TRAFIGURA

INTERIM REPORT

PERIOD ENDED 31 MARCH 2017

TRAFIGURA GROUP PTE. LTD.

ADVANCING TRADE

FINANCIAL AND BUSINESS HIGHLIGHTS*

$67.3bn
Group revenue
(2016: USD44.1 billion)**

$1,237.9m
Gross profit
(2016: USD1,172.9 million)**

$49.3bn
Total assets
(2016: USD41.2 billion)***

68%
Oil and Petroleum Products revenue
as a percentage of Group revenue
(2016: 62 percent)**

$470.5m
Profit for the period
(2016: USD601.8 million)**

$8.1bn
Total non-current assets
(2016: USD8.5 billion)***

32%
Metals and Minerals revenue
as a percentage of Group revenue
(2016: 38 percent)**

$921.4m
EBITDA****
(2016: USD821 million)**

$6.9bn
Total group equity
(2016: USD5.8 billion)***

* Six-month period ended 31 March 2017.
** Six-month period ended 31 March 2016.
*** As at 30 September 2016.
**** EBITDA (earnings before interest, tax, depreciation and amortisation) 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 expenses.

Cover image by Charlescannon.

ADVANCING TRADE

Without trade, countries cannot develop, economies cannot grow and international business cannot function. We help make trade happen.

We move physical commodities from places where they are plentiful to where they are most needed reliably, efficiently and responsibly.

Trafigura has been connecting its customers to the global economy for more than two decades; we are growing prosperity by advancing trade.

CONTENTS

A STRONG TRADING PERFORMANCE

JEREMY WEIR
Chief Executive Officer

Continued strong volume growth, healthy financial liquidity and increased trading profits were the key features of the first half of Trafigura Group's 2017 financial year.

Performance Indicators

$67.3bn
Group revenue
(2016: USD44.1 billion)*

$8.1bn
Total non-current assets
(2016: USD8.5 billion)**

$1,237.9m
Gross profit
(2016: USD1,172.9 million)*

$6.9bn
Total group equity
(2016: USD5.8 billion)**

* Six-month period ended 31 March 2016
** As at 30 September 2016

In the six months ending 31 March 2017, Trafigura Group continued on its established path of profitable growth, with volume increases in both trading divisions matched by strong profits from trading activity. Gross profit was USD1,238 million, an increase of 6 percent on the gross profit of USD1,173 million recorded in the first half of 2016. Gross profit margin in the half-year was 1.8 percent compared to 2.7 percent in the first six months of 2016, illustrating the current highly competitive conditions in commodities markets.

Total volumes traded in oil and petroleum products rose by 25 percent from the same period a year ago to an average of 4.995 million barrels per day, while in metals and minerals total volumes rose by 37 percent. This growth was reflected in a 53 percent increase in revenue to USD67,317 million from USD44,093 million in the first half of 2016.

Profit for the period was USD471 million, a fall of 22 percent from USD602 million recorded in H1 2016. This drop entirely reflected the difference between aggregate adjustments in the value of investments and non-financial assets in the first halves of 2016 and 2017. EBITDA in the first half of 2017 was a healthy USD921 million, 12 percent above the figure of USD821 million recorded in H1 2016. We view this measure as the most accurate gauge of operating performance since it strips out investment gains and impairments.

The Group's performance in the first half demonstrated the benefits of our diversified business model, as a fall in gross profit in our Oil and Petroleum Products Trading Division was more than offset by a sharp increase in gross profit from the Metals and Minerals Trading Division.

I am also pleased to report that we were successful in enhancing our access to liquidity from our banks and to capital from the public markets at a time of strong demand for working capital. In addition we reduced capital expenditure and made significant progress in reducing our leverage, while continuing the ramp-up of our most important infrastructure assets. We also expect the acquisition of the 24 percent share of Essar Oil to happen in our second half year following the announcement we made in October 2016.

OIL: RISING VOLUMES, SUBDUED VOLATILITY

While the macroeconomic backdrop during the period was exceptionally strong, with all major regions showing healthy growth, the oil market was characterised by chronic over-supply and low levels of realised volatility, with prices largely range-bound from December. This reduced profitable opportunities for trading, and accordingly gross profit from Oil and Petroleum Products Trading fell by 17 percent from the level recorded in the first half of 2016 to USD652 million.

On the other hand, demand for crude oil and refined products remained robust, especially in Asia, enabling Trafigura further to expand trading volume and market share. We maintained our leading role in exporting crude oil and refined products from the shale fields of the US and built significant incremental sales to China and India, but the volume growth was global, affecting all our product desks and regions. We expect our daily average volume traded for the full 2017 financial year to exceed 5 million barrels per day, compared to 2016 daily average volume of 4.3 million barrels.

METALS AND MINERALS: HEALTHIER MARKETS

Markets for non-ferrous concentrates and metals and for bulk minerals were somewhat healthier during the half-year than in 2016. Amid optimism about economic growth and potential infrastructure investment, signs of supply tightness surfaced in zinc and copper concentrates and refined metals saw sharp expansions in demand, with aluminium a particularly strong performer. In coal, Chinese supply curbs stimulated new import flows, for example from Indonesia, Australia and South Africa, while the iron ore market also showed new signs of life.

Iron ore loading at Impala Terminals and Mubadala's Porto Sudeste export facility in Brazil.

In consequence we were able to expand overall trading volumes and gross profit, with refined non-ferrous metals, coal and iron ore all showing strong tonnage growth and non-ferrous concentrates maintaining leading market positions without sacrificing margins. It is particularly gratifying to report strong and profitable growth in the bulk minerals books, indicating the investment we have made in building this activity since 2010 is paying off. Overall Metals and Minerals gross profit rose by 52 percent from the first half of 2016 to USD586 million.

