GLENCORE

NEWS RELEASE
Baar, 1 March 2016

Preliminary Results 2015

Highlights

US$ million	2015	2014	Change %
Key statement of income and cash flows highlights[1]:			
Adjusted EBITDA[2]	**8,694**	12,764	(32)
Adjusted EBIT[2]	**2,172**	6,706	(68)
Net income attributable to equity holders pre-significant items[3]	**1,342**	4,285	(69)
Earnings per share (pre-significant items) (Basic) (US$)	**0.10**	0.33	(69)
Net (loss)/income attributable to equity holders	**(4,964)**	2,308	n.m.
Funds from operations (FFO)[4,5]	**6,615**	10,169	(35)
Capital expenditure (excluding Las Bambas of $961 million in 2014)	**5,957**	8,566	(30)

US$ million	31.12.2015	31.12.2014	Change %
Key financial position highlights:			
Total assets	**128,485**	152,205	(16)
Current capital employed (CCE)[5]	**12,443**	21,277	(42)
Net funding[4]	**41,245**	49,758	(17)
Net debt[4]	**25,889**	30,532	(15)
Ratios:			
FFO to Net debt[4]	**25.6%**	33.3%	(23)
Net debt to Adjusted EBITDA	**2.98x**	2.39x	25
Adjusted EBITDA to net interest	**6.24x**	8.68x	(28)

1 Refer to basis of preparation on page 4.
2 Refer to note 2 of the financial statements for definition and reconciliation of Adjusted EBIT/EBITDA.
3 Refer to significant items table on page 5.
4 Refer to page 7.
5 Refer to glossary for definition.

- Adjusted EBITDA of $8.7 billion, down 32% on 2014, due to substantially weaker commodity prices, partially offset by cost efficiencies and favourable producer country currencies:
    - Marketing EBITDA down 11% to $2.7 billion, reflecting the high 2014 agricultural base and challenging metals' marketing conditions in H1 2015 (as noted in our 2015 Half-Year Report), offset by a robust performance from oil marketing.
    - Industrial EBITDA down 38% to $6.0 billion, reflecting lower prices in all key commodities and decisive action to reduce supply and associated capital expenditures / operating costs within our coal, zinc, copper and oil assets. These steps are aimed at preserving resource value for the longer term.
- 2015 industrial capital expenditure of $5.7 billion, in line with previous guidance. 2016 industrial capital expenditure has been cut a further $300 million to $3.5 billion.
- Delivered significant real unit cost reductions in 2015. Targeting to capture a further $400 million of savings during 2016.
- Rapid delivery of our capital preservation/debt reduction measures, including:
    - Asset sales of $1.6 billion to date, including $1.4 billion from precious metals' streaming transactions.
    - Opex, capex and working capital reduction targets, have been met.

- Remaining asset sales processes are proceeding well:
    - Expect to reach agreement on the sale of a minority stake in the Agricultural Products business in Q2 2016;
    - Bids for the potential disposals of Cobar and/or Lomas Bayas are also expected to be finalised during Q2 2016; and
    - Consideration of further monetisation of remaining precious metals' production base and certain infrastructure/logistics assets.
- We are confident of achieving $4-5 billion of asset disposals during the remainder of 2016.
- Net funding at year end decreased by $8.5 billion to $41.2 billion, aided by $6.6 billion of working capital release, including $5.4 billion of inventories, while Net debt declined to $25.9 billion.
- Our Net funding and Net debt targets for the end of 2016 are $32-33 billion and $17-18 billion respectively.
- We are targeting Net funding of <$30 billion and Net debt of c.$15 billion by the end of 2017.

- Our balance sheet remains strong and flexible, supported by record committed available liquidity of $15.2 billion at year end.
    - Refinanced the one year tranche of our Revolving Credit Facility in February 2016 via signing in $7.7 billion of commitments from 37 banks; will now broaden the facility via launch of general syndication to some 30 additional banks in Q2 2016.
- Recent rating actions by Moody's and Standard & Poor's maintain our Investment Grade ratings with stable outlook (Baa3/BBB-).
- Recorded net exceptional charges attributable to Glencore equity holders (after non-controlling interests) of $5.8 billion primarily related to impairments, restructuring costs and net losses on disposals of operations, including $1.3 billion already recognised in H1 2015 (see reconciliation table in the glossary). These mainly relate to lower prices impacting our oil operations and Koniambo nickel asset (compounded by technical issues) and the recognition of a loss on cessation of control of Optimum Coal.
- 2016 guidance:
    - Production is detailed on page 124 of this report
    - Marketing EBIT guidance unchanged at $2.4-2.7 billion

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

"Our rigorous focus on debt reduction, supply discipline and cost efficiencies enabled Glencore to record a robust performance in difficult market conditions. Our diversified portfolio, based around a core of Tier 1 assets, combined with our highly resilient marketing business, underpins our ability to continue to be comfortably cash generative at current and even lower commodity prices."

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CEO Review

Background

Financial market sentiment weakened considerably during the course of 2015, amid concerns over slowing economic growth. The commodity sector was particularly adversely affected by a succession of disappointing China macro-economic data, declining oil prices, and the strong US dollar and, as a result, sector focus quickly switched from cash distribution to balance sheet concerns and cash preservation. This led to further industry-wide cost and capex reductions, project closures and curtailments, asset sales, dividend cuts and equity issuance.

Robust performance despite difficult environment

The financial performance in 2015 reflects our industrial activities' exposure to lower commodity prices. Adjusted EBITDA declined 32% to $8.7 billion, compared to 2014.

Marketing delivered Adjusted EBIT of $2.5 billion in 2015, despite the commodity headwinds noted above, 12% down on 2014. The business' enhanced cyclical resilience and defensiveness helped to offset the impact of lower commodity prices, whereby earnings are underpinned by logistics activities/services, economies of scale and business diversification; 2016 EBIT guidance range confirmed at $2.4 to $2.7 billion, adjusted somewhat below the long-term range, reflecting the lower net working capital levels.

Industrial assets adjusted EBITDA declined 38% to $6.0 billion, compared to 2014, reflecting the impact of lower commodity prices, offset by currency benefits and cost and productivity improvements.

The unique flexibility of our capital structure enabled a working capital release of more than $6.6 billion, reflecting lower commodity prices, but also proactive working capital management. Net funding reduced by $8.5 billion during 2015 to $41.2 billion, while net debt at period end was $25.9 billion.

Re-positioning the balance sheet

During H2 2015, it became apparent that financial markets were concerned about the Group's level of financial leverage. We rapidly put in place a plan to address these concerns, culminating in the $10.2 billion debt reduction plan announced in September. Further measures were communicated in December. In total, the initiatives announced are expected to support our end 2016 Net funding and Net debt targets of $32-33 billion and $17-18 billion respectively, which remain on track.

We remain focused on preserving our investment grade credit rating status. The steps that we have announced and taken so far have contributed to our current stable credit ratings from both major credit ratings' agencies.

Corporate governance/Sustainability

It is with sadness to report that we have not achieved our goal of zero fatalities during 2015, whereby ten people lost their lives at our operations. Any loss of life is unacceptable and we continue to strengthen our efforts in this regard. In last year's report, we highlighted steps being taken to address the safety performance at our 'focus assets', historically responsible for the majority of our safety incidents. These assets are located in challenging geographies, without a culture of safety prior to our involvement. We are pleased to report the delivery of positive results, with three of the five focus assets fatality-free throughout 2015.

Improving health and safety performance has substantially progressed, achieving, one year ahead of schedule, our targeted 50% reduction in lost time injury rate (against 2010 baseline), with further reductions being targeted.

Looking forward

Our diversified portfolio, based around a core of Tier 1 assets, combined with our highly resilient marketing business, underpins Glencore's ability to continue to be comfortably cash generative, despite the current environment for commodities.

Furthermore, our continued proactive balance sheet initiatives will lead to a significant reduction in our net funding and net debt levels and ensure a high degree of flexibility regardless of future market conditions.

Ivan Glasenberg

Chief Executive Officer

Financial Review

Basis of presentation

The reported financial information has been prepared on the basis as outlined in note 1 of the financial statements with the exception of the accounting treatment applied to certain associates and joint ventures for which Glencore's attributable share of revenues and expenses are presented (see note 2) and is presented in the Financial Review section before significant items unless otherwise stated to provide an enhanced understanding and comparative basis of the underlying financial performance. Significant items (refer to page 5) are items of income and expense which, due to their financial impact and nature or the expected infrequency of the events giving rise to them, are separated for internal reporting and analysis of Glencore's results.

Financial results

Adjusted EBITDA was $8,694 million and Adjusted EBIT was $2,172 million, decreases of 32% and 68% respectively compared to 2014, mainly due to sharply lower average commodity prices in 2015, net of producer country currency depreciation. Against such backdrop, significant operating cost savings were achieved through a relentless focus on all areas of the business, including, supply chain, contractor management and employee productivity, while decisive action was also taken to reduce supply and associated capex / opex, notably within our coal, zinc, copper and oil portfolio.

Adjusted EBITDA/EBIT

Adjusted EBITDA by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**2015 Adjusted EBITDA**	Marketing activities	Industrial activities	2014 Adjusted EBITDA	%
Metals and minerals	**1,280**	**4,030**	**5,310**	1,545	7,077	8,622	(38)
Energy products	**826**	**2,269**	**3,095**	565	2,841	3,406	(9)
Agricultural products	**584**	**150**	**734**	996	213	1,209	(39)
Corporate and other	**(30)**	**(415)**	**(445)**	(105)	(368)	(473)	n.m.
Total	**2,660**	**6,034**	**8,694**	3,001	9,763	12,764	(32)

Adjusted EBIT by business segment is as follows:

US$ million	**Marketing activities**	**Industrial activities**	**2015 Adjusted EBIT**	Marketing activities	Industrial activities	2014 Adjusted EBIT	%
Metals and minerals	**1,255**	**148**	**1,403**	1,515	3,674	5,189	(73)
Energy products	**778**	**(88)**	**690**	524	486	1,010	(32)
Agricultural products	**461**	**63**	**524**	856	136	992	(47)
Corporate and other	**(30)**	**(415)**	**(445)**	(105)	(380)	(485)	n.m.
Total	**2,464**	**(292)**	**2,172**	2,790	3,916	6,706	(68)

Marketing Adjusted EBITDA and EBIT decreased by 11% and 12% to $2,660 million and $2,464 million respectively:

- Metals and minerals Adjusted marketing EBIT, was down 17% over 2014, reflecting tough trading conditions in H1 (as noted in the 2015 Half-Year Report), particularly in aluminium and nickel, with headwinds respectively, from a collapse in physical premiums and subdued levels of global stainless steel production. The stronger H2 performance, on an annualised basis, came in 7% above 2014's result.
- Energy products Adjusted marketing EBIT was up 48% compared to 2014, as oil in particular was presented with and executed well within an attractive, opportunity rich market environment.
- The Agricultural products Adjusted marketing EBIT was down 46% compared to 2014, in large part due to the high comparable base (exceptionally strong Canadian harvest) and the immediate imposition of a punitive wheat export tax in Russia in Q1.

Industrial Adjusted EBITDA decreased by 38% to $6,034 million (Adjusted EBIT was negative $292 million, due to the relatively fixed non-cash depreciation charge), owing primarily to weaker average year over year commodity prices including oil, nickel, coal, copper and zinc down 46%, 30%, ~20%, 20% and 11% respectively, partially mitigated by weaker producer currencies (notably the Tenge, Rand and Australian and Canadian dollars, down relative to the US dollar, by 24%, 18%, 20% and 16% respectively). The delivery of significant operating cost reductions and productivity efficiencies were also positive drivers in 2015, offsetting the near-term volume impact of curtailing output across a number of operations to preserve resource value for the long term.

Earnings

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

US$ million	2015	2014
Adjusted EBIT[1]	2,172	6,706
Net finance and income tax expense in certain associates and joint ventures[1]	(159)	(329)
Net finance costs	(1,394)	(1,439)
Income tax benefit/(expense)[7]	362	(499)
Non-controlling interests	361	(154)
Income attributable to equity holders pre-significant items	1,342	4,285
Earnings per share (Basic) pre-significant items (US$)	0.10	0.33
Significant items impacting Adjusted EBITDA and Adjusted EBIT		
Share of Associates' exceptional items[2]	(88)	(74)
Unrealised intergroup loss/(profit) elimination and other[3]	445	(221)
	357	(295)
Other expense – net[4]	(7,998)	(1,073)
Write off of capitalised borrowing costs[5]	–	(32)
(Losses)/gains on disposals and investments[6]	(994)	715
Income tax expense[7]	(460)	(1,310)
Non-controlling interests' share of other income[8]	2,789	18
Total significant items	(6,306)	(1,977)
(Loss)/Income attributable to equity holders	(4,964)	2,308
Earnings per share (Basic) (US$)	(0.37)	0.18

1 Refer to note 2 of the financial statements.
2 Recognised within share of income from associates and joint ventures, see note 2 of the financial statements.
3 Recognised within cost of goods sold, see note 2 of the financial statements.
4 Recognised within other expense – net, see notes 2 and 4 of the financial statements.
5 Recognised within interest expense.
6 See note 3 of the financial statements.
7 Refer to glossary for the allocation of the total income tax benefit/(expense) between pre-significant and significant items.
8 Recognised within non-controlling interests.

Significant items

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

In 2015, Glencore recognised a net $6,306 million of significant items, including $460 million of largely foreign exchange related income tax expense adjustments. The net expense comprises primarily impairments of $1,424 million ($3,989 million less $2,565 million attributable to non-controlling interests) related to Koniambo nickel and $1,031 million related to Chad oil and a $1,034 million loss (including $311 million of foreign currency translation losses previously recognised in equity) on cessation of control of Optimum Coal, placed into business rescue proceedings in August 2015, with subsequent sale agreed. See notes 3, 4 and 5 to the consolidated financial statements for further explanations.

In 2014, Glencore recognised $1,977 million of net other significant expenses, including $1,310 million of income tax expense. Due to the challenging platinum market and following the decisions to slow down iron ore development in Mauritania and Congo and limit further oil exploration activities at the Matanda block in Cameroon, impairment charges of $146 million, $489 million and $212 million were recognised respectively. These impairments were offset by a gain of $715 million (before related tax of $531 million) on the disposal of Las Bambas. Apart from the Las Bambas tax on disposal, a net $779 million of significant tax expense was recorded, primarily due to the currency translation effect of deferred tax balances, owing to the stronger US dollar, particularly against the Australian dollar.

Net finance costs

Net finance costs were $1,394 million in 2015 compared to $1,471 million ($1,439 million on a pre-exceptional basis) incurred during the comparable reporting period. Interest income in 2015 was $191 million, consistent with the prior year. On a pre-exceptional basis, interest expense in 2015 was $1,585 million, a 6% reduction from $1,692 million in 2014, reflecting the lower average debt levels.

Income taxes

An income tax expense of $98 million was recognised during 2015 compared to an income tax expense of $1,809 million in 2014. Based on our capital and business structure, income tax expense pre-significant items should approximate Adjusted EBIT for marketing and industrial assets less an allocated interest expense multiplied by an estimated tax rate of 10% and 25% respectively. This has been reflected in the table above. Refer to the glossary for a reconciliation of this calculation.

The 2015 reported income tax expense includes $307 million (2014: $779 million) of income tax expense due to foreign exchange fluctuations, primarily the currency translation effect on deferred tax balances, owing to the stronger US dollar, particularly against the Tenge and Australian dollar and adjustments to previously recognised deferred tax assets. The 2014 statutory income tax expense includes $531 million of taxes in respect of the sale of Las Bambas.

Assets, leverage and working capital

Total assets were $128,485 million as at 31 December 2015 compared to $152,205 million as at 31 December 2014, a period over which, current assets decreased from $53,219 million to $42,198 million, due to sizeable reductions in receivables and inventories, contributing to the overall reduction in current capital employed / net working capital. Non-current assets decreased from $98,986 million to $86,287 million, primarily due to the various impairments and disposals referred to above.

Cash flow and net funding/debt

Net funding

US$ million	31.12.2015	31.12.2014
Gross debt	**44,049**	52,693
Associates and joint ventures net funding[1]	**(58)**	(80)
Cash and cash equivalents and marketable securities	**(2,746)**	(2,855)
Net funding	**41,245**	49,758

Cash and non-cash movements in net funding

US$ million	31.12.2015	31.12.2014
Cash generated by operating activities before working capital changes	**7,454**	10,978
Legal settlement and incremental metal leak costs (via statement of income)	**264**	–
Associates and joint ventures Adjusted EBITDA[2]	**995**	1,552
Net interest paid	**(1,085)**	(1,211)
Tax paid[1]	**(1,072)**	(1,257)
Dividends received from associates[1]	**59**	107
Funds from operations	**6,615**	10,169
Net working capital changes (excluding silver streaming proceeds)[1]	**6,585**	(540)
Silver streaming proceeds	**900**	–
Payments of non-current advances and loans[1]	**101**	(518)
Acquisition and disposal of subsidiaries	**(106)**	4,690
Purchase and sale of investments	**(195)**	(310)
Purchase and sale of property, plant and equipment (excl. Las Bambas)[1]	**(5,688)**	(8,360)
Purchase and sale of property, plant and equipment – Las Bambas	**–**	(961)
Net margin (call)/receipts in respect of financing related hedging activities	**(618)**	10
Acquisition and disposal of additional interests in subsidiaries	**–**	(101)
Share issuance	**2,444**	–
Distributions paid and purchase of own shares	**(2,695)**	(3,256)
Legal settlement and incremental metal leak costs (refer above)	**(264)**	–
Cash movement in net funding	**7,079**	823
Foreign currency revaluation of borrowings and other non-cash items	**1,434**	1,635
Total movement in net funding	**8,513**	2,458
Net funding, beginning of period	**(49,758)**	(52,215)
Net funding, end of period	**(41,245)**	(49,758)
Less: Readily marketable inventories[3]	**15,356**	19,226
Net debt, end of period	**(25,889)**	(30,532)

1 Adjusted to include the impacts of proportionate consolidation of certain associates and joint ventures as outlined in the glossary.
2 See note 2 of the financial statements.
3 Refer to glossary for definition.

The reconciliation in the table above is the method by which management reviews 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 31 December 2015 decreased by $8,513 million to $41,245 million from $49,758 million as at 31 December 2014, aided by $6,585 million of working capital release (including $5,410 million of inventories), a 32% reduction in net capital expenditure (excluding Las Bambas) and the receipt of $900 million under a silver streaming arrangement. The net working capital reduction was primarily the result of lower commodity prices compared to 31 December 2014, however proactive management was overlaid to ensure effective and efficient deployment thereof.

Business and investment acquisitions and disposals

Net expenditure on business acquisitions and investments in 2015 was $301 million, due primarily to three agriculture initiatives namely in Germany (rapeseed crushing facility), in Brazil (a 50% interest in grain handling/port facilities) and in Canada (oil seed crushing plant), as this segment further enhances its global capabilities. The net inflow on acquisitions / disposals in 2014 was $4,690 million, due primarily to the sale of Las Bambas ($6.5 billion, net of tax), offset by the purchase of Caracal ($1.5 billion) and Zhairemsky zinc/lead ($291 million).

Liquidity and funding activities

In 2015, the following significant financing activities took place:

- In March, issued in two tranches EUR 2.0 billion of interest bearing notes as follows:
  - 6 year EUR 1,250 million, 1.250% fixed coupon bonds; and
  - 10 year EUR 750 million, 1.750% fixed coupon bonds.
- In April, issued in four tranches $2.25 billion of interest bearing notes as follows:
  - 3 year $500 million, 2.125% fixed coupon bonds;
  - 3 year $250 million, Libor plus 1.06% floating rate bond;
  - 5 year $1,000 million, 2.875% fixed coupon bonds; and
  - 10 year $500 million, 4.0% fixed coupon bonds.
- In May, signed new revolving credit facilities for a total amount of $15.25 billion, which extended and refinanced previous revolving credit facilities. The facilities comprise:
  - an $8.45 billion 12 month revolving credit facility with a 12 month term-out option and 12 month extension option; and
  - a $6.8 billion 5 year revolving credit facility with two 12 month extension options.
- In June 2015, Glencore issued 7 year JPY 40 billion of 1.075% fixed coupon bonds. In December 2015, Glencore converted JPY 30 billion of such bonds into new 7 year $250 million Libor plus 1.650% coupon bonds; the balance of JPY 10 billion of these bonds remains outstanding.
- In September, placed 1.3 billion new ordinary shares, raising gross proceeds of approximately $2.5 billion.
- In October, redeemed (1st call date) perpetual bonds with a nominal value of $350 million.
- In Q4 2015, repurchased bonds with a nominal value of $564 million, comprising primarily 2016 and 2017 maturities.

In February 2016, Glencore announced that it has signed a new revolving credit facility, which will ultimately refinance and replace the existing $8.45 billion facility. In pre-syndication, $7.7 billion of commitments from 37 banks were signed into and in Q2 2016 the refinancing will be broadened via launch of general syndication to some 30 additional banks. Consistent with the current facility, this new facility remains unsecured, containing a 12-month extension option and 12-month borrower's term-out option, thereby extending the final maturity to May 2018.

As at 31 December 2015, Glencore had available committed undrawn credit facilities and cash amounting to $15.2 billion.

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 Baa3 (stable) from Moody's and BBB- (stable) from Standard & Poor's.

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 some 0.2% of equity, which was not exceeded during the year. 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 2015 was $35 million, representing less than 0.1% of equity. Average equivalent VaR during 2014 was $36 million.

Metals and Minerals

Highlights

Metals and minerals total Adjusted EBITDA was $5,310 million, down 38% compared to 2014. The key driver was clearly commodity prices which reduced significantly in most key markets, reflecting widespread fears as to China's decelerating rate of growth, the strong US dollar, lower oil prices and other general deflationary cost drivers. The weaker economic conditions and bearish sentiment surrounding China pressurised commodity prices throughout the year. In addition, from H2 2014, prompted by the dramatic fall in oil prices, investors accelerated their liquidation of existing commodity long positions accumulated through indices and commodity basket ETFs. On the supply side, there remains too much 'sticky' higher cost supply, which delays the eventual rebalancing of markets to more sustainable levels. In response, however, Glencore has acted decisively in curtailing a sizeable amount of its copper and zinc production, with the aim of supporting prices near term and preserving scarce resources and value for the future.

In contrast with these severe challenges, Marketing performed solidly, delivering EBITDA of $1,280 million. While this was down 17% on 2014, the reduction occurred in the first half, on account of the collapse in aluminium physical premiums and weakness in the global stainless steel industry, impacting our nickel and ferroalloys businesses. The stronger H2 performance, on an annualised basis, came in 7% above 2014, reflecting the underlying strength and consistency of this business. Industrial EBITDA declined from $7,077 million to $4,030 million reflecting lower metals' prices (net of foreign currency benefits, proactive efficiency and cost reduction drives and the passive lowering of other input costs e.g. oil) and the associated incremental costs associated with the decisions to curtail copper production at Katanga and Mopani and zinc production at Mount Isa and McArthur River.

US$ million	**Marketing activities**	**Industrial activities**	**2015**	Marketing activities	Industrial activities	2014
Revenue	**41,151**	**24,782**	**65,933**	35,025	31,025	66,050
Adjusted EBITDA	**1,280**	**4,030**	**5,310**	1,545	7,077	8,622
Adjusted EBIT	**1,255**	**148**	**1,403**	1,515	3,674	5,189
Adjusted EBITDA margin	***3.1%***	***16.3%***	***8.1%***	*4.4%*	*22.8%*	*13.1%*

Market Conditions

Selected average commodity prices

	2015	2014	Change%
S&P GSCI Industrial Metals Index	**291**	349	(17)
LME (cash) copper price ($/t)	**5,503**	6,866	(20)
LME (cash) zinc price ($/t)	**1,928**	2,164	(11)
LME (cash) lead price ($/t)	**1,785**	2,096	(15)
LME (cash) nickel price ($/t)	**11,835**	16,892	(30)
Gold price ($/oz)	**1,160**	1,266	(8)
Silver price ($/oz)	**16**	19	(16)
Metal Bulletin cobalt price 99.3% ($/lb)	**13**	14	(7)
LME (cash) aluminium price ($/t)	**1,662**	1,869	(11)
Metal Bulletin alumina price ($/t)	**300**	331	(9)
Metal Bulletin ferrochrome 6-8% C basis 60% Cr, max 1.5% Si (¢/lb)	**94**	105	(10)
Platinum price ($/oz)	**1,054**	1,385	(24)
Iron ore (Platts 62% CFR North China) price ($/DMT)	**56**	97	(42)

Metals and Minerals

Currency table

	Average 2015	Spot 31 Dec 2015	Average 2014	Spot 31 Dec 2014	Change in average %
AUD : USD	0.75	0.73	0.90	0.82	(17)
USD : CAD	1.28	1.38	1.10	1.16	16
USD : COP	2,749	3,175	2,002	2,377	37
EUR : USD	1.11	1.09	1.33	1.21	(17)
GBP : USD	1.54	1.47	1.65	1.56	(7)
USD : CHF	0.96	1.00	0.92	0.99	4
USD : KZT	223	341	179	182	25
USD : ZAR	12.78	15.47	10.85	11.57	18

Marketing

Highlights

Adjusted EBIT was $1,255 million, down 17% from $1,515 million, reflecting tough trading conditions in H1, particularly in aluminium and nickel, with headwinds respectively, from a collapse in physical premiums and subdued levels of global stainless steel production. The stronger H2 performance, on an annualised basis, came in 7% above 2014's result.

Financial information

US$ million	2015	2014	Change %
Revenue	41,151	35,025	17
Adjusted EBITDA	1,280	1,545	(17)
Adjusted EBIT	1,255	1,515	(17)

Selected marketing volumes sold

	Units	2015	2014	Change%
Copper metal and concentrates[1]	mt	3.1	2.8	11
Zinc metal and concentrates[1]	mt	3.1	3.4	(9)
Lead metal and concentrates[1]	mt	1.1	0.8	38
Gold	moz	1.9	1.5	27
Silver	moz	89.3	66.2	35
Nickel	kt	231	203	14
Ferroalloys (incl. agency)	mt	5.0	4.2	19
Alumina/aluminium	mt	13.6	11.7	16
Iron ore	mt	41.2	66.0	(38)

1 Estimated metal unit contained.

Copper

As detailed in the highlights section, ongoing bearish sentiment and liquidation by investors of commodity long positions contributed to the copper market recording its fifth consecutive year of declining prices, with average prices falling 20% to $5,503/t compared to $6,866/t in 2014.

2015 saw demand growth in the major consuming regions, including China at ~5%. However, Chinese demand growth was lower than earlier market consensus, under pressure from weakness in the construction sector and some residual impact from the anti-corruption investigations on infrastructure spending. Copper supply growth also contracted due to slower than expected mine ramp-ups and, in this price environment, mine cutbacks and scrap shortages.

Zinc

A reasonable supply of concentrates during the first three quarters of the year resulted in strong zinc metal production from both Chinese and rest of the world smelters, including India. This combined with lower than expected demand growth, from emerging markets in particular, put pressure on metal prices and premiums worldwide.

Q4 mine closures and cutbacks then impacted metal production. China's lower domestic output (accounting for 40-45% of global zinc consumption) left it requiring zinc metal imports and/or exchange inventory drawdowns. Net metal imports into China were up 4.7% in 2015 at 433kt, with 225kt in Q4 alone.

We expect this trend to continue in 2016. Mine production has seen curtailments of some 1.2 million tonnes (~9% of 2015 global production) and the concentrate tightness should continue to be felt in the zinc metal market.

Nickel

The nickel market in 2015 was disappointing as global output failed to adjust sufficiently to weaker demand growth and high inventory levels, despite most of the industry operating at a loss.

In 2015, nickel consumption increased only moderately as demand for nickel in stainless steel was largely flat and growth in non-stainless applications was limited, despite notable strength in the aerospace and battery sectors. While global nickel supply did contract (mainly due to lower Chinese nickel pig iron output), the level of cuts was not reflective of the degree of industry hardship and insufficient to balance the market.

Consequently, the market was again oversupplied, driving further increases in global inventory levels. These fundamental developments occurred amid a collapse in general commodity market sentiment, resulting in a 41% fall in the LME nickel price from $14,880/t at the start of 2015 to $8,780/t at year-end.

While the fundamental outlook for nickel now appears brighter, with the market ending the year in balance, following improved Q4 demand and continued supply-side adjustments, further supply cuts are required to support materially higher prices, absent a significant pickup in demand.

Ferroalloys

Global oversupply of chrome ore and ferrochrome, coupled with the weakness in stainless steel demand noted above, led prices to fall significantly towards the end of the year. Currency devaluation in key supply regions offered support to ferrochrome producers, but did not prevent some smelter shutdowns in H2.

Manganese ore prices continued to decline due to oversupply, while manganese alloy prices also came under pressure during the year due to the weakness in the global steel market.

Reduced Chinese demand, coupled with lower Western demand, specifically from Oil and Gas applications, resulted in lower vanadium prices as the year progressed.

Alumina/Aluminium

Average LME aluminium prices decreased by 11% during 2015 to $1,662/t compared to $1,869/t in 2014. Premium levels decreased significantly from an average of $340-$365/t to $160-$185/t, largely due to LME rule changes, combined with record Chinese aluminium production and exports. The decrease in net all-in price received by producers meant that a large portion of the market was unable to meet its costs of production in 2015.

Indications for aluminium premiums for duty unpaid, in-warehouse material at the beginning of 2015 were within the $400-$430/t range and the 2015 year-end level was around $100 to $125/t.

The FOB Australia alumina price opened 2015 at $355/t and closed at $199, representing the price range for the year.

Iron Ore

The iron ore market weakened during the year, due to increased supply of iron ore and lower steel production in China. The Q1 price movement was particularly severe, followed by some stability during the middle part of the year and another decrease in the Q4, as steel production cuts intensified. Premiums were relatively stable during the year.

Metals and Minerals

Industrial activities

Highlights

The Industrial business was heavily characterised by Glencore's decisions in H2 to suspend production at Katanga, Lady Loretta (Mount Isa zinc) and Iscaycruz (Los Quenuales) and dramatically reduce production at Mopani, George Fisher (Mount Isa zinc) and McArthur River. The suspensions / reductions at Katanga and Mopani are intended to support the market in the nearer term, while also enabling uninterrupted focus on their respective transformation and upgrade projects in the interim. EBITDA declined from $7,077 million to $4,030 million reflecting the lower metals' prices (net of foreign currency benefits, proactive efficiency and cost reduction drives and the passive lowering of other input costs e.g. oil) and the associated incremental costs associated with the decisions to curtail copper and zinc production.

