued operations	32
Attributable to:	
Non-controlling interests	–
Equity holders of the Parent	32
Earnings per share – discontinued operations:	
Basic (US$)	0.00
Diluted (US$)	0.00

The net cash flows incurred by Glencore Agri are as follows:

US$ million	H1 2016
Net cash generated from operating activities, after working capital changes	171
Net cash used in investing activities	(12)
Net cash used in financing activities	(176)
Net cash used in discontinued operations	(17)

18. Acquisition and disposal of subsidiaries (continued)

EHM

In October 2016, Glencore entered into an agreement with Evolution Mining Limited ("Evolution"), whereby Glencore received $669 million cash in return for a 30% economic interest in the Ernest Henry Mine mining operation ("EHM") and an entitlement to 100% of the gold produced from Glencore's remaining 70% interest in EHM. The consideration received was allocated between the two elements of the transaction (sale of the 30% interest and the 70% gold prepaid streaming arrangement) by estimating the fair value of the gold stream by reference to the net present value of the anticipated gold to be delivered over the life of mine ($471 million) with the residual amount representing the consideration for the 30% interest ($198 million). As part of the transaction, Glencore and Evolution entered into a 70/30 joint venture agreement governing the operations of EHM. As Glencore is no longer able to unilaterally direct the key strategic, operating and capital decisions of EHM, it is deemed to have lost control of EHM and, together with Evolution, jointly controls it. As the new arrangement is an unincorporated joint venture, Glencore derecognised 30% of the identified assets and liabilities of EHM against the proceeds received as noted above.

GRail

In December 2016, Glencore disposed of its New South Wales' coal rail haulage business to Genesee & Wyoming for cash consideration of $840 million (A$1.1 billion).

19. Financial instruments

Fair value of financial instruments

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

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate the fair values with the exception of $30,410 million (2016: $33,218 million) of borrowings, the fair value of which at 30 June 2017 was $30,967 million (2016: $33,673 million) based on observable market prices applied to the borrowing portfolio (a Level 2 fair value measurement).

US$ million **As at 30 June 2017**	Carrying value[1]	Available for sale	FVtPL[2]	**Total**
Assets				
Other investments[3]	–	1,648	752	**2,400**
Advances and loans	2,711	–	–	**2,711**
Accounts receivable	16,226	–	–	**16,226**
Other financial assets (see note 20)	–	–	2,059	**2,059**
Cash and cash equivalents[4]	–	–	1,973	**1,973**
Total financial assets	**18,937**	**1,648**	**4,784**	**25,369**
Liabilities				
Borrowings	30,410	–	–	**30,410**
Non-current other financial liabilities (see note 20)	–	–	421	**421**
Accounts payable	25,038	–	–	**25,038**
Other financial liabilities (see note 20)	–	–	3,886	**3,886**
Total financial liabilities	**55,448**	**–**	**4,307**	**59,755**

US$ million **As at 31 December 2016**	Carrying value[1]	Available for sale	FVtPL[2]	**Total**
Assets				
Other investments[3]	–	1,457	296	**1,753**
Advances and loans	3,483	–	–	**3,483**
Accounts receivable	20,066	–	–	**20,066**
Other financial assets (see note 20)	–	–	2,212	**2,212**
Cash and cash equivalents[4]	–	–	2,518	**2,518**
Total financial assets	23,549	1,457	5,026	**30,032**
Liabilities				
Borrowings	33,218	–	–	**33,218**
Non-current other financial liabilities (see note 20)	–	–	403	**403**
Accounts payable	26,176	–	–	**26,176**
Other financial liabilities (see note 20)	–	–	6,386	**6,386**
Total financial liabilities	59,394	–	6,789	**66,183**

1 Carrying value comprises investments, loans, accounts receivable, accounts payable and other liabilities measured at amortised cost.
2 FVtPL – Fair value through profit and loss – held for trading.
3 Other investments of $2,361 million (2016: $1,715 million) are classified as Level 1 measured using quoted market prices with the remaining balance of $39 million (2016: $38 million) being investments in private companies whose fair value cannot be reliably measured which are carried at cost.
4 Classified as Level 1 measured using quoted exchange rates and/or market prices.

19. Financial instruments (continued)

Offsetting of financial assets and liabilities

In accordance with IAS 32 the Group reports financial assets and liabilities on a net basis in the consolidated statement of financial position only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements as at 30 June 2017 and 31 December 2016 were as follows:

US$ million As at 30 June 2017	Amounts eligible for set off under netting agreements			Related amounts not set off under netting agreements			Amounts not subject to netting agreements	Total as presented in the consolidated statement of financial position
	Gross amount	Amounts offset	Net amount	Financial instruments	Financial collateral	Net amount		
Derivative assets[1]	9,369	(8,044)	**1,325**	(402)	(356)	567	**734**	**2,059**
Derivative liabilities[1]	(10,636)	8,044	**(2,592)**	402	1,706	(484)	**(1,294)**	**(3,886)**

US$ million As at 31 December 2016	Amounts eligible for set off under netting agreements			Related amounts not set off under netting agreements			Amounts not subject to netting agreements	Total as presented in the consolidated statement of financial position
	Gross amount	Amounts offset	Net amount	Financial instruments	Financial collateral	Net amount		
Derivative assets[1]	10,679	(9,834)	**845**	(288)	(171)	386	**1,367**	**2,212**
Derivative liabilities[1]	(14,288)	9,834	**(4,454)**	288	3,784	(382)	**(1,932)**	**(6,386)**

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

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

20. Fair value measurements

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

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

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

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

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

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

The following tables show the fair values of the derivative financial instruments including trade related financial and physical forward purchase and sale commitments by type of contract and non-current other financial liabilities as at 30 June 2017 and 31 December 2016. Other assets and liabilities which are measured at fair value on a recurring basis are marketing inventories, other investments, cash and cash equivalents and marketable securities. There are no non-recurring fair value measurements.