AMPLE LIQUIDITY, DISCIPLINED CAPEX

During phases of rapid expansion such as that which Trafigura continues to experience, it is especially important that the firm can secure access to ample financial liquidity – not only to support the Group's increased working capital needs but also as a buffer against the effects on our inventories of sudden price swings. In this respect, too, this half-year brought significant achievements, with the closing of our European revolving credit facility and the raising of a second perpetual bond listed in Singapore, bringing in permanent capital that can be treated as equity on our balance sheet. These transactions, together with certain other realisations from asset sales and loan repayments during the period, have created an extremely strong liquidity position that will enable us to take maximum advantage of the trading opportunities available to us in the months ahead.

We also maintained our disciplined approach to capital expenditure. As we announced in our 2016 Annual Report, we have come to the end of an investment cycle. We are now focused on ramping-up our infrastructure assets, such as our multimodal transport and port operation on the Magdalena River in Colombia and the Porto Sudeste iron ore terminal in Brazil, in support of our trading business. In consequence capital expenditure in the first half-year, net of divestments, was less than USD100 million, putting us well on target to stay within a full-year capex envelope of USD500 million.

In turn, maintaining investment discipline has enabled us to continue to reduce our leverage as we promised last year. As at 31 March 2017 our ratio of adjusted net debt to equity was 1.14x, compared to 1.48x on 30 September 2016. While the nature of this ratio means it fluctuates over time, Trafigura is committed to maintaining a disciplined approach to leverage, with the aim of ensuring that the ratio does not stay significantly above 1.0x in the long term.

We believe robust liquidity and capital discipline, together with the significant investments we continue to make in optimising our IT, risk-management and mid- and back-office support systems, are key success factors for our organisation. Harnessed to the capabilities of our trading teams, they should enable us to derive maximum benefit from further increases in demand created by global economic expansion and by the opening of exciting markets such as India.

OUR BUSINESS MODEL CREATES VALUE

Our vision is of an increasingly interconnected and prosperous world in which commodities pass seamlessly from their points of origin to points of need.

WHAT WE DO

We connect producers and end-users of commodities by performing transformations in space, time and form. We use our market knowledge, logistics and infrastructure:

- to move physical commodities from places where they are abundant to where they are in demand (space).
- to store physical commodities while supply is unusually high and release inventories at times of high demand (time).
- to blend physical commodities to alter their quality or grade according to customer specifications (form).

Transformations in space, time and form

SOURCE

We negotiate offtake agreements with oil producers, refiners, mining companies and smelters. We invest in logistics that improve market access for our suppliers.

STORE

We store petroleum products at owned and third-party tankage. We store metals and minerals at Impala Terminals and third-party-owned facilities.

BLEND

We blend physical commodities to regional, market and customer specifications in strategically located terminals and warehouses around the world.

DELIVER

We operate efficient, safe and high-quality logistics. We move commodities by barge, truck, rail, pipeline and vessel in support of our core trading activities and for third parties.

ADVANCING TRADE: HOW WE CREATE VALUE

BY MAKING MARKETS WORK
We use our global network and market intelligence to connect supply and demand for commodities and ensure delivery in the right place, at the right time, to the right specification.

BY OPTIMISING THE SUPPLY CHAIN
We have developed world-leading logistical capabilities enabling us to source, store, blend and deliver oil and petroleum products, metals and minerals reliably and efficiently anywhere in the world.

BY MANAGING RISK
Our business model is resilient in the most volatile market conditions. We systematically hedge price risks and have created systems and processes that enable us to manage a complex range of operational and financial risks.

BY INVESTING IN INFRASTRUCTURE
We invest in high-quality infrastructure that supports our trade flows, such as oil storage facilities, warehouses, ports and transport.

BY SUPPORTING OUR CLIENTS
Our strong financial resources give us the capacity to add value for our customers through integrated solutions incorporating trading, finance, infrastructure investment and risk management in the physical commodity sector.

BY ACTING RESPONSIBLY
We are committed to operating and growing our business in a responsible and sustainable way. Responsible trade drives economic and social progress.

OUR STRUCTURE
DELIVERS VALUE

Trafigura's core business is physical trading and logistics. Strategic investments in industrial and financial assets complement and enhance this activity. We structure these investments as standalone businesses.

TRADING ACTIVITIES

Oil and Petroleum Products

We are one of the world's largest traders by volume of oil and petroleum products. We operate in a fragmented market where no single company has a leading position. Trafigura is one of the few oil and petroleum products traders with global presence and comprehensive coverage of all major markets.

Supported by offices worldwide, the Oil and Petroleum Products division operates from key regional centres in Beijing, Calgary, Geneva, Houston, Johannesburg, Montevideo, Moscow, Mumbai and Singapore.

Metals and Minerals

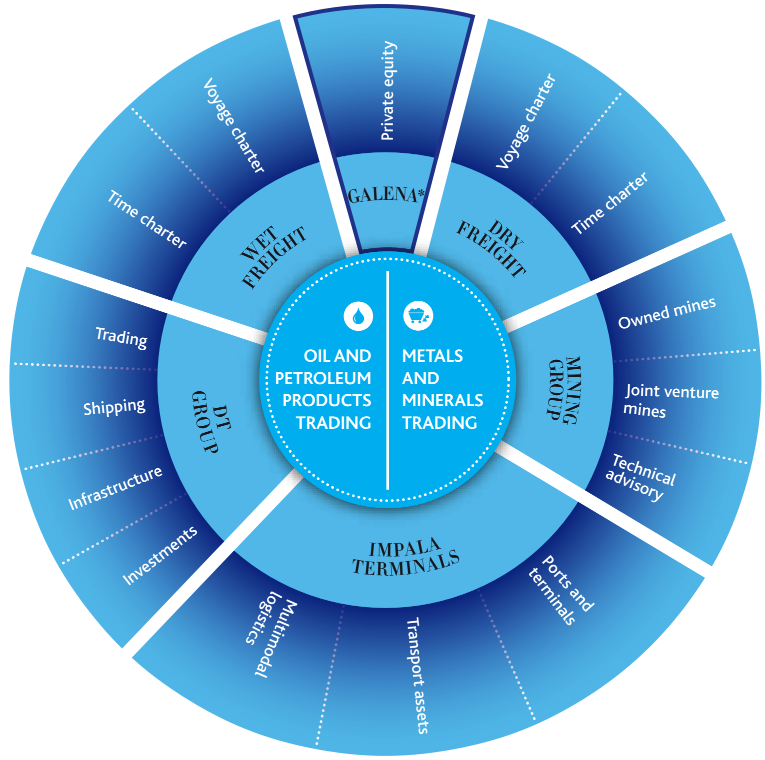
We are one of the world's largest metals and minerals traders. We negotiate offtake agreements with miners and smelters. We invest in multimodal terminals and logistics to improve market access for our clients.