Financial information

US$ million	2015	2014	Change %
Revenue			
Copper assets			
African copper (Katanga, Mutanda, Mopani)	**3,038**	3,954	(23)
Collahuasi[1]	**876**	1,311	(33)
Antamina[1]	**702**	845	(17)
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)	**1,943**	2,732	(29)
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)	**2,049**	2,388	(14)
Custom metallurgical (Altonorte, Pasar, Horne, CCR)	**5,988**	6,756	(11)
Intergroup revenue elimination	**(172)**	(220)	n.m.
Copper	**14,424**	17,766	(19)
Zinc assets			
Kazzinc	**2,244**	2,517	(11)
Australia (Mount Isa, McArthur River)	**1,211**	1,293	(6)
European custom metallurgical (Portovesme, San Juan de Nieva, Nordenham, Northfleet)	**1,172**	2,201	(47)
North America (Matagami, Kidd, Brunswick, CEZ Refinery)	**1,084**	1,148	(6)
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)	**632**	744	(15)
Intergroup revenue elimination	**–**	(192)	n.m.
Zinc	**6,343**	7,711	(18)
Nickel assets			
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)	**1,340**	2,450	(45)
Australia (Murrin Murrin)	**600**	834	(28)
Nickel	**1,940**	3,284	(41)
Ferroalloys	**1,717**	1,789	(4)
Aluminium/Alumina	**358**	475	(25)
Metals and minerals revenue – segmental measure	**24,782**	31,025	(20)
Impact of presenting joint ventures on an equity accounting basis	**(1,578)**	(2,156)	n.m.
Metals and minerals revenue – reported measure	**23,204**	28,869	(20)

1 Represents the Group's share of these JVs.

Metals and Minerals

US$ million	Adjusted EBITDA 2015	2014	Change %	Adjusted EBIT 2015	2014	Change %
Copper assets						
African copper	**51**	1,001	(95)	**(533)**	475	(212)
Collahuasi[1]	**343**	692	(50)	**85**	452	(81)
Antamina[1]	**463**	600	(23)	**220**	410	(46)
Other South America	**718**	1,222	(41)	**202**	821	(75)
Australia	**414**	563	(26)	**48**	294	(84)
Custom metallurgical	**301**	228	32	**210**	177	19
Copper	**2,290**	4,306	(47)	**232**	2,629	(91)
Adjusted EBITDA mining margin[2]	***23%***	*36%*				
Zinc assets						
Kazzinc	**490**	591	(17)	**44**	241	(82)
Australia	**284**	305	(7)	**(81)**	(7)	n.m.
European custom metallurgical	**168**	179	(6)	**81**	89	(9)
North America	**121**	225	(46)	**21**	91	(77)
Other Zinc	**10**	97	(90)	**(141)**	(51)	n.m.
Zinc	**1,073**	1,397	(23)	**(76)**	363	(121)
Adjusted EBITDA mining margin[2]	***18%***	*21%*				
Nickel assets						
Integrated Nickel Operations	**421**	908	(54)	**(64)**	424	(115)
Australia	**32**	130	(75)	**(7)**	83	(108)
Falcondo	**–**	(7)	(100)	**–**	(7)	n.m.
Nickel	**453**	1,031	(56)	**(71)**	500	(114)
Adjusted EBITDA margin	***23%***	*31%*				
Ferroalloys	**271**	307	(12)	**138**	162	(15)
Aluminium/Alumina	**(43)**	35	(223)	**(60)**	20	n.m.
Iron ore	**(14)**	1	n.m.	**(15)**	–	n.m.
Metals and minerals Adjusted EBITDA/ EBIT – segmental measure	**4,030**	7,077	(43)	**148**	3,674	(96)
Adjusted EBITDA mining margin [2]	***21%***	*30%*				
Impact of presenting joint ventures on an equity accounting basis	**(595)**	(678)	n.m.	**(94)**	(248)	n.m.
Metals and minerals Adjusted EBITDA/ EBIT – reported measure	**3,435**	6,399	(46)	**54**	3,426	(98)

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	2015 Sustaining	2015 Expansion	2015 Total	2014 Sustaining	2014 Expansion	2014 Total
Capex						
Copper assets						
African copper	390	756	1,146	602	788	1,390
Collahuasi[1]	100	5	105	175	6	181
Antamina[1]	182	5	187	169	18	187
Las Bambas	–	–	–	–	961	961
Other South America	464	67	531	475	64	539
Australia	198	23	221	283	71	354
Custom metallurgical	178	124	302	144	166	310
Copper	1,512	980	2,492	1,848	2,074	3,922
Zinc assets						
Kazzinc	189	37	226	195	57	252
Australia	357	29	386	455	199	654
European custom metallurgical	79	–	79	53	15	68
North America	62	9	71	76	19	95
Other Zinc	102	–	102	166	–	166
Zinc	789	75	864	945	290	1,235
Nickel assets						
Integrated Nickel Operations	140	88	228	172	158	330
Australia	20	–	20	14	–	14
Koniambo	–	360	360	–	823	823
Other nickel projects (including Falcondo)	–	4	4	–	10	10
Nickel	160	452	612	186	991	1,177
Ferroalloys	118	25	143	144	95	239
Aluminium/Alumina	19	18	37	23	7	30
Iron ore	1	–	1	–	72	72
Capex – segmental measure	2,599	1,550	4,149	3,146	3,529	6,675
Impact of presenting joint ventures on an equity accounting basis	(282)	(10)	(292)	(344)	(24)	(368)
Capex – reported measure	2,317	1,540	3,857	2,802	3,505	6,307

1 Represents the Group's share of these JVs.

Metals and Minerals

Production data

Production from own sources – Total[1]

		2015	2014	Change %
Copper	kt	**1,502.2**	1,546.0	(3)
Zinc	kt	**1,444.8**	1,386.5	4
Lead	kt	**297.7**	307.5	(3)
Nickel	kt	**96.2**	100.9	(5)
Gold[2]	koz	**964**	992	(3)
Silver[2]	koz	**36,592**	35,530	3
Cobalt	kt	**23.0**	20.7	11
Ferrochrome	kt	**1,462**	1,295	13
Platinum[2]	koz	**158**	173	(9)
Palladium[2]	koz	**202**	199	2
Rhodium[2]	koz	**18**	19	(5)
Vanadium Pentoxide	mlb	**20.9**	20.8	–

Production from own sources – Copper assets[1]

			2015	2014	Change %
African Copper (Katanga, Mutanda, Mopani)					
	Copper metal[3]	kt	**421.9**	465.0	(9)
	Cobalt[4]	kt	**19.4**	17.2	13
Collahuasi[5]					
	Copper metal	kt	**9.8**	11.0	(11)
	Copper in concentrates	kt	**190.6**	196.0	(3)
	Silver in concentrates	koz	**2,828**	2,476	14
Antamina[6]					
	Copper in concentrates	kt	**131.8**	116.4	13
	Zinc in concentrates	kt	**79.3**	71.2	11
	Silver in concentrates	koz	**5,987**	4,049	48
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)					
	Copper metal	kt	**71.1**	66.6	7
	Copper in concentrates	kt	**272.0**	281.1	(3)
	Gold in concentrates and in doré	koz	**318**	386	(18)
	Silver in concentrates and in doré	koz	**1,918**	1,901	1
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)					
	Copper metal	kt	**205.6**	209.5	(2)
	Copper in concentrates	kt	**50.8**	49.6	2
	Gold	koz	**90**	62	45
	Silver	koz	**1,723**	1,386	24
Total Copper department					
	Copper	**kt**	**1,353.6**	1,395.2	(3)
	Cobalt	**kt**	**19.4**	17.2	13
	Zinc	**kt**	**79.3**	71.2	11
	Gold	**koz**	**408**	448	(9)
	Silver	**koz**	**12,456**	9,812	27

Metals and Minerals

Production from own sources – Zinc assets[1]

			2015	2014	Change %
Kazzinc					
	Zinc metal	kt	**193.4**	199.3	(3)
	Lead metal	kt	**26.3**	25.7	2
	Copper metal	kt	**51.9**	46.8	11
	Gold	koz	**520**	506	3
	Silver	koz	**3,653**	4,273	(15)
Australia (Mount Isa, McArthur River)					
	Zinc in concentrates	kt	**750.9**	661.6	13
	Lead in concentrates	kt	**216.0**	216.4	–
	Silver in concentrates	koz	**8,248**	8,319	(1)
North America (Matagami, Kidd)					
	Zinc in concentrates	kt	**115.2**	135.8	(15)
	Copper in concentrates	kt	**48.3**	47.3	2
	Silver in concentrates	koz	**2,368**	2,066	15
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)					
	Zinc metal	kt	**26.1**	23.2	13
	Zinc in concentrates	kt	**279.9**	295.4	(5)
	Lead metal	kt	**12.7**	11.7	9
	Lead in concentrates	kt	**42.7**	53.7	(20)
	Copper in concentrates	kt	**2.4**	2.7	(11)
	Silver metal	koz	**691**	613	13
	Silver in concentrates	koz	**8,566**	9,825	(13)
Total Zinc department					
	Zinc	**kt**	**1,365.5**	1,315.3	4
	Lead	**kt**	**297.7**	307.5	(3)
	Copper	**kt**	**102.6**	96.8	6
	Gold	**koz**	**520**	506	3
	Silver	**koz**	**23,526**	25,096	(6)

Metals and Minerals

Production from own sources – Nickel assets[1]

			2015	2014	Change %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)					
	Nickel metal	kt	**49.1**	51.3	(4)
	Nickel in concentrates	kt	**0.5**	0.6	(17)
	Copper metal	kt	**14.9**	15.7	(5)
	Copper in concentrates	kt	**31.1**	38.3	(19)
	Cobalt metal	kt	**0.8**	0.8	–
	Gold[2]	koz	**35**	37	(5)
	Silver[2]	koz	**610**	622	(2)
	Platinum[2]	koz	**76**	82	(7)
	Palladium[2]	koz	**157**	149	5
	Rhodium[2]	koz	**5**	4	25
Australia (Murrin Murrin)					
	Nickel metal	kt	**37.5**	36.4	3
	Cobalt metal	kt	**2.8**	2.7	4
Koniambo	Nickel in ferronickel	kt	**9.1**	12.6	(28)
Total Nickel department					
	Nickel	**kt**	**96.2**	100.9	(5)
	Copper	**kt**	**46.0**	54.0	(15)
	Cobalt	**kt**	**3.6**	3.5	3
	Gold	**koz**	**35**	37	(5)
	Silver	**koz**	**610**	622	(2)
	Platinum	**koz**	**76**	82	(7)
	Palladium	**koz**	**157**	149	5
	Rhodium	**koz**	**5**	4	25

Production from own sources – Ferroalloys assets[1]

			2015	2014	Change %
Ferrochrome[7]		kt	**1,462**	1,295	13
PGM[8]	Platinum	koz	**82**	91	(10)
	Palladium	koz	**45**	50	(10)
	Rhodium	koz	**13**	15	(13)
	Gold	koz	**1**	1	–
	4E	**koz**	**141**	157	(10)
Vanadium Pentoxide		mlb	**20.9**	20.8	–

Metals and Minerals

Total production – Custom metallurgical assets[1]

			2015	2014	Change %
Copper (Altonorte, Pasar, Horne, CCR)					
	Copper metal	kt	433.7	433.8	–
	Copper anode	kt	502.8	493.7	2
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)					
	Zinc metal	kt	788.8	781.8	1
	Lead metal	kt	199.2	177.4	12
	Silver	koz	11,220	9,482	18
Ferroalloys					
	Ferromanganese	kt	146	116	26
	Silicon Manganese	kt	98	108	(9)
Aluminium (Sherwin Alumina)					
	Alumina	kt	1,175	1,382	(15)

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

2 INO produces gold, silver and PGM, incidental to its main products of nickel and copper, which were previously excluded from Glencore production reports. Details have now been included to provide a better understanding of the business and historical periods have been updated accordingly.

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

4 Cobalt contained in concentrates and hydroxides.

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

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

7 The Group's attributable 79.5% share of the Glencore-Merafe Chrome Venture.

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

Metals and Minerals

Operating highlights

Copper assets

Own sourced copper production of 1,502,200 tonnes was 43,800 tonnes (3%) lower than 2014, reflecting the impact of the announced production cuts in Africa. Positive variances were achieved mainly at Antapaccay, following restart of the Tintaya mill in May 2015 and at Antamina, on account of higher throughput rates.

African copper

Katanga's processing operations were suspended in September, with no production in Q4 2015. Full year copper production from own sources was 113,700 tonnes.

Mopani commenced a partial suspension in September with the smelter now operating at reduced capacity during the construction period of the new shaft projects. Total copper production (own source plus third party) in Q4 2015 was 30,900 tonnes (12,800 tonnes own sourced), reflecting the step-down in operations.

Mutanda continues to operate strongly, with full year production of 216,100 tonnes, 19,000 tonnes (10%) over 2014, reflecting the high plant availability and efficiencies over a sustained period.

African copper produced 19,400 tonnes of cobalt, a 2,200 tonne (13%) increase over 2014.

Collahuasi

Glencore's share of Collahuasi's copper production was 200,400 tonnes, 6,600 tonnes (3%) lower than in 2014, due to expected changes in grades. Copper cathode production ceased in Q4 2015, following a review of the leaching operations.

Antamina

Glencore's share of Antamina's copper production was 131,800 tonnes, 15,400 tonnes (13%) over 2014, due to consistently higher throughput rates. Zinc production of 79,300 tonnes was 8,100 tonnes (11%) above 2014, as a higher proportion of zinc containing ore was processed.

Other South America

Copper production of 343,100 tonnes was in line with the prior year period, reflecting expected lower production at Alumbrera (lower and more variable grades as it nears end of mine-life), offset by the successful ramp-up of Antapaccay. The Antapaccay plant and Tintaya plant, which restarted in May to process concentrates from Antapaccay mine, have both performed strongly.

Australia

Copper production from own sources of 256,400 tonnes was in line with prior year.

Custom metallurgical assets

Custom copper cathode production was 433,700 tonnes, in line with 2014.

Custom copper anode production was 502,800 tonnes, 9,100 tonnes higher than 2014, reflecting higher plant availability at Altonorte.

Zinc assets

Total own sourced zinc production for full year 2015 was 1,444,800 tonnes, 4% higher than 2014, reflecting the successful ramp up of the Australian zinc assets during the first nine months of the year. Following the October 2015 decision to reduce production at a number of assets, Q4 2015 zinc production was 20% below Q3 2015.

Similarly Q4 2015 lead production was lower, as expected, compared to previous quarters, which resulted in total full year own sourced lead production of 297,700 tonnes, 3% lower than in 2014.

Kazzinc

Zinc production from own sources was 193,400 tonnes, 5,900 tonnes (3%) lower than the comparable period, primarily relating to lower zinc head grades from the Maleevsky mine. Total zinc production including third party material was 304,500 tonnes, in line with 2014.

Own sourced copper production was 51,900 tonnes, a 5,100 tonne (11%) increase compared with 2014, due to improved plant availability. Total copper production was 62,200 tonnes, a 7% increase over the comparable period.

Own sourced gold production was 520,000 ounces and total gold production was 674,000 ounces, in line with 2014.

Lead production from own sources was 26,300 tonnes, 600 tonnes (2%) higher than 2014. Total lead production was 6,700 tonnes (5%) lower than 2014, due to unscheduled maintenance at the furnace.

Australia

The expansion projects at Lady Loretta, George Fisher (both Mount Isa) and McArthur River have been successfully completed. However, as announced in October, production cuts have been enacted at all these properties, in light of current low commodity prices, with a view to preserve the value of these reserves for the future.

Zinc production of 750,900 tonnes was 89,300 tonnes (13%) higher than 2014, due to the timing of the ramp-ups from 2014 and 2015, prior to the production suspensions / reductions noted above.

Lead production was 216,000 tonnes, slightly lower than the comparable period, reflecting the impact of the production cuts implemented in Q4 2015.

North America

North America produced 115,200 tonnes of zinc and 48,300 tonnes of copper, respectively 20,600 tonnes (15%) lower and 1,000 tonnes (2%) higher than 2014. The decrease in zinc was due primarily to lower grades at Matagami.

Other Zinc

This group of assets produced 306,000 tonnes of zinc, 12,600 (4%) tonnes lower than 2014, mainly due to the announced suspension of the Iscaycruz mine.

Lead production was 55,400 tonnes, a 15% reduction on the comparable period, mainly relating to lower head grades at Rosh Pinah and AR Zinc.

European custom metallurgical assets

Zinc European custom metallurgical assets produced 788,800 tonnes, 1% higher than in 2014.

Lead production was 199,200 tonnes, up 12%, reflecting a full year contribution from Northfleet, compared to the temporary supply disruption which existed in 2014.

Nickel assets

Nickel production from own sources was 96,200 tonnes, 4,700 tonnes (5%) lower than 2014, reflecting the impact of the metal leak at Koniambo in December 2014 and the planned extended shutdown at the Sudbury smelter.

Integrated Nickel Operations (“INO”)

INO produced 49,600 tonnes of nickel from own sources, a 2,300 tonne (4%) reduction on 2014, mainly due to the planned six-week Sudbury smelter shutdown. Total refinery production, including third party feed, was 91,200 tonnes, in line with the comparable period.

Copper production from own sources was 46,000 tonnes, an 8,000 tonne (15%) reduction compared to the prior year period, mainly due to anticipated lower copper grades at Sudbury.

Murrin Murrin

Murrin produced 37,500 tonnes of packaged nickel metal from own sources, a 1,100 tonne (3%) increase over 2014. Total production, including third party material, was 46,700 tonnes, a 6% increase over 2014, reflecting strong plant availability.

Koniambo

Koniambo produced 9,100 tonnes of nickel in ferronickel, a 3,500 tonne (28%) decrease on 2014, due to the impact of the metal leak. The Line 1 DC furnace has now been rebuilt and furnace pre-heating started on 28 November 2015, with first metal tapped as planned in January 2016. The testing of Line 1 is expected to continue over H1 2016 and subject to successful evaluation, Line 2 will be taken out of service and rebuilt. It is currently expected that any Line 2 rebuild would commence no earlier than 2018.

Metals and Minerals

Ferroalloys assets

Ferrochrome

Attributable own sourced ferrochrome production was 1,462,000 tonnes, a 167,000 tonne (13%) increase on 2014. The increase mainly relates to Lion 2, which started production in H1 2014 and is now fully ramped up.

Platinum Group Metals

4E production was 141,000 ounces, of which 104,000 ounces was from Glencore's 50% share of Mototolo and 37,000 from Eland.

Due to continued low platinum prices and operational challenges, the Eland mine was placed on care and maintenance in October 2015.

Vanadium

Vanadium pentoxide production of 20.9 million lbs was in line with 2014.

Manganese

Manganese production of 244,000 tonnes was 20,000 tonnes (9%) in excess of 2014, reflecting higher utilisation at both plants.

Aluminium assets

Sherwin Alumina

Sherwin produced 1,175,000 tonnes of alumina, a 207,000 tonne (15%) reduction on the prior year. This was principally due to running at reduced capacity since July 2014 in response to a weak alumina market.

Sherwin entered Chapter 11 proceedings in January 2016. The business continues to operate in the ordinary course during the restructuring process.

Energy Products

Highlights

Energy Products' Adjusted EBITDA of $3,095 million was 9% lower than in 2014, reflecting the impact of lower prices across the coal and oil Industrial businesses. Marketing EBITDA increased from $565 million to $826 million, as oil in particular was presented with and executed well within an attractive, opportunity rich market environment. Industrial EBITDA declined from $2,841 million to $2,269 million, due to substantially lower coal and oil prices, partly offset by significant operating cost reductions and efficiencies and the weaker producer country foreign currencies. In response to lower prices, coal production was curtailed, while the oil exploration programme in Chad was significantly scaled back.

US$ million	**Marketing activities**	**Industrial activities**	**2015**	Marketing activities	Industrial activities	2014
Revenue	**75,206**	**8,406**	**83,612**	120,863	11,117	131,980
Adjusted EBITDA	**826**	**2,269**	**3,095**	565	2,841	3,406
Adjusted EBIT	**778**	**(88)**	**690**	524	486	1,010
Adjusted EBITDA margin	***1.1%***	***27.0%***	***3.7%***	*0.5%*	*25.6%*	*2.6%*

Market conditions

Selected average commodity prices

	2015	2014	Change %
S&P GSCI Energy Index	**175**	311	(44)
Coal API4 ($/t)	**57**	72	(21)
Coal Newcastle (6,000) ($/t)	**58**	70	(17)
Australian coking coal average realised export price ($/t)	**97**	117	(17)
Australian semi-soft coal average realised export price ($/t)	**77**	93	(17)
Australian thermal coal average realised export price ($/t)	**59**	72	(18)
Australian thermal coal average realised domestic price ($/t)	**33**	32	3
South African thermal coal average realised export price ($/t)	**52**	68	(24)
South African thermal coal average realised domestic price ($/t)	**24**	23	4
Prodeco (Colombia) thermal coal average realised export price ($/t)	**62**	75	(17)
Cerrejón (Colombia) thermal coal average realised export price ($/t)	**55**	67	(18)
Oil price – Brent ($/bbl)	**54**	99	(45)

Energy Products

Marketing

Highlights

Marketing Adjusted EBITDA increased from $565 million to $826 million, reflecting an improved performance, particularly in Oil, where curve structures, market volatility, new business origination opportunities, refining margin environment and improved freight rates were all supportive.

Financial information

US$ million	2015	2014	Change %
Revenue	**75,206**	120,863	(38)
Adjusted EBITDA	**826**	565	46
Adjusted EBIT	**778**	524	48

Selected marketing volumes sold

		2015	2014	Change %
Thermal coal[1]	mt	**93.9**	95.9	(2)
Metallurgical coal[1]	mt	**2.5**	3.3	(24)
Coke[1]	mt	**0.7**	0.7	–
Crude oil	mbbl	**566**	448	26
Oil products	mbbl	**634**	645	(2)

1 Includes agency volumes.

Coal

The decline in Chinese import demand was the key feature of the seaborne thermal coal market in 2015. Lower economic growth, some shift away from manufacturing, rising hydro and nuclear power supply and increased domestic coal supply for coastal ultra-high voltage transmission were all important factors that led to such decline. Lower gas prices and increased renewable generation contributed to a reduction in European coal demand, however this was more than offset by demand growth in the Mediterranean, Africa, the sub-continent and South East Asia, where the need for low cost, stable power supply continues to grow.

On the supply side, low energy coals, principally from Indonesia, were most impacted by the declining Chinese demand, leading to a significant reduction in Indonesian coal exports during 2015. US coal exports also declined as falling prices forced mine closures. Supply from Australia, Colombia and South Africa remained relatively stable, having benefited from weaker domestic currencies and reduced quality based pricing differentials, which is supportive of demand for these generally higher quality coals. Changes to demand based on quality are supportive of trading and arbitrage opportunities, which are expected to continue as the current low market prices contribute to further supply reductions during 2016.

Oil

Following a collapse in oil prices in 2014, the first half of 2015 saw some recovery, with Brent trading in a range of $50 to $65 per barrel, the crude oil contango narrowing and volatility declining. Sharp increases in demand for motor fuels and a very cold winter in the United States provided significant fundamental support. However, by the middle of the year, a combination of fears over slowing economic growth in China and weaker general emerging market sentiment, with the realisation that excess crude production was not being curtailed, returned the focus to relentless stock builds and triggered renewed selling pressure. Prices ended the year under sustained pressure as Middle East tensions were overshadowed by US dollar strength and the prospect of a significant El Niño event for the winter.

The high market volatility, entrenched contango, a decent refinery margin environment and promising returns on tanker freight were all factors underpinning strong margins in oil marketing activities in 2015.

Energy Products

Industrial activities

Highlights

Industrial Adjusted EBITDA was $2,269 million, a 20% reduction on 2014, due to substantially lower coal and oil prices. Significant operating cost savings were achieved through a relentless focus on all areas of the business, including, supply chain, contractor management and employee productivity, which combined with lower producer country foreign currencies, somewhat mitigated the pricing effect, In this regard, the Adjusted EBITDA margin increased from 28% to 29%. Optimum Coal (part of Thermal South Africa) was deconsolidated in H2 2015, with sale of the business now concluded and expected to close in 2016, following its business rescue proceedings. The remaining coal business is well-positioned for price recovery. The Oil E&P business showed strong production growth in Chad; however the lowest prices in a decade dampened returns and led to a steep scale back in exploration and development activities.

Financial information

US$ million	2015	2014	Change %
Net revenue			
Coal operating revenue			
Coking Australia	540	749	(28)
Thermal Australia	3,584	4,408	(19)
Thermal South Africa	1,458	2,065	(29)
Prodeco	1,089	1,395	(22)
Cerrejón[1]	620	754	(18)
Coal operating revenue	7,291	9,371	(22)
Coal other revenue			
Coking Australia	204	369	(45)
Thermal Australia	425	674	(37)
Thermal South Africa	3	19	(84)
Prodeco	2	4	(50)
Coal other revenue (buy-in coal)	634	1,066	(40)
Coal total revenue			
Coking Australia	744	1,118	(33)
Thermal Australia	4,009	5,082	(21)
Thermal South Africa	1,461	2,084	(30)
Prodeco	1,091	1,399	(22)
Cerrejón[1]	620	754	(18)
Coal total revenue	7,925	10,437	(24)
Oil	481	680	(29)
Energy products revenue – segmental measure	8,406	11,117	(24)
Impact of presenting joint ventures on an equity accounting basis	(620)	(754)	n.m.
Energy products revenue – reported measure	7,786	10,363	(25)

1 Represents the Group's share of this JV.

Energy Products

US$ million	Adjusted EBITDA 2015	2014	Change %	Adjusted EBIT 2015	2014	Change %
Coking Australia	**117**	171	(32)	**(33)**	38	(187)
Thermal Australia	**1,159**	1,224	(5)	**44**	88	(50)
Thermal South Africa	**386**	450	(14)	**56**	52	8
Prodeco	**228**	311	(27)	**62**	137	(55)
Cerrejón[1]	**189**	260	(27)	**3**	80	(96)
Total coal	**2,079**	2,416	(14)	**132**	395	(67)
Adjusted EBITDA margin[2]	***29%***	*26%*				
Oil	**190**	425	(55)	**(220)**	91	n.m.
Adjusted EBITDA margin	***40%***	*63%*				
Energy products Adjusted EBITDA/ EBIT – segmental measure	**2,269**	2,841	(20)	**(88)**	486	(118)
Adjusted EBITDA margin[2]	***29%***	*28%*				
Impact of presenting joint ventures on an equity accounting basis	**(251)**	(261)	n.m.	**(65)**	(81)	n.m.
Energy products Adjusted EBITDA/ EBIT – reported measure	**2,018**	2,580	(22)	**(153)**	405	(138)

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	2015 Sustaining	2015 Expansion	2015 Total	2014 Sustaining	2014 Expansion	2014 Total
Capex						
Australia (thermal and coking)	**277**	**177**	**454**	432	368	800
Thermal South Africa	**89**	**120**	**209**	199	312	511
Prodeco	**36**	**5**	**41**	19	17	36
Cerrejón[1]	**31**	**5**	**36**	35	64	99
Total Coal	**433**	**307**	**740**	685	761	1,446
Oil	**431**	**132**	**563**	–	788	788
Capex –segmental measure	**864**	**439**	**1,303**	685	1,549	2,234
Impact of presenting joint ventures on an equity accounting basis	**(31)**	**(5)**	**(36)**	(35)	(64)	(99)
Capex – reported measure	**833**	**434**	**1,267**	650	1,485	2,135

1 Represents the Group's share of this JV.

Energy Products

Production data

Coal assets[1]

		2015	2014	Change %
Australian coking coal	mt	**5.9**	6.0	(2)
Australian semi-soft coal	mt	**3.6**	3.5	3
Australian thermal coal (export)	mt	**52.4**	54.6	(4)
Australian thermal coal (domestic)	mt	**3.9**	5.4	(28)
South African thermal coal (export)	mt	**19.7**	23.4	(16)
South African thermal coal (domestic)	mt	**17.3**	22.7	(24)
Prodeco	mt	**17.6**	19.5	(10)
Cerrejón[2]	mt	**11.1**	11.2	(1)
Total Coal department	**mt**	**131.5**	146.3	(10)

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

		2015	2014	Change %
Glencore entitlement interest basis				
Equatorial Guinea	kbbl	**4,937**	5,072	(3)
Chad	kbbl	**5,632**	2,279	147
Total Oil department	**kbbl**	**10,569**	7,351	44
Gross basis				
Equatorial Guinea	kbbl	**22,939**	24,232	(5)
Chad	kbbl	**7,699**	4,284	80
Total Oil department	**kbbl**	**30,638**	28,516	7

Operating highlights

Coal

Coal production was down 10% to 131.5 million tonnes primarily due to curtailed production in response to market conditions and deconsolidation of Optimum Coal since its August 2015 placement into business rescue proceedings.

Australian coking

Production of 5.9 million tonnes was in line with 2014.

Australian thermal and semi-soft

Production of 59.9 million tonnes was 3.6 million tonnes (6%) below 2014, reflecting that, in the face of weaker markets, production was curtailed.

South African thermal

Production of 37.0 million tonnes was 9.1 million tonnes (20%) below the prior year, mainly due to Optimum being placed into business rescue proceedings, with associated production deconsolidated from August 2015.

Prodeco

Production of 17.6 million tonnes was 1.9 million tonnes (10%) lower than 2014, which reflected a scaling back as railing capacity was constrained by night time rail restrictions which have now been lifted.

Cerrejón

Glencore's share of production was 11.1 million tonnes, in line with the prior year.

Oil

Glencore's share of production was 10.6 million barrels, 44% higher than 2014, following the increase in ownership of the Chad assets and first oil from Mangara (Chad) in December 2014. In light of lower oil prices, the drilling campaign has been significantly reduced in order to preserve the resource for a more favourable pricing environment.

Agricultural Products

Highlights

Agricultural Products Adjusted EBITDA of $734 million was down on 2014, the latter benefiting from an exceptionally strong Canadian harvest. Furthermore, 2015 was adversely impacted by the immediate imposition of a punitive wheat export tax in Russia in Q1. Notwithstanding these external factors, the overall business performance was solid, given the reduced trading opportunities, constrained by low market prices and volatility. We selectively added to our crushing capacity in 2015, with two acquisitions in Canada and Germany.

US$ million	**Marketing activities**	**Industrial activities**	**2015**	Marketing activities	Industrial activities	2014
Revenue	**20,617**	**2,529**	**23,146**	22,523	3,298	25,821
Adjusted EBITDA	**584**	**150**	**734**	996	213	1,209
Adjusted EBIT	**461**	**63**	**524**	856	136	992
Adjusted EBITDA margin	***2.8%***	***5.9%***	***3.2%***	*4.4%*	*6.5%*	*4.7%*

Market conditions

Selected average commodity prices

	2015	2014	Change %
S&P GSCI Agriculture Index	**295**	350	(16)
CBOT wheat price (US¢/bu)	**507**	588	(14)
CBOT corn no.2 price (US¢/bu)	**377**	415	(9)
CBOT soya beans (US¢/bu)	**945**	1,244	(24)
ICE cotton price (US¢/lb)	**63**	76	(17)
ICE sugar # 11 price (US¢/lb)	**13**	16	(19)

Marketing

Highlights

The grain origination and marketing environment was challenging due to lower prices, lack of volatility and limited arbitrage opportunities. In addition, earnings were negatively impacted by the imposition of a Russian wheat export tax in February 2015. Oilseeds, cotton, sugar and freight marketing all performed well, despite their relatively quiet markets. Viterra's Canadian operations contributed solidly in 2015, but were unable to match the strong 2014 results, mainly due to a smaller crop. Viterra Australia's results were in line with expectations, although in both Canada and Australia the weaker local currencies reduced USD returns.

Agricultural Products

Financial information

US$ million	2015	2014	Change %
Revenue	**20,617**	22,523	(8)
Adjusted EBITDA	**584**	996	(41)
Adjusted EBIT	**461**	856	(46)

Selected marketing volumes sold

Million tonnes	2015	2014	Change %
Grain	**43.7**	38.3	14
Oil/Oilseeds	**23.3**	22.0	6
Cotton	**0.4**	0.4	–
Sugar	**1.1**	0.9	22

Operating highlights

In total, Agricultural Products produced/processed 11.5 million tonnes, compared with 10.9 million tonnes in 2014. Oilseed crush volumes of 6.1 million tonnes increased by 405,000 tonnes, reflecting the opportunistic acquisitions of the Magdeburg plant in Germany and the Becancour (TRT) plant in Canada. Currency devaluation and relaxation of export taxes later in the year were supportive of the Argentinian oilseed processing and export business. The Timbues soyabean crushing joint venture in Argentina continues to perform well.

Biodiesel production was 556,000 tonnes, down 27% compared to 2014, reflecting reduced demand due to regulatory changes and lower competing diesel prices, although it recovered somewhat in the second half of the year. The biodiesel environment combined with a lower EU rapeseed crop and lack of farmer selling reduced EU softseed crushing margins.

Sugar cane processing increased by 520,000 tonnes (23%) compared to 2014, due to significantly improved agricultural yields following the severe drought of 2014, assisted by Brazilian Real devaluation and higher ethanol prices. Conversely, currency devaluation and the economic slowdown adversely impacted wheat milling in Brazil as we were unable to pass on the increased cost of imported wheat in Brazilian Real terms.

