A SOLID FINANCIAL PERFORMANCE

PIERRE LORINET
Chief Financial Officer

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PERFORMANCE INDICATORS

$127.6bn Group revenue (2013: USD133.0 billion; 2013 like-for-like USD128.1 billion)	**$7.9bn** Total non-current assets (2013: USD7.8 billion)
$2.0bn Gross profit (2013 USD2.9 billion; 2013 like-for-like USD1.8 billion)	**$39.6bn** Total assets (2013: USD40.0 billion)
$1.6% Gross profit margin (2013 like-for-like 1.4 percent)	**$5.3bn** Shareholders' equity (2013 USD5.0 billion)
$1.1bn Net profit (2013 USD2.2 billion)	**$1.3bn** EBITDA (2013 like-for-like USD1.2 billion)

The Trafigura Group recorded solid financial performance in 2014, with net profit for the year of USD1.080 billion, a decrease of 50 percent from the figure of USD2.181 billion in 2013. The decrease in the headline number is mainly due to the deconsolidation of Puma Energy that occurred at the end of 2013. In fact, the operating performance of the group has increased year-on-year. The 2014 result reflects continued profitable growth in volumes in both trading divisions.

Main highlights of the year in our industrial divisions included the acquisition by Impala Terminals, together with Mubadala, of a controlling interest in the Porto Sudeste iron ore export facility in Brazil and the completion of a number of other important investment projects including a strong increase of capacity at our MATSA mine in Spain, a significant expansion of Impala Terminals' warehouse and export terminal at Callao in Peru and completion of the development phase of our multimodal transport project in Colombia as well as the sale of an 80 percent interest in our Corpus Christi terminal.

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We expect investments made during the year to increase our access to trading flows in both our Oil and Petroleum Products and Metals and Minerals segments, and to continue generating significant value that can be realised in coming years.

2014 also saw a further strengthening of our overall liquidity stemming from increased bank lines availability and longer-dated capital markets issuance.

Impala Terminals' and Mubadala's Porto Sudeste iron ore export facility in Brazil.

PROFITABILITY

Revenue in 2014 totalled USD127.6 billion, a decrease of 0.4 percent from the figure of USD128.1 billion recorded in 2013 on a like-for-like basis.

The like-for-like comparison excludes in both years significant divestments of previously consolidated subsidiaries and the related revaluation gains following their deconsolidation. Specifically, these divestments related to Puma Energy and the Condestable mine in 2013 and to two events in 2014: the sale of an 80 percent interest in our oil storage terminal in Corpus Christi, South Texas, and the sale of Trafigura's bitumen business to Puma Energy Holdings in March, 2014.

On a like-for-like basis*, gross profit rose by 14 percent to USD2,045 million from USD1,788 million in 2013. This figure comprised an increase of USD376 million in the Oil and Petroleum Products segment, partly offset by a decrease of gross profit by USD119 million in the Metals and Minerals segment. Overall, this represented a gross profit margin of 1.6 percent against a figure calculated on the same basis for 2013 of 1.4 percent. This was a creditable performance in challenging trading conditions.

In addition to the disposal of Trafigura Terminals LLC and the bitumen business, other income also includes some exceptional items which we have not taken out for our like-for-like comparison. These include on the one hand a USD113 million mark-to-market gain on listed securities linked to our Porto Sudeste acquisition and, on the other, USD189 million of impairments on both financial and non-financial assets. The majority of these impairments related to Impala Terminals' Burnside facility in the US owing to lower coal prices, as well as to the prolonged decrease in the price of shares of listed equity investments due to the general commodity price environment.

From an operating profit perspective, we believe that EBITDA** is the appropriate indicator to assess our performance as the amount of depreciation and amortisation has steadily increased following the growth in our fixed asset portfolio. EBITDA in 2014 was USD1,309 million, compared to USD1,155 million the previous year on a like-for-like basis, a net increase of 13 percent year-on-year.

General and administrative expenses including staff costs rose to USD1,005 million, representing an increase of 10 percent on the USD912 million recorded in 2013. The increase was due to higher depreciation and amortisation, which increased to USD236 million from a like-for-like figure of USD212 million in 2013, and higher staff costs coming from an increase in performance-related pay and increased staff numbers linked mainly to our infrastructure investments.

Net financing costs were USD308 million, an increase of 31 percent on the like-for-like 2013 figure. This reflects an increase in borrowing to finance our capital investment programme. Trafigura's gross financial income and expense includes interest on cash balances and loans respectively as well as interest from commercial operations.