Supported by offices worldwide, the Metals and Minerals division operates from key regional centres in Geneva, Johannesburg, Lima, Mexico City, Montevideo, Mumbai, Shanghai, Singapore and Stamford.

Shipping and Chartering

Our Shipping and Chartering Desk is closely integrated into Trafigura's business model, providing freight services to the commodity trading teams internally and trading freight externally in the professional market.

Operations are based in our offices in Athens, Geneva, Houston, Montevideo and Singapore. All post-fixture operations are managed from our Athens office.



The size of each segment is not indicative of percentage of ownership or contribution to Trafigura's bottom line.

* Galena Asset Management's teams operate wholly independently of Trafigura, but benefit from the Group's insights into global supply and demand.

** Puma Energy is a separate company; 49.6 percent of its share capital is owned by Trafigura.

INDUSTRIAL AND FINANCIAL ASSETS

DT Group

DT Group is a business venture between Trafigura and Cochan Ltd. It develops markets in sub-Saharan Africa, with a particular focus on Angola. It works closely with international and local partners in the logistics, trading and natural resources sectors.

50%
ownership

Impala Terminals

Impala Terminals is a multimodal logistics provider focused on export-driven emerging markets. It owns and operates ports, port terminals, warehouses and transport assets. It has particular expertise in providing efficient logistic solutions in challenging environments and hard-to-reach locations.

100%
ownership

Mining Group

The Mining Group manages mining operations, develops projects, conducts technical audits of existing and potential partner projects and provides advisory and support services to Trafigura's trading desks, trading partners and Galena Asset Management.

100%
ownership

Galena Asset Management

Galena Asset Management provides investors with specialised alternative investment solutions. It operates independently, but benefits from the Group's insights into the global supply and demand of commodities.

100%
ownership

Puma Energy**

Trafigura is a 49.6 percent shareholder in Puma Energy, a global oil and petroleum products distribution company. The company manages over 20 million m³ throughput volumes via its network of 101 bulk storage terminals, 63 airports and over 2,550 service stations.

49.6%
ownership

LIQUIDITY HELPS DRIVE SUSTAINABLE GROWTH

CHRISTOPHE SALMON
Chief Financial Officer

As it showed strong increases in gross profit and EBITDA year-on-year, the Group was also able to significantly reduce its leverage.

Performance Indicators

$67.3bn Group revenue (2016: USD44.1 billion)*	**$49.3bn** Total assets (2016: USD41.2 billion)**
$1,237.9m Gross profit (2016: USD1,172.9 million)*	**$8.1bn** Total non-current assets (2016: USD8.5 billion)**
1.8% Gross profit margin (2016: 2.7 percent)*	**$6.9bn** Total group equity (2016: USD5.8 billion)**
$470.5m Profit for the period (2016: USD601.8 million)*	**$921.4m** EBITDA (2016: USD821 million)*

* Six-month period ended 31 March 2016
** As at 30 September 2016

The Trafigura Group delivered a strong trading and financial performance for the first half of the 2017 financial year. Profit for the period was USD471 million, a decrease of 22 percent from the figure of USD602 million recorded in the first half of 2016. The fall, however, reflected the aggregated effect of adjustments in the value of investments and non-financial assets in the two reporting periods rather than any deterioration in operating performance.

Gross profit was USD1,238 million, a rise of 6 percent on the USD1,173 million recorded in H1 2016. Similarly EBITDA, the best measure of operating performance because it strips out investment gains and impairments, was up 12 percent at USD921 million compared to USD821 million a year ago. Both trading divisions registered strong increases in volumes, with Oil and Petroleum Products handling 25 percent more than in the first half of 2016 and Metals and Minerals handling 37 percent more. Significantly, both divisions made a near-equal contribution to gross profit, with an increase in gross profit in Metals and Minerals more than offsetting a fall in gross profit from Oil and Petroleum Products. This underlines the strength of a diversified business model focused on two relatively uncorrelated segments of the global commodities market.

Other financial highlights during the operating period included:

- Maintenance of a robust liquidity position to handle increased working-capital needs;
- Successful fund-raising including refinancing of our Asian and European revolving credit facilities, a second US Dollar denominated perpetual bond listed in Singapore and increased use of securitisation vehicles to finance our trading activity;
- Other financial realisations including proceeds of USD76 million from a sale of shares in Chinalco, and USD165 million from repayment of Trafigura's share of a shareholder loan to the Minas de Aguas Teñidas (MATSA) mining joint venture in Spain;
- A significant reduction of capital expenditure and continued deleveraging;
- Rigorous cost control and a focus on continuous improvement in optimising our systems and processes.

Fuel storage at Corpus Christi, Texas, US.

INCOME AND EXPENDITURE

Revenue for the period was USD67,317 million, an increase of 53 percent from the figure of USD44,093 million in the first half of 2016. This reflected the significant rise in trading volumes coupled with somewhat firmer commodity prices. The gross profit of USD1,238 million translates into a gross margin of 1.8 percent, down from 2.7 percent a year ago, reflecting intensely competitive commodity markets.