Financial information

US$ million	2015	2014	Change %
Revenue	**2,529**	3,298	(23)
Adjusted EBITDA	**150**	213	(30)
Adjusted EBIT	**63**	136	(54)
Adjusted EBITDA margin	***6%***	*6%*	n.m.
Sustaining capex	**58**	29	
Expansionary capex	**40**	58	
Total capex	**98**	87	

Processing / production data

		2015	2014	Change %
Farming	kt	**704**	762	(8)
Crushing	kt	**6,069**	5,664	7
Long term toll agreement	kt	**284**	206	38
Biodiesel	kt	**556**	757	(27)
Rice milling	kt	**206**	230	(10)
Wheat milling	kt	**976**	1,013	(4)
Sugarcane processing	kt	**2,751**	2,231	23
Total agricultural products	**kt**	**11,546**	10,863	6

Consolidated Statement of (Loss)/Income

For the year ended 31 December 2015

US$ million	Notes	2015	2014
Revenue		**170,497**	221,073
Cost of goods sold		**(166,982)**	(214,344)
Selling and administrative expenses		**(1,271)**	(1,304)
Share of income from associates and joint ventures	10	**101**	638
(Losses)/gains on disposals and investments	3	**(994)**	715
Other expense – net	4	**(7,998)**	(1,073)
Dividend income		**25**	19
Interest income		**191**	253
Interest expense		**(1,585)**	(1,724)
(Loss)/Income before income taxes		**(8,016)**	4,253
Income tax expense	6	**(98)**	(1,809)
(Loss)/Income for the year		**(8,114)**	2,444
Attributable to:			
Non-controlling interests		**(3,150)**	136
Equity holders		**(4,964)**	2,308
(Loss)/Earnings per share:			
Basic (US$)	16	**(0.37)**	0.18
Diluted (US$)	16	**(0.37)**	0.18

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

Consolidated Statement of Comprehensive (Loss)/Income

For the year ended 31 December 2015

US$ million	Notes	**2015**	2014
(Loss)/Income for the year		**(8,114)**	2,444
Other comprehensive (loss)/income			
Items not to be reclassified to the statement of income in subsequent periods:			
Defined benefit plan actuarial gains/(losses), net of tax of $34 million (2014: $58 million)	22	**92**	(196)
Net items not to be reclassified to the statement of income in subsequent periods:		**92**	(196)
Items that are or may be reclassified to the statement of income in subsequent periods:			
Exchange loss on translation of foreign operations		**(1,795)**	(852)
Foreign currency exchange losses recycled to the statement of income	3/24	**311**	–
(Losses)/gains on cash flow hedges, net of tax of $42 million (2014: $3 million)		**(89)**	415
Share of comprehensive loss from associates and joint ventures	10	**(26)**	(23)
(Loss)/gain on available for sale financial instruments	10	**(488)**	501
Cash flow hedges transferred to the statement of income, net of tax of $nil (2014: $nil)		**–**	(1)
Net items that are or may be reclassified to the statement of income in subsequent periods:		**(2,087)**	40
Other comprehensive loss		**(1,995)**	(156)
Total comprehensive (loss)/income		**(10,109)**	2,288
Attributable to:			
Non-controlling interests		**(3,217)**	130
Equity holders		**(6,892)**	2,158

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

Consolidated Statement of Financial Position

As at 31 December 2015

US$ million	Notes	2015	2014
Assets			
Non-current assets			
Property, plant and equipment	7	**61,278**	70,110
Intangible assets	8	**7,516**	8,866
Investments in associates and joint ventures	10	**11,337**	12,274
Other investments	10	**1,305**	1,472
Advances and loans	11	**3,005**	4,597
Deferred tax assets	6	**1,846**	1,667
		86,287	98,986
Current assets			
Inventories	12	**18,303**	24,436
Accounts receivable	13	**17,001**	21,456
Other financial assets	27	**3,701**	4,036
Prepaid expenses and other assets		**447**	436
Marketable securities		**39**	31
Cash and cash equivalents	14	**2,707**	2,824
		42,198	53,219
Total assets		**128,485**	152,205
Equity and liabilities			
Capital and reserves – attributable to equity holders			
Share capital	15	**146**	133
Reserves and retained earnings		**41,108**	48,409
		41,254	48,542
Non-controlling interests	32	**89**	2,938
Total equity		**41,343**	51,480
Non-current liabilities			
Borrowings	19	**32,932**	40,688
Deferred income	20	**1,452**	1,120
Deferred tax liabilities	6	**5,777**	6,435
Other financial liabilities	27	**186**	980
Provisions	21	**5,923**	7,555
		46,270	56,778
Current liabilities			
Borrowings	19	**11,117**	12,005
Accounts payable	23	**24,088**	26,881
Deferred income	20	**87**	153
Provisions	21	**474**	576
Other financial liabilities	27	**4,931**	3,956
Income tax payable		**175**	376
		40,872	43,947
Total equity and liabilities		**128,485**	152,205

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

US$ million	Notes	2015	2014
Operating activities			
(Loss)/Income before income taxes		**(8,016)**	4,253
Adjustments for:			
Depreciation and amortisation		**5,835**	5,448
Share of income from associates and joint ventures		**(101)**	(638)
Decrease in other long term liabilities		**(202)**	(173)
Losses/(gains) on disposals and investments	3	**994**	(715)
Unrealised mark to market movements on other investments	4	**262**	(134)
Impairments	5	**7,120**	1,101
Other non-cash items – net[1]		**168**	365
Interest expense – net		**1,394**	1,471
Cash generated by operating activities before working capital changes		**7,454**	10,978
Working capital changes			
Decrease in accounts receivable[2]		**4,787**	1,727
Decrease/(increase) in inventories		**5,410**	(1,978)
Decrease in accounts payable[3]		**(3,572)**	(452)
Proceeds from silver streaming	20	**900**	–
Total working capital changes		**7,525**	(703)
Income taxes paid		**(865)**	(928)
Interest received		**119**	49
Interest paid		**(1,203)**	(1,260)
Net cash generated by operating activities		**13,030**	8,136
Investing activities			
Decrease/(increase) in long term advances and loans		**188**	(686)
Net cash used in acquisition of subsidiaries	24	**(318)**	(1,792)
Net cash received from disposal of subsidiaries	24	**212**	6,482
Purchase of investments	10	**(236)**	(374)
Proceeds from sale of investments		**41**	64
Purchase of property, plant and equipment		**(5,372)**	(7,854)
Capital expenditures related to assets held for sale		**–**	(961)
Payments for exploration and evaluation	7	**(147)**	(245)
Proceeds from sale of property, plant and equipment		**115**	206
Dividends received from associates and joint ventures	10	**428**	1,129
Net cash used by investing activities		**(5,089)**	(4,031)

1 Includes certain non-cash items as disclosed in note 4.
2 Includes movements in other financial assets, prepaid expenses and other assets.
3 Includes movements in other financial liabilities, provisions and deferred income.

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

US$ million	Notes	2015	2014
Financing activities[1]			
Proceeds from issuance of capital market notes[2]	19	**4,901**	5,535
Repayment of capital market notes		**(4,459)**	(1,751)
Repurchase of capital market notes		**(529)**	–
Repayment of convertible bonds	19	**–**	(2,365)
(Repayment of)/proceeds from other non-current borrowings		**(5,176)**	1,580
Net margin payments in respect of financing related hedging activities		**(618)**	10
Repayment of current borrowings		**(1,926)**	(3,782)
Acquisition of additional interest in subsidiaries		**–**	(101)
Return of capital/distributions to non-controlling interests		**(95)**	(245)
Repurchase of own shares		**(272)**	(786)
Proceeds from own shares		**–**	19
Share issuance[2]		**2,444**	–
Distributions paid to equity holders of the parent	17	**(2,328)**	(2,244)
Net cash used by financing activities		**(8,058)**	(4,130)
Decrease in cash and cash equivalents		**(117)**	(25)
Cash and cash equivalents, beginning of year		**2,824**	2,849
Cash and cash equivalents, end of year		**2,707**	2,824

1 Presented net of directly attributable issuance costs where applicable.

2 Net of issuance costs relating to capital market notes and shares of $16 million (2014: $22 million) and $64 million (2014: $nil) respectively.

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

Consolidated Statement of Changes of Equity

For the year ended 31 December 2015

US$ million	(Deficit)/ retained earnings	Share premium	Other reserves (Note 15)	Own shares	Total reserves and (deficit)/ retained earnings	Share capital	Total equity attributable to equity holders	Non-controlling interests (Note 32)	Total equity
1 January 2014	**(2,412)**	**54,777**	**(2,418)**	**(767)**	**49,180**	**133**	**49,313**	**3,368**	**52,681**
Income for the year	2,308	–	–	–	2,308	–	2,308	136	2,444
Other comprehensive loss	(219)	–	69	–	(150)	–	(150)	(6)	(156)
Total comprehensive income	**2,089**	**–**	**69**	**–**	**2,158**	**–**	**2,158**	**130**	**2,288**
Own share purchases[1]	–	–	–	(795)	(795)	–	(795)	–	(795)
Own share disposal[1]	(38)	–	–	69	31	–	31	–	31
Equity-settled share-based expenses[2]	50	–	–	–	50	–	50	–	50
Equity portion of convertible bonds	89	–	(89)	–	–	–	–	–	–
Change in ownership interest in subsidiaries	–	–	29	–	29	–	29	(300)	(271)
Disposal of business	–	–	–	–	–	–	–	(15)	(15)
Distributions paid[5]	–	(2,244)	–	–	(2,244)	–	(2,244)	(245)	(2,489)
At 31 December 2014	**(222)**	**52,533**	**(2,409)**	**(1,493)**	**48,409**	**133**	**48,542**	**2,938**	**51,480**
1 January 2015	**(222)**	**52,533**	**(2,409)**	**(1,493)**	**48,409**	**133**	**48,542**	**2,938**	**51,480**
Loss for the year	(4,964)	–	–	–	(4,964)	–	(4,964)	(3,150)	(8,114)
Other comprehensive loss	66	–	(1,994)	–	(1,928)	–	(1,928)	(67)	(1,995)
Total comprehensive income	**(4,898)**	**–**	**(1,994)**	**–**	**(6,892)**	**–**	**(6,892)**	**(3,217)**	**(10,109)**
Shares issued[1]	–	2,431	–	–	2,431	13	2,444	–	2,444
Own share purchases[1]	–	–	–	(281)	(281)	–	(281)	–	(281)
Own share disposal[1]	(45)	–	–	62	17	–	17	–	17
Equity-settled share-based expenses[2]	66	–	–	–	66	–	66	–	66
Change in ownership interest in subsidiaries	–	–	(16)	–	(16)	–	(16)	35	19
Disposal of business[3]	–	–	–	–	–	–	–	(257)	(257)
Cancellation of put option[4]	–	–	–	–	–	–	–	685	685
Distributions paid[5]	–	(2,626)	–	–	(2,626)	–	(2,626)	(95)	(2,721)
At 31 December 2015	**(5,099)**	**52,338**	**(4,419)**	**(1,712)**	**41,108**	**146**	**41,254**	**89**	**41,343**

1 See note 15.
2 See note 18.
3 See note 24.
4 See note 27.
5 See note 17.

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

1. ACCOUNTING POLICIES

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.

This preliminary announcement was authorised for issue in accordance with a Directors’ resolution on 29 February 2016.

The unaudited financial information for the year ended 31 December 2015 and audited financial information for the year ended 31 December 2014 contained in this document do not constitute statutory accounts as defined in Article 105 of Companies (Jersey) Law 1991. The financial information for the year ended 31 December 2015 has been extracted from the financial statements of Glencore which will be delivered to the Registrar in due course. The audit report for 31 December 2015 is yet to be signed by the auditors.

Statement of compliance

The accounting policies adopted in this preliminary announcement are based on the Company’s financial statements which are prepared in accordance with:

- International Financial Reporting Standards (“IFRS”) and interpretations as adopted by the European Union (“EU”) effective as of 31 December 2015; and
- IFRS and interpretations as issued by the International Accounting Standards Board (“IASB”) effective as of 31 December 2015.

Critical accounting judgements and key sources of estimation

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable and relevant under the circumstances, independent estimates, quoted market prices and common, industry standard modelling techniques. Actual outcomes could result in a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Glencore has identified the following areas as being critical to understanding Glencore’s financial position as they require management to make complex and/or subjective judgements, estimates and assumptions about matters that are inherently uncertain:

Key judgements

In the process of applying Glencore’s accounting policies, management has made the following judgements based on the relevant facts and circumstances including macro-economic circumstances and, where applicable, interpretation of underlying agreements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Determination of control of subsidiaries and joint arrangements

Judgement is required to determine when Glencore has control of subsidiaries or joint control of joint arrangements. This requires an assessment of the relevant activities (those relating to the operating and capital decisions of the arrangement, such as: the approval of the capital expenditure programme for each year, and appointing, remunerating and terminating the key management personnel or service providers of the operations) and when the decisions in relation to those activities are under the control of Glencore or require unanimous consent.

Judgement is also required in determining the classification of a joint arrangement between a joint venture or a joint operation through an evaluation of the rights and obligations arising from the arrangement.

Differing conclusions around these judgements, may materially impact how these businesses are presented in the consolidated financial statements – under the full consolidation method, equity method or proportionate consolidation method.

1. ACCOUNTING POLICIES (continued)

Exploration and evaluation expenditure (Notes 7 and 29)

The application of Glencore's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves/resource.

Credit and performance risk (Note 25)

The Group's global marketing operations expose it to credit and performance (the risk that counterparties fail to sell or purchase physical commodities on agreed terms) risks; these arise particularly in markets demonstrating significant price volatility with limited liquidity and terminal markets and when global and / or regional macroeconomic conditions are weak.

Continuously, but particularly during such times, judgement is required to determine whether receivables, loans and advances are recoverable and if contracted product deliveries will be received. Judgements about recoverability and contractual performance may materially impact both non-current and current assets as recognised in the statement of financial position.

Recognition of deferred tax assets (Note 6)

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse, and a judgement as to whether there will be sufficient taxable income available to offset the tax assets when they do reverse. These judgements are subject to risk and uncertainty and therefore, to the extent assumptions regarding future profitability change, there can be a material increase or decrease in the amounts recognised in the consolidated statement of income in the period in which the change occurs. The recoverability of deferred tax assets including the estimates and assumptions contained therein are reviewed regularly by management.

Classification of transactions which contain a financing element (Notes 20 and 23)

Transactions for the sale or purchase of commodities may contain a financing element such as extended payment term agreements. Judgement is required to determine the most appropriate classification and presentation of these transactions within the statements of cash flows and financial position. In determining the appropriate classification, management considers the underlying economic substance of the transaction and the significance of the financing element to the transaction. Typically the economic substance of the transaction is determined to be operating in nature, i.e. predominantly related to the sale or purchase of commodities as the financing element is insignificant and the entire cash flow will therefore be presented as operating in the statement of cash flow with a corresponding trade receivable or payable in the statement of financial position.

Key estimates and assumptions

In the process of applying Glencore's accounting policies, management has made key estimates and assumptions concerning the future and other key sources of estimation uncertainty. The key assumptions and estimates at the reporting date that have a significant impact on the financial position and the results of operations, are described below. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Valuation of derivative instruments (Note 27)

Derivative instruments are carried at fair value and Glencore evaluates the quality and reliability of the assumptions and data used to measure fair value in the three hierarchy levels, Level 1, 2 and 3, as prescribed by IFRS 13 *Fair Value Measurement*. Fair values are determined in the following ways: externally verified via comparison to quoted market prices in active markets (Level 1); by using models with externally verifiable inputs (Level 2); or by using alternative procedures such as comparison to comparable instruments and/or using models with unobservable market inputs requiring Glencore to make market based assumptions (Level 3). Level 3 inputs therefore include the highest level of estimation uncertainty.

1. ACCOUNTING POLICIES (continued)

Depreciation and amortisation of mineral and petroleum rights, deferred mining costs and plant and equipment (Note 7)

Mineral and petroleum rights, deferred mining costs and certain plant and equipment are depreciated/amortised using the Units of Production basis (“UOP”). The calculation of the UOP rate of depreciation / amortisation, and therefore the annual charge to operations, can fluctuate from initial estimates. This could generally result when there are significant changes in any of the factors or assumptions used in estimating mineral or petroleum reserves and resources, notably changes in the geology of the reserves and resources and assumptions used in determining the economic feasibility of the reserves. Such changes in reserves and resources could similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the project, which in turn is limited to the life of the underlying reserves and resources. Estimates of proven and probable reserves and resources are prepared by experts in extraction, geology and reserve determination. Assessments of UOP rates against the estimated reserve and resource base and the operating and development plan are performed regularly.

Impairments (Notes 3, 5, 7, 8, 9 and 10)

Investments in associates and joint ventures, other investments, advances and loans, property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be fully recoverable or at least annually for goodwill and other indefinite life intangible assets. If an asset’s recoverable amount is less than the asset’s carrying amount, an impairment loss is recognised in the consolidated statement of income. Future cash flow estimates which are used to calculate the asset’s fair value are discounted using asset specific discount rates and are based on expectations about future operations, primarily comprising estimates about production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves and resources, operating, rehabilitation and restoration costs and capital expenditures. Estimates are reviewed regularly by management. Changes in such estimates and in particular, further deterioration in the pricing outlook, could impact the recoverable values of these assets whereby, some or all of the carrying amount may be impaired or the impairment charge reduced (if pricing outlook improves significantly) with the impact recorded in the statement of income.

Provisions (Note 21)

The amount recognised as a provision, including tax, legal, contractual and other exposures or obligations, is the best estimate of the consideration required to settle the related liability, including any related interest charges, taking into account the risks and uncertainties surrounding the obligation. The Group assesses its liabilities and contingencies based upon the best information available, relevant tax laws and other appropriate requirements. These provisions may require settlement in future periods and as such may be materially impacted by the time value of money. The determination of the appropriate risk adjusted discount rate to reflect time value of money is a source of estimation uncertainty which could impact the carrying value of these provisions at the balance sheet date.

Restoration, rehabilitation and decommissioning costs (Note 21)

A provision for future restoration, rehabilitation and decommissioning costs requires estimates and assumptions to be made around the relevant regulatory framework, the magnitude of the possible disturbance, the timing, extent and costs of the required closure and rehabilitation activities and of the risk adjusted discount rates used to determine the present value of the future cash outflows. To the extent that the actual future costs differ from these estimates, adjustments will be recorded and the consolidated statement of income could be impacted. The provisions including the estimates and assumptions contained therein are reviewed regularly by management.

Fair value measurements (Notes 9, 12, 25, 26 and 27)

In addition to recognising derivative instruments at fair value, as discussed above, an assessment of the fair value of assets and liabilities is also required in accounting for other transactions, most notably, business combinations and marketing inventories and disclosures related to fair values of financial assets and liabilities. In such instances, fair value measurements are estimated based on the amounts for which the assets and liabilities could be exchanged at the relevant transaction date or reporting period end, and are therefore not necessarily reflective of the likely cash flow upon actual settlements. Where fair value measurements cannot be derived from publicly available information, they are estimated using models and other valuation methods. To the extent possible, the assumptions and inputs used take into account externally verifiable inputs. However, such information is by nature subject to uncertainty, particularly where comparable market-based transactions often do not exist.

1. ACCOUNTING POLICIES (continued)

New and revised Standards not yet effective

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

Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation – effective for year ends beginning on or after 1 January 2016

The amendments to IAS 16 *Property, Plant and Equipment* prohibits entities from using a revenue-based depreciation method for items of property, plant and equipment and the amendments to IAS 38 *Intangible Assets* introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of intangible assets.

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

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

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

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 in the financial statements of both lessees and lessors. It supersedes IAS 17 Leases and its associated interpretative guidance.

The Directors are currently evaluating the impact these new and revised standards may have on the financial statements of Glencore.

Basis of preparation

The financial statements are prepared under the historical cost convention except for the revaluation of certain financial assets, liabilities and marketing inventories that are measured at revalued amounts or fair values at the end of each reporting period as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

The Directors have assessed that they have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the 12 months from the date of approval of the financial statements. Therefore they continue to adopt the going concern basis of accounting in preparing these financial statements. Further information on Glencore's objectives, policies and processes for managing its capital and financial risks are detailed in note 25.

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

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved when Glencore is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, Glencore controls an investee if, and only if, Glencore has all of the following:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

1. ACCOUNTING POLICIES (continued)

When Glencore has less than a majority of the voting rights of an investee or similar rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over the investee including:

- the size of Glencore's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by Glencore, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that Glencore has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when Glencore obtains control over the subsidiary and ceases when Glencore loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of income and other comprehensive income from the date Glencore gains control until the date when Glencore ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in Glencore's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions with any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received being recognised directly in equity and attributed to equity holders of Glencore.

When Glencore loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if Glencore had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Investments in associates and joint ventures

Associates and joint ventures (together Associates) in which Glencore exercises significant influence or joint control are accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed if Glencore holds between 20% and 50% of the voting rights, unless evidence exists to the contrary. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control over an arrangement, which exists only when decisions about relevant strategic and/or key operating decisions require unanimous consent of the parties sharing control.

Equity accounting involves Glencore recording its share of the Associate's net income and equity. Glencore's interest in an Associate is initially recorded at cost and is subsequently adjusted for Glencore's share of changes in net assets of the Associate, less any impairment in the value of individual investments. Where Glencore transacts with an Associate, unrealised profits and losses are eliminated to the extent of Glencore's interest in that Associate.

Changes in Glencore's interests in Associates are accounted for as a gain or loss on disposal with any difference between the amount by which the carrying value of the Associate is adjusted and the fair value of the consideration received being recognised directly in the consolidated statement of income.

1. ACCOUNTING POLICIES (continued)

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

When Glencore undertakes its activities under joint operations, Glencore applies the proportionate consolidation method and recognises:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

Where Glencore transacts with a joint operation, unrealised profits and losses are eliminated to the extent of Glencore’s interest in that joint operation.

Business combinations and goodwill

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method of accounting. The cost of the acquisition is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued in exchange for control of the acquiree. The identifiable assets, liabilities and contingent liabilities (“identifiable net assets”) are recognised at their fair value at the date of acquisition. Acquisition related costs are recognised in the consolidated statement of income as incurred.

Where a business combination is achieved in stages, Glencore’s previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date Glencore attains control) and the resulting gain or loss, if any, is recognised in the consolidated statement of income.

Where the fair value of consideration transferred for a business combination exceeds the fair values attributable to Glencore’s share of the identifiable net assets, the difference is treated as purchased goodwill.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the cash generating units (“CGU”) that are expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognised directly in profit or loss. An impairment loss recognised for goodwill is not able to be reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, Glencore reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted for additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

Similar procedures are applied in accounting for the purchases of interests in Associates and joint operations. Any goodwill arising from such purchases is included within the carrying amount of the investment in Associates, but not amortised thereafter. Any excess of Glencore’s share of the net fair value of the Associate’s identifiable net assets over the cost of the investment is included in the consolidated statement of income in the period of the purchase.

1. ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when Glencore has transferred to the buyer all significant risks and rewards of ownership of the assets sold. Revenue excludes any applicable sales taxes and is recognised at the fair value of the consideration received or receivable to the extent that it is probable that economic benefits will flow to Glencore and the revenues and costs can be reliably measured. In most instances sales revenue is recognised when the product is delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, the destination port or the customer's premises.

For certain commodities, the sales price is determined on a provisional basis at the date of sale as the final selling price is subject to movements in market prices up to the date of final pricing, normally ranging from 30 to 90 days after initial booking. Revenue on provisionally priced sales is recognised based on the estimated fair value of the total consideration receivable. The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the character of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are recognised as an adjustment to revenue. In all cases, fair value is estimated by reference to forward market prices.

Royalty, interest and dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to Glencore and the amount of income can be measured reliably. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

Foreign currency translation

Glencore's reporting currency and the functional currency of the majority of its operations is the US dollar as this is assessed to be the principal currency of the economic environment in which it operates.

Foreign currency transactions

Transactions in foreign currencies are converted into the functional currency of each entity using the exchange rate prevailing at the transaction date. Monetary assets and liabilities outstanding at year end are converted at year end rates. The resulting exchange differences are recorded in the consolidated statement of income.

Translation of financial statements

For the purposes of consolidation, assets and liabilities of group companies whose functional currency is in a currency other than the US dollar are translated into US dollars using year end exchange rates, while their statements of income are translated using average rates of exchange for the year.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate. Translation adjustments are included as a separate component of shareholders' equity and have no consolidated statement of income impact to the extent that no disposal of the foreign operation has occurred.

Borrowing costs

Borrowing costs are expensed as incurred except where they relate to the financing of construction or development of qualifying assets in which case they are capitalised up to the date when the qualifying asset is ready for its intended use.

Retirement benefits

Glencore operates various pension schemes in accordance with local requirements and practices of the respective countries. The annual costs for defined contribution plans that are funded by payments to separate trustee administered funds or insurance companies equal the contributions that are required under the plans and accounted for as an expense.

Glencore uses the Projected Unit Credit Actuarial method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The cost of providing pensions is charged to the consolidated statement of income so as to recognise current and past service costs, interest cost on defined benefit obligations, and the effect of any curtailments or settlements, net of expected returns on plan assets. Actuarial gains and losses are recognised directly in other comprehensive income and will not be reclassified to the consolidated statement of income. The retirement benefit obligation/asset recognised in the consolidated statement of financial position represents the actual deficit or surplus in Glencore's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Glencore also provides post-retirement healthcare benefits to certain employees in Canada, South Africa and the United States. These are accounted for in a similar manner to the defined benefit pension plans, however are unfunded.

1. ACCOUNTING POLICIES (continued)

Share-based payments

Equity-settled share-based payments

Equity-settled share-based payments are measured at the fair value of the awards based on the market value of the shares at the grant date. Fair value excludes the effect of non-market based vesting conditions. The fair value is charged to the consolidated statement of income and credited to retained earnings on a straight-line basis over the period the estimated awards are expected to vest.

At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the consolidated statement of income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to retained earnings.

Cash-settled share-based payments

For cash-settled share-based payments, a liability is initially recognised at fair value based on the estimated number of awards that are expected to vest, adjusting for market and non-market based performance conditions. Subsequently, at each reporting period until the liability is settled, it is remeasured to fair value with any changes in fair value recognised in the consolidated statement of income.

Income taxes

Income taxes consist of current and deferred income taxes. Current taxes represent income taxes expected to be payable based on enacted or substantively enacted tax rates at the period end on expected current taxable income, and any adjustment to tax payable in respect of previous years. Deferred taxes are recognised for temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income, using enacted or substantively enacted income tax rates which are expected to be effective at the time of reversal of the underlying temporary difference. Deferred tax assets and unused tax losses are only recognised to the extent that their recoverability is probable. Deferred tax assets are reviewed at reporting period end and amended to the extent that it is no longer probable that the related benefit will be realised. To the extent that a deferred tax asset not previously recognised but which subsequently fulfils the criteria for recognition, an asset is then recognised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same authority and Glencore has both the right and the intention to settle its current tax assets and liabilities on a net or simultaneous basis. The tax effect of certain temporary differences is not recognised principally with respect to the initial recognition of an asset or liability (other than those arising in a business combination or in a manner that initially impacted accounting or taxable profit) and temporary differences relating to investments in subsidiaries and Associates to the extent that Glencore can control the timing of the reversal of the temporary difference and it is probable the temporary difference will not reverse in the foreseeable future. Deferred tax is provided in respect of fair value adjustments on acquisitions. These adjustments may relate to assets such as extraction rights that, in general, are not eligible for income tax allowances.

Current and deferred tax are recognised as an expense or income in the consolidated statement of income, except when they relate to items that are recognised outside the consolidated statement of income (whether in other comprehensive income or directly in equity) or where they arise from the initial accounting for a business combination.

Royalties, extraction taxes and other levies/taxes are treated as taxation arrangements when they have the characteristics of an income tax including being imposed and determined in accordance with regulations established by the respective government’s taxation authority and the amount payable is based on taxable income – rather than physical quantities produced or as a percentage of revenues – after adjustment for temporary differences. For such arrangements, current and deferred tax is provided on the same basis as described above for other forms of taxation. Obligations arising from royalty arrangements that do not satisfy these criteria are recognised as current provisions and included in cost of goods sold.

1. ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost, being the fair value of the consideration given to acquire or construct the asset, including directly attributable costs required to bring the asset to the location or to a condition necessary for operation and the direct cost of dismantling and removing the asset, less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated to their estimated residual value over the estimated useful life of the specific asset concerned, or the estimated remaining life of the associated mine ("LOM"), field or lease.

Depreciation commences when the asset is available for use. The major categories of property, plant and equipment are depreciated / amortised on a UOP and/or straight-line basis as follows:

Buildings	10-45 years
Freehold land	not depreciated
Plant and equipment	3-30 years/UOP
Mineral and petroleum rights	UOP
Deferred mining costs	UOP

Assets under finance leases, where substantially all the risks and rewards of ownership transfer to the Group as lessee, are capitalised and amortised over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. All other leases are classified as operating leases, the expenditures for which are charged against income over the accounting periods covered by the lease term.

Mineral and petroleum rights

Mineral and petroleum reserves, resources and rights (together Mineral and petroleum rights) which can be reasonably valued, are recognised in the assessment of fair values on acquisition. Mineral and petroleum rights for which values cannot be reasonably determined are not recognised. Exploitable Mineral and petroleum rights are amortised using the UOP basis over the commercially recoverable reserves and, in certain circumstances, other mineral resources. Mineral resources are included in amortisation calculations where there is a high degree of confidence that they will be extracted in an economic manner.

Exploration and evaluation expenditure

Exploration and evaluation expenditure relates to costs incurred in the exploration and evaluation of potential mineral and petroleum resources and includes costs such as exploration and production licenses, researching and analysing historical exploration data, exploratory drilling, trenching, sampling and the costs of pre-feasibility studies. Exploration and evaluation expenditure for each area of interest, other than that acquired from another entity, is charged to the consolidated statement of income as incurred except when the expenditure is expected to be recouped from future exploitation or sale of the area of interest and it is planned to continue with active and significant operations in relation to the area, or at the reporting period end, the activity has not reached a stage which permits a reasonable assessment of the existence of commercially recoverable reserves, in which case the expenditure is capitalised. As the intangible component (i.e. licenses) represents an insignificant and indistinguishable portion of the overall expected tangible amount to be incurred and recouped from future exploitation, these costs along with other capitalised exploration and evaluation expenditure are recorded as a component of property, plant and equipment. Purchased exploration and evaluation assets are recognised at their fair value at acquisition.

As the capitalised exploration and evaluation expenditure asset is not available for use, it is not depreciated. All capitalised exploration and evaluation expenditure is monitored for indications of impairment. Where a potential impairment is indicated, an assessment is performed for each area of interest or at the CGU level. To the extent that capitalised expenditure is not expected to be recovered it is charged to the consolidated statement of income.

Administration costs that are not directly attributable to a specific exploration area are charged to the consolidated statement of income. Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

1. ACCOUNTING POLICIES (continued)

Development expenditure

When commercially recoverable reserves are determined and such proposed development receives the appropriate approvals, capitalised exploration and evaluation expenditure is transferred to construction in progress, a component within the plant and equipment asset sub-category. All subsequent development expenditure is similarly capitalised, provided commercial viability conditions continue to be satisfied. Proceeds from the sale of product extracted during the development phase are netted against development expenditure. Upon completion of development and commencement of production, capitalised development costs are further transferred, as required, to the appropriate plant and equipment asset category and depreciated using the unit of production method (UOP) or straight-line basis.

Deferred mining costs

Mainly comprises of certain capitalised costs related to underground mining as well as pre-production and in-production stripping activities as outlined below. Deferred mining costs are amortised using the UOP basis over the life of the ore body to which those costs relate.

Deferred stripping costs

Stripping costs incurred in the development of a mine (or pit) before production commences are capitalised as part of the cost of constructing the mine (or pit) and subsequently amortised over the life of the mine (or pit) on a UOP basis.

In-production stripping costs related to accessing an identifiable component of the ore body to realise benefits in the form of improved access to ore to be mined in the future (stripping activity asset), are capitalised within deferred mining costs provided all the following conditions are met:

(a) it is probable that the future economic benefit associated with the stripping activity will be realised;

(b) the component of the ore body for which access has been improved can be identified; and

(c) the costs relating to the stripping activity associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are charged to the consolidated statement of income as they are incurred.

The stripping activity asset is subsequently depreciated on a UOP basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment losses.

Biological assets

Biological assets are carried at their fair value less estimated selling costs. Any changes in fair value less estimated selling costs are included in the consolidated statement of income in the period in which they arise.