Other financial assets

US$ million	Level 1	Level 2	Level 3	**Total**
As at 30 June 2017				
Commodity related contracts				
Futures	348	112	–	**460**
Options	22	4	–	**26**
Swaps	360	178	–	**538**
Physical forwards	–	474	229	**703**
Financial contracts				
Cross currency swaps	–	189	–	**189**
Foreign currency and interest rate contracts	–	143	–	**143**
Total	730	1,100	229	**2,059**

US$ million	Level 1	Level 2	Level 3	**Total**
As at 31 December 2016				
Commodity related contracts				
Futures	207	154	–	**361**
Options	31	37	–	**68**
Swaps	166	146	–	**312**
Physical forwards	–	763	558	**1,321**
Financial contracts				
Cross currency swaps	–	26	–	**26**
Foreign currency and interest rate contracts	–	124	–	**124**
Total	404	1,250	558	**2,212**

20. Fair value measurements (continued)

Other financial liabilities

US$ million **As at 30 June 2017**	Level 1	Level 2	Level 3	**Total**
Commodity related contracts				
Futures	921	60	–	**981**
Options	8	5	1	**14**
Swaps	588	203	–	**791**
Physical forwards	–	435	114	**549**
Financial contracts				
Cross currency swaps	–	1,515	–	**1,515**
Foreign currency and interest rate contracts	–	36	–	**36**
Current other financial liabilities	1,517	2,254	115	**3,886**
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	421	**421**
Non-current other financial liabilities	–	–	421	**421**
Total	1,517	2,254	536	**4,307**

US$ million **As at 31 December 2016**	Level 1	Level 2	Level 3	**Total**
Commodity related contracts				
Futures	1,068	150	–	**1,218**
Options	5	12	6	**23**
Swaps	846	321	–	**1,167**
Physical forwards	–	859	203	**1,062**
Financial contracts				
Cross currency swaps	–	2,873	–	**2,873**
Foreign currency and interest rate contracts	–	43	–	**43**
Current other financial liabilities	1,919	4,258	209	**6,386**
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	403	**403**
Non-current other financial liabilities	–	–	403	**403**
Total	1,919	4,258	612	**6,789**

1 A ZAR denominated derivative liability payable to ARM Coal, one of the Group's principal coal joint operations based in South Africa. The liability arises from ARM Coal's rights as an investor to a share of agreed free cash flows from certain coal operations in South Africa and is valued based on those cash flows using a risk adjusted discount rate. The derivative liability is settled over the life of those operations (modelled mine life of 20 years as at 31 December 2016) and has no fixed repayment date and is not cancellable within 12 months.

20. Fair value measurements (continued)

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

US$ million	Physical forward	Options	Loans and other	Total Level 3
1 January 2017	**355**	**(6)**	**(403)**	**(54)**
Total loss recognised in cost of goods sold	(90)	(1)	–	**(91)**
Non-discretionary dividend obligation	–	–	(18)	**(18)**
Realised (loss)/gain	(150)	6	–	**(144)**
30 June 2017	**115**	**(1)**	**(421)**	**(307)**

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

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

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2017	As at 31.12.2016
Futures – Level 1		Assets	**348**	207
		Liabilities	**(921)**	(1,068)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Futures – Level 2		Assets	**112**	154
		Liabilities	**(60)**	(150)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Options – Level 1		Assets	**22**	31
		Liabilities	**(8)**	(5)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Options – Level 2		Assets	**4**	37
		Liabilities	**(5)**	(12)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Options – Level 3		Assets	**–**	–
		Liabilities	**(1)**	(6)
Valuation techniques and key inputs:	Standard option pricing model			
Significant unobservable inputs:	Prices are adjusted by volatility differentials. This significant unobservable input generally represents 2% - 20% of the overall value of the instruments. A change to a reasonably possible alternative assumption would not result in a material change in the underlying value.			

20. Fair value measurements (continued)

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2017	As at 31.12.2016
Swaps – Level 1		Assets	**360**	166
		Liabilities	**(588)**	(846)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Swaps – Level 2		Assets	**178**	146
		Liabilities	**(203)**	(321)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Physical Forwards – Level 2		Assets	**474**	763
		Liabilities	**(435)**	(859)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, such as history of non-performance, collateral held and current market developments, as required.			
Significant unobservable inputs:	None			
Physical Forwards – Level 3		Assets	**229**	558
		Liabilities	**(114)**	(203)
Valuation techniques and key inputs:	Discounted cash flow model Valuation of the Group's commodity physical forward contracts categorised within this level is based on observable market prices that are adjusted by unobservable differentials, as required, including: - Quality; - Geographic location; - Local supply & demand; - Customer requirements; and - Counterparty credit considerations. These significant unobservable inputs generally represent 2% - 30% of the overall value of the instruments. The valuation prices are applied consistently to value physical forward sale and purchase contracts, and changing a particular input to reasonably possible alternative assumptions does not result in a material change in the underlying value of the portfolio.			
Cross currency swaps – Level 2		Assets	**189**	26
		Liabilities	**(1,515)**	(2,873)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			

20. Fair value measurements (continued)

Fair value of financial assets/financial liabilities US$ million			As at 30.06.2017	As at 31.12.2016
Foreign currency and interest rate contracts – Level 2		Assets	**143**	124
		Liabilities	**(36)**	(43)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Non-discretionary dividend obligation – Level 3		Assets	**–**	–
		Liabilities	**(421)**	(403)
Valuation techniques:	Discounted cash flow model			
Significant observable inputs:	- Forecast commodity prices; - Discount rates using weighted average cost of capital methodology; - Production models; - Operating costs; and - Capital expenditures. The resultant liability is essentially a discounted cash flow valuation of the underlying mining operation. Increases/decreases in forecast commodity prices will result in an increase/decrease to the value of the liability though this will be partially offset by associated increases/decreases in the assumed production levels, operating costs and capital expenditures which are inherently linked to forecast commodity prices. The valuation remains sensitive to price and a 10% increase/decrease in commodity price assumptions would result in an $127 million adjustment to the current carrying value.			

21. 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 2017, $962 million (2016: $776 million), of which 88% (2016: 81%) 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 be incurred in the ordinary course of operations. As at 30 June 2017, $191 million (2016: $177 million) of such development expenditures are to be incurred, of which 30% (2016: 20%) 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 2017, Glencore has committed to future hire costs to meet future physical delivery and sale obligations and expectations of $260 million (2016: $217 million), of which $88 million (2016: $105 million) are with associated companies. 59% (2016: 46%) of the total charters are for services to be received over the next two years.

As part of Glencore's ordinary sourcing and procurement of physical commodities and other ordinary marketing obligations, the selling party may request that a financial institution act as either a) the paying party upon the delivery of product and qualifying documents through the issuance of a letter of credit or b) the guarantor by way of issuing a bank guarantee accepting responsibility for Glencore's contractual obligations. Similarly, Glencore is required to post rehabilitation and pension guarantees in respect of some of these future, primarily industrial, long-term obligations. As at 30 June 2017, $15,906 million (2016: $17,358 million) of procurement and $3,336 million (2016: $2,972 million) of rehabilitation and pension commitments have been issued on behalf of Glencore, which will generally be settled simultaneously with the payment for such commodity and rehabilitation and pension obligations.

22. Contingent liabilities

The Group is subject to various claims which arise in the ordinary course of business as detailed below. These contingent liabilities are reviewed on a regular basis and where practical an estimate is made of the potential financial impact on the Group. As at 30 June 2017 and 31 December 2016 it was not practical to make such an assessment.

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 material liability arising from these claims to be remote and that the liability, if any, therefore resulting from any litigation will not have a material adverse effect on its consolidated income, financial position or cash flows.

Environmental contingencies

Glencore's operations 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. Any potential liability arising from these allegations is not expected to have a material adverse effect on its consolidated income, financial position or cash flows.