Results from operating activities were USD776 million, an increase of 2 percent on the figure of USD762 million recorded in H1 2016. General and administrative expenses, including staff costs, were USD461 million, down 4 percent from the figure of USD479 million last year, demonstrating the continuing effects of our IT investments and centralisation of support functions in Mumbai, Montevideo and Shanghai.

Net financing costs were USD135 million, 14 percent above the USD119 million recorded last year, reflecting our increased credit needs in light of the sharp rise in inventories. Group income tax expense for the period was USD80 million, compared to USD90 million in the year-ago period.

ASSETS AND LIABILITIES

Total Group assets as at 31 March 2017 stood at USD49,265 million, up 19 percent from the level at 30 September 2016. Fixed and non-current assets decreased by 5 percent to USD8,096 million from USD8,528. This decrease principally reflected the lower capital expenditure as well as the asset sales, and medium-term loan repayment illustrating our progress in deleveraging during the half-year. These items complemented the depreciation and amortization and the adjustments for losses on our shares in Nyrstar and Porto Sudeste, offset against gains on our investments in Puma Energy and MATSA. The net book value of property, plant and equipment decreased to USD2,242 million from USD2,345 million at 30 September 2016. Non-current loans and borrowings were down at USD6,639 million from USD7,234 million at the end of the last full year.

Current assets stood at USD41,168 million, 26 percent higher than the figure of USD32,702 million on 30 September 2016. This reflected a sharp rise in inventories resulting from our increased trading volumes. Inventories were USD15,647 million, up 36 percent from the end of the 2016 financial year. In line with the Group's market risk policy of not taking outright price risk on its physical business, all inventories were either pre-sold or hedged for index price risk. Short-term prepayments (recorded as current assets) were USD2,523 million, compared to USD2,260 million – a measure of our continued support to our clients through financing facilities which we source, structure and syndicate with our financial partners.

The Group manages capital using an adjusted debt-to-equity ratio. Adjusted debt is the Group's total long-term and short-term debt less cash, readily marketable and fully hedged stock, debt related to the Group's securitisation programme and the non-recourse portion of loans from third parties.

As at 31 March 2017, Trafigura's adjusted debt ratio (adjusted debt divided by Group equity) was 1.14x, compared with 1.48x at 30 September 2016. This decline in leverage reflects the reduction in capital expenditure as a result of the scaling back of our infrastructure investment programme, and also of the raising of a perpetual bond listed in Singapore, which contributes to Group equity. Total Group equity rose to USD6,934 million from USD5,847 million at 30 September 2016. We expect our adjusted debt ratio to continue to reduce in 2018, with the aim of moving it towards 1.0x over the medium term.

LIQUIDITY AND FUNDING

Trafigura maintained a strong liquidity position throughout the first half and took steps to reinforce its diversified funding model during the period. The Group enjoys strong support from a network of close to 120 institutions located around the world. We continue to finance the majority of day-to-day trading activity through uncommitted, self-liquidating bilateral trade finance lines. We use corporate credit

Impala Terminal's inland riverside port on the Magdalena River at Barrancabermeja, Colombia.

facilities to finance other short-term liquidity requirements, such as margin calls. Trafigura firmly believes that this financing model is ideally suited to physical trading, particularly during periods of high price volatility, since utilisation of the bilateral lines can readily be increased or decreased in line with changes in commodity price levels. Trafigura also maintains a presence in the debt capital markets, thus gaining increased access to longer-term finance to support our programme of investment in fixed assets.

During the six-month period ended 31 March 2017, a number of important transactions for the Group were completed.

In October 2016, Trafigura refinanced its Asian revolving credit facility and Term Loan Facilities for a value of USD1,665 million with the support of 25 banks. The transaction comprised three tranches: two US Dollar denominated tranches (for one and three years) and a one-year CNH denominated tranche, which was included for the fourth year in a row.

On 14 March 2017, Trafigura launched its second US Dollar denominated perpetual bond for a total of USD600 million. The Company also has an outstanding Singapore Dollar denominated perpetual bond. The new March 2017 issuance was priced at 6.875 percent, is listed on the Singapore Stock Exchange and was very well received in Europe and Asia with an investor distribution of 39 percent from Asia and 61 percent from Europe. This issuance also saw increased participation by institutional investors which made up 55 percent of the allocation. The bond confirms Trafigura's ready access to the capital markets and has allowed the Group further to develop its relationship with debt capital market investors, after a number of new accounts participated in the recent issuance.

On 23 March 2017, Trafigura refinanced its flagship European revolving credit facility. Trafigura's refinancing strategy is re-assessed every year in light of the prevailing market environment and this year, Trafigura took a slightly different approach to the refinancing exercise whereby only the 364-day tranche was refinanced, while the three year tranche from the 2016 European RCF was extended by one year, resetting the maturity back to three years. The 364-day tranche refinancing closed at USD2,270 million meaning that the facility was more than 50 percent over-subscribed from its launch amount of USD1,500 million. A total of 41 banks committed to the facility, including seven entirely new lenders to Trafigura.

Also at the end of March 2017, Trafigura refinanced its Spanish mining joint venture, MATSA. The refinancing was closed at an amount of USD400 million, a significant upsize from the USD150 million for the original facility which was put in place in 2013. A number of historical lenders remained in the facility, but the new facility attracted five new lenders, including some Spanish banks.

The Group was in compliance with all its corporate and financial covenants as at 31 March 2017.