Restoration, rehabilitation and decommissioning

Restoration, rehabilitation and decommissioning costs arising from the installation of plant and other site preparation work, discounted using a risk adjusted discount rate to their net present value, are provided for and capitalised at the time such an obligation arises. The costs are charged to the consolidated statement of income over the life of the operation through depreciation of the asset and the unwinding of the discount on the provision.

Costs for restoration of subsequent site disturbance, which is created on an ongoing basis during production, are provided for at their net present values and charged to the consolidated statement of income as extraction progresses.

Changes in the estimated timing of the rehabilitation or changes to the estimated future costs are accounted for prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, provided the reduction in the provision is not greater than the depreciated capitalised cost of the related asset, in which case the capitalised cost is reduced to nil and the remaining adjustment recognised in the consolidated statement of income. In the case of closed sites, changes to estimated costs are recognised immediately in the consolidated statement of income.

1. ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles are not capitalised. Instead, the related expenditure is recognised in the consolidated statement of income and other comprehensive income in the period in which the expenditure is incurred.

Identifiable intangible assets with a finite life are amortised on a straight-line basis over their expected useful life. The amortisation method and period are reviewed annually and impairment testing is undertaken when circumstances indicate the carrying amount may not be recoverable. Other than goodwill which is not depreciated, Glencore has no identifiable intangible assets with an indefinite life.

The major categories of intangibles are amortised on a straight-line basis as follows:

Port allocation rights	30-40 years
Licences, trademarks and software	3-20 years
Royalty arrangements	30-40 years
Acquired offtake arrangements	5-10 years

Other investments

Equity investments, other than investments in Associates, are recorded at fair value unless such fair value is not reliably determinable in which case they are carried at cost. Changes in fair value are recorded in the consolidated statement of income unless they are classified as available for sale, in which case fair value movements are recognised in other comprehensive income and are subsequently recognised in the consolidated statement of income when realised by sale or redemption, or when a reduction in fair value is judged to be a significant or prolonged decline.

Impairment

Glencore conducts, at least annually, an internal review of asset values which is used as a source of information to assess for any indications of impairment. Formal impairment tests are carried out, at least annually, for cash generating units containing goodwill and for all other non-current assets when events or changes in circumstances indicate the carrying value may not be recoverable.

A formal impairment test involves determining whether the carrying amounts are in excess of their recoverable amounts. An asset's recoverable amount is determined as the higher of its fair value less costs of disposal and its value in use. Such reviews are undertaken on an asset-by-asset basis, except where assets do not generate cash flows independent of other assets, in which case the review is undertaken at the CGU level.

If the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recorded in the consolidated statement of income to reflect the asset at the lower amount.

An impairment loss is reversed in the consolidated statement of income if there is a change in the estimates used to determine the recoverable amount since the prior impairment loss was recognised. The carrying amount is increased to the recoverable amount but not beyond the carrying amount net of depreciation or amortisation which would have arisen if the prior impairment loss had not been recognised. Goodwill impairments and impairments of available for sale equity investments cannot be subsequently reversed.

Provisions

Provisions are recognised when Glencore has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits that can be reliably estimated will be required to settle the liability.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

1. ACCOUNTING POLICIES (continued)

Onerous contracts
An onerous contract is considered to exist where Glencore has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligations arising under onerous contracts are recognised and measured as provisions.

Unfavourable contracts
An unfavourable contract is considered to exist when Glencore, in a business combination, acquires a contract under which the terms of the contract require Glencore to sell products or purchase services on terms which are economically unfavourable compared to current market terms at the time of the business combination. Unfavourable contracts are recognised at the present value of the economic loss and amortised into income over the term of the contract.

Inventories
The vast majority of inventories held by the marketing activities ("marketing inventories") are valued at fair value less costs of disposal with the remainder valued at the lower of cost or net realisable value. Unrealised gains and losses from changes in fair value are reported in cost of goods sold.

Inventories held by the industrial activities ("production inventories") are valued at the lower of cost or net realisable value. Cost is determined using the first-in-first-out ("FIFO") or the weighted average method and comprises material costs, labour costs and allocated production related overhead costs. Financing and storage costs related to inventory are expensed as incurred.

Cash and cash equivalents
Cash and cash equivalents comprise cash held at bank, cash in hand and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

Financial instruments
Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available for sale financial assets depending upon the purpose for which the financial assets were acquired. Financial assets are initially recognised at fair value on the trade date, including, in the case of instruments not recorded at fair value through profit or loss, directly attributable transaction costs. Subsequently, financial assets are carried at fair value (other investments, derivatives and marketable securities) or amortised cost less impairment (accounts receivable and advances and loans). Financial liabilities other than derivatives are initially recognised at fair value of consideration received net of transaction costs as appropriate and subsequently carried at amortised cost.

Own shares
The cost of purchases of own shares is deducted from equity. Where they are purchased, issued to employees or sold, no gain or loss is recognised in the consolidated statement of income. Such gains and losses are recognised directly in equity. Any proceeds received on disposal of the shares or transfers to employees are recognised in equity.

1. ACCOUNTING POLICIES (continued)

Derivatives and hedging activities

Derivative instruments, which include physical contracts to sell or purchase commodities that do not meet the own use exemption, are initially recognised at fair value when Glencore becomes a party to the contractual provisions of the instrument and are subsequently remeasured to fair value at the end of each reporting period. Fair values are determined using quoted market prices, dealer price quotations or using models and other valuation techniques, the key inputs for which include current market and contractual prices for the underlying instrument, time to expiry, yield curves, volatility of the underlying instrument and counterparty risk.

Gains and losses on derivative instruments for which hedge accounting is not applied, other than the revenue adjustment mechanism embedded within provisionally priced sales, are recognised in cost of goods sold.

Those derivatives qualifying and designated as hedges are either (i) a Fair Value Hedge of the change in fair value of a recognised asset or liability or an unrecognised firm commitment, or (ii) a Cash Flow Hedge of the change in cash flows to be received or paid relating to a recognised asset or liability or a highly probable transaction.

A change in the fair value of derivatives designated as a Fair Value Hedge is reflected together with the change in the fair value of the hedged item in the consolidated statement of income.

A change in the fair value of derivatives designated as a Cash Flow Hedge is initially recognised as a cash flow hedge-reserve in shareholders' equity. The deferred amount is then released to the consolidated statement of income in the same periods during which the hedged transaction affects the consolidated statement of income. Hedge ineffectiveness is recorded in the consolidated statement of income when it occurs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in shareholders' equity and is recognised in the consolidated statement of income when the committed or forecast transaction is ultimately recognised in the consolidated statement of income. However, if a forecast or committed transaction is no longer expected to occur, the cumulative gain or loss that was recognised in equity is immediately transferred to the consolidated statement of income.

A derivative may be embedded in a "host contract". Such combinations are known as hybrid instruments and at the date of issuance, the embedded derivative is separated from the host contract and accounted for as a stand-alone derivative if the criteria for separation are met. The host contract is accounted for in accordance with its relevant accounting policy.

2. SEGMENT INFORMATION

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

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

- Metals and minerals: Zinc, copper, lead, alumina, aluminium, ferroalloys, 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
- Agriculture products: Wheat, corn, canola, barley, rice, oil seeds, meals, edible oils, biofuels, cotton and sugar supported by investments in farming, storage, handling, processing and port facilities.

Corporate and other: 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 with reference to Adjusted EBIT/EBITDA which is the net result of revenue less cost of goods sold and selling and administrative expenses plus share of income from other 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.

The accounting policies of the operating segments are the same as those described in note 1 with the exception of certain associates and joint ventures. Under IFRS 11, Glencore's investments in the Antamina copper/zinc mine (34% owned) and the Cerrejón coal mine (33% owned) are considered to be associates as they are not subject to joint control and the Collahuasi copper mine (44% owned) is considered to be a joint venture. Associates and joint ventures are required to be accounted for in Glencore's financial statements under the equity method. For internal reporting and analysis, Glencore evaluates the performance of these investments under the proportionate consolidation method reflecting Glencore's proportionate share of the revenues, expenses, assets and liabilities of the investments. The balances as presented for internal reporting purposes are reconciled to Glencore's statutory disclosures as outlined in the following tables.

2. SEGMENT INFORMATION (continued)

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

2015 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue – Marketing activities[1]	41,151	75,206	20,617	–	136,974
Revenue – Industrial activities	24,782	8,406	2,529	4	35,721
Revenue	65,933	83,612	23,146	4	172,695
Marketing activities					
Adjusted EBITDA	1,280	826	584	(30)	2,660
Depreciation and amortisation	(25)	(48)	(123)	–	(196)
Adjusted EBIT	1,255	778	461	(30)	2,464
Industrial activities					
Adjusted EBITDA	4,030	2,269	150	(415)	6,034
Depreciation and amortisation[2]	(3,882)	(2,357)	(87)	–	(6,326)
Adjusted EBIT	148	(88)	63	(415)	(292)
Total adjusted EBITDA	5,310	3,095	734	(445)	8,694
Depreciation and amortisation	(3,907)	(2,405)	(210)	–	(6,522)
Total adjusted EBIT	1,403	690	524	(445)	2,172
Significant items[3]					
Other expense – net[4]					(7,998)
Share of associates' exceptional items[5]					(88)
Unrealised intergroup loss elimination adjustments and other[6]					445
Interest expense – net[7]					(1,391)
(Losses)/gains on disposals and investments[8]					(994)
Income tax expense[9]					(260)
Loss for the year					(8,114)

1 Balance is net of intra-segment sales arising from transactions between the Industrial and Marketing activities. Metals and minerals segment: $17,843 million, Energy products segment $2,318 million and Agricultural products $1,847 million.

2 Includes an adjustment of $687 million to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $501 million and Energy products segment $186 million, see reconciliation table below.

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

4 See note 4.

5 Share of associates' exceptional items comprise Glencore's share of exceptional charges booked directly by various associates, predominantly Century.

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

7 Includes an adjustment for net finance costs of $3 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: net finance costs of $9 million and Energy products segment net finance costs of $6 million, see reconciliation table below.

8 See note 3.

9 Includes an adjustment of $162 million to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $103 million and Energy products segment $59 million, see reconciliation table below.

2. SEGMENT INFORMATION (continued)

2014 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue – Marketing activities[1]	35,025	120,863	22,523	–	**178,411**
Revenue – Industrial activities	31,025	11,117	3,298	132	**45,572**
Revenue	66,050	131,980	25,821	132	**223,983**
Marketing activities					
Adjusted EBITDA	1,545	565	996	(105)	**3,001**
Depreciation and amortisation	(30)	(41)	(140)	–	**(211)**
Adjusted EBIT	1,515	524	856	(105)	**2,790**
Industrial activities					
Adjusted EBITDA	7,077	2,841	213	(368)	**9,763**
Depreciation and amortisation[2]	(3,403)	(2,355)	(77)	(12)	**(5,847)**
Adjusted EBIT	3,674	486	136	(380)	**3,916**
Total adjusted EBITDA	8,622	3,406	1,209	(473)	**12,764**
Depreciation and amortisation	(3,433)	(2,396)	(217)	(12)	**(6,058)**
Total adjusted EBIT	5,189	1,010	992	(485)	**6,706**
Significant items[3]					
Other expense – net[4]					**(1,073)**
Share of associates' exceptional items[5]					**(74)**
Unrealised intergroup profit elimination adjustments and other[6]					**(221)**
Interest expense – net[7]					**(1,457)**
(Losses)/gains on disposals and investments[8]					**715**
Income tax expense[9]					**(2,152)**
Income for the year					**2,444**

1 Balance is net of intra-segment sales arising from transactions between the Industrial and Marketing activities. Metals and minerals segment: $23,902 million, Energy products segment $3,275 million and Agricultural products $2,315 million.

2 Includes an adjustment of $610 million to depreciation and amortisation expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $430 million and Energy products segment $180 million, see reconciliation table below.

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

4 See note 4.

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

6 Comprises the required adjustment to eliminate unrealised profit or losses arising on intergroup transactions of $187 million. For Glencore, such adjustments arise on the sale of product, in the ordinary course of business, from its Industrial operations to its Marketing arm. Management assesses segment performance prior to any such adjustments, as if the sales were to third parties. The balance comprises an adjustment of $34 million arising from losses incurred as a result of typhoon Haiyan in the Philippines.

7 Includes an adjustment for net finance costs of $14 million related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: net finance costs of $18 million and Energy products segment net finance costs of $4 million, see reconciliation table below.

8 See note 3.

9 Includes an adjustment of $343 million to income tax expenses related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $266 million and Energy products segment $77 million, see reconciliation table below.

2. SEGMENT INFORMATION (continued)

2015 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Current assets	21,707	12,131	5,720	(106)	**39,452**
Current liabilities	(10,848)	(15,913)	(2,685)	(309)	**(29,755)**
Allocatable current capital employed	10,859	(3,782)	3,035	(415)	**9,697**
Property, plant and equipment	34,665	23,443	2,836	334	**61,278**
Intangible assets	3,695	2,915	889	17	**7,516**
Investments in associates and other investments	8,088	3,926	628	–	**12,642**
Non-current advances and loans	1,414	1,369	114	108	**3,005**
Allocatable non-current capital employed	47,862	31,653	4,467	459	**84,441**
Other assets[1]				4,592	**4,592**
Other liabilities[2]				(57,387)	**(57,387)**
Total net assets	58,721	27,871	7,502	(52,751)	**41,343**
Capital expenditure – Marketing activities	81	17	146	–	**244**
Capital expenditure – Industrial activities[3]	4,149	1,303	98	163	**5,713**
Capital expenditure	4,230	1,320	244	163	**5,957**

1 Other assets include deferred tax assets, marketable securities and cash and cash equivalents.

2 Other liabilities include borrowings, non-current deferred income, deferred tax liabilities, non-current provisions and non-current financial liabilities.

3 Includes an adjustment of $328 million to capital expenditure related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $292 million and Energy products segment $36 million, see reconciliation table below.

2014 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Current assets	29,620	14,433	6,758	(447)	**50,364**
Current liabilities	(11,334)	(17,264)	(2,870)	(474)	**(31,942)**
Allocatable current capital employed	18,286	(2,831)	3,888	(921)	**18,422**
Property, plant and equipment	38,663	28,039	2,899	509	**70,110**
Intangible assets	3,728	4,097	902	139	**8,866**
Investments in associates and other investments	9,660	3,561	525	–	**13,746**
Non-current advances and loans	1,834	2,518	138	107	**4,597**
Allocatable non-current capital employed	53,885	38,215	4,464	755	**97,319**
Other assets[1]				4,522	**4,522**
Other liabilities[2]				(68,783)	**(68,783)**
Total net assets	72,171	35,384	8,352	(64,427)	**51,480**
Capital expenditure – Marketing activities	47	60	162	–	**269**
Capital expenditure – Industrial activities[3]	6,675	2,234	87	262	**9,258**
Capital expenditure	6,722	2,294	249	262	**9,527**

1 Other assets include deferred tax assets, marketable securities and cash and cash equivalents.

2 Other liabilities include borrowings, non-current deferred income, deferred tax liabilities, non-current provisions and non-current financial liabilities.

3 Includes an adjustment of $467 million to capital expenditure related to presenting certain associates and joint ventures on a proportionate consolidation basis. Metals and minerals segment: $368 million and Energy products segment $99 million, see reconciliation table below.

2. SEGMENT INFORMATION (continued)

The reconciliation of certain associates' and joint ventures' Adjusted EBIT to 'Share of net income from associates and joint ventures' for the years ended 31 December 2015 and 2014 is as follows:

2015 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	**Total**
Revenue					
Revenue	65,933	83,612	23,146	4	**172,695**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(1,578)	(620)	–	–	**(2,198)**
Revenue – reported measure	**64,355**	**82,992**	**23,146**	**4**	**170,497**
Share of income from certain associates and joint ventures					
Associates' and joint ventures' Adjusted EBITDA	806	189	–	–	**995**
Depreciation and amortisation	(501)	(186)	–	–	**(687)**
Associates' and joint ventures' Adjusted EBIT	305	3	–	–	**308**
Net finance costs	9	(6)	–	–	**3**
Income tax expense	(103)	(59)	–	–	**(162)**
Net finance costs and income tax expense	(94)	(65)	–	–	**(159)**
Share of income/(loss) from certain associates and joint ventures	211	(62)	–	–	**149**
Share of (loss)/income from other associates	(35)	(15)	2	–	**(48)**
Share of income/(loss) from associates and joint ventures[1]	**176**	**(77)**	**2**	**–**	**101**
Capital expenditure					
Capital expenditure	4,230	1,320	244	163	**5,957**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(292)	(36)	–	–	**(328)**
Capital expenditure – reported measure	3,938	1,284	244	163	**5,629**

1 Comprises share in earnings of $80 million from industrial activities and $21 million from marketing activities.

2. SEGMENT INFORMATION (continued)

2014 US$ million	Metals and minerals	Energy products	Agricultural products	Corporate and other	Total
Revenue					
Revenue	66,050	131,980	25,821	132	**223,983**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(2,156)	(754)	–	–	**(2,910)**
Revenue – reported measure	**63,894**	**131,226**	**25,821**	**132**	**221,073**
Share of income from certain associates and joint ventures					
Associates' and joint ventures' Adjusted EBITDA	1,292	260	–	–	**1,552**
Depreciation and amortisation	(430)	(180)	–	–	**(610)**
Associates' and joint ventures' Adjusted EBIT	862	80	–	–	**942**
Net finance costs	18	(4)	–	–	**14**
Income tax expense	(266)	(77)	–	–	**(343)**
Net finance costs and income tax expense	(248)	(81)	–	–	**(329)**
Share of income/(loss) from certain associates and joint ventures	614	(1)	–	–	**613**
Share of (loss)/income from other associates	(36)	3	58	–	**25**
Share of income from associates and joint ventures[1]	**578**	**2**	**58**	**–**	**638**
Capital expenditure					
Capital expenditure	6,722	2,294	249	262	**9,527**
Impact of presenting certain associates and joint ventures on a proportionate consolidation basis	(368)	(99)	–	–	**(467)**
Capital expenditure – reported measure	6,354	2,195	249	262	**9,060**

1 Comprises share in earnings of $571 million from industrial activities and $67 million from marketing activities.

2. 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 and joint ventures. 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	**2015**	2014
Reported measures		
Revenue	170,497	221,073
Cost of goods sold	(166,982)	(214,344)
Selling and administrative expenses	(1,271)	(1,304)
Share of associates and joint ventures	101	638
Dividend income	25	19
	2,370	6,082
Adjustments to reported measures		
Share of associates exceptional items	88	74
Unrealised intergroup (loss)/profit elimination	(445)	221
	(357)	295
Net finance and income tax expense impact of presenting certain associates and joint ventures on a proportionate consolidation basis	159	329
Adjusted EBIT	**2,172**	**6,706**
Depreciation and amortisation	5,835	5,448
Depreciation impact of presenting certain associates and joint ventures on a proportionate consolidation basis	687	610
Adjusted EBITDA	**8,694**	**12,764**

2. SEGMENT INFORMATION (continued)

Geographical information

US$ million	2015	2014
Revenue from third parties[1]		
The Americas	**32,985**	47,274
Europe	**54,857**	70,595
Asia	**64,298**	86,619
Africa	**6,286**	8,206
Oceania	**12,071**	8,379
	170,497	221,073
Non-current assets[2]		
The Americas	**22,663**	23,471
Europe	**8,447**	9,316
Asia	**5,416**	5,922
Africa	**19,841**	23,642
Oceania	**23,764**	28,899
	80,131	91,250

1 Revenue by geographical destination is based on the country of incorporation of the sales counterparty however this may not necessarily be the country of the counterpart's ultimate parent and/or final destination of product.

2 Non-current assets are non-current assets excluding other investments, advances and loans and deferred tax assets.

3. (LOSSES)/GAINS ON DISPOSALS AND INVESTMENTS

US$ million	2015	2014
Loss on cessation of control of Optimum	**(1,034)**	–
Loss on distribution of interest in Lonmin	**(256)**	–
Gain on sale of other operations	**296**	715
Total	**(994)**	715

Optimum

In August 2015, the directors of Optimum Coal resolved to commence business rescue proceedings and place the company under the control and supervision of the business rescue practitioners, resulting in the Group ceasing to have control over Optimum. In December, the business rescue practitioners reached agreement to sell the business, which is expected to close by H1 2016. Due to cessation of control of Optimum, the net assets were deconsolidated, with the fair value of such determined to be $nil, being the estimated amount to be received following the sale. As a result, a loss of $1,034 million was recognised, which includes $311 million of foreign currency translation losses previously recognised in equity and $152 million of related impairments (see note 24).

Lonmin

On 9 June 2015, following approval by shareholders at the Annual General Meeting, Glencore completed the in specie distribution of its 23.9% stake in Lonmin plc. Based on the closing Lonmin share price (a Level 1 valuation technique) at the time of distribution, its fair value was determined to be $298 million and as a result, a $256 million loss on disposal of the investment was recognised (see notes 10 and 17).

Other

Gain on sale of other operations arises primarily from the disposals of the Tampakan and Falcondo operations in August 2015, which resulted in a net gain of $192 million and $87 million respectively (see note 24). In 2014, the gain on sale of other operations comprised the gain of $715 million from the Las Bambas sale transaction. Tax of $531 million was paid upon completion, resulting in a net gain of $184 million.

4. OTHER EXPENSE – NET

US$ million	Notes	2015	2014
Impairments	5	**(7,120)**	(1,101)
Changes in mark to market valuations on investments held for trading – net		**(262)**	134
Net foreign exchange losses		**(173)**	(76)
Loss on metal leak		**(235)**	–
Legal settlement		**(89)**	–
Acquisition related expenses		**–**	(10)
Gain/(loss) on bond buy-backs		**35**	(95)
Other expense – net[1]		**(154)**	75
Total		**(7,998)**	(1,073)

1 'Other expense - net' for the year ended 31 December 2015 mainly comprises restructuring and closure costs of $142 million. 'Other expense - net' for the year ended 31 December 2014 comprises a $75 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 investments classified as held for trading and carried at fair value, with Glencore's interest in Volcan Compania Minera S.A.A. and Century Aluminum Company cash-settled equity swaps accounting for the majority of the movement (see note 10).

Loss from metal leak

In December 2014, a metal leak in Line 1 of the metallurgical plant at Koniambo was detected and the related production suspended. Following an extensive investigation during H1 2015, it was determined that the furnace would need to be rebuilt/repaired at a cost of approximately $60 million and incremental net operating costs of an additional $175 million were incurred in relation to this incident. A claim for reimbursement of costs has been made under available insurance policies, whereby any associated recoveries will be recognised as the claim progresses.

Legal settlement

In April 2015, OVM Petrom was awarded $89 million related to a dispute over oil deliveries in the early 1990s. Glencore has appealed the ruling.

Acquisition related expenses

2014 acquisition related expenses were incurred in connection with prior year acquisitions (see note 24).

Gain/(loss) on bond buy-backs

In 2015, Glencore acquired $564 million of outstanding bonds, at a discount to their carrying values, realising a gain of $35 million (see note 19).

In 2014, Glencore tendered for and cancelled 25% of its outstanding convertible bonds and Canadian dollar bonds originally issued by the Viterra Group (acquired by Glencore in 2012), booking the 'premium' over book carrying value as an expense of $70 million and $25 million respectively.

5. IMPAIRMENTS

US$ million	Notes	2015	2014
Property, plant and equipment and intangible assets	7/8	**(6,028)**	(886)
Investments	10	**(209)**	(135)
Advances and loans - non current	11	**(455)**	–
Trade advances and deposits	13	**(359)**	–
Non-current inventory and other[1]		**(69)**	(80)
Total impairments[2]		**(7,120)**	(1,101)

1 These items, if classified by function of expense would be recognised in cost of goods sold.

2 Impairments recognised during the year are allocated to Glencore's operating segments as follows: Metals and minerals $5,135 million (2014: $791 million), Energy products $1,969 million (2014: $247 million) and Agricultural products $16 million (2014: $63 million).

As part of a regular portfolio review, Glencore carries out an assessment of whether there is an indication of asset impairment or whether a previously recorded impairment may no longer be required.

The recoverable amounts of the property, plant and equipment and intangible assets were measured based on fair value less costs of disposal ("FVLCD"), determined by discounted cash flow techniques based on the most recent approved financial budgets and 3 year business plans, which are underpinned and supported by life of mine plans of the respective operations. The valuation models use the most recent reserve and resource estimates, relevant cost assumptions generally based on past experience and where possible, market forecasts of commodity price and foreign exchange rate assumptions discounted using operation specific discount rates ranging from 6% – 12% (2014: 5.5% – 13%). The valuations remain sensitive to price and further deterioration/improvements in the pricing outlook may result in additional impairments/reversals. The determination of FVLCD uses Level 3 valuation techniques for both years.

As a result of the regular impairment assessment, the following significant impairment charges resulted:

2015

Property, plant and equipment and intangible assets

- Following the sharp decline in oil prices in 2015, significant amendments were made to Chad's work programme, with the objective of preserving value for the long term, while reducing cash outlays in the near term. This included changes to the fields' capex and production profiles and significantly reducing the number of drilling rigs in operation. As a result, the carrying value of these fields/blocks (Energy products segment) was impaired by $1,031 million, to their estimated recoverable amount of $2,012 million. The valuation remains sensitive to price and further deterioration in the pricing outlook may result in additional impairment. The short to long term oil price assumptions used in the valuation were between $40 – $80 per barrel.

- Upon further review and evaluation of the exploration activities on the Tilapia licence in Cameroon (Energy product segment) it was determined that the technical risk of continuing to evaluate/develop the field was unacceptably high and as a result, the full carrying value of $27 million was impaired.

- As a result of the current subdued coking coal market and resulting weak shorter term price outlook, the Oaky Creek coking coal operations (Energy products segment) were determined to be impaired by $240 million, to their estimated recoverable amount of $959 million, given the relatively short life of one of the relevant mines. The valuation remains sensitive to coking coal prices and further deterioration in the pricing outlook may result in additional impairment. The short to long term coking coal price assumptions used in the valuation were between $81 – $135 per metric tonne.

- In Q4 2015, it was determined, for the foreseeable future, to defer the Blakefield North coal project and place the Ravensworth underground coal operations (Energy products segment) on care and maintenance. As a result, the full carrying value of these projects ($82 million) was impaired.

- Due to continued subdued current and long term nickel prices and the ongoing operational and technical challenges at the Koniambo processing plant, it was determined, post significant line one furnace redesign / repair work, to operate only one processing line (of two) for an extended period of time until it proves itself to be technically robust. As a result of this updated plan and reflecting the lower nickel price environment, Koniambo (Metal and minerals segment) was written down to its recoverable value of $917 million, resulting in a $3,989 million impairment. The valuation remains sensitive to price and further deterioration in the pricing outlook may result in additional impairment. The short to long term nickel prices used in the valuation were between $12,500 – $16,000 per metric tonne.

5. IMPAIRMENTS (continued)

- Sherwin Alumina (Metal and minerals segment) is an alumina production facility located in Corpus Christi, USA. Adverse market conditions resulted in a decrease in its valuation to an estimated recoverable value of $nil and, as a result, an impairment of $128 million was recognised. Since January 2016, Sherwin has been under United States Chapter 11 proceedings.
- Kabanga (Metal and minerals segment) is an undeveloped nickel deposit in Tanzania, in which Glencore has a 50% interest. Over the past year, a sales process was undertaken to find a potential buyer. No acceptable bids were received and as a result the project was written down to $nil, reflective of the lower nickel price environment noted above, resulting in an impairment of $115 million.
- Following a strategic review of the Komarovskoe (within Kazzinc) gold mining deposit (Metal and minerals segment) it was determined to cease further development and, as a result, the full carrying value of $70 million was impaired.
- Following the placing of Eland Platinum (Metal and minerals segment) on care and maintenance in October 2015 and a further deterioration in platinum prices, it was determined that its recoverable value was $nil and, as a result, an impairment of $77 million was recognised.
- The London Metal Exchange ("LME") proposed changes to its warehousing regulations in a further attempt to reduce metal queues via increasing load-out rates and capping longer term rental income streams. These amendments are anticipated to be enacted in H1 2016. As a result, the goodwill of $169 million relating to the Pacorini metals warehousing business (Metals and minerals segment) was impaired by $119 million to a recoverable value of $50 million (see notes 8 and 9).
- The balance of the property, plant and equipment related impairment charges (none of which were individually material) arose due to changes in production and development plans and resulted in impairments of $85 million and $65 million being recognised in our Metals and minerals and Energy products segments respectively.

Investments

Based on lower mid to long term aluminium price assumptions, it was determined that the recoverable value of our investment in Century Aluminum Company was $592 million with a resulting impairment of $162 million. The recoverable amount was determined using similar valuation techniques and inputs described above. The valuation remains sensitive to price and further deterioration in the pricing outlook may result in additional impairment. The short to long term aluminium prices used in the valuation were between $1,550 – $1,790 per metric tonne.

2014

Property, plant and equipment and intangible assets

- Following the steep decline in iron ore prices and the decision to suspend development at our Mauritanian and Congo iron ore operations (Metals and minerals segment), their carrying values were impaired by $431 million, to their estimated recoverable value of $50 million.
- Upon further review and evaluation of our exploration activities at the Matanda Oil field in Cameroon (Energy product segment), it was determined that the technical risk of continuing to evaluate/develop the field was unacceptably high and as a result, the full carrying value of $212 million was impaired.
- The continued challenging platinum market conditions resulted in the carrying value of our South African platinum operations (Metals and minerals segment) being written down to their estimated recoverable value, resulting in an impairment charge of $146 million being recognised.
- The balance of the property, plant and equipment related impairment charges (none of which were individually material) arose due to changes in production and development plans and resulted in impairments of $53 million, $26 million and $18 million being recognised in our Agricultural products, Energy products and Metals and minerals segments respectively.

Investments

In 2014, our investment in the El Aouj Joint Venture, Mauritania was impaired by $58 million, in relation to iron ore prices and the associated development activity. In addition, an impairment charge of $77 million was recognised related to a copper minority investment, Mineracao Caraiba S.A., in Brazil, due to operational challenges. Post these charges, the estimated recoverable values of these investments amounted to $51 million and $28 million respectively. The recoverable amounts of the investments were determined using similar valuation techniques and inputs as described above.

6. INCOME TAXES

Income taxes consist of the following:

US$ million	2015	2014
Current income tax expense	**(443)**	(1,447)
Deferred income tax credit/(expense)	**345**	(362)
Total tax expense	**(98)**	(1,809)

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

US$ million	2015	2014
(Loss)/Income before income taxes and attribution	**(8,016)**	4,253
Less: Share of income from associates and joint ventures	**(101)**	(638)
Parent Company's and subsidiaries' (loss)/income before income tax and attribution	**(8,117)**	3,615
Income tax (expense)/credit calculated at the Swiss income tax rate	**1,218**	(542)
Tax effects of:		
Different tax rates from the standard Swiss income tax rate	**(154)**	(971)
Tax exempt income	**341**	150
Items not tax deductible	**(1,042)**	(488)
Foreign exchange fluctuations	**(307)**	(851)
Changes in tax rates	**44**	(20)
Utilisation and changes in recognition of tax losses and temporary differences[1]	**(199)**	915
Other	**1**	(2)
Income tax expense	**(98)**	(1,809)

[1] 2014 includes $636 million of available capital deductions not previously recognised.

6. INCOME TAXES (continued)

Deferred taxes as at 31 December 2015 and 2014 are attributable to the items detailed in the table below:

US$ million	Notes	2015	2014
Deferred tax assets[1]			
Tax losses carried forward		**1,680**	1,417
Other		**166**	250
Total		**1,846**	1,667
Deferred tax liabilities[1]			
Depreciation and amortisation		**(5,483)**	(5,894)
Mark to market valuations		**(238)**	(87)
Other		**(56)**	(454)
Total		**(5,777)**	(6,435)
Total Deferred tax – net		**(3,931)**	(4,768)
Reconciliation of deferred tax – net			
1 January		**(4,768)**	(4,593)
Recognised in income for the year		**345**	(362)
Recognised in other comprehensive income		**(77)**	86
Business combination	24	**17**	(52)
Disposal and loss of control of subsidiaries	24	**205**	–
Effect of foreign currency exchange movements		**349**	156
Other		**(2)**	(3)
31 December		**(3,931)**	(4,768)

1 Asset and liability positions in the same category reflect the impact of tax assets and liabilities arising in local tax jurisdictions that cannot be offset against tax assets and liabilities arising in other tax jurisdictions.