Tax disputes

Glencore assesses its liabilities and contingencies for all tax years open to audit based upon the latest information available. Inherent uncertainties exist in estimates of tax contingencies due to complexities of interpretation and changes in tax laws. For those matters where it is probable that an adjustment will be made, the Group records its best estimate of these tax liabilities, including related interest charges. These current open tax matters are spread across numerous jurisdictions and consist primarily of legacy transfer pricing matters that have been open for a number of years and may take several more years to resolve, none of which are individually material. Management does not anticipate a significant risk of material change in estimates within the next financial year.

Margin Call Guarantee

As part of the partnership with Qatar Investment Authority (see note 8) and in relation to the joint venture's ("QHG") ownership of Rosneft shares, Glencore provided a margin guarantee up to EUR1.4 billion. The margin guarantee is subject to various loan to value thresholds related to the financing provided to QHG. Appropriate Russian banks have in turn provided Glencore with a guarantee which can and will be called upon in the event of drawdown under Glencore's margin guarantee facility with QHG. As at 30 June 2017, $Nil has been called under the QHG margin guarantee.

22. Contingent liabilities (continued)

Glencore Agri Guarantee

As at 30 June 2017, Glencore had issued guarantees in favour of Glencore Agri amounting to $3,099 million (2016: $7,339 million). As at 31 July 2017, this amount has reduced to $1,058 million. The balance of the guarantees, with the exception of $400 million related to legacy Viterra 2020 bonds, is expected to be cancelled by the end of the year. No amounts have been claimed or provided as at 30 June 2017.

23. 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 (see notes 9, 11 and 17). 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, associates and joint ventures. Over the six months period ended 30 June 2017, sales and purchases with associates and joint ventures amounted to $833 million (2016: $723 million) and $3,538 million (2016: $1,586 million) respectively. Also see notes 11 and 17.

24. Non-controlling interests

Principal subsidiaries with material non-controlling interest is comprised of the following:

US$ million	As at 30.06.2017	As at 31.12.2016
Kazzinc	**1,359**	1,396
Koniambo	**(2,774)**	(2,653)
Katanga	**(714)**	(511)
Mutanda	**–**	767
Alumbrera	**121**	118
Other[1]	**377**	421
Total	**(1,631)**	(462)

1 Other comprises various subsidiaries in which no individual balance attributable to non-controlling interests is material.

In February 2017, Glencore purchased the remaining 31% interest in Mutanda Mining Sarl and a 10% interest in Katanga Mining Limited from Fleurette Properties Limited, for consideration of $922 million and $38 million, respectively. This transaction increased Glencore's ownership in Mutanda to 100% and its ownership in Katanga to 86.3%. The aggregate difference between the carrying value of the interests acquired and the fair value of the consideration of $165 million, including transaction costs of $28 million, was recognised in equity.

25. Subsequent events

- On 27 July 2017, Glencore announced that it had signed agreements with Yancoal Australia Limited ("Yancoal") to acquire a 49% interest in the Hunter Valley Operations ("HVO") coal mine in Australia for $1,139 million plus a 27.9% share of $240 million non-contingent royalties due over five years and a 49% share of price contingent royalties payable by Yancoal to Rio Tinto. Glencore will be entitled to its share of the profits of HVO from the date that Yancoal completes its acquisition of HVO from Rio Tinto. The transaction is subject to Glencore obtaining the necessary regulatory approvals which are expected to be received within six months. In addition, Glencore has also agreed to subscribe for $300 million of shares in Yancoal's equity raising.

- On 31 July 2017, Katanga Mining Limited ("Katanga"), a TSX listed company, in which the Group has an 86.3% interest, announced that Katanga's independent board members were conducting a review of its historical accounting relating to the production of copper cathode, copper concentrates and stockpiled ore, which may have an impact on the occurrence, classification and valuation of inventories and property, plant and equipment. Any potential adjustment that may result from the ongoing review is not expected to have a material adverse effect on the consolidated income, financial position or cash flows of Glencore.

Glossary

Available committed liquidity[1]

US$ million	as at 30.06.2017	as at 31.12.2016
Cash and cash equivalents - reported	1,973	2,518
Cash and cash equivalents of certain associates and joint ventures	246	198
Headline committed syndicated revolving credit facilities	12,760	14,500
Amount drawn under syndicated revolving credit facilities	–	(476)
Amounts drawn under U.S. commercial paper programme	(509)	–
Total	**14,470**	16,740

1 Presented on an adjusted measure basis.

Adjusted EBIT/EBITDA

Adjusted EBIT/EBITDA, as defined in note 3 to the interim financial statements, provide insight into our overall business performance (a combination of cost management, seizing market opportunities and growth), and are the corresponding flow drivers towards our objective of achieving industry-leading returns. Adjusted EBIT is the net result of revenue less cost of goods sold and selling and administrative expenses, plus share of income from associates and joint ventures, dividend income and the attributable share of underlying Adjusted EBIT of certain associates and joint ventures which are accounted for internally by means of proportionate consolidation, excluding significant items. In addition, the 2016 segment information includes Glencore Agri, which has been disclosed as a discontinued operation until close of transaction on 1 December 2016, see note 18 of the financial statements.

Adjusted EBITDA consists of Adjusted EBIT plus depreciation and amortisation, including the related adjustment for Proportionate Consolidation. In addition, the relationships of Net debt to Adjusted EBITDA and Adjusted EBITDA to net interest (interest expense less interest income disclosed on the face of the consolidated statement of income/(loss)) are an indication of our financial flexibility and ability to service debt.

Adjustment for Proportionate Consolidation

For internal reporting and analysis, management evaluates the performance of Antamina copper/zinc mine (34% owned), Cerrejón coal mine (33% owned), Collahuasi copper mine (44% owned) and Glencore Agri (50% owned) under the proportionate consolidation method, reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities of these investments.

Current capital employed ("CCE")

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

Funds from operations ("FFO")

FFO is a measure that reflects our ability to generate cash for investment, debt servicing and distributions to shareholders. It comprises cash provided by operating activities before working capital changes, less tax and net interest payments plus dividends received, related adjustments for Proportionate Consolidation and certain other one-off (Significant items) identified expenses, comprising unrealised coal related hedging costs. See reconciliation table below.

Net funding/debt and FFO to net debt

Net funding/debt demonstrates how our debt is being managed and is an important factor in insuring we maintain an investment grade rating status and an attractive cost of capital. In addition, the relationship of FFO to net debt is an indication of our financial flexibility and strength. Net debt is defined as total current and non-current borrowings less cash and cash equivalents, marketable securities, readily marketable inventories and related adjustments for Proportionate Consolidation. See reconciliation table below.

Net income attributable to equity shareholders pre-significant items

Net income attributable to equity shareholders pre-significant items is a measure of our ability to generate shareholder returns. The calculation of tax items to be excluded from Net income, includes tax significant items and the tax effect of non-tax significant items themselves.