* To aid comparison between the years, all figures derived from the consolidated statement of income in the remainder of this financial review section are similarly adjusted to show comparisons excluding significant divestments and revaluations and treating Puma Energy as an equity-accounted investee. Detailed figures can be seen on page 102 of the Annual Report.

** EBITDA is operating profit excluding the share in results of equity-accounted investees, depreciation and amortisation, gains/losses on divestments of subsidiaries, equity-accounted investees and other investments, impairment losses and other operating income and expense.

Construction of Impala Terminals' Barrancabermeja riverside port, Colombia.

CAPITAL ALLOCATION

The partial disposal of our Corpus Christi terminal this year, and of various other assets in previous years, form part of a consistent approach and strategy with regards to capital allocation and investment. As a private Group we have to deploy our capital wisely. Our stated strategy has always been to develop assets that offer strong synergies with our physical trading business, warehouse them during construction and when they reach maturity open up their capital base to third parties while retaining the strong commercial link to Trafigura's trading business. Through this approach we are able to monetise the value created and recycle our capital into new investments, while increasing our flows and access to markets for our physical trading activity. Puma Energy and the Corpus Christi terminal are perfect examples of such a strategy. We were able to release capital, create strong partnerships with credible players (Sonangol and Buckeye Partners, L.P.) and retain full commercial synergies. We expect the Group to continue following this approach for the foreseeable future.

ASSETS

As at 30 September, 2014, total assets amounted to USD39,575 million, little changed from the same date in 2013 when total assets stood at USD40,027 million. Fixed and non-current assets were likewise little changed from a year earlier at USD7,880 million (2013: USD7,818 million), reflecting on the one hand the sale of a majority stake in our South Texas infrastructure assets and on the other hand, a continuation of our fixed asset investment programme elsewhere. Loans receivable and advances fell to USD724 million from USD2,053 million in 2013, reflecting the restructuring of our pre-payment loan to Rosneft into an off-balance-sheet financing vehicle. Excluding the Rosneft prepayment we have seen an increase of our long-term prepayment facilities of more than USD200 million. When factoring in the more than doubling of our short-term prepayment portfolio (recorded as current assets) to USD2,301 million, it reflects a significant expansion of our structured finance activity in support of increasing our trade flows and exemplifies the role we play in intermediating between clients and banks.

Current assets were broadly in line with the 2013 figure at USD31,695 million compared to USD32,209 million the previous year. Inventories were USD7,905 million, compared to USD7,856 million. In line with Trafigura's risk management policies, all stock was either pre-sold or hedged at all times throughout the year.

EQUITY AND LIABILITIES

Group equity reached USD5,557 million as of 30 September, 2014, compared to USD5,304 million as at September, 2013. This demonstrates a continued strengthening of our balance sheet, including a contribution from a SGD200 million Perpetual Subordinated Bond issued in Singapore in February, 2014, which is counted towards equity. Current liabilities and short-term bank borrowings were slightly down from the 2013 figure at USD27,229 million compared to USD28,283 million. The ratio of adjusted debt to Group equity stood at 1.31x as of 30 September, 2014 (see below for more detailed explanation of this metric).

CASH FLOW

Operating cashflow before working capital changes was USD1,288 million in 2014. This compares with a figure of USD1,711 million in 2013, including Puma Energy. Trafigura believes its financial performance is best assessed on the basis of cash flow before working capital changes, since the level of working capital is predominantly driven by prevailing commodity prices and price variations are financed under the Group's self-liquidating finance lines. Cash flow from operating activities after working capital changes was a net outflow of USD569 million (2013: cash inflow of USD1,687 million). Investing activities resulted in a net outflow of USD1,485 million compared to a net outflow of USD4,033 million in 2013. Net cash generated from financing activities was USD2,936 million compared to USD2,794 million in 2013. The overall balance of cash and cash equivalents as of 30 September, 2014, was USD3,710 million, an increase of USD497 million compared to the figure of USD3,213 the previous year.

LIQUIDITY

As at 30 September, 2014, the Group had USD6.8 billion (2013: USD5.9 billion) of committed revolving credit facilities of which USD2.5 billion (2013: USD1.9 billion) remained unutilised. The Group had USD1.6 billion (2013: USD1.2 billion) of immediately (same day) available cash in liquidity funds. The Group had access to available liquidity balances from liquidity funds and corporate facilities in excess of USD4.1 billion (2013: USD3.1 billion).

PUBLIC RATINGS

Trafigura does not hold a public rating and does not seek to obtain one.