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable. As at 31 December 2015, $3,736 million (2014: $3,355 million) of deferred tax assets related to available loss carry forwards have been brought to account, of which $1,680 million (2014: $1,417 million) are disclosed as deferred tax assets with the remaining balance being offset against deferred tax liabilities arising in the same respective entity. $1,149 million (2014: $528 million) of net deferred tax assets arise in entities that have been loss making for tax purposes in either 2015 or 2014. In evaluating whether it is probable that taxable profits will be earned in future accounting periods prior to any tax loss expiry as may be the case, all available evidence was considered, including approved budgets, forecasts and business plans and, in certain cases, analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment testing purposes. Following this evaluation, it was determined there would be sufficient taxable income generated to realise the benefit of the deferred tax assets and that no reasonably possible change in any of the key assumptions would result in a material reduction in forecast headroom of tax profits so that the recognised deferred tax asset would not be realised.

Available gross tax losses carried forward and deductible temporary differences, for which no deferred tax assets have been recognised in the consolidated financial statements, are detailed below and will expire as follows:

US$ million	2015	2014
1 year	**153**	204
2 years	**69**	49
3 years	**534**	38
Thereafter[1]	**1,717**	2,543
Unlimited	**1,444**	1,022
Total	**3,917**	3,856

1 2015 excludes gross tax losses of $14.5 billion recognised in the standalone entity accounts of Glencore plc.

As at 31 December 2015, unremitted earnings of $41,285 million (2014: $63,245 million) have been retained by subsidiaries and associates for reinvestment. No provision is made for income taxes that would be payable upon the distribution of such earnings.

7. PROPERTY, PLANT AND EQUIPMENT

US$ million	Notes	Freehold land and buildings	Plant and equipment	Mineral and petroleum rights	Exploration and evaluation	Deferred mining costs	Total
Gross carrying amount:							
1 January 2015		5,568	52,840	23,416	1,285	2,330	**85,439**
Restatement[1]		–	–	(911)	911	–	**–**
1 January 2015 (Restated)		5,568	52,840	22,505	2,196	2,330	**85,439**
Business combination	24	85	201	–	–	–	**286**
Disposals and cessation of control of subsidiaries	24	(125)	(597)	(541)	–	–	**(1,263)**
Additions		121	4,534	428	147	355	**5,585**
Disposals		(34)	(476)	(14)	–	(4)	**(528)**
Effect of foreign currency exchange movements		(131)	(1,300)	(843)	–	–	**(2,274)**
Other movements		(158)	835	(956)	(6)	319	**34**
31 December 2015		**5,326**	**56,037**	**20,579**	**2,337**	**3,000**	**87,279**
Accumulated depreciation and impairment:							
1 January 2015		775	10,405	2,887	681	581	**15,329**
Disposals and cessation of control of subsidiaries	24	(22)	(166)	(89)	–	–	**(277)**
Depreciation		251	4,168	1,028	–	259	**5,706**
Disposals		(6)	(416)	(5)	–	–	**(427)**
Impairments	5	18	5,147	641	74	–	**5,880**
Effect of foreign currency exchange movements		(16)	(227)	(102)	–	–	**(345)**
Other movements		(5)	156	(36)	29	(9)	**135**
31 December 2015		**995**	**19,067**	**4,324**	**784**	**831**	**26,001**
Net book value 31 December 2015		**4,331**	**36,970**	**16,255**	**1,553**	**2,169**	**61,278**

1 Adjusted for the final fair value adjustments in relation to the acquisition of Caracal (see note 24).

7. PROPERTY, PLANT AND EQUIPMENT (continued)

US$ million	Notes	Freehold land and buildings	Plant and equipment	Mineral and petroleum rights	Exploration and evaluation	Deferred mining costs	Total
Gross carrying amount:							
1 January 2014		5,301	47,782	21,392	823	1,417	**76,715**
Business combination	24	37	302	723	1,115	–	**2,177**
Disposal of subsidiaries	24	(1)	(28)	–	(74)	–	**(103)**
Additions		138	6,847	354	245	487	**8,071**
Disposals		(28)	(348)	(14)	(60)	(3)	**(453)**
Effect of foreign currency exchange movements		(83)	(611)	(329)	–	–	**(1,023)**
Other movements		204	(1,104)	379	147	429	**55**
31 December 2014		**5,568**	**52,840**	**22,505**	**2,196**	**2,330**	**85,439**
Accumulated depreciation and impairment:							
1 January 2014		542	6,835	1,866	130	109	**9,482**
Depreciation		245	3,699	1,144	–	224	**5,312**
Disposal of subsidiaries	24	–	(14)	–	–	–	**(14)**
Disposals		(9)	(231)	–	(58)	(1)	**(299)**
Impairments	5	20	257	39	555	–	**871**
Effect of foreign currency exchange movements		(8)	(83)	(26)	–	–	**(117)**
Other movements		(15)	(58)	(136)	54	249	**94**
31 December 2014		**775**	**10,405**	**2,887**	**681**	**581**	**15,329**
Net book value 31 December 2014		**4,793**	**42,435**	**19,618**	**1,515**	**1,749**	**70,110**

Plant and equipment includes expenditure for construction in progress of $5,011 million (2014: $9,862 million) and a net book value of $596 million (2014: $536 million) of obligations recognised under finance lease agreements. Mineral and petroleum rights include biological assets of $71 million (2014: $98 million). Depreciation expenses included in cost of goods sold are $5,683 million (2014: $5,287 million) and in selling and administrative expenses $23 million (2014: $25 million).

During 2015, $163 million (2014: $348 million) of interest was capitalised, $163 million (2014: $263 million) within property, plant and equipment and $nil within assets held for sale (2014: $85 million). With the exception of project specific borrowings, the rate used to determine the amount of borrowing costs eligible for capitalisation was 2.9% (2014: 3.3%).

8. INTANGIBLE ASSETS

US$ million	Goodwill	Port allocation rights	Licences, trademarks and software	Royalty and acquired offtake arrangements	Total
Cost:					
1 January 2015	14,122	2,369	365	485	**17,341**
Disposal and cessation of control of subsidiaries[1]	–	(670)	–	(116)	**(786)**
Additions	–	–	26	18	**44**
Disposals	–	–	(2)	(73)	**(75)**
Effect of foreign currency exchange movements	–	(479)	(10)	(9)	**(498)**
Other movements	–	32	15	13	**60**
31 December 2015	**14,122**	**1,252**	**394**	**318**	**16,086**
Accumulated amortisation and impairment:					
1 January 2015	8,124	94	111	146	**8,475**
Disposal and cessation of control of subsidiaries[1]	–	(46)	–	(28)	**(74)**
Amortisation expense[2]	–	42	29	58	**129**
Impairment[3]	119	–	29	–	**148**
Disposals	–	–	(2)	(70)	**(72)**
Effect of foreign currency exchange movements	–	(23)	(7)	(5)	**(35)**
Other movements	–	–	(4)	3	**(1)**
31 December 2015	**8,243**	**67**	**156**	**104**	**8,570**
Net carrying amount 31 December 2015	**5,879**	**1,185**	**238**	**214**	**7,516**

1 See note 24.
2 Recognised in cost of goods sold.
3 See note 5.

8. INTANGIBLE ASSETS (continued)

US$ million	Goodwill	Port allocation rights	Licences, trademarks and software	Royalty and acquired offtake arrangements	Total
Cost:					
1 January 2014	14,122	2,604	326	438	**17,490**
Business combination[1]	–	–	1	12	**13**
Additions	–		17	11	**28**
Disposals	–	–	(26)	(2)	**(28)**
Effect of foreign currency exchange movements	–	(235)	(5)	(3)	**(243)**
Other movements	–	–	52	29	**81**
31 December 2014	**14,122**	**2,369**	**365**	**485**	**17,341**
Accumulated amortisation and impairment:					
1 January 2014	8,124	57	69	82	**8,332**
Amortisation expense[2]	–	44	35	57	**136**
Impairment[3]	–	–	15	–	**15**
Disposals	–	–	(21)	(2)	**(23)**
Effect of foreign currency exchange movements	–	(7)	(1)	–	**(8)**
Other movements	–	–	14	9	**23**
31 December 2014	**8,124**	**94**	**111**	**146**	**8,475**
Net carrying amount 31 December 2014	**5,998**	**2,275**	**254**	**339**	**8,866**

1 See note 24.

2 Recognised in cost of goods sold.

3 See note 5.

8. INTANGIBLE ASSETS (continued)

Goodwill

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

US$ million	2015	2014
Grain marketing business	**829**	829
Metals and minerals marketing businesses	**3,326**	3,326
Coal marketing business	**1,674**	1,674
Metals warehousing business	**50**	169
Total	**5,879**	5,998

Grain marketing business

Goodwill of $829 million (2014: $829 million) was recognised in previous business combinations attributable to synergies associated with the grain marketing division CGU.

Metals and minerals and coal marketing businesses

Goodwill of $3,326 million and $1,674 million was recognised in connection with previous business combinations and was allocated to the metals and minerals marketing and coal marketing CGUs respectively, based on the annual synergies expected to accrue to the respective marketing departments as a result of increased volumes, blending opportunities and freight and logistics arbitrage opportunities.

Metals warehousing business

As a result of the proposed changes to the LME warehousing regulations, the goodwill balance of $169 million was impaired to $50 million (see note 5).

Port allocation rights

Port allocation rights represent contractual entitlements to export certain amounts of coal on an annual basis from Richard Bay Coal Terminal in South Africa recognised as part of previous business combinations. The rights are amortised on a straight line basis over the estimated economic life of the port of 40 years.

Licences, trademarks and software

Intangibles related to internally developed technology and patents were recognised in previous business combinations and are amortised over the estimated economic life of the technology which ranges between 10 – 15 years.

Royalty and acquired offtake arrangements

The fair value of a royalty income stream related to output from the Antamina copper mine was recognised as part of a previous business combination. This amount is amortised on a unit of production basis through to 2027, the expected mine life.

Acquired offtake arrangements represent contractual entitlements acquired from third parties to provide marketing services and receive certain products produced from a mining or processing operation over a finite period of time. These rights are amortised on a straight line basis over the contractual term which currently ranges between 10 – 15 years.

9. GOODWILL IMPAIRMENT TESTING

For the purpose of impairment testing, goodwill has been allocated to the CGUs, or groups of CGUs, that are expected to benefit from the synergies of the business combination and which represent the level at which management monitor and manage the goodwill as follows:

US$ million	2015	2014
Grain marketing business	**829**	829
Metals and minerals marketing businesses	**3,326**	3,326
Coal marketing business	**1,674**	1,674
Metals warehousing business (refer to note 5)	**50**	169
Total	**5,879**	5,998

In assessing whether an impairment is required, the carrying value of the CGU is compared with its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal (“FVLCD”) and its value in use (“VIU”). If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated statement of income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Given the nature of each CGU’s activities, information on its fair value is usually difficult to obtain unless negotiations with potential purchasers or similar transactions are taking place. Consequently,

- the recoverable amount for each of the marketing CGUs is determined by reference to the FVLCD (compared against a VIU cash flow projection) which utilises a price to earnings multiple approach based on the 2016 approved financial budget which includes factors such as marketing volumes handled and operating, interest and income tax charges, generally based on past experience. The price to earnings multiple of 11.0 times (2014: 11.5 times) is derived from observable market data for broadly comparable businesses; and
- Glencore believes that no reasonably possible change in any of the above key assumptions would cause the recoverable amount to fall below the carrying value of the CGU. The determination of FVLCD for each of the marketing CGUs uses Level 3 valuation techniques in both years.

10. INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS

Investments in associates and joint ventures

US$ million	Notes	2015	2014
1 January		**12,274**	12,156
Additions		**236**	372
Disposals		**(612)**	(38)
Share of income from associates and joint ventures		**101**	638
Share of other comprehensive income from associates and joint ventures		**(26)**	(23)
Dividends received		**(428)**	(1,129)
Impairments	5	**(209)**	(135)
Reclassification		**46**	396
Other movements		**(45)**	37
31 December		**11,337**	12,274
Of which:			
Investments in associates		**8,166**	9,066
Investments in joint ventures		**3,171**	3,208

As at 31 December 2015, the fair value of listed associates and joint ventures, which have a carrying value of $681 million (2014: $1,487 million), using published price quotations (a Level 1 fair value measurement) was $255 million (2014: $1,394 million). The 2015 balance mainly comprises Century Aluminum ("Century"). The 31 December 2015 carrying value of Century is $592 million (2014: $792 million), following an impairment charge of $162 million recognised in H2 2015 (see note 5). The 2014 balance comprised primarily Century and Lonmin plc; the latter being disposed by way of an in specie distribution in June 2015 (see note 3).

Additions

In June 2015, Glencore completed the acquisition of a 50% stake in the Barcarena grain terminal in northern Brazil for $115 million. With this acquisition, Glencore now owns two key ports in the Northern corridor of Brazil which will give access to fast growing origination areas like Mato Grosso and Matopiba, enabling the Group to increase its marketing of corn and soyabeans.

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

Disposals

Mainly relates to the in specie distribution of the stake in Lonmin plc (see notes 3 and 17).

10. INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS (continued)

Details of material associates and joint ventures

Summarised financial information in respect of Glencore's associates and joint ventures, reflecting 100% of the underlying associate's and joint venture's relevant figures, is set out below.

US$ million	Cerrejón	Antamina	Total material associates	Collahuasi	Total material joint ventures	Total material associates and joint ventures
Non-current assets	2,744	4,279	**7,023**	4,609	**4,609**	**11,632**
Current assets	595	951	**1,546**	1,144	**1,144**	**2,690**
Non-current liabilities	(859)	(948)	**(1,807)**	(986)	**(986)**	**(2,793)**
Current liabilities	(202)	(286)	**(488)**	(273)	**(273)**	**(761)**
The above assets and liabilities include the following:						
Cash and cash equivalents	150	133	**283**	166	**166**	**449**
Current financial liabilities[1]	(5)	(61)	**(66)**	(3)	**(3)**	**(69)**
Non-current financial liabilities[1]	–	(167)	**(167)**	(75)	**(75)**	**(242)**
Net assets 31 December 2015	**2,278**	**3,996**	**6,274**	**4,494**	**4,494**	**10,768**
Glencore's ownership interest	33.33%	33.75%		44.0%		
Acquisition fair value and other adjustments	1,431	2,073	**3,504**	1,194	**1,194**	**4,698**
Carrying value	2,190	3,422	**5,612**	3,171	**3,171**	**8,783**

1 Financial liabilities exclude trade, other payables and provisions.

Summarised profit and loss in respect of Glencore's associates and joint ventures, reflecting 100% of the underlying associate's and joint venture's relevant figures for the year ended 31 December 2015, is set out below.

US$ million **2015**	Cerrejón	Antamina	Total of material associates	Collahuasi	Total of material joint ventures	Total of material associates and joint ventures
Revenue	1,859	2,080	**3,939**	1,991	**1,991**	**5,930**
(Loss)/Income for the year	(187)	411	**224**	166	**166**	**390**
Other comprehensive income	–	–	**–**	(9)	**(9)**	**(9)**
Total comprehensive (loss)/income	(187)	411	**224**	157	**157**	**381**
Glencore's share of dividends paid	53	206	**259**	110	**110**	**369**
The above profit for the year includes the following:						
Depreciation and amortisation	(557)	(721)	**(1,278)**	(586)	**(586)**	**(1,864)**
Interest income[1]	–	2	**2**	36	**36**	**38**
Interest expense[2]	(18)	(9)	**(27)**	(10)	**(10)**	**(37)**
Income tax expense	(178)	(233)	**(411)**	(54)	**(54)**	**(465)**

1 Includes foreign exchange gains and other income of $37 million.

2 Includes foreign exchange losses of $7 million.

10. INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS (continued)

US$ million	Cerrejón	Antamina	**Total material associates**	Collahuasi	**Total material joint ventures**	**Total material associates and joint ventures**
Non-current assets	2,838	4,181	**7,019**	4,918	**4,918**	**11,937**
Current assets	771	952	**1,723**	1,073	**1,073**	**2,796**
Non-current liabilities	(959)	(634)	**(1,593)**	(1,006)	**(1,006)**	**(2,599)**
Current liabilities	(217)	(443)	**(660)**	(451)	**(451)**	**(1,111)**
The above assets and liabilities include the following:						
Cash and cash equivalents	238	228	**466**	124	**124**	**590**
Current financial liabilities[1]	(9)	(270)	**(279)**	(2)	**(2)**	**(281)**
Non-current financial liabilities[1]	(9)	–	**(9)**	(81)	**(81)**	**(90)**
Net assets 31 December 2014	**2,433**	**4,056**	**6,489**	**4,534**	**4,534**	**11,023**
Glencore's ownership interest	33.33%	33.75%		44.0%		
Acquisition fair value and other adjustments	1,494	2,121	**3,615**	1,213	**1,213**	**4,828**
Carrying value	2,305	3,490	**5,795**	3,208	**3,208**	**9,003**

1 Financial liabilities exclude trade, other payables and provisions.

Summarised profit and loss in respect of Glencore's associates and joint ventures, reflecting 100% of the underlying associate's and joint venture's relevant figures for the year ended 31 December 2014, is set out below.

US$ million **2014**	Cerrejón	Antamina	**Total of material associates**	Collahuasi	**Total of material joint ventures**	**Total of material associates and joint ventures**
Revenue	2,263	2,504	**4,767**	2,980	**2,980**	**7,747**
(Loss)/Income for the year	(4)	1,319	**1,315**	385	**385**	**1,700**
Other comprehensive income	–	–	**–**	(8)	**(8)**	**(8)**
Total comprehensive (loss)/income	(4)	1,319	**1,315**	377	**377**	**1,692**
Glencore's share of dividends paid	239	343	**582**	440	**440**	**1,022**
The above profit for the year includes the following:						
Depreciation and amortisation	(541)	(565)	**(1,106)**	(543)	**(543)**	**(1,649)**
Interest income	–	1	**1**	1	**1**	**2**
Interest expense	(17)	(2)	**(19)**	(8)	**(8)**	**(27)**
Income tax (expense)/credit	(232)	114	**(118)**	(691)	**(691)**	**(809)**

Aggregate information of associates that are not individually material:

US$ million	**2015**	2014
The Group's share of (loss)/income	**(48)**	26
The Group's share of other comprehensive loss	**(22)**	(23)
The Group's share of total comprehensive (loss)/income	**(70)**	3
Aggregate carrying value of the Group's interests	**2,554**	3,271

10. INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS (continued)

Glencore's share of total comprehensive income did not include joint ventures other than the material joint venture discussed above.

The amount of corporate guarantees in favour of joint ventures as at 31 December 2015 was $337 million (2014: $354 million). Glencore's share of joint ventures' capital commitments amounts to $176 million (2014: $310 million).

Other investments

US$ million	2015	2014
Available for sale		
United Company Rusal plc	**407**	895
OAO NK Russneft	**685**	–
Fair value through profit and loss		
Volcan Compania Minera S.A.A.	**95**	149
Century Aluminum Company cash-settled equity swaps	**40**	223
Other	**78**	205
	213	577
Total	**1,305**	1,472

Russneft

In November 2015, Glencore and OAO NK Russneft ("Russneft") effected a debt to equity conversion which resulted in Glencore exchanging its loan balance and investment in operating subsidiaries carried at $nil for a 46% interest in Russneft (see note 11). Although Glencore holds more than a 20% interest in Russneft, based on historical interactions, it was concluded that Glencore is unable to exercise significant influence over the financial and operating policy decisions of Russneft. As a result, the investment is accounted for as an 'Available for sale' investment carried at fair value with changes in fair value recognised in other comprehensive income.

11. ADVANCES AND LOANS

US$ million	2015	2014
Loans to associates[1]	**436**	548
Rehabilitation trust fund	**152**	327
Other non-current receivables and loans	**2,417**	3,722
Total	**3,005**	4,597

1 Loans to associates generally bear interest at applicable floating market rates plus a premium.

Other non-current receivables and loans comprise the following:

US$ million	2015	2014
Counterparty		
Russneft loans	**–**	984
Secured marketing related financing arrangements[1]	**1,004**	1,456
Société Nationale d'Electricité (SNEL) power advances	**266**	232
Chad State National Oil Company	**544**	426
Société Nationale des Pétroles du Congo	**165**	–
Other	**438**	624
Total	**2,417**	3,722

1 Various marketing related financing facilities, generally secured against certain assets and/or payable from the future sale of production of the counterparty. The weighted average interest rate of the advances and loans is 10% and on average are to be repaid over a three-year period. In December 2015, an impairment of $155 million was recognised reflecting non-performance of contractual terms and rescheduling of the timing in product supply and a recoverable value provision in respect of other advances and loans (see note 5).

11. ADVANCES AND LOANS (continued)

Russneft loans

In November 2015 Glencore and Russneft effected a debt to equity conversion which resulted in Glencore exchanging its loan balance of $984 million and investments in operating subsidiaries carried at $nil for a 46% interest in Russneft**.** The fair value of the equity received was determined to be $685 million, resulting in a $300 million impairment recognised upon settlement of the loan (see note 5).

SNEL power advances

In early 2012, a joint agreement with Société Nationale d'Électricité ("SNEL"), the Democratic Republic of the Congo's ("DRC") national electricity utility, was signed whereby Glencore's operations will contribute $306 million to a major electricity infrastructure refurbishment programme, including transmission and distribution systems. This is expected to facilitate a progressive increase in power availability to 450 megawatts by the end of 2017. Funding commenced in the second quarter of 2012 and will continue until the end of 2017. The loans are being repaid via discounts on electricity purchases, which will accelerate upon completion of the refurbishment programme.

Chad State National Oil Company

Glencore has provided a net $544 million (2014: $512 million) to the Chad State National Oil Company ("SHT") to be repaid through future oil deliveries over 7 years. As at 31 December 2015, the advance is net of $905 million (2014: $1,023 million) provided by a syndicate of banks, the repayment terms of which are contingent upon and connected to the receipt of oil due from SHT under the prepayment. Of the net amount advanced, $544 million (2014: $426 million) is receivable after 12 months and is presented within Other non-current receivables and loans and $nil (2014: $86 million) is due within 12 months, such amounts included within Accounts receivable.

Société Nationale des Pétroles du Congo ("SNPC")

In 2015, Glencore advanced a net $218 million to SNPC to be repaid through future oil deliveries over 5 years. The advance is net of $522 million provided by a syndicate of banks, the repayment terms of which are contingent upon and connected to the receipt of oil due from SNPC under the prepayment. Of the net amount advanced, $165 million is receivable after 12 months and is presented within Other long term receivables and loans and $53 million is due within 12 months and as such included within Accounts receivable.

12. INVENTORIES

Inventories of $18,303 million (2014: $24,436 million) comprise $10,928 million (2014: $16,297 million) of inventories carried at fair value less costs of disposal and $7,375 million (2014: $8,139 million) valued at the lower of cost or net realisable value.

Fair value of inventories is a Level 2 fair value measurement (see note 27) 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 19). As at 31 December 2015, the total amount of inventory secured under such facilities was $1,649 million (2014: $1,707 million). The proceeds received and recognised as current borrowings were $1,607 million (2014: $1,558 million).

13. ACCOUNTS RECEIVABLE

US$ million	2015	2014
Trade receivables[1]	**10,175**	14,466
Trade advances and deposits[1,2,3]	**4,206**	4,596
Associated companies[1]	**414**	359
Other receivables	**2,206**	2,035
Total	**17,001**	21,456

1 Collectively referred to as receivables presented net of allowance for doubtful debts.

2 Includes advances net of $180 million provided by banks, the repayment terms of which are contingent upon and connected to the future delivery of contractual production over the next 12 months.

3 In December 2015, impairments of $359 million were recognised reflecting non-performance of contractual terms and a recoverable value provision in respect of trade advances and deposits (see note 5).

The average credit period on sales of goods is 27 days (2014: 27 days).

As at 31 December 2015, 6% (2014: 8%) of receivables were between 1 to 60 days overdue, and 5% (2014: 6%) were greater than 60 days overdue. Such receivables, although contractually past their due dates, are not considered impaired as there has not been a significant change in credit quality of the relevant counterparty, and the amounts are still considered recoverable taking into account customary payment patterns and in many cases, offsetting accounts payable balances.

The movement in allowance for doubtful accounts is detailed in the table below:

US$ million	2015	2014
1 January	**293**	252
Released during the year	**(62)**	(62)
Charged during the year	**80**	168
Utilised during the year	**(42)**	(65)
31 December	**269**	293

Glencore has a number of dedicated financing facilities, which finance a portion of its receivables. 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 19). As at 31 December 2015, the total amount of trade receivables secured was $2,205 million (2014: $2,631 million) and proceeds received and classified as current borrowings amounted to $1,937 million (2014: $2,173 million).

14. CASH AND CASH EQUIVALENTS

US$ million	2015	2014
Bank and cash on hand	**2,059**	2,093
Deposits and treasury bills	**648**	731
Total	**2,707**	2,824

As at 31 December 2015, $22 million (2014: $17 million) was restricted.

15. SHARE CAPITAL AND RESERVES

	Number of shares (thousand)	Share capital (US$ million)	Share premium (US$ million)
Authorised:			
31 December 2015 and 2014 Ordinary shares with a par value of $0.01 each	50,000,000	–	–
Issued and fully paid up:			
1 January 2014	13,278,405	133	54,777
Distributions paid (see note 17)	–	–	(2,244)
31 December 2014 – Ordinary shares	**13,278,405**	**133**	**52,533**
1 January 2015	13,278,405	133	52,533
Share issuance	1,307,795	13	2,431
Distributions paid (see note 17)	–	–	(2,626)
31 December 2015 – Ordinary shares	**14,586,200**	**146**	**52,338**

In September 2015, a total of 1,307,794,600 new ordinary shares in Glencore were placed at a price of 125 pence per share, raising gross proceeds of approximately $2.5 billion. The new shares issued represented approximately 10% of the Company's issued ordinary share capital prior to the placing.

	Treasury Shares		Trust Shares		**Total**	
	Number of shares (thousand)	Share premium (US$ million)	Number of shares (thousand)	Share premium (US$ million)	**Number of shares (thousand)**	**Share premium (US$ million)**
Own shares:						
1 January 2014	–	–	156,790	(767)	156,790	(767)
Own shares purchased during the year	143,278	(758)	7,000	(37)	150,278	(795)
Own shares disposed during the year	–	–	(13,328)	69	(13,328)	69
31 December 2014	**143,278**	**(758)**	**150,462**	**(735)**	**293,740**	**(1,493)**
1 January 2015	143,278	(758)	150,462	(735)	293,740	(1,493)
Own shares purchased during the year	58,050	(240)	28,843	(41)	86,893	(281)
Own shares transferred to satisfy employee share awards	(9,869)	50	9,869	(50)	–	–
Own shares disposed during the year	–	–	(14,770)	62	(14,770)	62
31 December 2015	**191,459**	**(948)**	**174,404**	**(764)**	**365,863**	**(1,712)**

Own shares

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

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

As at 31 December 2015, 365,863,517 shares (2014: 293,740,462 shares), equivalent to 2.5% (2014: 2.2%) of the issued share capital were held at a cost of $1,712 million (2014: $1,493 million) and market value of $488 million (2014: $1,368 million).

15. SHARE CAPITAL AND RESERVES (continued)

Other reserves

US$ million	Translation adjustment	Equity portion of Convertible bonds	Cash flow hedge reserve	Net unrealised gain/(loss)	Net ownership changes in subsidiaries	Other reserves	**Total**
1 January 2014	(1,317)	89	(356)	–	(844)	10	**(2,418)**
Exchange loss on translation of foreign operations	(846)	–	–	–	–	–	**(846)**
Gain on cash flow hedges, net of tax	–	–	415	–	–	–	**415**
Cash flow hedges transferred to the statement of income, net of tax	–	–	(1)	–	–	–	**(1)**
Gain on available for sale financial instruments	–	–	–	501	–	–	**501**
Equity portion of repaid convertible bond	–	(89)	–	–	–	–	**(89)**
Change in ownership interest in subsidiaries	–	–	–	–	29	–	**29**
31 December 2014	**(2,163)**	**–**	**58**	**501**	**(815)**	**10**	**(2,409)**
1 January 2015	(2,163)	–	58	501	(815)	10	**(2,409)**
Exchange loss on translation of foreign operations	(1,727)	–	–	–	–	–	**(1,727)**
Loss on cash flow hedges, net of tax	–	–	(89)	–	–	–	**(89)**
Loss on available for sale financial instruments	–	–	–	(489)	–	–	**(489)**
Change in ownership interest in subsidiaries	–	–	–	–	(16)	–	**(16)**
Foreign currency translation losses recycled to the statement of income	311	–	–	–	–	–	**311**
31 December 2015	**(3,579)**	**–**	**(31)**	**12**	**(831)**	**10**	**(4,419)**

16. EARNINGS PER SHARE

US$ million	2015	2014
(Loss)/profit attributable to equity holders for basic earnings per share	**(4,964)**	2,308
Weighted average number of shares for the purposes of basic earnings per share (thousand)	**13,317,970**	13,098,766
Effect of dilution:		
Equity-settled share-based payments (thousand)[1]	**–**	52,579
Weighted average number of shares for the purposes of diluted earnings per share (thousand)[1]	**–**	13,151,345
Basic (loss)/earnings per share (US$)	**(0.37)**	0.18
Diluted (loss)/earnings per share (US$)[1]	**(0.37)**	0.18

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 the Circular 2/2013 as issued by the South African Institute of Chartered Accountants ("SAICA"), is reconciled using the following data:

Headline earnings:

US$ million	2015	2014
(Loss)/profit attributable to equity holders for basic earnings per share	**(4,964)**	2,308
Net loss/(gain) on disposals[2]	**1,061**	(790)
Net loss on disposals – non-controlling interest	**(31)**	–
Net (gain)/loss on disposals – tax	**(263)**	550
Impairments[3]	**6,692**	1,101
Impairments – non-controlling interest	**(2,611)**	(99)
Impairments – tax	**(316)**	(270)
Headline (loss)/earnings for the year	**(432)**	2,800
Headline (loss)/earnings per share (US$)	**(0.03)**	0.21
Diluted headline (loss)/earnings per share (US$)[1]	**(0.03)**	0.21

1 In 2015, as both the result attributable to equity holders and to Headline results is a loss, the effect has not been presented as this would be anti-dilutive.

2 Comprises losses on disposals and investments of $994 million, loss from metal leak of $60 million and loss on vessel charter contract and net other expenses of $7 million (see notes 3 and 4). 2014 comprises gains on disposal and investments of $715 million and gain on disposal of property, plant and equipment of $75 million.

3 Comprises impairments of property, plant and equipment, intangible assets, investments and non-current advances and loans (see note 5).

17. DISTRIBUTIONS

US$ million	2015	2014
Paid during the year:		
Final distribution for 2014 – $0.12 per ordinary share (2013: $0.111 per ordinary share)	**1,551**	1,457
Interim distribution for 2015 – $0.06 per ordinary share (2014: $0.06 per ordinary share)	**777**	787
In specie distribution of Group's 23.9% in Lonmin plc	**298**	–
Total	**2,626**	2,244

As announced on 7 September 2015, the final distribution for 2015 has been suspended. The 2015 interim distribution was paid on 29 September 2015.

18. SHARE-BASED PAYMENTS

	Number of awards granted (thousand)	Fair value at grant date (US$ million)	Number of awards outstanding 2015 (thousand)	Number of awards outstanding 2014 (thousand)	Expense recognised 2015 (US$ million)	Expense recognised 2014 (US$ million)
Deferred Bonus Plan						
2013 Series	4,958	24	**–**	3,717	**–**	–
2014 Series	3,633	20	**2,455**	3,633	**–**	20
2015 Series	15,634	35	**15,634**	–	**35**	–
Performance Share Plan						
2012 Series	3,375	18	**–**	1,049	**–**	4
2013 Series	11,065	60	**4,075**	7,472	**20**	36
2014 Series	15,611	86	**11,035**	15,611	**46**	10
2015 Series	44,475	56	**44,475**	–	**–**	–
Total			**77,674**	31,482	**101**	70

Deferred Bonus Plan

Under the Glencore Deferred Bonus Plan ("DBP"), the payment of a portion of a participant's annual bonus is deferred for a period of one to two years as an award of either ordinary shares (a ''Bonus Share Award'') or cash (a "Bonus Cash Award"). The awards are vested at grant date with no further service conditions however they are subject to forfeiture for malus events. The Bonus Share Awards may be satisfied, at Glencore's option, in shares by the issue of new ordinary shares, by the transfer of ordinary shares held in treasury or by the transfer of ordinary shares purchased in the market or in cash, with a value equal to the market value of the award at settlement, including distributions paid between award and settling. Glencore currently intends to settle these awards in shares. The associated expense is recorded in the statement of income as part of the regular expense for performance bonuses.

