SERVING THE GLOBAL ECONOMY

CLAUDE DAUPHIN
Executive Chairman
and Founding Partner

We have the confidence to invest because we believe in long-term growth and in the far-reaching efficiencies that a large-scale, independent player such as Trafigura can bring to the marketplace.

$127.6bn
Group revenue
(2013: USD133.0 billion;
2013 like-for-like USD128.1 billion)

$5.3bn
Shareholders' equity
(2013: USD5.0 billion)

$2.0bn
Gross profit
(2013: USD2.9 billion;
2013 like-for-like USD1.8 billion)

$7.9bn
Total non-current assets
(2013: USD7.8 million)

GUIDING PRINCIPLES

The Trafigura Group's business model and service proposition are founded on three simple and related insights.

First, that over time, global trade in fossil fuels and industrial raw materials will continue to grow, driven by the trends of industrialisation, urbanisation and increasing prosperity that continue to spread across the developing world.

Second, that this expanding demand creates a need for a new type of commodity trading firm able to operate at scale with the financial resources and sophisticated information and risk management systems to match.

Third, that success in this business requires a genuinely long-term focus on customer needs and on new ways of connecting supply with demand – with a readiness to invest in everything from long-term client relationships to processes, logistics and infrastructure in support of trade flows.

FOCUS ON LONG-TERM GROWTH

The financial year we have just completed provided validation of all three of our guiding principles. First, trading volumes continued to grow in our two trading divisions, Oil and Petroleum Products, and Metals and Minerals. Our share of the freely traded oil and products markets continued to expand; we saw a sharp increase in coal volumes; and even in commodities where we have a particularly strong position such as refined metals, we were able to develop the book.

Second, in markets plagued this year by unusual uncertainty and political risk, our trading activity continued to benefit from the investments in IT and risk management capabilities that we have made and are still making. It is capacity of this kind that makes Trafigura a particularly resilient and adaptable player. In 2014, we showed once again how we guarantee reliable trade flows for our clients and counterparties, even in unpredictable and rapidly changing market conditions.

Third, we demonstrated the importance of having a view to the long term as well as the short term in our approach to customer relationships and to infrastructure investment in support of trade.

Increasingly during this financial year, we provided financial support to certain valued counterparties in the form of multi-year pre-paid offtake agreements. With our agreement to invest in Jinchuan Group's new copper smelter in Fangchengang, we reinforced our partnership with an important industrial player in China.

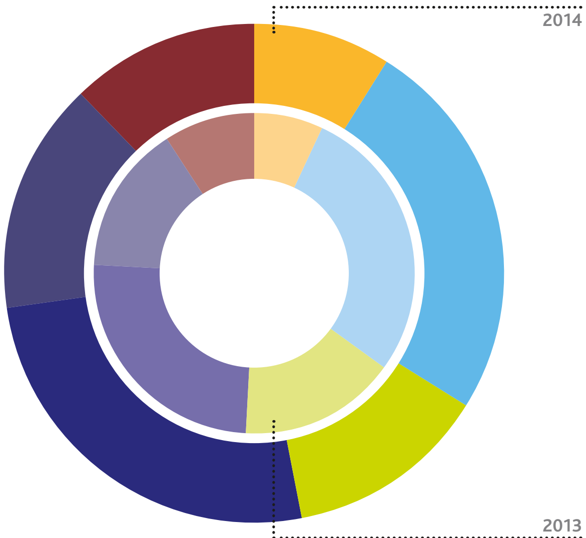
INVESTING IN INFRASTRUCTURE

In infrastructure, we reaped significant benefit from our investment in oil storage, transport, processing and export facilities in Corpus Christi, South Texas by selling an 80 percent interest to Buckeye Partners L.P. – while, importantly, retaining the commercial rights to use the facilities to handle the growing volume of crude oil and products we buy and transport from the Eagle Ford shale. And our investment programme in subsidiary Impala Terminals' ports and multimodal transport systems in Africa and Latin America passed new milestones, with commercial operations on the Magdalena River in Colombia and at the giant Porto Sudeste iron ore facility in Brazil poised to begin.