CASH FLOW

After adjusting profit before tax for non-cash items, the operating cash flows before working capital changes for the half-year amounted to USD939 million (H1 2016: USD835 million). Trafigura believes its financial performance is best assessed on the basis of operating cash flow before working capital changes as the level of working capital is primarily driven by prevailing commodity prices, and price variations are financed under the Group's self-liquidating finance lines. Net cash outflow from operating activities after working capital changes was USD5,679 million (H1 2016: USD1,513 million), reflecting the significant increase in trading volumes and inventories. Investing activities show a net inflow of USD78 million (H1 2016: USD129 million net outflow), with the reduction reflecting the curtailment of our investment programme. Net cash from financing activities amounted to USD6,962 million, compared to USD1,627 million in the year-ago period. The overall balance of cash and cash equivalents stood at USD4,267 million as at 31 March 2017.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

CONTENTS

A. INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

FOR THE SIX-MONTH PERIOD ENDED 31 MARCH

	Note	2017	2016
		USD'M	USD'M
Revenue	4	**67,316.9**	44,093.1
Cost of sales		**(66,079.0)**	(42,920.2)
Gross profit		**1,237.9**	**1,172.9**
Other income/(expenses)	7	**(0.8)**	68.2
General and administrative expenses		**(461.0)**	(479.2)
Results from operating activities		**776.1**	**761.9**
Finance income		**247.2**	135.4
Finance expense		**(382.5)**	(254.1)
Net financing costs		**(135.3)**	**(118.7)**
Share of profit/(loss) of equity-accounted investees	11	**(90.8)**	49.0
Profit before tax		**550.0**	**692.2**
Income tax expense	8	**(79.5)**	(90.4)
Profit for the period		**470.5**	**601.8**
Profit attributable to:			
Owners of the Company		**451.0**	404.8
Non-controlling interests		**19.5**	197.0
Profit for the period		**470.5**	**601.8**

See accompanying notes

B. INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED 31 MARCH

	Note	2017	2016
		USD'M	USD'M
Profit for the period		**470.5**	**601.8**
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Gain/(loss) on cash flow hedges	18	**(17.0)**	24.0
Tax on comprehensive income	18	**7.2**	(1.4)
Exchange gain/(loss) on translation of foreign operations		**11.8**	(67.5)
Share of other comprehensive income from associates		**(13.2)**	(27.4)
Items that will not be reclassified to profit or loss:			
Net change in fair value of available-for-sale financial assets		**2.1**	(45.3)
Other comprehensive income for the period net of tax		**(9.1)**	**(117.6)**
Total comprehensive income for the period		**461.4**	**484.2**
Total comprehensive income attributable to:			
Owners of the Company		**441.9**	272.9
Non-controlling interests		**19.5**	211.3
Total comprehensive income for the period		**461.4**	**484.2**

See accompanying notes

C. INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 March 2017 USD'M	30 September 2016 USD'M
Assets			
Property, plant and equipment	9	**2,241.5**	2,345.0
Intangible assets	10	**227.2**	230.5
Equity-accounted investees	11	**3,388.1**	3,464.4
Prepayments	12	**855.8**	945.3
Loans receivable	13	**607.4**	801.3
Other investments	14	**478.9**	540.3
Derivatives	22	**192.1**	97.3
Deferred tax assets	8	**104.5**	103.8
Total non-current assets		**8,095.5**	**8,527.9**
Inventories		**15,647.2**	11,537.7
Trade and other receivables	15	**17,962.7**	15,199.9
Derivatives	22	**340.3**	476.3
Prepayments	12	**2,522.9**	2,259.8
Income tax receivable	8	**100.3**	78.7
Deposits	17	**327.4**	7.9
Cash and cash equivalents	17	**4,266.8**	3,141.9
Total current assets		**41,167.6**	**32,702.2**
Non current assets classified as held for sale		**1.9**	–
Total assets		**49.265.0**	**41,230.1**
Equity			
Share capital	18	**1,503.7**	1,503.7
Capital securities	18	**1,243.2**	646.7
Reserves	18	**(586.0)**	(558.7)
Retained earnings	18	**4,454.0**	3,956.3
Equity attributable to the owners of the Company		**6,614.9**	**5,548.0**
Non-controlling interests		**318.6**	299.1
Total group equity		**6,933.5**	**5,847.1**
Liabilities			
Loans and borrowings	19	**6,638.6**	7,234.2
Derivatives	22	**483.3**	237.8
Provisions		**72.1**	69.3
Deferred tax liabilities	8	**191.2**	189.5
Total non-current liabilities		**7,385.2**	**7,730.8**
Current tax liabilities	8	**264.0**	245.6
Loans and borrowings	19	**24,878.3**	18,033.0
Trade and other payables	20	**9,386.4**	8,952.5
Derivatives	22	**417.6**	421.1
Total current liabilities		**34,946.3**	**27,652.2**
Total group equity and liabilities		**49,265.0**	**41,230.1**

See accompanying notes

D. INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED 31 MARCH

	Equity attributable to the owners of the Company										
USD'000	Share capital	Capital contribution reserve	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Capital Securities	Retained earnings	Profit for the period	Total	Non-controlling interests	Total Group equity
Balance at 1 October 2016	1,503,727	–	(549,763)	(23,023)	14,057	646,724	3,205,489	750,817	5,548,028	299,079	5,847,107
Profit for the period	–	–	–	–	–	–	–	451,003	451,003	19,504	470,507
Other comprehensive income	–	–	(1,349)	2,129	(9,845)	–	–	–	(9,065)	–	(9,065)
Total comprehensive income for the period	–	–	(1,349)	2,129	(9,845)	–	–	451,003	441,938	19,504	461,442
Profit appropriation	–	–	–	–	–	–	750,817	(750,817)	–	–	–
Recycling revaluation reserve to retained earnings FVOCI instruments	–	–	–	(18,259)	–	–	18,259	–	–	–	–
Share based payments	–	–	–	–	–	–	48,698	–	48,698	–	48,698
Capital securities issued	–	–	–	–	–	600,000	(4,943)	–	595,057	–	595,057
Capital securities (currency translation)	–	–	–	–	–	(3,571)	3,571	–	–	–	–
Capital securities dividend	–	–	–	–	–	–	(25,628)	–	(25,628)	–	(25,628)
Dilution gain from capital contribution in equity accounted investees	–	–	–	–	–	–	4,377	–	4,377	–	4,377
Share of other changes in equity of associates	–	–	–	–	–	–	2,393	–	2,393	–	2,393
Others	–	–	–	–	–	–	13	–	13	–	13
Balance at 31 March 2017	**1,503,727**	**–**	**(551,112)**	**(39,153)**	**4,212**	**1,243,153**	**4,003,046**	**451,003**	**6,614,876**	**318,583**	**6,933,459**