Performance share plan

Under the Glencore Performance Share Plan ("PSP"), participants are awarded PSP awards which vest in annual tranches over a specified period, subject to continued employment and forfeiture for malus events. At grant date, each PSP award is equivalent to one ordinary share of Glencore. The awards vest in three or five equal tranches on 30 June, 31 December or 31 January of the years following the year of grant, as may be the case. The fair value of the awards is determined by reference to the market price of Glencore's ordinary shares at grant date. The PSP awards may be satisfied, at Glencore's option, in shares by the issue of new ordinary shares, by the transfer of ordinary shares held in treasury or by the transfer of ordinary shares purchased in the market or in cash, with a value equal to the market value of the award at vesting, including distributions paid between award and vesting. Glencore currently intends to settle these awards in shares.

18. SHARE-BASED PAYMENTS (continued)

Share based awards assumed in previous business combinations

	Total options outstanding (thousands)	Weighted average exercise price (GBP)
1 January 2014	155,161	3.74
Forfeited	–	–
Lapsed	(42)	4.93
Exercised[1]	(6,557)	1.71
31 December 2014	**148,562**	
1 January 2015	148,562	3.83
Forfeited	–	–
Lapsed	–	–
Exercised[1]	(1,960)	1.69
31 December 2015	**146,602**	

1 The weighted average share price at date of exercise of the share based awards was GBP2.89 (2014: GBP3.42).

As at December 31, 2015, a total of 146,601,834 options (2014: 148,561,546 options) were outstanding and exercisable, having a range of exercise prices from GBP1.098 to GBP6.880 (2014: GBP1.098 to GBP6.880) and a weighted average exercise price of GBP3.853 (2014: GBP3.825). These outstanding awards have expiry dates ranging from March 2016 to February 2022 (2014: March 2015 to February 2022) and a weighted average contractual life of 2.8 years (2014: 3.4 years). The awards may be satisfied at Glencore's option, by the issue of new ordinary shares, by the transfer of ordinary shares held in treasury or by the transfer of ordinary shares purchased in the market. Glencore currently intends to settle these awards, when exercised, by the transfer of ordinary shares held in treasury.

19. BORROWINGS

US$ million	Notes	2015	2014
Non-current borrowings			
Capital market notes		**28,938**	30,877
Committed syndicated revolving credit facilities		**2,994**	7,933
Finance lease obligations	29	**376**	425
Other bank loans		**624**	1,453
Total non-current borrowings		**32,932**	40,688
Current borrowings			
Secured inventory/receivables facilities	12/13	**3,544**	3,731
U.S. commercial paper		**15**	813
Capital market notes		**4,474**	3,504
Finance lease obligations	29	**88**	51
Other bank loans[1]		**2,996**	3,906
Total current borrowings		**11,117**	12,005

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

Committed syndicated revolving credit facility

In May 2015, Glencore signed new revolving credit facilities for a total amount of $15.25 billion. These facilities refinanced earlier $15.3 billion of one-year and three-year revolving credit facilities signed in June 2014. Funds drawn under the facilities bear interest at U.S. $ LIBOR plus a margin ranging from 40 to 55 basis points per annum.

The new and amended facilities comprise:

- a $8.45 billion 12 month revolving credit facility with a 12 month term-out option and 12 month extension option; and
- a $6.8 billion 5 year revolving credit facility with two 12 month extension options.

In February 2016, Glencore announced that it has signed a new Revolving Credit Facility (“RCF”), which will ultimately refinance and replace the existing $8.45 billion facility. In pre-syndication, $7.7 billion of commitments from 37 banks were signed into and in Q2 2016 the refinancing will be broadened via launch of general syndication to some 30 additional banks. Consistent with the current facility, this new facility remains unsecured, containing a 12-month extension option and 12-month borrower’s term-out option, thereby extending the final maturity to May 2018.

U.S. commercial paper

Glencore has in place a standalone U.S. commercial paper programme for $4,000 million rated A2 and P2 respectively by S&P’s and Moody’s rating agencies. The notes issued under this programme carry interest at floating market rates and mature not more than 397 days from the date of issue. Funds drawn under the facilities bear interest at U.S. $ LIBOR plus a margin ranging from 35 to 70 basis points per annum.

19. BORROWINGS (continued)

Capital Market Notes

US$ million	Maturity	2015	2014
AUD 500 million 4.500% coupon bonds	Sep 2019	**374**	424
Euro 1,250 million 1.750% coupon bonds	May 2016	**–**	1,512
Euro 1,250 million 5.250% coupon bond	Mar 2017	**1,281**	1,511
Euro 500 million 5.250%, coupon bonds	Jun 2017	**556**	676
Euro 1,250 million 4.625% coupon bonds	April 2018	**1,337**	1,511
Euro 1,000 million 2.625% coupon bonds	Nov 2018	**1,086**	1,210
Euro 750 million 3.375% coupon bonds	Sep 2020	**801**	901
Euro 1,250 million 1.250% coupon bonds	Mar 2021	**1,330**	–
Euro 600 million 2.750% coupon bonds	Apr 2021	**633**	719
Euro 700 million 1.625% coupon bonds	Jan 2022	**753**	837
Euro 400 million 3.700% coupon bonds	Oct 2023	**432**	479
Euro 750 million 1.750% coupon bonds	Mar 2025	**804**	–
Euro 500 million 3.750% coupon bonds	Apr 2026	**539**	599
Eurobonds		**9,552**	9,955
JPY 10 billion 1.075% coupon bonds	May 2022	**83**	–
GBP 650 million 6.500% coupon bonds	Feb 2019	**948**	1,003
GBP 500 million 7.375% coupon bonds	May 2020	**821**	886
GBP 500 million 6.000% coupon bonds	April 2022	**747**	792
Sterling bonds		**2,516**	2,681
CHF 825 million 3.625% coupon bonds	April 2016	**–**	831
CHF 450 million 2.625% coupon bonds	Dec 2018	**449**	453
CHF 175 million 2.125% coupon bonds	Dec 2019	**174**	175
CHF 500 million 1.250% coupon bonds	Dec 2020	**498**	502
Swiss Franc bonds		**1,121**	1,961
US$ 500 million LIBOR plus 1.16% coupon bonds	May 2016	**–**	499
US$ 1,000 million 1.700% coupon bonds	May 2016	**–**	999
US$ 1,000 million 5.800% coupon bonds	Nov 2016	**–**	1,076
US$ 700 million 3.600% coupon bonds	Jan 2017	**707**	724
US$ 250 million 5.500% coupon bonds	Jun 2017	**262**	270
US$ 1,750 million 2.700% coupon bonds	Oct 2017	**1,753**	1,771
US$ 250 million LIBOR plus 1.06% coupon bonds	Apr 2018	**233**	–
US$ 500 million 2.125% coupon bonds	Apr 2018	**463**	–
US$ 200 million LIBOR plus 1.200% coupon bonds	May 2018	**200**	200
US$ 500 million LIBOR plus 1.360% coupon bonds	Jan 2019	**499**	499
US$ 1,500 million 2.500% coupon bonds	Jan 2019	**1,474**	1,499
US$ 1,000 million 3.125% coupon bonds	Apr 2019	**1,006**	1,001
US$ 1,000 million 2.875% coupon bonds	Apr 2020	**990**	–
US$ 400 million 5.950% coupon bonds	Aug 2020	**400**	400
US$ 1,000 million 4.950% coupon bonds	Nov 2021	**1,066**	1,076
US$ 250 million LIBOR plus 1.650% coupon bonds	May 2022	**250**	–
US$ 1,000 million 4.250% coupon bonds	Oct 2022	**1,016**	1,022
US$ 1,500 million 4.125% coupon bonds	May 2023	**1,553**	1,537
US$ 1,000 million 4.625% coupon bonds	Apr 2024	**1,046**	1,041
US$ 500 million 4.000% coupon bonds	Apr 2025	**485**	–
US$ 250 million 6.200% coupon bonds	Jun 2035	**274**	275
US$ 500 million 6.900% coupon bonds	Nov 2037	**600**	602
US$ 500 million 6.000% coupon bonds	Nov 2041	**541**	542
US$ 500 million 5.550% coupon bonds	Oct 2042	**474**	474
US$ 350 million 7.500% coupon bonds	Perpetual	**–**	349
US$ bonds		**15,292**	15,856
Total non-current bonds		**28,938**	30,877

19. BORROWINGS (continued)

US$ million	Maturity	2015	2014
Euro 750 million 7.125% coupon bonds	Apr 2015	–	907
Euro 600 million 6.250% coupon bonds	May 2015	–	735
Euro 1,250 million 1.750% coupon bonds	May 2016	1,228	–
Eurobonds		1,228	1,642
US$ 250 million 5.375% coupon bonds	Jun 2015	–	254
US$ 1,250 million 2.050% coupon bonds	Oct 2015	–	1,255
US$ 341 million 6.000% coupon bonds	Oct 2015	–	353
US$ 500 million LIBOR plus 1.16% coupon bonds	May 2016	489	–
US$ 1,000 million 1.700% coupon bonds	May 2016	1,000	–
US$ 1,000 million 5.800% coupon bonds	Nov 2016	934	–
US$ bonds		2,423	1,862
CHF 825 million 3.625% coupon bonds	April 2016	823	–
Total current bonds		4,474	3,504

2015 Bond activities

Eurobonds

- In March 2015, Glencore issued in two tranches EUR 2.0 billion of interest bearing notes as follows:
  - 6 year EUR 1,250 million, 1.250% fixed coupon bonds; and
  - 10 year EUR 750 million, 1.750% fixed coupon bonds.

US$ bonds

- In April 2015, Glencore issued in four tranches $2.25 billion of interest bearing notes as follows:
  - 3 year $500 million, 2.125% fixed coupon bonds;
  - 3 year $250 million, Libor plus 1.06% floating rate bond;
  - 5 year $1,000 million, 2.875% fixed coupon bonds; and
  - 10 year $500 million, 4.0% fixed coupon bonds.

Japanese Yen bonds

- In June 2015, Glencore issued 7 year JPY 40 billion of 1.075% fixed coupon bonds. In December 2015, Glencore converted JPY 30 billion of such bonds into new 7 year $250 million Libor plus 1.650% coupon bonds; the balance of JPY 10 billion of these bonds remains outstanding.

In October 2015, Glencore redeemed (1st call date) its perpetual bonds with a nominal value of $350 million.

In Q4 2015, Glencore repurchased bonds with a nominal value of $564 million, comprising primarily 2016 and 2017 maturities.

Secured facilities

US$ million	Maturity	Borrowing base	Interest	2015	2014
Syndicated committed metals inventory/receivables facilities	Jan[1]/Mar 2016	380	US$ LIBOR + 110/150 bps	350	435
Syndicated uncommitted metals inventory/receivables facilities	Jan 2016[1]	2,910	US$ LIBOR + 50/70/150 bps	2,161	1,818
Syndicated uncommitted Oil receivables facilities	Jan[1]/Oct 2016	550	US$ LIBOR + 70 bps	550	983
Syndicated uncommitted agricultural products inventory/receivables facilities	Jan[1]/Oct 2016	520	US$ LIBOR + 70 bps	483	495
Total		4,360		3,544	3,731

1 Since year-end, in the ordinary course of business, these maturities have been rolled/extended as required.

20. DEFERRED INCOME

US$ million	Notes	Unfavourable contracts	Prepayment	Total
1 January 2014		1,320	162	**1,482**
Utilised in the year		(122)	(27)	**(149)**
Effect of foreign currency exchange difference		(60)	–	**(60)**
31 December 2014		**1,138**	**135**	**1,273**
Current		129	24	153
Non-current		1,009	111	1,120
1 January 2015		1,138	135	**1,273**
Additions		–	900	**900**
Utilised in the year		(146)	(149)	**(295)**
Disposals and loss of control of subsidiaries	24	(212)	–	**(212)**
Effect of foreign currency exchange difference		(127)	–	**(127)**
31 December 2015		**653**	**886**	**1,539**
Current		53	34	87
Non-current		600	852	1,452

Unfavourable contracts

In previous business combinations, Glencore recognised liabilities related to various assumed contractual agreements to deliver tonnes of coal and zinc concentrates over periods ending between 2017 and 2045 at fixed prices lower than the prevailing market prices on the respective acquisition dates.

These amounts are released to revenue as the underlying commodities are delivered to the buyers over the life of the contracts at rates consistent with the implied forward price curves at the time of the acquisitions.

Prepayment

In December 2015, effective 1 October 2015, Glencore entered into a long-term streaming agreement with Silver Wheaton Corporation (“Silver Wheaton”), for the delivery of the equivalent of 33.75% of the silver produced by the Antamina mine (“Antamina”) until 140 million ounces of silver is delivered, at which time, the designated percentage reduces to 22.50% of the silver production from Antamina over the remaining life of mine. In consideration, Silver Wheaton made an up-front advance payment of $900 million and pays an ongoing amount of 20% of the spot silver price for each ounce of silver delivered under the streaming agreement. The arrangement has been accounted for as an executory contract whereby the advance payment has been recorded as deferred revenue. The revenue from the advance payment is being recognised as the silver is delivered to Silver Wheaton at an amount consistent with the implied forward price curve at the time of the transaction along with the ongoing cash payments. An accretion expense, representing the time value of the upfront deposit on the deferred revenue balance, will also be recognised. As at 31 December 2015, 1,340,000 ounces have been delivered under the contract.

21. PROVISIONS

US$ million	Post-retirement employee benefits	Other employee entitlements	Rehabilitation costs	Onerous contracts	Other[1]	Total
1 January 2014	980	363	3,963	1,930	1,151	8,387
Provision utilised in the year	(285)	(125)	(369)	(229)	(243)	**(1,251)**
Accretion in the year	–	–	181	9	–	**190**
Assumed in business combination[2]	–	–	10	4	–	**14**
Additional provision in the year	455	72	102	36	283	**948**
Effect of foreign currency exchange difference	(80)	(2)	(51)	(20)	(4)	**(157)**
31 December 2014	**1,070**	**308**	**3,836**	**1,730**	**1,187**	**8,131**
Current	–	–	86	129	361	576
Non-current	1,070	308	3,750	1,601	826	7,555
1 January 2015	1,070	308	3,836	1,730	1,187	8,131
Provision utilised in the year	(249)	(137)	(448)	(447)	(457)	**(1,738)**
Accretion in the year	–	–	178	6	–	**184**
Assumed in business combination[2]	–	–	–	–	21	**21**
Disposals and cessation of control of subsidiairies[2]	(2)	–	(241)	–	(18)	**(261)**
Additional provision in the year	102	52	(302)	189	268	**309**
Effect of foreign currency exchange difference	(118)	(2)	(118)	–	(11)	**(249)**
31 December 2015	**803**	**221**	**2,905**	**1,478**	**990**	**6,397**
Current	–	–	89	155	230	474
Non-current	803	221	2,816	1,323	760	5,923

1 Other comprises provisions for possible demurrage, mine concession, tax and construction related claims.

2 See note 24.

Post-retirement employee benefits
The provision for post-retirement employee benefits includes pension plan liabilities of $346 million (2014: $531 million) and post-retirement medical plan liabilities of $457 million (2014: $539 million), see note 22.

Other employee entitlements
The employee entitlement provision represents the value of governed employee entitlements due to employees upon their termination of employment. The associated expenditure will occur in a pattern consistent with when employees choose to exercise their entitlements.

Rehabilitation costs
Rehabilitation provision represents the accrued cost required to provide adequate restoration and rehabilitation upon the completion of production activities. These amounts will be settled when rehabilitation is undertaken, generally at the end of a project's life, which ranges from two to in excess of 50 years with the majority of the costs expected to be incurred in the final years of the underlying operations. The costs are discounted to the present value at operation specific rates ranging from 6% – 12% (2014: 5.5% – 13%).

Onerous contracts
In previous business combinations, Glencore recognised a liability related to assumed contractual take or pay commitments for securing coal logistics capacity at fixed prices and quantities higher than the acquisition date forecasted usage and prevailing market price. The provision is released to costs of goods sold as the underlying commitments are incurred.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS

Total personnel costs, which include salaries, wages, social security, other personnel costs and share-based payments, incurred for the years ended 31 December 2015 and 2014, were $5,287 million and $6,011 million, respectively. Personnel costs related to consolidated industrial subsidiaries of $4,344 million (2014: $5,083 million) are included in cost of goods sold. Other personnel costs, including the deferred bonus and performance share plans, are included in selling and administrative expenses.

The Company and certain subsidiaries sponsor various pension schemes in accordance with local regulations and practices. Eligibility for participation in the various plans is either based on completion of a specified period of continuous service, or date of hire. Among these schemes are defined contribution plans as well as defined benefit plans.

Defined contribution plans

Glencore's contributions under these plans amounted to $199 million in 2015 (2014: $235 million).

Post-retirement medical plans

The Company participates in a number of post-retirement medical plans, principally in Canada, which provide coverage for prescription drugs, medical, dental, hospital and life insurance to eligible retirees. Almost all of the post-retirement medical plans in the Group are unfunded.

Defined benefit pension plans

The Company operates defined benefit plans in various countries, the main locations being Canada, Switzerland, UK and the US. Approximately 75% of the present value of obligations accrued to date relates to the defined benefit plans in Canada, which are pension plans that provide benefits to members in the form of a guaranteed level of pension payable for life. Contributions to the Canadian plans are made to meet or exceed minimum funding requirements based on provincial statutory requirements and associated federal taxation rules.

The majority of benefit payments are from trustee-administered funds; however, there are also a number of unfunded plans where Glencore meets the benefit payments as they fall due. Plan assets held in trusts are governed by local regulations and practices in each country. Responsibility for governance of the plans – overseeing all aspects of the plans including investment decisions and contribution schedules – lies with Glencore. Glencore has set up committees to assist in the management of the plans and has also appointed experienced, independent professional experts such as investment managers, actuaries, custodians, and trustees.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS (continued)

The movement in the defined benefit pension and post-retirement medical plans over the year is as follows:

US$ million		Defined benefit pension plans		
	Post-retirement medical plans	Present value of defined benefit obligation	Fair value of plan assets	**Net liability for defined benefit pension plans**
1 January 2015	**539**	4,185	(3,654)	**531**
Current service cost	9	72	–	72
Past service cost – plan amendments	(1)	1	–	1
Settlement	–	(183)	177	(6)
Interest expense/(income)	20	139	(123)	16
Total expense recognised in consolidated statement of income	**28**	29	54	**83**
Gain on plan assets, excluding amounts included in interest expense – net	–	–	(86)	(86)
Gain from change in demographic assumptions	(1)	(3)	–	(3)
Loss/(Gain) from change in financial assumptions	2	(39)	–	(39)
(Gain)/loss from actuarial experience	(5)	10	–	10
Change in asset ceiling, excluding amounts included in interest expense	–	(4)	–	(4)
Actuarial gains recognised in consolidated statement of comprehensive income	**(4)**	(36)	(86)	**(122)**
Employer contributions	–	–	(108)	(108)
Employee contributions	–	2	(2)	–
Benefits paid directly by the Company	(24)	(10)	10	–
Benefits paid from plan assets	–	(217)	217	–
Net cash (outflow)/inflow	**(24)**	(225)	117	**(108)**
Disposal of subsidiaries[1]	–	(3)	1	(2)
Exchange differences	(82)	(545)	509	(36)
Other	**(82)**	(548)	510	**(38)**
31 December 2015	**457**	3,405	(3,059)	**346**

1 See note 24.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS (continued)

US$ million		Defined benefit pension plans		
	Post-retirement medical plans	Present value of defined benefit obligation	Fair value of plan assets	**Net liability for defined benefit pension plans**
1 January 2014	**584**	4,059	(3,663)	**396**
Current service cost	10	71	–	71
Past service cost – plan amendments	(2)	1	–	1
Settlement	–	(40)	26	(14)
Interest expense/(income)	27	173	(160)	13
Total expense/(income) recognised in consolidated statement of income	**35**	205	(134)	**71**
Gain on plan assets, excluding amounts included in interest expense – net	–	–	(254)	(254)
Loss from change in demographic assumptions	16	73	–	73
(Gain)/loss from change in financial assumptions	(15)	463	–	463
(Gain)/loss from actuarial experience	(10)	12	–	12
Change in asset ceiling, excluding amounts included in interest expense	–	(31)	–	(31)
Actuarial (gains)/losses recognised in consolidated statement of comprehensive income	**(9)**	517	(254)	**263**
Employer contributions	–	–	(164)	(164)
Employee contributions	–	2	(2)	–
Benefits paid directly by the Company	(26)	(13)	13	–
Benefits paid from plan assets	–	(248)	248	–
Net cash (outflow)/inflow	**(26)**	(259)	95	**(164)**
Exchange differences	(45)	(337)	302	(35)
Other	**(45)**	(337)	302	**(35)**
31 December 2014	**539**	4,185	(3,654)	**531**

The Group expects to make a contribution of $116 million to the defined benefit pension and post-retirement medical plans during the next financial year.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS (continued)

The defined benefit obligation accrued to date in Canada represents the majority for the Company. The breakdown below provides details of the Canadian plans for both the balance sheet and the weighted average duration of the defined benefit obligation as at 31 December 2015 and 2014. The defined benefit obligation of any other of the Group's defined benefit plans as at 31 December 2015 does not exceed $195 million (2014: $205 million).

2015 US$ million	Canada	Other	**Total**
Post-retirement medical plans			
Present value of defined benefit obligation	395	62	**457**
of which: amounts owing to active members	121	21	**142**
of which: amounts owing to pensioners	274	41	**315**
Defined benefit pension plans			
Present value of defined benefit obligation	2,534	871	**3,405**
of which: amounts owing to active members	571	457	**1,028**
of which: amounts owing to not active members	102	197	**299**
of which: amounts owing to pensioners	1,861	217	**2,078**
Fair value of plan assets	(2,454)	(605)	**(3,059)**
Net defined benefit liability at 31 December 2015	80	266	**346**
Weighted average duration of defined benefit obligation - years	13	18	14

2014 US$ million	Canada	Other	**Total**
Post-retirement medical plans			
Present value of defined benefit obligation	468	71	**539**
of which: amounts owing to active members	143	27	**170**
of which: amounts owing to pensioners	325	44	**369**
Defined benefit pension plans			
Present value of defined benefit obligation	3,271	914	**4,185**
of which: amounts owing to active members	746	467	**1,213**
of which: amounts owing to not active members	142	217	**359**
of which: amounts owing to pensioners	2,383	230	**2,613**
Fair value of plan assets	(3,026)	(628)	**(3,654)**
Net defined benefit liability at 31 December 2014	245	286	**531**
Weighted average duration of defined benefit obligation - years	12	17	13

The actual return on plan assets in respect of defined benefit pension plans amounted to a loss of $300 million (2014: gain of $112 million), mainly resulting from foreign exchange movements.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS (continued)

The plan assets consist of the following:

US$ million	2015	2014
Cash and short-term investments	**88**	80
Fixed income	**1,605**	2,056
Equities	**1,180**	1,379
Other[1]	**186**	139
Total	**3,059**	3,654

1 Includes securities in non-active markets in the amount of $58 million (2014: $60 million).

The fair value of plan assets includes none of Glencore's own financial instruments and no property occupied by or other assets used by Glencore. For many of the plans, representing a large portion of the global plan assets, asset-liability matching strategies are in place, where the fixed-income assets are invested broadly in alignment with the duration of the plan liabilities, and the proportion allocated to fixed-income assets is raised when the plan funding level increases.

Through its defined benefit plans, Glencore is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The funded plans hold a significant proportion of equities, which are expected to outperform bonds in the long-term while contributing volatility and risk in the short-term. Glencore believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of Glencore's long-term strategy to manage the plans efficiently.

Change in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk: Some of the plans' benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities, although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation.

Life expectancy: The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liability.

Salary increases: Some of the plans' benefit obligations related to active members are linked to their salaries. Higher salary increases will therefore tend to lead to higher plan liabilities.

22. PERSONNEL COSTS AND EMPLOYEE BENEFITS (continued)

The principal weighted-average actuarial assumptions used were as follows:

	Post-retirement medical plans		Defined benefit pension plans	
	2015	2014	**2015**	2014
Discount rate	**4.2%**	4.2%	**3.7%**	3.7%
Future salary increases	**2.8%**	2.9%	**2.7%**	2.9%
Future pension increases	**–**	–	**0.4%**	0.4%
Ultimate medical cost trend rate	**4.3%**	4.3%	**–**	–

Mortality assumptions are based on the latest available standard mortality tables for the individual countries concerned. As at 31 December 2015, these tables imply expected future life expectancy, for employees aged 65, 19 to 24 years for males (2014: 16 to 24) and 23 to 26 years for females (2014: 20 to 26). The assumptions for each country are reviewed each year and are adjusted where necessary to reflect changes in fund experience and actuarial recommendations.

The sensitivity of the defined benefit obligation to changes in principal assumptions as at 31 December 2015 is set out below, assuming that all other assumptions are held constant and the effect of interrelationships is excluded.

US$ million	Increase/(decrease) in pension obligation		
	Post-retirement medical plans	Defined benefit pension plans	**Total**
Discount rate			
Increase by 100 basis points	(59)	(402)	**(461)**
Decrease by 100 basis points	67	485	**552**
Rate of future salary increase			
Increase by 100 basis points	–	45	**45**
Decrease by 100 basis points	–	(42)	**(42)**
Rate of future pension benefit increase			
Increase by 100 basis points	–	36	**36**
Decrease by 100 basis points	–	(30)	**(30)**
Medical cost trend rate			
Increase by 100 basis points	57	–	**57**
Decrease by 100 basis points	(50)	–	**(50)**
Life expectancy			
Increase in longevity by 1 year	11	82	**93**

23. ACCOUNTS PAYABLE

US$ million	**2015**	2014
Trade payables	**19,424**	22,448
Trade advances from buyers	**1,684**	1,479
Associated companies	**467**	473
Other payables and accrued liabilities	**2,513**	2,481
Total	**24,088**	26,881

Trade payables are obligations to pay for goods and services. Trade payables typically have maturities up to 90 days depending on the type of material and the geographic area in which the purchase transaction occurs and the agreed terms. The carrying value of trade payables approximates fair value.

24. ACQUISITION AND DISPOSAL OF SUBSIDIARIES

2015 Acquisitions

In 2015, Glencore acquired controlling interests in Prokon Pflanzenöl GmbH, subsequently renamed Glencore Magdeburg GmbH ("Magdeburg") and Twin Rivers Technologies Enterprises De Transformation De Graines Oléagineuses Du Québec Inc. ("TRT"). The net cash used in the acquisition of subsidiaries and the provisional fair value of assets acquired and liabilities assumed on the acquisition dates are detailed below:

US$ million	Magdeburg	TRT	Total
Non-current assets			
Property, plant and equipment	178	108	**286**
Deferred tax assets	–	39	**39**
	178	147	**325**
Current assets			
Inventories	5	44	**49**
Accounts receivable[1]	6	22	**28**
Other financial assets	1	3	**4**
Cash and cash equivalents	4	5	**9**
	16	74	**90**
Non-current liabilities			
Deferred tax liabilities	(22)	–	**(22)**
Provisions	(21)	–	**(21)**
	(43)	–	**(43)**
Current liabilities			
Accounts payable	(14)	(23)	**(37)**
Other financial liabilities	(3)	(5)	**(8)**
	(17)	(28)	**(45)**
Total fair value of net assets acquired	134	193	**327**
Less: cash and cash equivalents acquired	(4)	(5)	**(9)**
Net cash used in acquisition of subsidiaries	130	188	**318**

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

Magdeburg

In March 2015, Glencore completed the acquisition of a 100% interest in Magdeburg for cash consideration of $134 million. The acquisition of Magdeburg, an integrated oilseeds crushing and biodiesel plant located in Germany, adds further value to and enlarges our crushing portfolio in Europe, allowing Glencore to further optimise around this business sector.

If the acquisition had taken place effective 1 January 2015, the operation would have contributed additional revenue of $15 million and an additional attributable loss of $2 million. From the date of acquisition the operation contributed $161 million and $10 million of revenue and attributable loss, respectively.

TRT

In November 2015, Glencore completed the acquisition of a 100% interest in TRT for a cash consideration of $193 million. TRT owns the largest oilseed crushing and refining plant in Quebec, Canada with a capacity of 1.05 million tonnes per year.

If the acquisition had taken place effective 1 January 2015, the operation would have contributed additional revenue of $237 million and an additional attributable loss of $20 million. From the date of acquisition the operation contributed $65 million and $1 million of revenue and attributable income, respectively.

24. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (continued)

2015 Disposals

In 2015, Glencore disposed of its controlling interest in Tampakan and Falcondo. Furthermore, upon Optimum Coal commencing business rescue proceedings, Glencore ceased having control over Optimum in August 2015. As a result of such loss of control, Optimum is no longer accounted for as a subsidiary and has been deconsolidated (see note 3).

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

US$ million	Tampakan	Falcondo	Optimum[1]	Other	**Total**
Non-current assets					
Property, plant and equipment	161	11	809	5	**986**
Intangible assets	–	–	712	–	**712**
Loans and advances	1	–	256	–	**257**
	162	11	1,777	5	**1,955**
Current assets					
Inventories	–	45	39	12	**96**
Accounts receivable	21	12	34	12	**79**
Cash and cash equivalents	–	1	15	22	**38**
	21	58	88	46	**213**
Non-controlling interest	(14)	–	(243)	–	**(257)**
Non-current liabilities					
Borrowings	(142)	–	(277)	–	**(419)**
Deferred income	–	–	(150)	–	**(150)**
Deferred tax liabilities	–	(1)	(203)	(1)	**(205)**
Provisions	(8)	(110)	(137)	–	**(255)**
	(150)	(111)	(767)	(1)	**(1,029)**
Current liabilities					
Accounts payable	(3)	(5)	(64)	(42)	**(114)**
Deferred income	–	–	(62)	–	**(62)**
Provisions	–	–	(6)	–	**(6)**
	(3)	(5)	(132)	(42)	**(182)**
Carrying value of net assets/(liabilities) disposed	16	(47)	723	8	**700**
Less: Cash and cash equivalents received	(208)	(40)	–	(2)	**(250)**
Add: Foreign currency translation losses recycled to the statement of income	–	–	311	–	**311**
Net (gain)/loss on disposal	(192)	(87)	1,034	6	**761**
Cash and cash equivalents received	208	40	–	2	**250**
Less: Cash and cash equivalents disposed	–	(1)	(15)	(22)	**(38)**
Net cash received from disposal	208	39	(15)	(20)	**212**

1 Includes associated impairments of $152 million (see note 3).

24. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (continued)

2014 Acquisitions

In 2014, Glencore acquired controlling interests in Caracal Energy Inc ("Caracal"), Zhairemsky GOK JSC ("Zhairemsky") and other immaterial entities. The net cash used in the acquisition of subsidiaries and the fair value of the assets acquired and liabilities assumed on the acquisition dates are detailed below:

US$ million	Caracal	Zhairemsky	Other	Total
Non-current assets				
Property, plant and equipment	1,799	351	27	**2,177**
Intangible assets	1	–	12	**13**
Advances and loans[1]	–	–	1	**1**
Deferred tax assets	1	–	–	**1**
	1,801	351	40	**2,192**
Current assets				
Inventories	–	9	8	**17**
Accounts receivable[1]	86	8	20	**114**
Cash and cash equivalents	31	17	–	**48**
	117	34	28	**179**
Non-controlling interest[2]	–	–	(8)	**(8)**
Non-current liabilities				
Deferred tax liabilities	–	(52)	–	**(52)**
Other financial liabilities	–	(3)	(5)	**(8)**
Provisions	(1)	(13)	–	**(14)**
	(1)	(68)	(5)	**(74)**
Current liabilities				
Borrowings	(161)	–	–	**(161)**
Accounts payable	(149)	(9)	(53)	**(211)**
	(310)	(9)	(53)	**(372)**
Total fair value of net assets acquired	1,607	308	2	**1,917**
Less: amounts previously recognised through investments and loans	(77)	–	–	**(77)**
Less: cash and cash equivalents acquired	(31)	(17)	–	**(48)**
Net cash used in acquisition of subsidiaries	1,499	291	2	**1,792**

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

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

24. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (continued)

Caracal

On 8 July 2014, Glencore completed the acquisition of the remaining issued and outstanding equity of Caracal, an oil and gas exploration and development company with operations in the Republic of Chad, Africa, for a total consideration of $1,607 million. This increased Glencore's ownership from 13.2% to 100% and provides Glencore the ability to exercise control over Caracal.