Glossary

Readily marketable inventories ("RMI")

RMI comprising the core inventories which underpin and facilitate Glencore's marketing activities, represent inventories, that in Glencore's assessment, are readily convertible into cash in the short term due to their liquid nature, widely available markets and the fact that price risk is covered either by a forward physical sale or hedge transaction. Glencore regularly assesses the composition of these inventories and their applicability, relevance and availability to the marketing activities. As at 30 June 2017, $16,317 million (2016: $17,093 million) of inventories were considered readily marketable. This comprises $11,225 million (2016: $12,707 million) of inventories carried at fair value less costs to sell and $5,092 million (2016: $4,386 million) carried at the lower of cost or net realisable value. Total readily marketable inventories includes $1,472 million (2016: $1,718 million) related to certain associates and joint ventures (see note 3) accounted for under the proportionate consolidation method, comprising $1,099 million (2016: $1,384 million) of inventory carried at fair value less costs to sell and $373 million (2016: $334 million) carried at lower of cost or net realisable value. Given the highly liquid nature of these inventories, which represent a significant share of current assets, the Group believes it is appropriate to consider them together with cash equivalents in analysing Group net debt levels and computing certain debt coverage ratios and credit trends.

Significant items

Significant 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. Significant items include, but are not limited to, impairment charges, restructuring and closure costs, foreign exchange movements and mark-to-market movements on investments held for trading, unrealised intergroup profit eliminations and remeasurements in relation to transactions that, whilst economically linked, are subject to different accounting measurement or recognition criteria, see notes 3 and 4 of the financial statements.

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

Cash flow related adjustments – six months ended 30 June 2017

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Cash generated by operating activities before working capital changes	5,599	–	**5,599**
Addback EBITDA of certain associates and joint ventures	–	1,042	**1,042**
Share in earnings from associates included in above EBITDA	–	(13)	**(13)**
Cash generated by operating activities before working capital changes	5,599	1,029	**6,628**
Coal related hedging costs included above (via statement of income – refer to note 3)	(75)	–	**(75)**
Income taxes paid	(351)	(258)	**(609)**
Interest received	53	1	**54**
Interest paid	(777)	(34)	**(811)**
Dividend received from associates and joint ventures	413	(399)	**14**
Funds from operations ("FFO")	4,862	339	**5,201**
Working capital changes	380	140	**520**
Net cash used in acquisition of subsidiaries	–	(57)	**(57)**
Net cash received from disposal of subsidiaries	–	1	**1**
Purchase of investments	(3)	(7)	**(10)**
Proceeds from sale of investments	38	–	**38**
Purchase of property, plant and equipment	(1,441)	(232)	**(1,673)**
Proceeds from sale of property, plant and equipment	55	6	**61**
Margin receipts in respect of financing related hedging activities	895	–	**895**
Acquisition of non-controlling interests in subsidiaries	(562)	–	**(562)**
Return of capital/distributions to non-controlling interests	(126)	(1)	**(127)**
Proceeds from own shares	6	–	**6**
Distributions paid to equity holders of the Parent	(499)	–	**(499)**
Coal related hedging costs (refer above)	75	–	**75**
Cash movement in net funding	3,680	189	**3,869**

Cash flow related adjustments – six months ended 30 June 2016

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Cash generated by operating activities before working capital changes	2,851	–	**2,851**
Addback EBITDA of certain associates and joint ventures	–	548	**548**
Cash generated by operating activities before working capital changes	2,851	548	**3,399**
Coal related hedging costs included above (via statement of income – refer to note 3)	395	–	**395**
Income taxes paid	(205)	(41)	**(246)**
Interest received	54	–	**54**
Interest paid	(872)	(1)	**(873)**
Dividend received from associates and joint ventures	275	(242)	**33**
Funds from operations ("FFO")	2,498	264	**2,762**
Working capital changes (excluding gold and silver streaming proceeds)	1,172	(83)	**1,089**
Gold and silver streaming proceeds	500	–	**500**
Proceeds from sale of investments	6	–	**6**
Purchase of property, plant and equipment	(1,360)	(171)	**(1,531)**
Proceeds from sale of property, plant and equipment	54	–	**54**
Margin receipts in respect of financing related hedging activities	433	–	**433**
Return of capital/distributions to non-controlling interests	(54)	–	**(54)**
Proceeds from own shares	3	–	**3**
Coal related hedging costs (refer above)	(395)	–	**(395)**
Cash movement in net funding	2,857	10	**2,867**

Net funding/debt at 30 June 2017

US$ million	Reported measure	Adjustment for proportionate consolidation	Adjusted reported measure
Non-current borrowings	23,007	369	**23,376**
Current borrowings	7,403	1,630	**9,033**
Total borrowings	30,410	1,999	**32,409**
Less: cash and cash equivalents	(1,973)	(246)	**(2,219)**
Net funding	28,437	1,753	**30,190**
Less: Readily marketable inventories	(14,845)	(1,472)	**(16,317)**
Net debt	13,592	281	**13,873**

Last Twelve Months ("LTM") key ratios calculation

US$ million	FFO	Adjusted EBITDA	Net interest
Full year 2016	7,770	10,268	1,533
Less: H1 2016	(2,762)	(4,020)	(777)
H2 2016	5,008	6,248	756
Add: H1 2017	5,201	6,741	759
LTM	**10,209**	**12,989**	**1,515**
Net debt at 30 June 2017			**13,873**
FFO to Net debt			**74%**
Net debt to Adjusted EBITDA			**1.07x**
Adjusted EBITDA to net interest			**8.57x**

Net funding/debt at 31 December 2016

US$ million	Reported measure	Adjustment for proportionate consolidation	Adjusted reported measure
Non-current borrowings	23,188	380	**23,568**
Current borrowings	10,030	1,737	**11,767**
Total borrowings	33,218	2,117	**35,335**
Less: cash and cash equivalents	(2,518)	(198)	**(2,716)**
Net funding	30,700	1,919	**32,619**
Less: Readily marketable inventories	(15,375)	(1,718)	**(17,093)**
Net debt	15,325	201	**15,526**

Reconciliation of tax expense H1 2017

US$ million	Total
Adjusted EBIT, pre-significant items[1]	3,801
Net finance costs	(759)
Adjustments for:	
Net finance costs from certain associates and joint ventures[1]	(38)
Share of income from other associates, pre-significant items[1]	(38)
Profit on a proportionate consolidation basis before tax and pre-significant items	**2,966**
Income tax expense, pre-significant items	(660)
Adjustments for:	
Tax expense from certain associates and joint ventures[1]	(213)
Tax expense on a proportionate consolidation basis	**(873)**
Applicable tax rate	**29.4%**

1 See note 3 of the financial statements.

US$ million	Pre-significant tax expense	Significant items[1]	Total tax expense
Tax expense/(credit) on a proportionate consolidation basis	873	(27)	846
Adjustment in respect of certain associates and joint ventures	(213)	–	(213)
Tax expense/(credit) on the basis of the income statement	660	(27)	**633**