See accompanying notes

	Equity attributable to the owners of the Company										
USD'000	Share capital	Capital contribution reserve	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Capital Securities	Retained earnings	Profit for the period	Total	Non-controlling interests	Total Group equity
Balance at 1 October 2015	1,503,727	–	(420,828)	(57,314)	(27,765)	640,617	2,726,578	1,235,891	5,600,906	56,734	5,657,640
Profit for the period	–	–	–	–	–	–	–	404,807	404,807	197,038	601,845
Other comprehensive income	–	–	(109,175)	(45,286)	22,554	–	–	–	(131,907)	14,284	(117,623)
Total comprehensive income for the period	–	–	(109,175)	(45,286)	22,554	–	–	404,807	272,900	211,322	484,222
Profit appropriation	–	–	–	–	–	–	1,235,891	(1,235,891)	–	–	–
Recycling revaluation reserve to retained earnings FVOCI instruments	–	–	–	53,065	–	–	(53,065)	–	–	–	–
Change in ownership interest in subsidiaries	–	–	–	–	–	–	–	–	–	4,637	4,637
Share-based payments	–	–	–	–	–	–	43,205	–	43,205	–	43,205
Subsidiary dividend distribution	–	–	–	–	–	–	–	–	–	(365)	(365)
Capital securities (currency translation)	–	–	–	–	–	7,707	(7,707)	–	–	–	–
Capital securities dividend	–	–	–	–	–	–	(24,667)	–	(24,667)	–	(24,667)
Acquisition of subsidiaries from parent company	–	–	–	–	–	–	–	–	–	–	–
Reclassification	–	–	897	–	–	–	(897)	–	–	–	–
Share of other changes in equity of associates	–	–	–	–	–	–	1,800	–	1,800	–	1,800
Others	–	–	–	–	–	–	(61)	–	(61)	–	(61)
Balance at 31 March 2016	**1,503,727**	**–**	**(529,106)**	**(49,535)**	**(5,211)**	**648,324**	**3,921,078**	**404,807**	**5,894,084**	**272,328**	**6,166,412**

See accompanying notes

E. INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED 31 MARCH

	Note	2017 USD'M	2016 USD'M
Cash flows from operating activities			
Profit before tax		**550.0**	692.2
Adjustments for:			
Depreciation	9	**67.8**	67.5
Amortisation of intangible assets	10	**30.9**	23.9
Provisions		**0.6**	6.4
(Gain)/loss on fair value through profit and loss instruments	7	**(14.8)**	32.2
Impairment losses on financial fixed assets	7	**2.4**	27.3
Impairment losses on non-financial fixed assets	7	**5.3**	55.9
Impairment reversal gain on non-financial fixed assets	7	**–**	(243.6)
Impairment losses on equity-accounted investees	11	**2.7**	80.0
Net finance costs		**135.2**	115.9
Share of (profit)/loss of equity-accounted investees	11	**90.8**	(49.0)
(Gain)/loss on sale of non-financial fixed assets	7	**0.1**	1.5
(Gain)/loss on sale of equity accounted investees	7	**–**	2.4
(Gain)/loss on divestments of subsidiaries	7	**19.4**	(21.0)
Equity-settled share-based payment transactions		**48.7**	43.2
Operating cashflow before working capital changes		**939.1**	**834.8**
Changes in:			
Inventories		**(4,108.3)**	(1,632.5)
Trade and other receivables and derivatives	15/22	**(3,185.8)**	(811.6)
Prepayments	12	**(173.7)**	(93.4)
Trade and other payables and derivatives	20/22	**849.5**	189.9
Cash generated from/(used in) operating activities		**(5,679.2)**	**(1,512.8)**
Interest paid		**(397.0)**	(263.8)
Interest received		**235.4**	135.4
Dividends (paid)/received		**8.4**	5.7
Tax (paid)/received		**(82.3)**	(71.9)
Net cash from/(used in) operating activities		**(5,914.9)**	**(1,707.4)**
Cash flows from investing activities			
Acquisition of property, plant and equipment	9	**(207.7)**	(343.2)
Proceeds from sale of property, plant and equipment	9	**149.4**	4.7
Acquisition of intangible assets	10	**(27.1)**	(24.0)
Proceeds from sale of intangible assets	10	**0.3**	–
Acquisition of equity accounted investees	11	**(19.6)**	(501.5)
Disposal of equity accounted investees		**25.9**	2.3
Acquisition of loans receivable and advances	12/13	**(101.1)**	(37.2)
Disposals of loans receivable and advances	12/13	**180.4**	25.4
Acquisition of other investments	14	**(11.7)**	(1.3)
Disposal of other investments	14	**89.8**	108.4
Disposal of subsidiaries, net of cash disposed of		**(0.5)**	637.2
Net cash from/(used in) investing activities		**78.1**	**(129.2)**
Cash flows from financing activities			
Proceeds from the issue of capital securities	18	**595.1**	–
Payment of capital securities dividend	18	**(24.5)**	(24.4)
Increase/(decrease) in long-term loans and borrowings	19	**(125.4)**	384.3
Payment of finance lease liabilities	19	**(2.0)**	(3.9)
Increase of short-term bank financing	19	**6,518.6**	1,270.9
Net cash from/(used in) financing activities		**6,961.8**	**1,626.9**
Net increase/(decrease) in cash and cash equivalents		**1,124.9**	**(209.7)**
Cash and cash equivalents at 1 October	17	**3,141.9**	3,534.2
Cash and cash equivalents at 31 March		**4,266.8**	**3,324.5**

See accompanying notes

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

1. CORPORATE INFORMATION

The principal business activities of Trafigura Group Pte. Ltd. (the 'Company') and together with its subsidiaries (the 'Group') are trading and investing in crude and petroleum products, non-ferrous concentrates, refined metals and bulk commodities such as coal and iron ore. The Group also invests in assets, including through investments in associates, which have strong synergies with its core trading activities. These include storage terminals, service stations, metal warehouses and mines.