The acquisition accounting has now been finalised. The final fair value adjustments to the provisionally reported values relate to reclassifications within property, plant and equipment resulting from the refinement of acquisition date pricing forecasts and revisions to assumptions that existed at the acquisition date including corporate cost forecasts, oil quality adjustments and pipeline tariff costs (see note 7).

If the acquisition had taken place effective 1 January 2014, the operation would have contributed additional revenue of $56 million and additional attributable loss of $25 million. From the date of acquisition, the operation contributed $101 million and $80 million of revenue and attributable loss, respectively.

The acquisition of Caracal enlarged Glencore's regional oil portfolio enabling the Group to establish its own African oil operational footprint, from which to seek additional regional commercial / development opportunities, as they arise.

Zhairemsky

On 11 December 2014, Glencore completed the acquisition of a 100% interest in Zhairemsky GOK JSC, located in Kazakhstan, for cash consideration of $308 million. The acquisition enhances and complements Glencore's existing operations in Kazakhstan, including an expectation that the additional zinc/lead resources will significantly increase Kazzinc's weighted average own-source life of mine.

The acquisition accounting has now been finalised, with no adjustments to the previously reported provisional fair values.

If the acquisition had taken place effective 1 January 2014, the operation would have contributed additional revenue of $78 million and additional attributable loss of $2 million. From the date of acquisition the operation contributed $6 million and $1 million of revenue and attributable loss, respectively.

Other

Other comprises primarily the acquisition of an additional 16.99% interest in Energia Austral, increasing Glencore's ultimate ownership to 65.99%. From the date of acquisition, 1 January 2014, the operations contributed $25 million and $15 million to Glencore's revenue and attributable income, respectively.

2014 Disposals

In 2014, Glencore disposed of its controlling interest in Las Bambas that was acquired as part of the Xstrata business combination in May 2013. Other consists primarily of the disposal of Frieda River, a copper project in Papua New Guinea. The carrying value of the assets and liabilities over which control was lost and net cash received from these disposals are detailed below:

US$ million	Las Bambas	Other	**Total**
Property, plant and equipment	–	89	**89**
Accounts receivable	–	9	**9**
Assets held for sale	6,884	–	**6,884**
Accounts payable	–	(2)	**(2)**
Liabilities held for sale	(604)	–	**(604)**
Non-controlling interest	–	(16)	**(16)**
Total carrying value of net assets disposed	6,280	80	**6,360**
Cash and cash equivalents received	6,449	33	**6,482**
Future consideration receivable	15	34	**49**
Total consideration	6,464	67	**6,531**
Net gain/(loss) on disposal	184	(13)	**171**

25. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial risks arising in the normal course of business from Glencore's operations comprise market risk (including commodity price risk, interest rate risk and currency risk), credit risk (including performance risk) and liquidity risk. It is Glencore's policy and practice to identify and, where appropriate and practical, actively manage such risks (except 'margin' risk within its extensive and diversified industrial portfolio – refer net present value at risk below) to support its objectives in managing its capital and future financial security and flexibility. Glencore's overall risk management programme focuses on the unpredictability of financial markets and seeks to protect its financial security and flexibility by using derivative financial instruments where possible to substantially hedge these financial risks. Glencore's finance and risk professionals, working in coordination with the commodity departments, monitor, manage and report regularly to senior management and the Board of Directors on the approach and effectiveness in managing financial risks along with the financial exposures facing the Group.

Glencore's objectives in managing its "capital attributable to equity holders" include preserving its overall financial health and strength for the benefit of all stakeholders, maintaining an optimal capital structure in order to provide a high degree of financial flexibility at an attractive cost of capital and safeguarding its ability to continue as a going concern, while generating sustainable long-term profitability. Central to meeting these objectives is maintaining an investment grade credit rating status. Glencore's current credit ratings are Baa3 (stable) from Moody's and BBB- (stable) from S&P.

Distribution policy and other capital management initiatives

In September 2015, the Board determined that no cash distributions would be made in 2016, in an effort to preserve capital and investment grade credit ratings. The Board remains focused on delivery of the Group's debt reduction target, and will consider the resumption of distributions to shareholders when it considers these have been realised. The manner and timing of future distributions will be determined after consultation with shareholders. Distributions are expected to be declared by the Board semi-annually (with the half-year results and the preliminary full-year results). Distributions, when declared, will be paid in US dollars, although shareholders will be able to elect to receive their distribution payments in Pounds Sterling, Euros or Swiss Francs based on the exchange rates in effect around the date of payment. Shareholders on the Hong Kong branch register will receive their distributions in Hong Kong dollars, while shareholders on the JSE will receive their distributions in South African Rand.

Commodity price risk

Glencore is exposed to price movements for the inventory it holds and the products it produces which are not held to meet priced forward contract obligations and forward priced purchase or sale contracts. Glencore manages a significant portion of this exposure through futures and options transactions on worldwide commodity exchanges or in over the counter (OTC) markets, to the extent available. Commodity price risk management activities are considered an integral part of Glencore's physical commodity marketing activities and the related assets and liabilities are included in other financial assets from and other financial liabilities to derivative counterparties, including clearing brokers and exchanges. Whilst it is Glencore's policy to substantially hedge its commodity price risks, there remains the possibility that the hedging instruments chosen may not always provide effective mitigation of the underlying price risk. The hedging instruments available to the marketing businesses may differ in specific characteristics to the risk exposure to be hedged, resulting in an ongoing and unavoidable basis risk exposure. Residual basis risk exposures represent a key focus point for Glencore's commodity department teams who actively engage in the management of such.

Value at risk

One of the tools used by Glencore to monitor and limit its primary market risk exposure, principally 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 a threshold for 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 and based on a specific price history. 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 markets and commodities and risk measures can be aggregated to derive a single risk value. Glencore's Board has set a consolidated VaR limit (one day 95% confidence level) of $100 million representing less than 0.5% of total equity, which the Board reviews annually. The consolidated VaR limit of $100 million was not exceeded during the year.

Glencore uses a VaR approach based on Monte Carlo simulations computed at a 95% confidence level and utilising a weighted data history for a one day time horizon.

Position sheets are regularly distributed and monitored and daily Monte Carlo simulations are applied to the various business groups' net marketing positions to determine potential losses.

25. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Market risk VaR (one day 95% confidence level) ranges and year end positions were as follows:

US$ million	2015	2014
Year end position	**18**	39
Average during the year	**35**	36
High during the year	**52**	65
Low during the year	**17**	16

VaR does not purport to represent actual gains or losses in fair value on earnings to be incurred by Glencore, nor does Glencore claim that these VaR results are indicative of future market movements or representative of any actual impact on its future results. VaR should always be viewed in the context of its limitations; notably, the use of historical data as a proxy for estimating future events, market illiquidity risks and tail risks. Glencore recognises these limitations, and thus complements and continuously refines its VaR analysis by analysing forward looking stress scenarios, benchmarking against an alternative VaR computation based on historical simulations and back testing calculated VaR against the hypothetical portfolio returns arising in the next business day.

Glencore's VaR computation currently covers its business in the key base metals (including aluminium, nickel, zinc, copper, lead), coal, iron ore, oil-/natural gas and main risks in the agricultural products business segment (grain, oil seeds, sugar and cotton) and assesses the open priced positions which are subject to price risk, including inventories of these commodities. Due to the lack of a liquid terminal market, Glencore does not include a VaR calculation for products such as alumina, molybdenum, cobalt, freight and some risk associated with concentrates as it does not consider the nature of these markets to be suited to this type of analysis. Alternative measures are used to monitor exposures related to these products.

Net present value at risk

Glencore's future cash flows related to its forecast energy, metals and minerals and agricultural production activities are also exposed to commodity price movements. Glencore manages this exposure through a combination of portfolio diversification, occasional shorter-term hedging via futures and options transactions, insurance products and continuous internal monitoring, reporting and quantification of the underlying operations' estimated cash flows and valuations.

Interest rate risk

Glencore is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its assets and liabilities and cash flows. Matching of assets and liabilities is utilised as the dominant method to hedge interest rate risks; other methods include the use of interest rate swaps and similar derivative instruments. Floating rate debt which is predominantly used to fund fast turning working capital (interest is internally charged on the funding of this working capital) is primarily based on US$ LIBOR plus an appropriate premium. Accordingly, prevailing market interest rates are continuously factored into transactional pricing and terms.

Assuming the amount of floating rate liabilities at the reporting period end were outstanding for the whole year, interest rates were 50 basis points higher/lower and all other variables held constant, Glencore's income and equity for the year ended 31 December 2015 would decrease/increase by $59 million (2014: $95 million).

25. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Currency risk

The US dollar is the predominant functional currency of the Group. Currency risk is the risk of loss from movements in exchange rates related to transactions and balances in currencies other than the US dollar. Such transactions include operating expenditure, capital expenditure and to a lesser extent purchases and sales in currencies other than the functional currency. Purchases or sales of commodities concluded in currencies other than the functional currency, apart from certain limited domestic sales at industrial operations which act as a hedge against local operating costs, are ordinarily hedged through forward exchange contracts. Consequently, foreign exchange movements against the US dollar on recognised transactions would have an immaterial financial impact. Glencore enters into currency hedging transactions with leading financial institutions.

Glencore's debt related payments (both principal and interest) are overwhelmingly denominated in or swapped using hedging instruments into US dollars. Glencore's operating expenses, being a small portion of its revenue base, are incurred in a mix of currencies of which the US dollar, Swiss Franc, Pound Sterling, Canadian dollar, Australian dollar, Euro, Kazakhstan Tenge, Colombian Peso and South African Rand are the predominant currencies.

Glencore has issued Euro, Swiss Franc, Sterling, Yen and Australian dollar denominated bonds (see note 19). Cross currency swaps were concluded to hedge the currency risk on the principal and related interest payments of these bonds. These contracts were designated as cash flow hedges of the foreign currency risks associated with the bonds. The fair value of these derivatives is as follows:

	Notional amounts		Recognised fair values		Average
US$ million	Buy	Sell	Assets	Liabilities	maturity[1]
Cross currency swap agreements – 2015	–	15,541	21	2,471	2020
Cross currency swap agreements – 2014	–	15,762	15	1,727	2019

1 Refer to note 19 for details.

25. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Credit risk

Credit risk arises from the possibility that counterparties may not be able to settle obligations due to Glencore within their agreed payment terms. Financial assets which potentially expose Glencore to credit risk consist principally of cash and cash equivalents, receivables and advances, derivative instruments and non-current advances and loans. Glencore's credit management process includes the assessment, monitoring and reporting of counterparty exposure on a regular basis. Glencore's cash and cash equivalents are placed overnight with a diverse group of highly credit rated financial institutions. Credit risk with respect to receivables and advances is mitigated by the large number of customers comprising Glencore's customer base, their diversity across various industries and geographical areas, as well as Glencore's policy to mitigate these risks through letters of credit, netting, collateral and insurance arrangements where appropriate. Additionally, 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 offsetting of balances due to/from a common counterparty in the event of default by the counterparty. Glencore actively and continuously monitors the credit quality of its counterparties through internal reviews and a credit scoring process, which includes, where available, public credit ratings. Balances with counterparties not having a public investment grade or equivalent internal rating are typically enhanced to investment grade through the extensive use of credit enhancement products, such as letters of credit or insurance products. Glencore has a diverse customer base, with no customer representing more than 1.9% (2014: 2.5%) of its trade receivables (on a gross basis taking into account credit enhancements) or accounting for more than 4.7% of its revenues over the year ended 31 December 2015 (2014: 3.5%).

The maximum exposure to credit risk (including performance risk – see below), without considering netting agreements or without taking account of any collateral held or other credit enhancements, is equal to the carrying amount of Glencore's financial assets (see note 26).

Performance risk

Performance risk (part of the broader credit risk subject matter, discussed above) is inherent in contracts, with agreements in the future, to physically purchase or sell commodities with fixed price attributes, and arises from the possibility that counterparties may not be willing or able to meet their future contractual physical sale or purchase obligations to/from Glencore. Glencore undertakes the assessment, monitoring and reporting of performance risk within its overall credit management process. Glencore's market breadth, diversified supplier and customer base as well as the standard pricing mechanism in the vast majority of Glencore's commodity portfolio which does not fix prices beyond three months, with the main exception being coal, where longer-term fixed price contracts are common, ensure that performance risk is adequately mitigated. The commodity industry has trended towards shorter term fixed price contract periods, in part to mitigate against such potential performance risk, but also due to the development of more transparent and liquid spot markets, e.g. coal and iron ore and associated derivative products and indexes.

Liquidity risk

Liquidity risk is the risk that Glencore is unable to meet its payment obligations when due, or that it is unable, on an ongoing basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and availability of adequate committed funding facilities. Glencore has set itself an internal minimum liquidity target to maintain at all times, including via available committed undrawn credit facilities of $3 billion (2014: $3 billion). Glencore's credit profile, diversified funding sources and committed credit facilities, ensure that sufficient liquid funds are maintained to meet its liquidity requirements. As part of its liquidity management, Glencore closely monitors and plans for its future capital expenditure and proposed investments, as well as credit facility refinancing/extension requirements, well ahead of time.

25. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

As at 31 December 2015, Glencore had available committed undrawn credit facilities, cash and marketable securities amounting to $15,155 million (2014: $9,620 million). The maturity profile of Glencore's financial liabilities based on the contractual terms is as follows:

US$ million 2015	After 5 years	Due 3–5 years	Due 2–3 years	Due 1–2 years	Due 0–1 year	Total
Borrowings	11,401	10,949	2,823	7,759	11,117	**44,049**
Expected future interest payments	3,965	1,515	796	814	935	**8,025**
Accounts payable	–	–	–	–	24,088	**24,088**
Other financial liabilities	186	–	–	–	4,931	**5,117**
Total	15,552	12,464	3,619	8,573	41,071	**81,279**
Current assets					42,198	**42,198**

US$ million 2014	After 5 years	Due 3–5 years	Due 2–3 years	Due 1–2 years	Due 0–1 year	Total
Borrowings	13,467	8,122	5,286	13,813	12,005	**52,693**
Expected future interest payments	4,363	1,686	906	992	1,068	**9,015**
Accounts payable	–	–	–	–	26,881	**26,881**
Other financial liabilities	295	342	–	343	3,956	**4,936**
Total	18,125	10,150	6,192	15,148	43,910	**93,525**
Current assets					53,219	**53,219**

26. 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 $44,049 million (2014: $52,693 million) of borrowings, the fair value of which at 31 December 2015 was $39,406 million (2014: $53,285 million) based on observable market prices applied to the borrowing portfolio (a Level 2 fair value measurement).

26. FINANCIAL INSTRUMENTS (continued)

US$ million 2015	Carrying value[1]	Available for sale	FVtPL[2]	Total
Assets				
Other investments[3]	–	1,092	213	**1,305**
Advances and loans	3,005	–	–	**3,005**
Accounts receivable	17,001	–	–	**17,001**
Other financial assets (see note 27)	–	–	3,701	**3,701**
Cash and cash equivalents and marketable securities[4]	–	–	2,746	**2,746**
Total financial assets	20,006	1,092	6,660	**27,758**
Liabilities				
Borrowings	44,049	–	–	**44,049**
Non-current other financial liabilities (see note 27)	–	–	186	**186**
Accounts payable	24,088	–	–	**24,088**
Other financial liabilities (see note 27)	–	–	4,931	**4,931**
Total financial liabilities	68,137	–	5,117	**73,254**

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 $568 million are classified as Level 1 measured using quoted market prices with the remaining balance of $737 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.

US$ million 2014	Carrying value[1]	Available for sale	FVtPL[2]	Total
Assets				
Other investments[3]	–	895	577	**1,472**
Advances and loans	4,597	–	–	**4,597**
Accounts receivable	21,456	–	–	**21,456**
Other financial assets (see note 27)	–	–	4,036	**4,036**
Cash and cash equivalents and marketable securities[4]	–	–	2,855	**2,855**
Total financial assets	26,053	895	7,468	**34,416**
Liabilities				
Borrowings	52,693	–	–	**52,693**
Non-current other financial liabilities (see note 27)	–	–	980	**980**
Accounts payable	26,881	–	–	**26,881**
Other financial liabilities (see note 27)	–	–	3,956	**3,956**
Total financial liabilities	79,574	–	4,936	**84,510**

1 Carrying value comprises investments, loans, accounts receivable, accounts payable and other liabilities measured at amortised cost.
2 FVtPL – Fair value through profit and loss – held for trading.
3 Other investments of $1,354 million are classified as Level 1 measured using quoted market prices with the remaining balance of $118 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.

26. 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 31 December 2015 and 2014 were as follows:

US$ million 2015	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]	6,164	(4,282)	**1,882**	(406)	(494)	982	**1,819**	**3,701**
Derivative liabilities[1]	(6,799)	4,282	**(2,517)**	406	1,674	(437)	**(2,414)**	**(4,931)**

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

US$ million 2014	Amounts eligible for set off under netting agreements			Related amounts not set off under netting agreements			Amounts not subject to netting agreements	Total as presented in the consolidated statement of financial position
	Gross amount	Amounts offset	Net amount	Financial instruments	Financial collateral	Net amount		
Derivative assets[1]	19,282	(17,115)	**2,167**	(483)	(497)	1,187	**1,869**	**4,036**
Derivative liabilities[1]	(19,022)	17,115	**(1,906)**	483	924	(499)	**(2,050)**	**(3,956)**

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

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

27. 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 predominantly 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 31 December 2015 and 2014. 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. Refer to notes 12 and 26 for disclosures in connection with these fair value measurements. There are no non-recurring fair value measurements.

Other financial assets

US$ million **2015**	Level 1	Level 2	Level 3	**Total**
Commodity related contracts				
Futures	889	246	–	**1,135**
Options	30	15	–	**45**
Swaps	112	556	–	**668**
Physical forwards	–	1,299	224	**1,523**
Financial contracts				
Cross currency swaps	–	189	–	**189**
Foreign currency and interest rate contracts	–	141	–	**141**
Total	1,031	2,446	224	**3,701**

US$ million 2014	Level 1	Level 2	Level 3	**Total**
Commodity related contracts				
Futures	1,008	183	–	**1,191**
Options	21	27	1	**49**
Swaps	133	771	–	**904**
Physical forwards	21	1,101	339	**1,461**
Financial contracts				
Cross currency swaps	–	158	–	**158**
Foreign currency and interest rate contracts	2	271	–	**273**
Total	1,185	2,511	340	**4,036**

27. FAIR VALUE MEASUREMENTS (continued)

Other financial liabilities

US$ million 2015	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	414	33	–	**447**
Options	40	4	1	**45**
Swaps	197	323	–	**520**
Physical forwards	–	1,156	205	**1,361**
Financial contracts				
Cross currency swaps	–	2,196	–	**2,196**
Foreign currency and interest rate contracts	3	359	–	**362**
Current other financial liabilities	**654**	**4,071**	**206**	**4,931**
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	186	**186**
Non-current other financial liabilities	**–**	**–**	**186**	**186**
Total	**654**	**4,071**	**392**	**5,117**

US$ million 2014	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	580	8	–	**588**
Options	199	12	40	**251**
Swaps	118	98	–	**216**
Physical forwards	4	893	264	**1,161**
Financial contracts				
Cross currency swaps	–	1,281	–	**1,281**
Foreign currency and interest rate contracts	–	459	–	**459**
Current other financial liabilities	**901**	**2,751**	**304**	**3,956**
Non-current other financial liabilities				
Non-discretionary dividend obligation[1]	–	–	295	**295**
Put option over non-controlling interest[2]	–	–	685	**685**
Non-current other financial liabilities	**–**	**–**	**980**	**980**
Total	**901**	**2,751**	**1,284**	**4,936**

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 and has no fixed repayment date and is not cancellable within 12 months.

2 The position related to a put option over the remaining 31% of Mutanda that was exercisable in two equal tranches in July 2016 and July 2018. In June 2015, an agreement was reached to cancel the put/call option and, as such, the liability was released resulting in a corresponding increase in the associated Non-controlling interest. Neither party paid consideration to cancel the put/call option.

27. 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 forwards	Options	Other	**Total Level 3**
1 January 2014	**215**	**(716)**	**(359)**	**(860)**
Total gain/(loss) recognised in cost of goods sold	(34)	(39)	–	**(73)**
Non-discretionary dividend obligation	–	–	64	**64**
Realised	(106)	31	–	**(75)**
31 December 2014	**75**	**(724)**	**(295)**	**(944)**
1 January 2015	**75**	**(724)**	**(295)**	**(944)**
Total gain/(loss) recognised in cost of goods sold	36	(1)	–	**35**
Cancellation of put option over non-controlling interest	–	685	–	**685**
Non-discretionary dividend obligation	–	–	109	**109**
Realised	(92)	39	–	**(53)**
31 December 2015	**19**	**(1)**	**(186)**	**(168)**

During the year 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.

27. FAIR VALUE MEASUREMENTS (continued)

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			2015	2014
Futures – Level 1		Assets	**889**	1,008
		Liabilities	**(414)**	(580)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Futures – Level 2		Assets	**246**	183
		Liabilities	**(33)**	(8)
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	**30**	21
		Liabilities	**(40)**	(199)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Options – Level 2		Assets	**15**	27
		Liabilities	**(4)**	(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	**–**	1
		Liabilities	**(1)**	(40)
Valuation techniques and key inputs:	Standard option pricing model			
Significant unobservable inputs:	Prices are adjusted by differentials, as required, including: - Volatility; and - Credit risk. These significant unobservable inputs generally represent 2% - 20% of the overall value of the instruments. These differentials move in symmetry with each other, e.g. a decrease in volatility leads to a decrease in credit risk, resulting in no material change in the underlying value.			
Swaps – Level 1		Assets	**112**	133
		Liabilities	**(197)**	(118)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			

27. FAIR VALUE MEASUREMENTS (continued)

Fair value of financial assets/financial liabilities US$ million			2015	2014
Swaps – Level 2		Assets	**556**	771
		Liabilities	**(323)**	(98)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Physical Forwards – Level 1		Assets	**–**	21
		Liabilities	**–**	(4)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Physical Forwards – Level 2		Assets	**1,299**	1,101
		Liabilities	**(1,156)**	(893)
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	**224**	339
		Liabilities	**(205)**	(264)
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% - 50% of the overall value of the instruments. These differentials are generally symmetrical with an increase/decrease in one input resulting in an opposite movement in another input, resulting in no material change in the underlying value.			
Cross currency swaps – Level 2		Assets	**189**	158
		Liabilities	**(2,196)**	(1,281)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Foreign currency and interest rate contracts – Level 1		Assets	**–**	2
		Liabilities	**(3)**	–
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			

27. FAIR VALUE MEASUREMENTS (continued)

Fair value of financial assets/financial liabilities US$ million			2015	2014
Foreign currency and interest rate contracts – Level 2		Assets	141	271
		Liabilities	(359)	(459)
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	(186)	(295)
Valuation techniques:	Discounted cash flow model			
Significant observable inputs:	- Forecast commodity prices; and - Discount rates using weighted average cost of capital methodology.			
Significant unobservable inputs	- Production models; - Operating costs; and - Capital expenditures. The resultant liability is essentially a discounted cash flow valuation of the underlying mining operation. Increases/decreases in forecast commodity prices will result in an increase/decrease to the value of the liability though this will be partially offset by associated increases/decreases in the assumed production levels, operating costs and capital expenditures which are inherently linked to forecast commodity prices. There are no reasonable changes in assumptions which would result in a material change to the fair value of the underlying liability.			
Put option over non-controlling interest – Level 3		Assets	–	–
		Liabilities	–	(685)
Valuation techniques:	Discounted cash flow model			
Significant observable inputs:	- Forecast commodity prices; and - Discount rates using weighted average cost of capital methodology			
Significant unobservable inputs	- Production models; - Operating costs; and - Capital expenditures. The resultant liability is essentially a discounted cash flow valuation of the underlying mining operation. Increases/decreases in forecast commodity prices will result in an increase/decrease to the value of the liability though this will be partially offset by associated increases/decreases in the assumed production levels, operating costs and capital expenditures which are inherently linked to forecast commodity prices. There are no reasonable changes in assumptions which would result in a material change to the fair value of the underlying liability. As described above, in June 2015, an agreement was reached to cancel the put option over the non-controlling interest, with nil consideration being paid by either party.			

28. AUDITORS' REMUNERATION

US$ million	2015	2014
Remuneration in respect of the audit of Glencore's consolidated financial statements	**3**	4
Other audit fees, primarily in respect of audits of accounts of subsidiaries	**19**	20
Audit-related assurance services[1]	**3**	5
Total audit and related assurance fees	**25**	29
Corporate finance services	**–**	1
Taxation compliance services	**3**	2
Other taxation advisory services	**2**	2
Other assurance services	**1**	1
Other services	**–**	2
Total non-audit-fees	**6**	8
Total professional fees	**31**	37

1 Audit-related assurance services primarily related to interim reviews of the Group's half year accounts and quarterly accounts of the Group's publicly listed subsidiaries.

29. 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 31 December 2015, $1,088 million (2014: $2,497 million), of which 77% (2014: 80%) relates to expenditure to be incurred over the next year, was contractually committed for the acquisition of property, plant and equipment.

Certain of Glencore's exploration tenements and licenses require it to spend a minimum amount per year on development activities, a significant portion of which would have been incurred in the ordinary course of operations. As at 31 December 2015, $144 million (2014: $255 million) of such development expenditures are to be incurred, of which 29% (2014: 23%) 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 31 December 2015, Glencore has committed to future hire costs to meet future physical delivery and sale obligations and expectations of $894 million (2014: $1,371 million), of which $145 million (2014: $183 million) are with associated companies. 60% (2014: 37%) 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. In addition, Glencore is required to post rehabilitation and pension guarantees in respect of these future obligations. As at 31 December 2015, $18,027 million (2014: $16,307 million) of such commitments have been issued on behalf of Glencore, which will generally be settled simultaneously with the payment for such commodity or rehabilitation and pension obligation.

Glencore has entered into various operating leases mainly as lessee for office and warehouse/storage facilities. Rental expenses for these leases totalled respectively $237 million and $279 million for the years ended 31 December 2015 and 2014. Future net minimum lease payments under non-cancellable operating leases are as follows:

US$ million	2015	2014
Within 1 year	**143**	142
Between 2 and 5 years	**346**	275
After 5 years	**170**	255
Total	**659**	672

29. FUTURE COMMITMENTS (continued)

Glencore has entered into finance leases for various plant and equipment items, primarily vessels and machinery. Future net minimum lease payments under finance leases together with the future finance charges are as follows:

US$ million	Undiscounted minimum lease payments		Present value of minimum lease payments	
	2015	2014	**2015**	2014
Within 1 year	**116**	76	**88**	51
Between 1 and 5 years	**267**	236	**193**	173
After 5 years	**277**	280	**183**	252
Total minimum lease payments	**660**	592	**464**	476
Less: amounts representing finance lease charges	**196**	116	**–**	–
Present value of minimum lease payments	**464**	476	**464**	476

30. CONTINGENT LIABILITIES

The amount of corporate guarantees in favour of third parties as at 31 December 2015 was $nil (2014: $nil). Also see note 10.

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 31 December 2015 and 2014 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.

Tax audits

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

31. 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 11, 13, and 23). 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. In 2015, sales and purchases with associates and joint ventures amounted to $1,196 million (2014: $1,200 million) and $3,562 million (2014: $3,178 million) respectively.

32. PRINCIPAL SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Non-controlling interest is comprised of the following:

US$ million	2015	2014
Kazzinc	**1,316**	1,404
Koniambo	**(2,460)**	–
Optimum[1]	**–**	271
Alumbrera	**126**	182
Mutanda[2]	**713**	2
Other[3]	**394**	1,079
Total	**89**	2,938

1 Deconsolidated during 2015 (see note 24).
2 $685 million put option over non-controlling interest was cancelled in June 2015 (see note 27).
3 Other comprises various subsidiaries in which no individual balance attributable to non-controlling interests is material.

Summarised financial information in respect of Glencore's subsidiaries that have material non-controlling interest, reflecting 100% of the underlying subsidiary's relevant figures, is set out below.

US$ million	Kazzinc	Koniambo	Alumbrera	Mutanda
31 December 2015				
Non-current assets	4,796	958	346	4,814
Current assets	872	337	399	440
Total assets	**5,668**	**1,295**	**745**	**5,254**
Non-current liabilities	975	8,878	241	2,028
Current liabilities	344	114	252	255
Total liabilities	**1,319**	**8,992**	**493**	**2,283**
Net assets	**4,349**	**(7,697)**	**252**	**2,971**
Equity attributable to owners of the Company	3,033	(5,237)	126	2,258
Non-controlling interests	1,316	(2,460)	126	713
Non-controlling interests in %	30.3%	51.0%	50.0%	31.0%
2015				
Revenue	2,244	–	503	1,315
Expenses	(2,494)	(4,824)	(616)	(1,232)
Net (loss)/profit for the year	**(250)**	**(4,824)**	**(113)**	**83**
Profit attributable to owners of the Company	(174)	(2,364)	(57)	57
Profit attributable to non-controlling interests	(76)	(2,460)	(56)	26
Other comprehensive income attributable to owners of the Company	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–
Total comprehensive (loss)/income for the year	**(250)**	**(4,824)**	**(113)**	**83**
Dividends paid to non-controlling interests	10	–	–	–
Net cash inflow/(outflow) from operating activities	591	–	(138)	330
Net cash (outflow) from investing activities	(262)	(360)	(50)	(261)
Net cash (outflow)/inflow from financing activities	(319)	404	164	(170)
Total net cash inflow/(outflow)	**10**	**44**	**(24)**	**(101)**

32. PRINCIPAL SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

US$ million	Kazzinc	Optimum	Alumbrera	Mutanda
31 December 2014				
Non-current assets	5,085	1,755	458	4,747
Current assets	1,118	77	373	711
Total assets	**6,203**	**1,832**	**831**	**5,458**
Non-current liabilities	1,168	628	299	2,247
Current liabilities	402	346	167	322
Total liabilities	**1,570**	**974**	**466**	**2,569**
Net assets	**4,633**	**858**	**365**	**2,889**
Equity attributable to owners of the Company	3,229	587	183	2,887
Non-controlling interests	1,404	271	182	2
Non-controlling interests in %	30.3%	32.4%	50.0%	31.0%
2014				
Revenue	2,517	592	1,037	1,604
Expenses	(2,552)	(653)	(943)	(1,259)
Net (loss)/profit for the year	**(35)**	**(61)**	**94**	**345**
Profit attributable to owners of the Company	(25)	(41)	47	238
Profit attributable to non-controlling interests	(10)	(20)	47	107
Other comprehensive income attributable to owners of the Company	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–
Total comprehensive (loss)/income for the year	**(35)**	**(61)**	**94**	**345**
Dividends paid to non-controlling interests	(10)	–	(144)	–
Net cash inflow/(outflow) from operating activities	232	(47)	235	484
Net cash (outflow) from investing activities	(714)	(100)	(59)	(241)
Net cash inflow/(outflow) from financing activities	460	141	(166)	(128)
Total net cash (outflow)/inflow	**(22)**	**(6)**	**10**	**115**

Glossary

Available committed liquidity[1]

US$ million	2015	2014
Cash and cash equivalents and marketable securities	**2,914**	3,066
Headline committed syndicated revolving credit facilities	**15,250**	15,300
Amount drawn under syndicated revolving credit facilities	**(2,994)**	(7,933)
Amounts drawn under U.S. commercial paper programme	**(15)**	(813)
Total	**15,155**	9,620

1 Presented on an adjusted reported measure basis.

Current capital employed

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

Funds from operations (FFO)

FFO comprises cash provided by operating activities before working capital changes, less tax and net interest payments plus dividends received and certain other expenses, comprising a legal settlement and net incremental metal leak costs incurred in 2015.