1 Represents the tax impact on current period significant items and tax significant items in their own right.

Reconciliation of tax expense H1 2016

US$ million	Total
Adjusted EBIT, pre-significant items[1]	875
Net finance costs	(777)
Adjustments for:	
Net finance costs from certain associates and joint ventures[1]	(7)
Net finance costs from discontinued operations[2]	(33)
Share of income from other associates, pre-significant items[1]	(10)
Share of income from other associates from discontinued operations[2]	(9)
Profit on a proportionate consolidation basis before tax and pre-significant items	**39**
Income tax credit, pre-significant items	62
Adjustments for:	
Tax expense from certain associates and joint ventures[1]	(60)
Tax expense from discontinued operations[2]	(6)
Tax expense on a proportionate consolidation basis	**(4)**
Applicable tax rate	**10.3%**

1 See note 3 of the financial statements.
2 See note 18 of the financial statements.

US$ million	Pre-significant tax expense	Significant items[1]	Total tax expense
Tax expense on a proportionate consolidation basis	4	11	15
Adjustment in respect of certain associates and joint ventures	(60)	–	(60)
Adjustment in respect of discontinued operations	(6)	–	(6)
Tax (credit)/expense on the basis of the income statement	(62)	11	**(51)**

1 Represents the tax impact on current period significant items and tax significant items in their own right.

Appendix:
Production by Quarter – Q2 2016 to Q2 2017

Metals and Minerals

Production from own sources – Total[1]

		Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Copper	kt	368.0	358.2	364.6	324.1	318.8	642.9	703.0	(9)	(13)
Zinc	kt	249.4	282.7	304.9	279.2	291.6	570.8	506.5	13	17
Lead	kt	74.3	74.3	74.6	68.9	70.3	139.2	145.3	(4)	(5)
Nickel	kt	29.5	25.3	32.7	24.9	26.3	51.2	57.1	(10)	(11)
Gold	koz	257	273	282	259	265	524	472	11	3
Silver	koz	9,804	10,177	10,079	9,295	10,215	19,510	18,813	4	4
Cobalt	kt	6.9	8.3	7.3	6.3	6.4	12.7	12.7	–	(7)
Ferrochrome	kt	362	344	417	439	397	836	762	10	10
Platinum	koz	46	35	32	37	28	65	81	(20)	(39)
Palladium	koz	73	44	45	46	36	82	120	(32)	(51)
Rhodium	koz	4	5	3	4	4	8	8	–	–
Vanadium Pentoxide	mlb	4.5	5.5	5.5	5.1	4.4	9.5	10.1	(6)	(2)

Production from own sources – Copper assets[1]

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
African Copper (Katanga, Mutanda, Mopani)											
Mutanda	Copper metal[2]	kt	54.2	53.4	51.0	48.8	47.7	96.5	108.9	(11)	(12)
	Cobalt[3]	kt	6.0	7.3	6.3	5.7	5.5	11.2	10.9	3	(8)
Mopani	Copper metal	kt	10.6	9.3	10.5	8.1	6.9	15.0	21.3	(30)	(35)
African Copper - total production including third party feed											
Mutanda	*Copper metal[2]*	*kt*	*54.2*	*53.4*	*51.0*	*48.8*	*51.7*	*100.5*	*108.9*	*(8)*	*(5)*
	Cobalt[3]	*kt*	*6.0*	*7.3*	*6.3*	*5.7*	*5.5*	*11.2*	*10.9*	*3*	*(8)*
Mopani	*Copper metal*	*kt*	*27.8*	*27.1*	*28.4*	*21.9*	*12.5*	*34.4*	*54.5*	*(37)*	*(55)*
	Total Copper metal[2]	**kt**	**64.8**	**62.7**	**61.5**	**56.9**	**54.6**	**111.5**	**130.2**	**(14)**	**(16)**
	Total Cobalt[3]	**kt**	**6.0**	**7.3**	**6.3**	**5.7**	**5.5**	**11.2**	**10.9**	**3**	**(8)**
Collahuasi[4]	**Copper metal**	**kt**	**0.7**	**0.3**	**0.3**	**–**	**–**	**–**	**1.5**	**(100)**	**(100)**
	Copper in concentrates	**kt**	**55.5**	**56.7**	**58.3**	**57.6**	**51.0**	**108.6**	**105.8**	**3**	**(8)**
	Silver in concentrates	**koz**	**876**	**865**	**761**	**774**	**748**	**1,522**	**1,650**	**(8)**	**(15)**
Antamina[5]	**Copper in concentrates**	**kt**	**40.1**	**35.4**	**33.2**	**30.3**	**40.0**	**70.3**	**76.9**	**(9)**	**–**
	Zinc in concentrates	**kt**	**7.7**	**18.3**	**26.7**	**24.5**	**34.5**	**59.0**	**21.8**	**171**	**348**
	Silver in concentrates	**koz**	**1,732**	**1,494**	**1,607**	**1,445**	**1,882**	**3,327**	**3,677**	**(10)**	**9**
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)											
Alumbrera	Copper in concentrates	kt	17.2	20.1	24.5	11.4	9.1	20.5	37.3	(45)	(47)
	Gold in concentrates and doré	koz	53	64	71	48	49	97	121	(20)	(8)
	Silver in concentrates and doré	koz	154	165	268	119	79	198	315	(37)	(49)
Lomas Bayas	Copper metal	kt	20.9	19.7	21.0	20.3	20.7	41.0	39.3	4	(1)
Antapaccay	Copper in concentrates	kt	57.3	59.0	55.6	46.4	50.1	96.5	105.3	(8)	(13)
	Gold in concentrates	koz	27	32	37	29	26	55	46	20	(4)
	Silver in concentrates	koz	381	419	402	326	324	650	715	(9)	(15)