We have the confidence to make these investments because we believe in long-term growth and in the far-reaching efficiencies that a large-scale, independent player such as Trafigura can bring to the marketplace.

OIL AND PETROLEUM PRODUCTS

Revenue by geography (%)

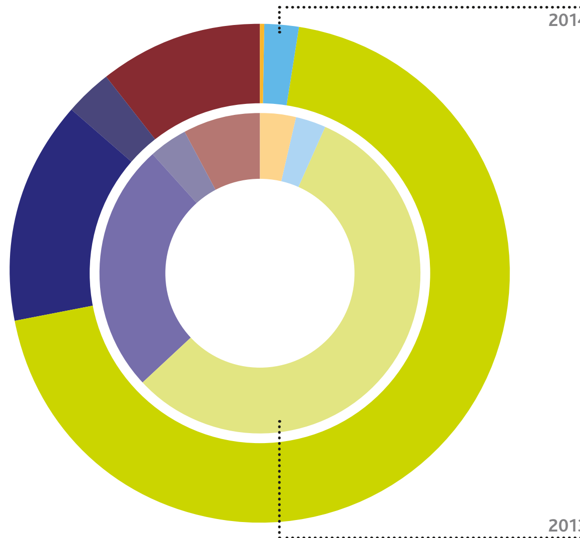


Region*	2014	2013
Middle East	**9%**	7%
Africa	**25%**	28%
Asia & Australia	**13%**	16%
Europe	**26%**	25%
Latin America	**15%**	15%
North America	**12%**	10%

*Figures rounded to the nearest full number.

METALS AND MINERALS

Revenue by geography (%)



Region*	2014	2013
Middle East	**0.5%**	1%
Africa	**2%**	3%
Asia & Australia	**70%**	58%
Europe	**15%**	27%
Latin America	**3%**	4%
North America	**11%**	8%

CONTINUED GROWTH IN CHINA

It is worth emphasising this confidence as a counterweight to the gloom that it has become fashionable to express about the outlook for commodity prices, notably in the light of a slowing of GDP growth in China this year.

Whatever the short-term numbers say, China remains a fundamental growth factor in markets as disparate as copper, coal and liquefied natural gas. It drove seaborne trade in thermal coal to triple in the last 15 years. Chinese monthly imports of iron ore are still double what they were only a few years ago.

Nobody expects these trends to go into reverse even if Chinese economic growth rates continue to soften. In any case, 7 percent annual growth on today's base equates to dramatically larger volumes of material than did 10-plus percent growth from the base of five years ago. At this pace, the Chinese economy will have doubled again in a decade.

What is more, there are encouraging signs that the Chinese authorities are taking carefully judged steps to make their economy's growth more sustainable, whether in the campaign against corruption, in the effort to rebalance investment or in the drive to eliminate irregular financing practices in some commodity markets. All these actions should create greater transparency and a healthier marketplace beyond the short-term turbulence.

Meanwhile, the growth path that China has charted in recent decades is one that is increasingly being followed by other emerging economies. As pointed out in an economic white paper commissioned by Trafigura in 2014 (see page 36), urbanisation is continuing across Latin America, Asia and Africa, with the forecast that by 2050 some two-thirds of the world's inhabitants are expected to be city dwellers. That will generate inexorably increasing demand for energy and industrial raw materials – and for the infrastructure and logistical services that get them from source to market.

FALLING COMMODITY PRICES AND THE GROWTH DIVIDEND

In the shorter term, it is also worth remembering that current lower commodity prices will themselves act as a boon to the world economy, along with lower freight and financing costs. As a physical commodities trader, Trafigura is in one sense indifferent to price as we hedge our flat - price risk. But we are not indifferent to the benefits of falling prices for growth. Indeed, we arguably have a role in this process as agents of discovery of fair price levels for physical commodities.

That is why we maintain a confident outlook after another year of strong performance by the Trafigura Group. The world needs, and will continue to need, more commodities to fuel its growth. As long as we remain focused on sourcing and delivering them to end-users reliably, efficiently and responsibly, we will have a useful role to play at the service of the global economy.

Claude Dauphin,
Executive Chairman and Founding Partner