Readily marketable inventories

Readily marketable inventories ("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 31 December 2015, $15,356 million (2014: $19,226 million) of inventories were considered readily marketable. This comprises $10,928 million (2014: $16,297 million) of inventories carried at fair value less costs of disposal and $4,428 million (2014: $2,929 million) carried at the lower of cost or net realisable value. During 2015, Glencore reassessed the RMI categorisation and eligibility of certain inventories held by the Group's metals' smelting operations. 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.

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

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

Cash flow related adjustments

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Cash generated by operating activities before working capital changes	7,454	–	**7,454**
Addback EBITDA of certain associates and joint ventures	–	995	**995**
Cash generated by operating activities before working capital changes	7,454	995	**8,449**
Legal settlement and incremental metal leak costs included above (via statement of income – refer to note 5)	264	–	**264**
Income taxes paid	(865)	(207)	**(1,072)**
Interest received	119	–	**119**
Interest paid	(1,203)	(1)	**(1,204)**
Dividend received from associates and joint ventures	428	(369)	**59**
Funds from operations ("FFO")	6,197	418	**6,615**
Net working capital changes (excluding silver streaming proceeds)	6,625	(40)	**6,585**
Silver streaming proceeds	900	–	**900**
Payments of non-current advances and loans	188	(87)	**101**
Net cash used in acquisition of subsidiaries	(318)	–	**(318)**
Net cash received from disposal of subsidiaries	212	–	**212**
Purchase of investments	(236)	–	**(236)**
Proceeds from sale of investments	41	–	**41**
Purchase of property, plant and equipment	(5,372)	(298)	**(5,670)**
Payments for exploration and evaluation	(147)	–	**(147)**
Proceeds from sale of property, plant and equipment	115	14	**129**
Net margin call in respect of financing related hedging activities	(618)	–	**(618)**
Return of capital/distributions to non-controlling interests	(95)	–	**(95)**
Purchases of own shares	(272)	–	**(272)**
Share issuance	2,444	–	**2,444**
Distributions paid to equity holders of the parent	(2,328)	–	**(2,328)**
Legal settlement and incremental metal leak costs (refer above)	(264)	–	**(264)**
Cash movement in net funding	7,072	7	**7,079**

Net funding/debt at 31 December 2015

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Non-current borrowings	32,932	89	**33,021**
Current borrowings	11,117	21	**11,138**
Total borrowings	44,049	110	**44,159**
Less: cash and cash equivalents and marketable securities	(2,746)	(168)	**(2,914)**
Net funding	41,303	(58)	**41,245**
Less: Readily marketable inventories	(15,356)	–	**(15,356)**
Net debt	25,947	(58)	**25,889**

Net funding/debt at 31 December 2014

US$ million	Reported measure	Adjustment for proportionate consolidation	**Adjusted reported measure**
Non-current borrowings	40,688	39	**40,727**
Current borrowings	12,005	92	**12,097**
Total borrowings	52,693	131	**52,824**
Less: cash and cash equivalents and marketable securities	(2,855)	(211)	**(3,066)**
Net funding	49,838	(80)	**49,758**
Less: Readily marketable inventories	(19,226)	–	**(19,266)**
Net debt	30,612	(80)	**30,532**

Glossary

Reconciliation of net exceptional and significant charges attributable to equity holders 2015

US$ million	Gross significant charges	Non-controlling interests' share	**Equity holders' share**
(Losses)/Gains on disposals and investments[1]	(994)	–	**(994)**
Impairments[2]	(7,120)	2,651	**(4,469)**
Loss on metal leak[2]	(235)	94	**(141)**
Legal settlement[2]	(89)	–	**(89)**
Other expenses including restructuring and closure costs[2]	(154)	44	**(110)**
Net exceptional charges attributable to equity holders	(8,592)	2,789	**(5,803)**
Other significant items including FX movements, mark to market movements on investments and taxation adjustments	(503)	–	**(503)**
Total significant items	(9,095)	2,789	**(6,306)**

1 See note 3 of the financial statements.

2 See note 4 of the financial statements.

Reconciliation of tax expense 2015

US$ million	Marketing activities	Industrial activities	**Total**
Adjusted EBIT, pre-significant items	2,464	(292)	**2,172**
Interest expense allocation	(153)	(1,432)	**(1,585)**
Adjustments for:			
Certain associates and joint ventures' net finance costs	–	(3)	**(3)**
Share of income in associates and dividend income	(110)	45	**(65)**
Allocated profit before tax for the basis of tax calculation	2,201	(1,682)	**519**
Applicable tax rate	10.0%	25.0%	**(38.5%)**
Pre-significant tax expense/(credit)	220	(420)	**(200)**

	Pre-significant tax expense	Significant items tax	**Total tax expense**
Tax (credit)/expense on a proportionate consolidation basis	(200)	460	**260**
Adjustment in respect of certain associates and joint ventures tax	(162)	–	**(162)**
Tax (credit)/expense on the basis of the income statement	(362)	460	**98**

Reconciliation of tax expense 2014

US$ million	Marketing activities	Industrial activities	**Total**
Adjusted EBIT, pre-significant items	2,790	3,916	**6,706**
Interest expense allocation	(227)	(1,465)	**(1,692)**
Adjustments for:			
Certain associates and joint ventures' net finance costs	–	(14)	**(14)**
Share of income in associates and dividend income	(35)	(83)	**(118)**
Allocated profit before tax for the basis of tax calculation	2,528	2,354	**4,882**
Applicable tax rate	10.0%	25.0%	**17.2%**
Pre-significant tax expense	253	589	**842**

	Pre-significant tax expense	Las Bambas disposal	Other significant items	**Total tax expense**
Tax expense on a proportionate consolidation basis	842	531	779	**2,152**
Adjustment in respect of certain associates and joint ventures tax	(343)	–	–	**(343)**
Tax expense on the basis of the income statement	499	531	779	**1,809**

Appendix:
Production by Quarter - Q4 2014 to Q4 2015

Metals and Minerals

Production from own sources – Total[1]

		Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Total Copper	kt	397.4	350.7	380.2	396.6	374.7	1,502.2	1,546.0	(3)	(6)
Total Zinc	kt	388.8	356.2	374.1	396.8	317.7	1,444.8	1,386.5	4	(18)
Total Lead	kt	84.2	75.8	70.4	82.3	69.2	297.7	307.5	(3)	(18)
Total Nickel	kt	25.9	23.8	25.1	19.8	27.5	96.2	100.9	(5)	6
Total Gold[2]	koz	276	208	220	261	275	964	992	(3)	-
Total Silver[2]	koz	9,552	8,197	8,376	10,040	9,979	36,592	35,530	3	4
Total Cobalt	kt	5.0	4.4	5.6	6.8	6.2	23.0	20.7	11	24
Total Ferrochrome	kt	356	385	371	316	390	1,462	1,295	13	10
Total Platinum[2]	koz	46	42	47	36	33	158	173	(9)	(28)
Total Palladium[2]	koz	52	55	60	42	45	202	199	2	(13)
Total Rhodium[2]	koz	4	5	5	5	3	18	19	(5)	(25)
Total Vanadium Pentoxide	mlb	5.6	5.3	4.6	5.5	5.5	20.9	20.8	-	(2)

Production from own sources – Copper assets[1]

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
African Copper (Katanga, Mutanda, Mopani, Sable)											
Katanga	Copper metal[3]	kt	42.8	37.1	40.1	36.5	-	113.7	158.0	(28)	(100)
	Cobalt	kt	0.9	0.9	0.9	1.1	-	2.9	2.8	4	(100)
Mutanda	Copper metal[3]	kt	46.5	51.6	53.9	55.5	55.1	216.1	197.1	10	18
	Cobalt[4]	kt	3.2	2.6	3.7	4.9	5.3	16.5	14.4	15	66
Mopani	Copper metal	kt	31.4	22.0	27.8	29.5	12.8	92.1	109.9	(16)	(59)
African Copper - total production including third party feed											
Mopani	*Copper metal*	*kt*	*52.9*	*51.5*	*51.0*	*51.4*	*30.9*	*184.8*	*185.1*	*-*	*(42)*
Sable	*Copper metal*	*kt*	*-*	*-*	*-*	*-*	*-*	*-*	*4.9*	*(100)*	*n.m.*
	Cobalt[3]	*kt*	*0.1*	*-*	*-*	*-*	*-*	*-*	*0.5*	*(100)*	*(100)*
	Total Copper metal[3]	**kt**	**120.7**	**110.7**	**121.8**	**121.5**	**67.9**	**421.9**	**465.0**	**(9)**	**(44)**
	Total Cobalt[4]	**kt**	**4.1**	**3.5**	**4.6**	**6.0**	**5.3**	**19.4**	**17.2**	**13**	**29**
Collahuasi[5]	**Copper metal**	**kt**	**4.0**	**2.9**	**2.9**	**2.6**	**1.4**	**9.8**	**11.0**	**(11)**	**(65)**
	Copper in concentrates	**kt**	**48.6**	**43.1**	**46.4**	**40.9**	**60.2**	**190.6**	**196.0**	**(3)**	**24**
	Silver in concentrates	**koz**	**591**	**534**	**587**	**621**	**1,086**	**2,828**	**2,476**	**14**	**84**
Antamina[6]	**Copper in concentrates**	**kt**	**28.3**	**27.8**	**29.0**	**36.4**	**38.6**	**131.8**	**116.4**	**13**	**36**
	Zinc in concentrates	**kt**	**19.4**	**16.2**	**19.0**	**24.5**	**19.6**	**79.3**	**71.2**	**11**	**1**
	Silver in concentrates	**koz**	**984**	**969**	**1,239**	**1,961**	**1,818**	**5,987**	**4,049**	**48**	**85**
Other South America (Alumbrera, Lomas Bayas, Antapaccay, Punitaqui)											
Alumbrera	Copper in concentrates	kt	33.0	11.2	10.0	14.8	25.8	61.8	102.6	(40)	(22)
	Gold in concentrates and in doré	koz	110	42	41	45	68	196	317	(38)	(38)
	Silver in concentrates and in doré	koz	251	105	86	117	190	498	766	(35)	(24)
Lomas Bayas	Copper metal	kt	15.9	17.2	17.6	16.8	19.5	71.1	66.6	7	23
Antapaccay	Copper in concentrates	kt	37.9	37.8	49.4	65.0	49.9	202.1	167.1	21	32
	Gold in concentrates	koz	15	14	27	45	36	122	69	77	140
	Silver in concentrates	koz	234	232	298	428	357	1,315	1,048	25	53

Production by Quarter

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Punitaqui	Copper in concentrates	kt	2.8	2.7	2.0	1.4	2.0	8.1	11.4	(29)	(29)
	Silver in concentrates	koz	28	28	28	24	25	105	87	21	(11)
Punitaqui - total production including third party feed											
	Copper in concentrates	*kt*	*2.9*	*2.8*	*2.2*	*2.7*	*2.6*	*10.3*	*11.6*	*(11)*	*(10)*
	Silver in concentrates	*koz*	*29*	*30*	*30*	*35*	*28*	*123*	*89*	*38*	*(3)*
	Total Copper metal	**kt**	**15.9**	**17.2**	**17.6**	**16.8**	**19.5**	**71.1**	**66.6**	**7**	**23**
	Total Copper in concentrates	**kt**	**73.7**	**51.7**	**61.4**	**81.2**	**77.7**	**272.0**	**281.1**	**(3)**	**5**
	Total Gold in concentrates and in doré	**koz**	**125**	**56**	**68**	**90**	**104**	**318**	**386**	**(18)**	**(17)**
	Total Silver in concentrates and in doré	**koz**	**513**	**365**	**412**	**569**	**572**	**1,918**	**1,901**	**1**	**12**
Australia (Mount Isa, Ernest Henry, Townsville, Cobar)											
Mount Isa, Ernest Henry, Townsville	Copper metal	kt	55.9	51.3	50.7	48.6	55.0	205.6	209.5	(2)	(2)
	Gold	koz	16	21	18	27	24	90	62	45	50
	Silver	koz	222	261	263	291	412	1,227	941	30	86
Mount Isa, Ernest Henry, Townsville - total production including third party feed											
	Copper metal	*kt*	*73.5*	*70.5*	*73.3*	*72.4*	*72.5*	*288.7*	*292.2*	*(1)*	*(1)*
	Gold	*koz*	*23*	*28*	*38*	*44*	*37*	*147*	*80*	*84*	*61*
	Silver	*koz*	*480*	*550*	*637*	*498*	*455*	*2,140*	*2,744*	*(22)*	*(5)*
Cobar	Copper in concentrates	kt	14.4	12.8	12.0	12.3	13.7	50.8	49.6	2	(5)
	Silver in concentrates	koz	121	113	126	124	133	496	445	11	10
	Total Copper	**kt**	**55.9**	**51.3**	**50.7**	**48.6**	**55.0**	**205.6**	**209.5**	**(2)**	**(2)**
	Total Copper in concentrates	**kt**	**14.4**	**12.8**	**12.0**	**12.3**	**13.7**	**50.8**	**49.6**	**2**	**(5)**
	Total Gold	**koz**	**16**	**21**	**18**	**27**	**24**	**90**	**62**	**45**	**50**
	Total Silver	**koz**	**343**	**374**	**389**	**415**	**545**	**1,723**	**1,386**	**24**	**59**
Total Copper department											
	Total Copper	**kt**	**361.5**	**317.5**	**341.8**	**360.3**	**334.0**	**1,353.6**	**1,395.2**	**(3)**	**(8)**
	Total Cobalt	**kt**	**4.1**	**3.5**	**4.6**	**6.0**	**5.3**	**19.4**	**17.2**	**13**	**29**
	Total Zinc	**kt**	**19.4**	**16.2**	**19.0**	**24.5**	**19.6**	**79.3**	**71.2**	**11**	**1**
	Total Gold	**koz**	**141**	**77**	**86**	**117**	**128**	**408**	**448**	**(9)**	**(9)**
	Total Silver	**koz**	**2,431**	**2,242**	**2,627**	**3,566**	**4,021**	**12,456**	**9,812**	**27**	**65**

Production by Quarter

Production from own sources – Zinc assets[1]

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Kazzinc											
	Zinc metal	**kt**	**52.3**	**46.2**	**43.0**	**52.8**	**51.4**	**193.4**	**199.3**	**(3)**	**(2)**
	Lead metal	**kt**	**7.5**	**4.9**	**3.1**	**10.2**	**8.1**	**26.3**	**25.7**	**2**	**8**
	Copper metal	**kt**	**12.3**	**11.2**	**12.8**	**13.3**	**14.6**	**51.9**	**46.8**	**11**	**19**
	Gold	**koz**	**126**	**122**	**125**	**135**	**138**	**520**	**506**	**3**	**10**
	Silver	**koz**	**1,178**	**755**	**563**	**1,289**	**1,046**	**3,653**	**4,273**	**(15)**	**(11)**
Kazzinc - total production including third party feed											
	Zinc metal	*kt*	*77.2*	*75.1*	*75.5*	*76.6*	*77.3*	*304.5*	*304.5*	*-*	*-*
	Lead metal	*kt*	*32.0*	*29.2*	*23.4*	*32.6*	*34.6*	*119.8*	*126.5*	*(5)*	*8*
	Copper metal	*kt*	*16.1*	*13.7*	*15.0*	*15.9*	*17.6*	*62.2*	*58.2*	*7*	*9*
	Gold	*koz*	*186*	*158*	*163*	*174*	*179*	*674*	*675*	*-*	*(4)*
	Silver	*koz*	*7,776*	*7,422*	*6,780*	*8,008*	*7,839*	*30,049*	*25,018*	*20*	*1*
Australia (Mount Isa, McArthur River)											
Mount Isa	Zinc in concentrates	kt	130.9	126.2	128.0	127.7	96.3	478.2	437.3	9	(26)
	Lead in concentrates	kt	45.6	41.1	42.4	44.9	34.6	163.0	170.2	(4)	(24)
	Silver in concentrates	koz	1,877	1,770	1,817	1,510	1,427	6,524	6,858	(5)	(24)
McArthur River	Zinc in concentrates	kt	70.1	66.8	73.0	78.9	54.0	272.7	224.3	22	(23)
	Lead in concentrates	kt	13.4	12.6	12.7	15.4	12.3	53.0	46.2	15	(8)
	Silver in concentrates	koz	489	437	359	500	428	1,724	1,461	18	(12)
	Total Zinc in concentrates	**kt**	**201.0**	**193.0**	**201.0**	**206.6**	**150.3**	**750.9**	**661.6**	**13**	**(25)**
	Total Lead in concentrates	**kt**	**59.0**	**53.7**	**55.1**	**60.3**	**46.9**	**216.0**	**216.4**	**-**	**(21)**
	Total Silver in concentrates	**koz**	**2,366**	**2,207**	**2,176**	**2,010**	**1,855**	**8,248**	**8,319**	**(1)**	**(22)**
North America (Matagami, Kidd, Brunswick, CEZ Refinery)											
Matagami	Zinc in concentrates	kt	18.9	11.1	14.5	12.0	14.4	52.0	74.8	(30)	(24)
	Copper in concentrates	kt	1.9	1.5	1.8	2.2	2.7	8.2	8.8	(7)	42
Kidd	Zinc in concentrates	kt	15.6	16.9	14.7	16.8	14.8	63.2	61.0	4	(5)
	Copper in concentrates	kt	9.2	8.5	9.2	10.5	11.9	40.1	38.5	4	29
	Silver in concentrates	koz	712	619	521	659	569	2,368	2,066	15	(20)
	Total Zinc in concentrates	**kt**	**34.5**	**28.0**	**29.2**	**28.8**	**29.2**	**115.2**	**135.8**	**(15)**	**(15)**
	Total Copper in concentrates	**kt**	**11.1**	**10.0**	**11.0**	**12.7**	**14.6**	**48.3**	**47.3**	**2**	**32**
	Total Silver in concentrates	**koz**	**712**	**619**	**521**	**659**	**569**	**2,368**	**2,066**	**15**	**(20)**
North America - total production including third party feed											
Brunswick Smelter	*Lead metal*	*kt*	*21.5*	*13.5*	*17.7*	*18.7*	*20.9*	*70.8*	*74.6*	*(5)*	*(3)*
	Silver metal	*koz*	*6,125*	*4,650*	*5,597*	*5,950*	*5,157*	*21,354*	*15,824*	*35*	*(16)*
CEZ Refinery[7]	*Zinc metal*	*kt*	*17.8*	*17.0*	*16.7*	*16.5*	*18.0*	*68.2*	*65.5*	*4*	*1*

Production by Quarter

		Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Other Zinc (AR Zinc, Los Quenuales, Sinchi Wayra, Rosh Pinah, Perkoa)										
Zinc metal	**kt**	**5.0**	**3.4**	**8.5**	**8.5**	**5.7**	**26.1**	**23.2**	**13**	**14**
Zinc in concentrates	**kt**	**76.6**	**69.4**	**73.4**	**75.6**	**61.5**	**279.9**	**295.4**	**(5)**	**(20)**
Lead metal	**kt**	**3.2**	**2.4**	**3.5**	**3.3**	**3.5**	**12.7**	**11.7**	**9**	**9**
Lead in concentrates	**kt**	**14.5**	**14.8**	**8.7**	**8.5**	**10.7**	**42.7**	**53.7**	**(20)**	**(26)**
Copper in concentrates	**kt**	**0.4**	**0.5**	**0.6**	**0.7**	**0.6**	**2.4**	**2.7**	**(11)**	**50**
Silver metal	**koz**	**173**	**123**	**153**	**205**	**210**	**691**	**613**	**13**	**21**
Silver in concentrates	**koz**	**2,581**	**2,105**	**2,158**	**2,176**	**2,127**	**8,566**	**9,825**	**(13)**	**(18)**
Other Zinc - total production including third party feed										
Zinc metal	*kt*	*7.8*	*4.5*	*9.3*	*9.9*	*6.6*	*30.3*	*29.1*	*4*	*(15)*
Zinc in concentrates	*kt*	*76.6*	*69.4*	*73.4*	*75.6*	*61.5*	*279.9*	*295.4*	*(5)*	*(20)*
Lead metal	*kt*	*3.2*	*2.4*	*3.5*	*3.3*	*3.5*	*12.7*	*11.7*	*9*	*9*
Lead in concentrates	*kt*	*14.5*	*14.8*	*8.7*	*8.5*	*10.7*	*42.7*	*53.7*	*(20)*	*(26)*
Copper in concentrates	*kt*	*0.4*	*0.5*	*0.6*	*0.7*	*0.6*	*2.4*	*2.7*	*(11)*	*50*
Silver metal	*koz*	*173*	*123*	*153*	*205*	*210*	*691*	*613*	*13*	*21*
Silver in concentrates	*koz*	*2,581*	*2,105*	*2,158*	*2,176*	*2,128*	*8,567*	*9,825*	*(13)*	*(18)*
Total Zinc department										
Total Zinc	**kt**	**369.4**	**340.0**	**355.1**	**372.3**	**298.1**	**1,365.5**	**1,315.3**	**4**	**(19)**
Total Lead	**kt**	**84.2**	**75.8**	**70.4**	**82.3**	**69.2**	**297.7**	**307.5**	**(3)**	**(18)**
Total Copper	**kt**	**23.8**	**21.7**	**24.4**	**26.7**	**29.8**	**102.6**	**96.8**	**6**	**25**
Total Gold	**koz**	**126**	**122**	**125**	**135**	**138**	**520**	**506**	**3**	**10**
Total Silver	**koz**	**7,010**	**5,809**	**5,571**	**6,339**	**5,807**	**23,526**	**25,096**	**(6)**	**(17)**

Production from own sources – Nickel assets[1]

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Integrated Nickel Operations (Sudbury, Raglan, Nikkelverk)											
	Nickel metal	**kt**	**12.5**	**13.5**	**12.5**	**7.6**	**15.5**	**49.1**	**51.3**	**(4)**	**24**
	Nickel in concentrates	**kt**	**0.2**	**0.2**	**0.1**	**0.1**	**0.1**	**0.5**	**0.6**	**(17)**	**(50)**
	Copper metal	**kt**	**3.8**	**4.1**	**4.0**	**2.9**	**3.9**	**14.9**	**15.7**	**(5)**	**3**
	Copper in concentrates	**kt**	**8.3**	**7.4**	**10.0**	**6.7**	**7.0**	**31.1**	**38.3**	**(19)**	**(16)**
	Cobalt metal	**kt**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.8**	**0.8**	**-**	**-**
	Gold[2]	**koz**	**9**	**8**	**9**	**9**	**9**	**35**	**37**	**(5)**	**-**
	Silver[2]	**koz**	**111**	**146**	**178**	**135**	**151**	**610**	**622**	**(2)**	**36**
	Platinum[2]	**koz**	**22**	**22**	**22**	**15**	**17**	**76**	**82**	**(7)**	**(23)**
	Palladium[2]	**koz**	**39**	**44**	**48**	**30**	**35**	**157**	**149**	**5**	**(10)**
	Rhodium[2]	**koz**	**1**	**2**	**1**	**1**	**1**	**5**	**4**	**25**	**-**
Integrated Nickel Operations - total production including third party feed											
	Nickel metal	*kt*	*23.1*	*22.5*	*22.6*	*22.9*	*23.2*	*91.2*	*90.5*	*1*	*-*
	Nickel in concentrates	*kt*	*0.1*	*0.2*	*0.2*	*0.1*	*0.1*	*0.6*	*0.7*	*(14)*	*-*
	Copper metal	*kt*	*9.5*	*8.9*	*9.1*	*9.6*	*7.9*	*35.5*	*35.8*	*(1)*	*(17)*
	Copper in concentrates	*kt*	*10.1*	*9.3*	*11.8*	*8.3*	*8.8*	*38.2*	*48.0*	*(20)*	*(13)*
	Cobalt metal	*kt*	*0.9*	*0.7*	*0.8*	*0.7*	*0.9*	*3.1*	*3.6*	*(14)*	*-*
	Gold[2]	*koz*	*12*	*11*	*13*	*13*	*13*	*50*	*54*	*(7)*	*8*
	Silver[2]	*koz*	*177*	*247*	*302*	*244*	*253*	*1,046*	*1,058*	*(1)*	*43*
	Platinum[2]	*koz*	*31*	*30*	*30*	*20*	*26*	*106*	*116*	*(9)*	*(16)*
	Palladium[2]	*koz*	*61*	*63*	*70*	*50*	*59*	*242*	*243*	*-*	*(3)*
	Rhodium[2]	*koz*	*2*	*2*	*1*	*2*	*1*	*6*	*6*	*-*	*(50)*
Murrin Murrin											
	Total Nickel metal	**kt**	**9.2**	**7.9**	**9.8**	**9.3**	**10.5**	**37.5**	**36.4**	**3**	**14**
	Total Cobalt metal	**kt**	**0.7**	**0.7**	**0.8**	**0.6**	**0.7**	**2.8**	**2.7**	**4**	**-**
Murrin Murrin - total production including third party feed											
	Total Nickel metal	*kt*	*11.2*	*9.5*	*12.4*	*12.0*	*12.8*	*46.7*	*44.1*	*6*	*14*
	Total Cobalt metal	*kt*	*0.7*	*0.7*	*0.9*	*0.8*	*0.9*	*3.3*	*2.9*	*14*	*29*
Koniambo	**Nickel in ferronickel**	**kt**	**4.0**	**2.2**	**2.7**	**2.8**	**1.4**	**9.1**	**12.6**	**(28)**	**(65)**
Total Nickel department											
	Total Nickel	**kt**	**25.9**	**23.8**	**25.1**	**19.8**	**27.5**	**96.2**	**100.9**	**(5)**	**6**
	Total Copper	**kt**	**12.1**	**11.5**	**14.0**	**9.6**	**10.9**	**46.0**	**54.0**	**(15)**	**(10)**
	Total Cobalt	**kt**	**0.9**	**0.9**	**1.0**	**0.8**	**0.9**	**3.6**	**3.5**	**3**	**-**
	Total Gold	**koz**	**9**	**8**	**9**	**9**	**9**	**35**	**37**	**(5)**	**-**
	Total Silver	**koz**	**111**	**146**	**178**	**135**	**151**	**610**	**622**	**(2)**	**36**
	Total Platinum	**koz**	**22**	**22**	**22**	**15**	**17**	**76**	**82**	**(7)**	**(23)**
	Total Palladium	**koz**	**39**	**44**	**48**	**30**	**35**	**157**	**149**	**5**	**(10)**
	Total Rhodium	**koz**	**1**	**2**	**1**	**1**	**1**	**5**	**4**	**25**	**-**

Production by Quarter

Production from own sources – Ferroalloys assets[1]

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Ferrochrome[8]		kt	356	385	371	316	390	1,462	1,295	13	10
PGM[9]	Platinum	koz	24	20	25	21	16	82	91	(10)	(33)
	Palladium	koz	13	11	12	12	10	45	50	(10)	(23)
	Rhodium	koz	3	3	4	4	2	13	15	(13)	(33)
	Gold	koz	-	1	-	-	-	1	1	-	n.m.
	4E	**koz**	**40**	**35**	**41**	**37**	**28**	**141**	**157**	**(10)**	**(30)**
Vanadium Pentoxide		mlb	5.6	5.3	4.6	5.5	5.5	20.9	20.8	-	(2)

Total production – Custom metallurgical assets[1]

			Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Copper (Altonorte, Pasar, Horne, CCR)											
	Copper metal	kt	117.8	115.7	101.2	95.1	121.7	433.7	433.8	-	3
	Copper anode	kt	126.7	125.1	119.8	134.8	123.1	502.8	493.7	2	(3)
Zinc (Portovesme, San Juan de Nieva, Nordenham, Northfleet)											
	Zinc metal	kt	196.1	194.3	195.8	197.9	200.8	788.8	781.8	1	2
	Lead metal	kt	39.8	50.0	44.5	53.8	50.9	199.2	177.4	12	28
	Silver	koz	2,106	2,597	2,546	2,735	3,342	11,220	9,482	18	59
Ferroalloys											
	Ferromanganese	kt	29	35	34	33	44	146	116	26	52
	Silicon Manganese	kt	28	28	27	25	18	98	108	(9)	(36)
Aluminium (Sherwin Alumina)											
	Alumina	kt	291	300	281	282	312	1,175	1,382	(15)	7

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis, except as stated.
2 INO produces gold, silver and PGM, incidental to its main products of nickel and copper, which were previously excluded from Glencore production reports. Details have now been included to provide a better understanding of the business and historical periods have been updated accordingly.
3 Copper metal includes copper contained in copper concentrates and blister.
4 Cobalt contained in concentrates and hydroxides.
5 The Group's pro-rata share of Collahuasi production (44%).
6 The Group's pro-rata share of Antamina production (33.75%).
7 The Group's pro-rata share of CEZ production (25%).
8 The Group's attributable 79.5% share of the Glencore-Merafe Chrome Venture.
9 Consolidated 100% of Eland and 50% of Mototolo.

Energy Products

Production from own sources

Coal assets[1]

		Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Australian coking coal	mt	1.4	1.5	1.2	1.5	1.7	5.9	6.0	(2)	21
Australian semi-soft coal	mt	1.0	1.0	0.8	0.9	0.9	3.6	3.5	3	(10)
Australian thermal coal (export)	mt	12.2	12.5	11.7	14.6	13.6	52.4	54.6	(4)	11
Australian thermal coal (domestic)	mt	1.2	0.8	0.9	1.2	1.0	3.9	5.4	(28)	(17)
South African thermal coal (export)	mt	6.0	5.7	5.3	5.2	3.5	19.7	23.4	(16)	(42)
South African thermal coal (domestic)	mt	5.7	5.7	5.6	4.3	1.7	17.3	22.7	(24)	(70)
Prodeco	mt	4.4	5.4	4.7	3.8	3.7	17.6	19.5	(10)	(16)
Cerrejón[2]	mt	3.0	3.0	2.9	2.5	2.7	11.1	11.2	(1)	(10)
Total Coal department	**mt**	**34.9**	**35.6**	**33.1**	**34.0**	**28.8**	**131.5**	**146.3**	**(10)**	**(17)**

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

		Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Glencore entitlement interest basis										
Equatorial Guinea	kbbl	1,267	1,216	1,263	1,220	1,238	4,937	5,072	(3)	(2)
Chad	kbbl	968	1,352	1,463	1,520	1,297	5,632	2,279	147	34
Total Oil department	kbbl	2,235	2,568	2,726	2,740	2,535	10,569	7,351	44	13
Gross basis										
Equatorial Guinea	kbbl	6,064	5,598	5,849	5,841	5,651	22,939	24,232	(5)	(7)
Chad	kbbl	1,326	1,849	2,000	2,077	1,773	7,699	4,284	80	34
Total Oil department	kbbl	7,390	7,447	7,849	7,918	7,424	30,638	28,516	7	-

Agricultural Products

Processing / production data

		Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	2014	Change 2015 vs 2014 %	Change Q4 15 vs Q4 14 %
Farming	kt	190	33	99	448	124	704	762	(8)	(35)
Crushing	kt	1,471	955	1,747	1,740	1,627	6,069	5,664	7	11
Long term toll agreement	kt	-	-	130	92	62	284	206	38	n.m.
Biodiesel	kt	205	109	139	164	144	556	757	(27)	(30)
Rice milling	kt	30	47	44	83	32	206	230	(10)	7
Wheat milling	kt	231	236	250	254	236	976	1,013	(4)	2
Sugarcane processing	kt	416	-	702	1,273	776	2,751	2,231	23	87
Total Agricultural products	**kt**	**2,543**	**1,380**	**3,111**	**4,054**	**3,001**	**11,546**	**10,863**	**6**	**18**

Production by Quarter

Full year 2016 production guidance

		Actual FY 2014	Actual FY 2015	Guidance FY 2016
Copper	kt	1,546	1,502	1,390 ± 25
Zinc	kt	1,387	1,445	1,095 ± 25
Lead	kt	308	298	285 ± 10
Nickel	kt	101	96	116 ± 4
Ferrochrome	kt	1,295	1,462	1,575 ± 25
Coal	mt	146	132	130 ± 3
Oil – entitlement interest basis	kbbl	7,351	10,569	8,500 ± 300

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