Appendix: Production by Quarter – Q2 2016 to Q2 2017

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Punitaqui	Copper in concentrates	kt	1.6	1.7	1.8	1.6	1.2	2.8	3.5	(20)	(25)
	Gold in concentrates	koz	3	3	4	5	6	11	4	175	100
	Silver in concentrates	koz	13	21	24	18	17	35	37	(5)	31
Punitaqui - total production including third party feed											
	Copper in concentrates	*kt*	*2.5*	*2.7*	*2.4*	*2.2*	*1.9*	*4.1*	*5.4*	*(24)*	*(24)*
	Gold in concentrates	*koz*	*3*	*3*	*4*	*6*	*5*	*11*	*5*	*120*	*67*
	Silver in concentrates	*koz*	*23*	*29*	*32*	*24*	*25*	*49*	*57*	*(14)*	*9*
	Total Copper metal	**kt**	**20.9**	**19.7**	**21.0**	**20.3**	**20.7**	**41.0**	**39.3**	**4**	**(1)**
	Total Copper in concentrates	**kt**	**76.1**	**80.8**	**81.9**	**59.4**	**60.4**	**119.8**	**146.1**	**(18)**	**(21)**
	Total Gold in concentrates and doré	**koz**	**83**	**99**	**112**	**82**	**81**	**163**	**171**	**(5)**	**(2)**
	Total Silver in concentrates and doré	**koz**	**548**	**605**	**694**	**463**	**420**	**883**	**1,067**	**(17)**	**(23)**
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)											
Mount Isa, Ernest Henry, Townsville	Copper metal	kt	57.3	50.7	56.1	48.5	42.5	91.0	98.3	(7)	(26)
	Gold	koz	19	25	25	17	21	38	36	6	11
	Silver	koz	309	418	343	261	196	457	490	(7)	(37)
Mount Isa, Ernest Henry, Townsville - total production including third party feed											
	Copper metal	*kt*	*71.2*	*69.5*	*64.6*	*54.8*	*62.8*	*117.6*	*141.4*	*(17)*	*(12)*
	Gold	*koz*	*31*	*42*	*34*	*46*	*43*	*89*	*59*	*51*	*39*
	Silver	*koz*	*657*	*533*	*525*	*349*	*432*	*781*	*1,213*	*(36)*	*(34)*
Cobar	Copper in concentrates	kt	14.4	12.2	15.4	12.7	12.7	25.4	26.3	(3)	(12)
	Silver in concentrates	koz	145	130	154	128	156	284	259	10	8
	Total Copper	**kt**	**57.3**	**50.7**	**56.1**	**48.5**	**42.5**	**91.0**	**98.3**	**(7)**	**(26)**
	Total Copper in concentrates	**kt**	**14.4**	**12.2**	**15.4**	**12.7**	**12.7**	**25.4**	**26.3**	**(3)**	**(12)**
	Total Gold	**koz**	**19**	**25**	**25**	**17**	**21**	**38**	**36**	**6**	**11**
	Total Silver	**koz**	**454**	**548**	**497**	**389**	**352**	**741**	**749**	**(1)**	**(22)**
Total Copper department											
	Copper	**kt**	**329.8**	**318.5**	**327.7**	**285.7**	**281.9**	**567.6**	**624.4**	**(9)**	**(15)**
	Cobalt	**kt**	**6.0**	**7.3**	**6.3**	**5.7**	**5.5**	**11.2**	**10.9**	**3**	**(8)**
	Zinc	**kt**	**7.7**	**18.3**	**26.7**	**24.5**	**34.5**	**59.0**	**21.8**	**171**	**348**
	Gold	**koz**	**102**	**124**	**137**	**99**	**102**	**201**	**207**	**(3)**	**–**
	Silver	**koz**	**3,610**	**3,512**	**3,559**	**3,071**	**3,402**	**6,473**	**7,143**	**(9)**	**(6)**

Appendix: Production by Quarter – Q2 2016 to Q2 2017

Production from own sources – Zinc assets[1]

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Kazzinc											
	Zinc metal	**kt**	**46.3**	**47.4**	**51.0**	**48.1**	**54.1**	**102.2**	**89.2**	**15**	**17**
	Lead metal	**kt**	**11.9**	**8.1**	**11.8**	**11.3**	**13.8**	**25.1**	**24.1**	**4**	**16**
	Lead in concentrates	**kt**	**7.8**	**5.9**	**1.5**	**2.3**	**1.6**	**3.9**	**7.8**	**(50)**	**(79)**
	Copper metal[2]	**kt**	**12.4**	**16.4**	**12.4**	**12.7**	**15.2**	**27.9**	**25.1**	**11**	**23**
	Gold	**koz**	**142**	**141**	**137**	**150**	**156**	**306**	**243**	**26**	**10**
	Silver	**koz**	**1,212**	**1,135**	**1,277**	**1,152**	**1,702**	**2,854**	**2,098**	**36**	**40**
	Silver in concentrates	**koz**	**202**	**238**	**29**	**55**	**51**	**106**	**202**	**(48)**	**(75)**
Kazzinc - total production including third party feed											
	Zinc metal	*kt*	*76.1*	*76.0*	*77.4*	*75.3*	*77.2*	*152.5*	*152.1*	*–*	*1*
	Lead metal	*kt*	*35.0*	*33.2*	*32.3*	*36.5*	*36.9*	*73.4*	*68.1*	*8*	*5*
	Lead in concentrates	*kt*	*7.8*	*5.9*	*1.5*	*2.3*	*1.6*	*3.9*	*7.8*	*(50)*	*(79)*
	Copper metal	*kt*	*16.9*	*19.3*	*15.3*	*15.2*	*18.9*	*34.1*	*33.6*	*1*	*12*
	Gold	*koz*	*178*	*181*	*175*	*172*	*187*	*359*	*302*	*19*	*5*
	Silver	*koz*	*8,495*	*6,507*	*6,346*	*5,572*	*6,396*	*11,968*	*14,555*	*(18)*	*(25)*
	Silver in concentrates	*koz*	*202*	*238*	*29*	*55*	*51*	*106*	*202*	*(48)*	*(75)*
Australia (Mount Isa, McArthur River)											
Mount Isa	Zinc in concentrates	kt	62.2	70.4	75.3	68.7	64.0	132.7	142.5	(7)	3
	Lead in concentrates	kt	30.9	37.0	39.5	31.8	30.1	61.9	66.8	(7)	(3)
	Silver in concentrates	koz	1,643	1,891	2,038	1,658	1,539	3,197	3,403	(6)	(6)
McArthur River	Zinc in concentrates	kt	45.5	48.1	62.9	46.9	38.2	85.1	89.2	(5)	(16)
	Lead in concentrates	kt	10.5	9.7	10.8	8.7	8.3	17.0	21.6	(21)	(21)
	Silver in concentrates	koz	374	347	293	277	269	546	769	(29)	(28)
	Total Zinc in concentrates	**kt**	**107.7**	**118.5**	**138.2**	**115.6**	**102.2**	**217.8**	**231.7**	**(6)**	**(5)**
	Total Lead in concentrates	**kt**	**41.4**	**46.7**	**50.3**	**40.5**	**38.4**	**78.9**	**88.4**	**(11)**	**(7)**
	Total Silver in concentrates	**koz**	**2,017**	**2,238**	**2,331**	**1,935**	**1,808**	**3,743**	**4,172**	**(10)**	**(10)**
North America (Matagami, Kidd, Brunswick, CEZ Refinery)											
Matagami	Zinc in concentrates	kt	11.8	14.6	11.0	11.0	14.0	25.0	26.0	(4)	19
	Copper in concentrates	kt	2.4	2.5	1.8	2.0	2.1	4.1	5.4	(24)	(13)
Kidd	Zinc in concentrates	kt	19.5	24.0	22.2	24.0	22.2	46.2	32.3	43	14
	Copper in concentrates	kt	8.4	9.8	9.9	10.3	9.2	19.5	18.6	5	10
	Silver in concentrates	koz	520	739	674	663	842	1,505	879	71	62
	Total Zinc in concentrates	**kt**	**31.3**	**38.6**	**33.2**	**35.0**	**36.2**	**71.2**	**58.3**	**22**	**16**
	Total Copper in concentrates	**kt**	**10.8**	**12.3**	**11.7**	**12.3**	**11.3**	**23.6**	**24.0**	**(2)**	**5**
	Total Silver in concentrates	**koz**	**520**	**739**	**674**	**663**	**842**	**1,505**	**879**	**71**	**62**
North America - total production including third party feed											
Brunswick Smelter	*Lead metal*	*kt*	*13.7*	*19.6*	*16.4*	*15.7*	*16.5*	*32.2*	*33.5*	*(4)*	*20*
	Silver metal	*koz*	*4,299*	*6,295*	*5,048*	*4,232*	*3,480*	*7,712*	*9,421*	*(18)*	*(19)*
CEZ Refinery[6]	*Zinc metal*	*kt*	*17.3*	*17.0*	*18.1*	*12.5*	*12.6*	*25.1*	*34.2*	*(27)*	*(27)*