The Company is incorporated in Singapore and its principal business office is at 10 Collyer Quay, Ocean Financial Centre, #29-00, Singapore, 049315.

The immediate and ultimate holding companies of the Company are Trafigura Beheer B.V. and Farringford N.V., respectively. Trafigura Beheer B.V. is incorporated in the Netherlands and Farringford N.V. is incorporated in Curacao.

The interim condensed consolidated financial statements for the six-month period ended 31 March 2017 were authorised for issue by the Board of Directors on 7 June 2017.

2. STATEMENT OF COMPLIANCE

The interim condensed consolidated financial statements for the six-month period ended 31 March 2017 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 30 September 2016. The interim condensed consolidated financial statements have not been audited.

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for inventories, derivatives and certain other financial instruments that have been measured at fair value. The interim condensed consolidated financial statements have been prepared on a going concern basis.

a. Functional and presentation currency

The Group's presentation currency is the US dollar (USD) and all values are rounded to the nearest tenth of a million (USD'M 0.1) except when otherwise indicated. The US dollar is the functional currency of most of the Group's principal operating subsidiaries. Most of the markets in which the Group is involved are US Dollar denominated.

3. BASIS OF PREPARATION

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 September 2016.

4. OPERATING SEGMENTS

The following tables present revenue and profit information about the Group's reportable segments for the six-month period ended 31 March 2017 and 2016 respectively:

2017	Oil and Petroleum USD'M	Metals and Minerals USD'M	Corporate and Other USD'M	Total USD'M
Revenue from external customers	46,053.5	21,263.4	–	67,316.9
Gross profit	**652.3**	**585.6**	**–**	**1,237.9**
Profit for the period	**–**	**–**	**–**	**470.5**
Total segment assets	**–**	**–**	**–**	**49,265.0**
Total segment liabilities	**–**	**–**	**–**	**42,331.5**

2016	Oil and Petroleum USD'M	Metals and Minerals USD'M	Corporate and Other USD'M	Total USD'M
Revenue from external customers	27,358.4	16,734.7	–	44,093.1
Gross profit	**787.3**	**385.6**	**–**	**1,172.9**
Profit for the period	**–**	**–**	**–**	**601.8**
Total segment assets	**–**	**–**	**–**	**41,809.0**
Total segment liabilities	**–**	**–**	**–**	**35,642.6**

The basis of segmentation of the Company has not changed compared to the annual consolidated financial statements.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

5. ACQUISITIONS OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS

HY2017

There were no significant acquisitions of subsidiaries and non-controlling interest during the six-month period ended 31 March 2017.

FY2016

There were no significant acquisitions of subsidiaries and non-controlling interest during the year.

6. DECONSOLIDATION OF SUBSIDIARIES

HY2017

There were no significant deconsolidation's of subsidiaries and non-controlling interest during the six month period ended 31 March 2017.

FY2016

AEMR SA, Angola

During the second quarter of financial year 2016, the Group has reversed the impairment it had recorded in financial year 2015 of USD243.6 million in respect of the iron-ore investment in AEMR SA, Angola (AEMR). A presidential decree was issued in February 2016 which will result in the liquidation of AEMR. The Group obtained a signed Instrument of Confession of Indebtedness (the 'Debt Instrument') from the Angolan Ministry of Finance. Under the Debt Instrument, the Angolan Ministry of Finance will assume a consolidated debt value of USD409 million to the DT Group as compensation for the investments that the DT Group has made in AEMR. The debt is payable to the Group over a period of 48 months commencing in January 2017 and has thus been recorded at a discounted value of USD357.6 million under loans receivable. As part of this arrangement, the assets held by AEMR are in the process of being transferred to the non-controlling interest partner in AEMR (Ferrangol). As a result of the arrangement, it has been concluded that the Group no longer has control over AEMR and therefore AEMR has been deconsolidated in the Group's consolidated financial statements as per 31 March 2016. The divestment of AEMR, presented under assets held for sale, and the recognition of the receivable towards the Angolan Ministry of Finance resulted in a gain of USD264.6 million recorded in Other income split between a reversal of impairment of USD243.6 million and gain on divestment of subsidiary of USD21 million (refer to Note 8). After taking into account non-controlling interest, the net result of the impairment reversal and the divestment of AEMR attributable to owners of the company is USD72 million.

7. OTHER INCOME AND EXPENSE

The items included in other income and expense for the six-month period ended 31 March 2017 and 2016 respectively can be broken down as follows:

	2017 USD'M	2016 USD'M
Release/(additions) to provisions	**(0.6)**	(6.4)
Gain/(loss) on disposal of tangible and intangible fixed assets	**–**	(1.5)
Gain/(loss) on sale of equity-accounted investees	**–**	(2.4)
Gain/(loss) on divestment of subsidiaries	**(19.4)**	21.0
Gain/(loss) on fair value through profit and loss instrument	**14.8**	(32.2)
Impairments of financial assets	**(2.4)**	(27.3)
Impairments of non-financial assets	**(5.2)**	(55.9)
Reversal of impairments of non-financial assets	**–**	243.6
Impairments of equity-accounted investees	**(2.8)**	(80.0)
Dividend income	**0.6**	–
Gain/(loss) on foreign exchange	**15.3**	8.9
Other	**(1.0)**	0.4
Total	**(0.8)**	**68.2**

The loss on divestments of subsidiaries comprises the effect of the deconsolidation of the Group's railway operations in Colombia in Impala. Due to a consequent lack of sustainable profit and safety and security concerns we have sold these operations to a third party and realised a loss on disposal of USD18.8 million. This loss is mainly comprised of recycling of foreign currency translation losses recognised in equity until the disposal date.