There are a number of reasons for this, including the fact that Trafigura's strategy has always been to obtain funding from stakeholders who understand its business model, rather than make investment decisions on the basis of a rating. In addition, holding a rating could cause Trafigura to take more short-term focused decisions in order to maintain a particular rating level. This would conflict with the Group's focus on long-term value creation and maintenance of a strong balance sheet.

Trafigura has been highly successful in securing funding without a public rating and has access to over USD46 billion, as at 30 September, 2014, in credit facilities through various funding sources. Financial discipline is inherent to Trafigura's business and finance model due to its reliance on debt markets for capital and liquidity. Trafigura's significant expansion of its sources of financing over the years has been achieved on the basis of the Group maintaining an acceptable and sustainable credit standing, consistent with an investment grade profile. The Group's financial discipline is reinforced by the financial covenants provided to our unsecured lenders and is underlined by the strong support we receive from our banking group and investors.

FINANCING

As a privately owned company, Trafigura funds itself primarily from the banking and debt capital markets, relying on a combination of diversified funding sources and strong banking relationships.

For a number of years and throughout various commodity cycles and financial market environments, Trafigura has cemented strong relationships with its lending banks. In the past year, Trafigura has added 22 new banks to its banking group which consists, as at 30 September, 2014, of more than 135 banks across the world.

A key reason for Trafigura's leading competitive position is its access to capital and liquidity. During our fiscal year, lines have increased from around USD42.5 billion at the end of 2013 to USD46.2 billion by September, 2014. Trafigura has been successful in sourcing funding from a number of markets: syndicated bank loans, securitisation markets, bond markets and trade finance. Of total current lines of USD46.2 billion, we have USD16.9 billion of headroom or excess liquidity to ensure resilience in all market conditions.

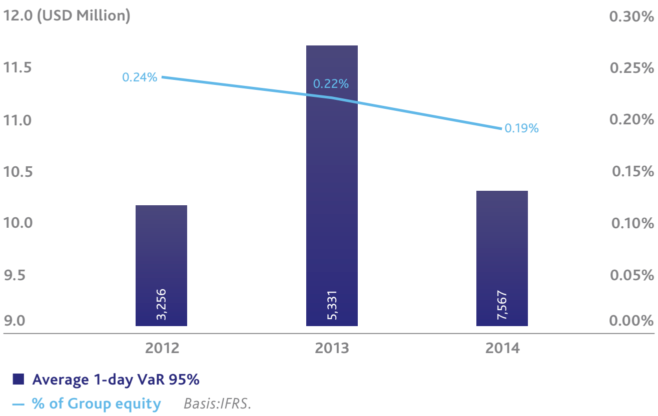
TRAFIGURA DEBT AND CAPITAL MARKETS ISSUANCES

In recent years, Trafigura has increasingly sought financing outside of the traditional commodity trade finance loan markets in order to diversify funding sources, but also to lengthen our maturity profile, particularly given our focus on matching assets with liabilities. Following successful issuances in 2013, Trafigura completed in 2014 further transactions in the debt capital markets. Firstly, in November, 2013, Trafigura issued a EUR500 million 5.25 percent senior fixed rate bond, the first issuance under its EMTN programme of total size EUR2 billion. This was followed in February, 2014, by a second SGD200 million perpetual subordinated resettable bond, listed on the Singapore Stock Exchange which drew strong support from Singapore-based private banks and fund managers. Similar to our first perpetual bond, issued in April, 2013, the new bond receives equity treatment under IFRS accounting rules. Finally, in June, 2014, Trafigura completed a liability management exercise where we exchanged EUR109 million of our Eurobond with a maturity of 2015 for a tap of EUR107 million of our 2018 EMTN. The purpose of this liability management was to extend the duration of a portion of our long-term debt in attractive market conditions.

Corpus Christi oil storage facility, Texas, US.

VALUE AT RISK

The Value at Risk (VaR) metric is one of the various risk management tools Trafigura uses to monitor and limit its market risk exposure. Trafigura uses an integrated VaR model which captures risks including commodity prices, interest rates, equity prices and currency rates (see further details in note 26). During 2014, average 95 percent one day VaR for derivative positions was USD10.3 million (2013: USD11.7 million) which represented less than 1 percent of Group equity.



SHAREHOLDER STRUCTURE

Trafigura is exclusively owned by over 600 employees and its management, who are therefore focused on the long-term success of the business, promoting management depth and stability, and encouraging prudent risk management. The decision as to which employees may become shareholders is discretionary based upon management's evaluation of the individual's performance, seniority and future potential.

Trafigura has continuously built up its shareholders' equity since inception in 1993 and the Group retains profits to further increase its capital base. No dividend or profit distribution is paid other than through share buy-backs. Any share buy-backs are discretionary and each buy-back can be deferred indefinitely subject to sufficient liquidity being available/compliance with financial covenants.