Appendix: Production by Quarter – Q2 2016 to Q2 2017

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Other Zinc: South America (Aguilar, Los Quenuales, Sinchi Wayra)											
	Zinc in concentrates	**kt**	**26.2**	**27.1**	**22.5**	**24.9**	**26.3**	**51.2**	**49.4**	**4**	**–**
	Lead metal	**kt**	**3.3**	**3.1**	**3.5**	**2.6**	**3.6**	**6.2**	**6.1**	**2**	**9**
	Lead in concentrates	**kt**	**8.2**	**8.0**	**6.1**	**11.3**	**11.4**	**22.7**	**15.6**	**46**	**39**
	Copper in concentrates	**kt**	**0.5**	**0.7**	**0.5**	**0.5**	**0.6**	**1.1**	**0.9**	**22**	**20**
	Silver metal	**koz**	**186**	**154**	**206**	**108**	**182**	**290**	**306**	**(5)**	**(2)**
	Silver in concentrates	**koz**	**1,783**	**1,939**	**1,852**	**2,081**	**2,011**	**4,092**	**3,480**	**18**	**13**
Other Zinc: Africa (Rosh Pinah, Perkoa)											
	Zinc in concentrates	**kt**	**30.2**	**32.8**	**33.3**	**31.1**	**38.3**	**69.4**	**56.1**	**24**	**27**
	Lead in concentrates	**kt**	**1.7**	**2.5**	**1.4**	**0.9**	**1.5**	**2.4**	**3.3**	**(27)**	**(12)**
	Silver in concentrates	**koz**	**78**	**102**	**53**	**47**	**74**	**121**	**127**	**(5)**	**(5)**
Total Zinc department											
	Zinc	**kt**	**241.7**	**264.4**	**278.2**	**254.7**	**257.1**	**511.8**	**484.7**	**6**	**6**
	Lead	**kt**	**74.3**	**74.3**	**74.6**	**68.9**	**70.3**	**139.2**	**145.3**	**(4)**	**(5)**
	Copper	**kt**	**23.7**	**29.4**	**24.6**	**25.5**	**27.1**	**52.6**	**50.0**	**5**	**14**
	Gold	**koz**	**142**	**141**	**137**	**150**	**156**	**306**	**243**	**26**	**10**
	Silver	**koz**	**5,998**	**6,545**	**6,422**	**6,041**	**6,670**	**12,711**	**11,264**	**13**	**11**

Appendix: Production by Quarter – Q2 2016 to Q2 2017

Production from own sources – Nickel assets[1]

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)											
	Nickel metal	**kt**	**17.8**	**13.8**	**18.3**	**13.9**	**15.5**	**29.4**	**33.5**	**(12)**	**(13)**
	Nickel in concentrates	**kt**	**0.1**	**0.1**	**0.2**	**0.2**	**0.1**	**0.3**	**0.3**	**–**	**–**
	Copper metal	**kt**	**3.6**	**3.6**	**4.6**	**3.9**	**4.2**	**8.1**	**8.4**	**(4)**	**17**
	Copper in concentrates	**kt**	**10.9**	**6.7**	**7.7**	**9.0**	**5.6**	**14.6**	**20.2**	**(28)**	**(49)**
	Cobalt metal	**kt**	**0.3**	**0.2**	**0.3**	**0.1**	**0.3**	**0.4**	**0.5**	**(20)**	**–**
	Gold	**koz**	**12**	**8**	**8**	**10**	**7**	**17**	**21**	**(19)**	**(42)**
	Silver	**koz**	**196**	**120**	**98**	**183**	**143**	**326**	**406**	**(20)**	**(27)**
	Platinum	**koz**	**30**	**21**	**19**	**23**	**13**	**36**	**50**	**(28)**	**(57)**
	Palladium	**koz**	**63**	**36**	**36**	**37**	**27**	**64**	**101**	**(37)**	**(57)**
	Rhodium	**koz**	**2**	**2**	**1**	**2**	**1**	**3**	**3**	**–**	**(50)**
Integrated Nickel Operations - total production including third party feed											
	Nickel metal	*kt*	*22.8*	*23.3*	*23.3*	*22.6*	*21.2*	*43.8*	*46.1*	*(5)*	*(7)*
	Nickel in concentrates	*kt*	*0.2*	*0.1*	*0.2*	*0.2*	*0.1*	*0.3*	*0.4*	*(25)*	*(50)*
	Copper metal	*kt*	*6.5*	*7.1*	*6.9*	*5.9*	*5.9*	*11.8*	*14.1*	*(16)*	*(9)*
	Copper in concentrates	*kt*	*13.0*	*7.8*	*9.1*	*10.2*	*6.5*	*16.7*	*23.7*	*(30)*	*(50)*
	Cobalt metal	*kt*	*0.9*	*0.7*	*1.0*	*0.8*	*1.0*	*1.8*	*1.8*	*–*	*11*
	Gold	*koz*	*17*	*10*	*11*	*13*	*9*	*22*	*29*	*(24)*	*(47)*
	Silver	*koz*	*322*	*195*	*141*	*275*	*211*	*486*	*658*	*(26)*	*(34)*
	Platinum	*koz*	*43*	*28*	*25*	*30*	*19*	*49*	*70*	*(30)*	*(56)*
	Palladium	*koz*	*95*	*52*	*52*	*50*	*41*	*91*	*150*	*(39)*	*(57)*
	Rhodium	*koz*	*2*	*2*	*2*	*2*	*2*	*4*	*4*	*–*	*–*
Murrin Murrin											
	Total Nickel metal	**kt**	**8.4**	**7.5**	**10.1**	**6.2**	**7.3**	**13.5**	**17.7**	**(24)**	**(13)**
	Total Cobalt metal	**kt**	**0.6**	**0.8**	**0.7**	**0.5**	**0.6**	**1.1**	**1.3**	**(15)**	**–**
Murrin Murrin - total production including third party feed											
	Total Nickel metal	*kt*	*10.9*	*9.9*	*13.2*	*8.2*	*9.5*	*17.7*	*22.9*	*(23)*	*(13)*
	Total Cobalt metal	*kt*	*0.7*	*0.9*	*0.8*	*0.5*	*0.8*	*1.3*	*1.5*	*(13)*	*14*
Koniambo	**Nickel in ferronickel**	**kt**	**3.2**	**3.9**	**4.1**	**4.6**	**3.4**	**8.0**	**5.6**	**43**	**6**
Total Nickel department											
	Nickel	**kt**	**29.5**	**25.3**	**32.7**	**24.9**	**26.3**	**51.2**	**57.1**	**(10)**	**(11)**
	Copper	**kt**	**14.5**	**10.3**	**12.3**	**12.9**	**9.8**	**22.7**	**28.6**	**(21)**	**(32)**
	Cobalt	**kt**	**0.9**	**1.0**	**1.0**	**0.6**	**0.9**	**1.5**	**1.8**	**(17)**	**–**
	Gold	**koz**	**12**	**8**	**8**	**10**	**7**	**17**	**21**	**(19)**	**(42)**
	Silver	**koz**	**196**	**120**	**98**	**183**	**143**	**326**	**406**	**(20)**	**(27)**
	Platinum	**koz**	**30**	**21**	**19**	**23**	**13**	**36**	**50**	**(28)**	**(57)**
	Palladium	**koz**	**63**	**36**	**36**	**37**	**27**	**64**	**101**	**(37)**	**(57)**
	Rhodium	**koz**	**2**	**2**	**1**	**2**	**1**	**3**	**3**	**–**	**(50)**

Appendix: Production by Quarter – Q2 2016 to Q2 2017

Production from own sources – Ferroalloys assets[1]

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Ferrochrome[7]		kt	362	344	417	439	397	836	762	10	10
PGM[8]	Platinum	koz	16	14	13	14	15	29	31	(6)	(6)
	Palladium	koz	10	8	9	9	9	18	19	(5)	(10)
	Rhodium	koz	2	3	2	2	3	5	5	–	50
	Gold	koz	1	–	–	–	–	–	1	(100)	(100)
	4E	**koz**	**29**	**25**	**24**	**25**	**27**	**52**	**56**	**(7)**	**(7)**
Vanadium Pentoxide		mlb	4.5	5.5	5.5	5.1	4.4	9.5	10.1	(6)	(2)

Total production – Custom metallurgical assets[1]

			Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Copper (Altonorte, Pasar, Horne, CCR)											
	Copper metal	kt	127.7	122.5	125.0	128.2	131.3	259.5	241.6	7	3
	Copper anode	kt	129.0	98.9	158.5	139.7	124.6	264.3	265.1	–	(3)
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)											
	Zinc metal	kt	197.3	199.4	195.5	197.2	198.0	395.2	394.9	–	–
	Lead metal	kt	54.8	56.4	49.9	53.3	46.5	99.8	110.3	(10)	(15)
	Silver	koz	4,247	3,270	4,270	3,243	4,222	7,465	7,305	2	(1)
Ferroalloys											
	Ferromanganese	kt	28	30	33	32	40	72	73	(1)	43
	Silicon Manganese	kt	25	23	15	15	11	26	44	(41)	(56)

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

Energy Products

Production from own sources

Coal assets[1]

		Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Australian coking coal	mt	0.8	1.6	1.7	1.7	1.0	2.7	2.0	35	25
Australian semi-soft coal	mt	1.2	0.9	1.1	1.0	1.2	2.2	2.2	–	–
Australian thermal coal (export)	mt	12.5	13.7	14.7	12.8	13.4	26.2	24.1	9	7
Australian thermal coal (domestic)	mt	1.5	1.4	1.0	1.6	1.7	3.3	3.2	3	13
South African thermal coal (export)	mt	4.3	4.5	4.3	4.2	4.5	8.7	8.4	4	5
South African thermal coal (domestic)	mt	2.5	3.3	3.1	2.6	2.2	4.8	5.7	(16)	(12)
Prodeco	mt	4.0	4.7	4.3	4.2	3.8	8.0	8.3	(4)	(5)
Cerrejón[2]	mt	2.3	3.0	2.8	2.8	2.4	5.2	4.9	6	4
Total Coal department	**mt**	**29.1**	**33.1**	**33.0**	**30.9**	**30.2**	**61.1**	**58.8**	**4**	**4**

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

Oil assets

		Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	H1 2017	H1 2016	Change H1 17 vs H1 16 %	Change Q2 17 vs Q2 16 %
Glencore entitlement interest basis										
Equatorial Guinea	kbbl	953	821	708	691	642	1,333	2,100	(37)	(33)
Chad	kbbl	997	855	777	674	633	1,307	2,250	(42)	(37)
Total Oil department	**kbbl**	**1,950**	**1,676**	**1,485**	**1,365**	**1,275**	**2,640**	**4,350**	**(39)**	**(35)**
Gross basis										
Equatorial Guinea	kbbl	4,464	3,959	3,309	3,249	3,048	6,297	9,641	(35)	(32)
Chad	kbbl	1,363	1,169	1,063	921	866	1,787	3,076	(42)	(36)
Total Oil department	**kbbl**	**5,827**	**5,128**	**4,372**	**4,170**	**3,914**	**8,084**	**12,717**	**(36)**	**(33)**

Appendix:
Full year 2017 production guidance

Full year 2017 production guidance

		Actual FY 2015	Actual FY 2016	Actual H1 2017	Guidance FY 2017
Copper	kt	1,502	1,426	643	1,330 ± 25
Zinc	kt	1,445	1,094	571	1,130 ± 25
Lead	kt	298	295	139	285 ± 10
Nickel	kt	96	115	51	115 ± 4
Ferrochrome	kt	1,462	1,523	836	1,585 ± 25
Coal	mt	132	125	61	132 ± 3

Changes to production guidance reflect:

- Copper: down 25kt (2%) to 1,330kt (± 25kt) – primarily Alumbrera related
- Zinc: previous full year guidance of 1,190kt (± 25kt) less expected production from Rosh Pinah and Perkoa for the period August-December 2017 (~60kt), assuming the transaction with Trevali Mining completes early August. The transaction is subject to customary conditions, still pending at the date of this report.
- Lead: down 15kt (5%) to 285kt (± 10kt) – mine plan changes in Australia
- Nickel: down 5kt (4%) to 115kt (± 4kt) – various maintenance delays in the first half
- Ferrochrome: down 65kt (4%) to 1,585kt (± 25kt) – additional market driven maintenance days
- Coal: down 3mt (2%) to 132mt (± 3mt) – reflecting the rain impact in Colombia and various other minor revisions

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