LEVERAGE AND ADJUSTED DEBT

As a physical trading group, Trafigura relies on a specific funding model. As a result, one cannot apply the same financial analysis framework as for other, more typical industrial companies. Financial leverage must be considered after excluding some specific balance sheet items (eg transactional finance, securitisation) resulting in the use of adjusted debt as an overall leverage metric.

The adjusted debt metric represents Trafigura's total long- and short-term debt less cash, deposits, readily marketable inventories, debt related to the Group's securitisation programme and the non-recourse portion of loans to third-parties. This metric is a better measure of the Group's financial leverage and enables a better understanding of the balance sheet. In particular, the following adjustments need to be made:

- The securitisation programme should be taken out on the basis it is an entirely distinct legal entity from Trafigura with no recourse to the Group and is only consolidated into the financial statements in accordance with the Group's accounting rules.
- Cash and short-term deposits should be deducted from debt.
- Pre-sold or hedged stock should be deducted from debt. This reflects the great liquidity of the stock and the ease at which this could be converted to cash. As previously described, Trafigura's policy is to have 100 percent of stock hedged at all times.

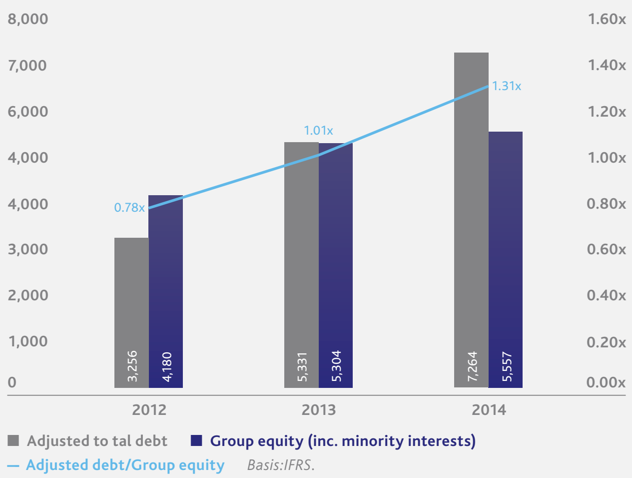
A key reason for Trafigura's leading competitive position is its access to capital and liquidity.

As at September, 2014, the ratio of adjusted net debt to Group equity stood at 1.31x. The increase at year end is due to our continued investment in fixed assets on the one hand and the expansion of our prepayment portfolio (both short term and long term) on the other, the latter having had a bigger impact. The nature of the ratio means it fluctuates between quarters, but Trafigura's long-term commitment is to ensure it does not remain significantly above its target of 1.0x on a long-term basis. We expect this ratio to revert to our stated target within the next 18 months.

Stacker reclaimer being tested at Porto Sudeste, Brazil.

Impala Terminals' jointly owned covered conveyor belt expansion at the Port of Callao, Peru.

Trafigura adjusted debt (USD Million)



QUESTIONS FROM STAKEHOLDERS: TAX

How much tax does Trafigura pay?

Trafigura operates in a multitude of jurisdictions and adheres to applicable local and international tax law in the countries in which it operates, including legislation on transfer pricing. The Group's tax policy is to pay appropriate tax according to work carried out in each jurisdiction, as determined by a functional analysis of operations using standard measures wherever possible, underpinned by reports prepared to fulfil local transfer pricing requirements. Trafigura Pte is the Group's main trading company. The Group's effective tax rate – the average rate at which consolidated pre-tax profits are taxed – varies from year to year according to changing circumstances but in 2014 it was 17.1 percent.

OUTLOOK

In the coming year, we will pursue our strategy of growing traded volumes while bringing to full operation our key infrastructure investments. This approach ensures that we not only maintain our trading margin but eventually grow it. Our key goal is to be in a position to generate a base load profitability whatever the market environment. As stated by Claude and Jeremy, the last few years have provided a challenging trading environment in which the Group has nonetheless performed strongly thanks to this strategy. Should the market fundamentals become more favourable, we can expect some significant upside to our base case.

In parallel to our business strategy, we will continue to focus on improving our operations, finance and risk management through investment in advanced IT systems and global service centres.

Finally, with liquidity being essential to the sustainability of our operations, we will seek to enhance it further as we have done in the past while maintaining our credit standing and balance sheet integrity.

Pierre Lorinet,
Chief Financial Officer

Smelter analysis in the MATSA mine laboratory, Seville, Spain.