The gain on fair value instruments through profit and loss includes a fair value movement of the debt securities related to the investment in Porto Sudeste de Brasil SA of USD12.2 million (2016 loss of USD24 million).

In 2016, other income and expenses were influenced by an impairment of USD80 million recognised in relation to the equity investment in Porto Sudeste do Brasil SA and the reversal of the impairment on AEMR of USD243.6 million (see note 6).

8. INCOME TAX

The major components of the income tax expense in the interim condensed consolidated statement of income for the six-month period ended 31 March 2017 and 2016 respectively, are:

	2017 USD'M	2016 USD'M
Current income tax expense	**78.2**	88.3
Current income tax from previous years	**1.8**	–
Deferred income tax expense/(income)	**(3.5)**	0.3
Withholding tax in the current period	**3.0**	1.8
Total	**79.5**	**90.4**

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

9. PROPERTY, PLANT AND EQUIPMENT

USD'M	Land and buildings	Machinery and equipment	Barges and vessels	Other fixed assets	Total
Cost					
Balance at 1 October 2016	968.9	587.0	654.4	944.4	3,154.7
Additions	9.1	6.9	24.1	176.2	216.3
Reclassifications	53.2	44.2	142.5	(237.8)	2.1
Effect of movements in exchange rates	(7.7)	(0.7)	(0.3)	(3.6)	(12.3)
Disposals	(23.6)	(0.5)	(134.1)	(87.5)	(245.7)
Divestment of subsidiaries	(3.9)	(3.6)	(9.6)	(20.2)	(37.3)
Balance at 31 March 2017	**996.0**	**633.3**	**677.0**	**771.5**	**3,077.8**
Depreciation and impairment losses					
Balance at 1 October 2016	218.0	270.9	82.9	237.9	809.7
Depreciation for the period	24.4	13.3	18.3	11.8	67.8
Impairment losses	4.7	–	–	0.3	5.0
Reclassifications	(0.7)	5.0	–	(0.5)	3.8
Effect of movements in exchange rates	(6.4)	(0.6)	(0.1)	(2.1)	(9.2)
Disposals	(2.6)	(0.3)	–	(2.7)	(5.6)
Divestment of subsidiaries	(3.8)	(8.1)	(4.1)	(19.2)	(35.2)
Balance at 31 March 2017	**233.6**	**280.2**	**97.0**	**225.5**	**836.3**
Net book value at 31 March 2017	**762.4**	**353.1**	**580.0**	**546.0**	**2,241.5**

Acquisitions in the first half year of 2017 amounted to USD216.3 million. Disposals amounted USD240.1 million and mainly relate to vessels.

Included in the Other fixed assets category is assets under construction, which relates to assets not yet in use. Total balance at 31 March 2017 amounted to USD461.5 million (30 September 2016: USD618.7 million). Once the assets under construction come into operation they are reclassified to the appropriate asset category and it is from that point that they are depreciated.

Depreciation expenses are included in general and administrative expenses. Impairment charges are included in other income and expense.

10. INTANGIBLE FIXED ASSETS

USD'M	Goodwill	Licences	Other intangible assets	Total
Cost				
Balance at 1 October 2016	8.1	36.4	343.2	387.7
Additions	–	0.9	26.7	27.6
Reclassifications	–	0.8	(2.0)	(1.2)
Effect of movements in exchange rates	–	(0.1)	0.5	0.4
Disposals	–	–	(0.3)	(0.3)
Divestment of subsidiaries	–	–	(0.3)	(0.3)
Balance at 31 March 2017	**8.1**	**38.0**	**367.8**	**413.9**
Amortisation and impairment losses				
Balance at 1 October 2016	2.2	2.1	152.9	157.2
Amortisation for the period	–	0.1	30.8	30.9
Effect of movements in exchange rates	–	–	–	–
Reclassifications	–	0.1	(1.2)	(1.1)
Disposals	–	–	–	–
Divestment of subsidiaries	–	–	(0.3)	(0.3)
Balance at 31 March 2017	**2.2**	**2.3**	**182.2**	**186.7**
Net book value at 31 March 2017	**5.9**	**35.7**	**185.6**	**227.2**

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

11. EQUITY-ACCOUNTED INVESTEES

	2017 USD'M	2016 USD'M
1 October	**3,464.4**	3,167.5
Additions	**62.5**	501.5
Disposals	**(8.7)**	(36.6)
Share of income from associates and joint ventures	**(90.8)**	49.0
Share of other comprehensive income from associates and joint ventures	**(14.2)**	(23.3)
Impairment	**(2.8)**	(80.0)
Dividends received	**(8.4)**	(6.1)
Other movements	**(13.9)**	(0.3)
31 March	**3,388.1**	**3,571.7**

During the first half year of 2017 Trafigura made investments in an Iron ore mine in Brazil of USD11.0 million, an additional investment of USD18.0 million in PT Servo Meda Sejahrtera and an additional investment of USD25 million in Porto Sudeste.

The equity-accounted investees decreased in the period ended 31 March 2017 as a result of the sale of a minor stake in Puma Energy Holdings Pte. Ltd. of USD6.8 million

The positive share of income in our investments of Puma and MATSA of USD46.7 million was offset against losses in Porto Sudeste and Nyrstar of USD144.8 million.

In October 2015 Trafigura made an additional capital contribution of USD275 million in Puma Energy Holdings Pte. Ltd. to enable further growth. During the six-month period ended 31 March 2016, the company invested USD141.6 million through a joint venture with the Jinchuan Group in a copper smelting company in China. Also in February 2016, Trafigura subscribed in the rights offering from Nyrstar N.V. increasing its investment in Nyrstar N.V. with USD70 million. The equity-accounted investees decreased in the period ended 31 March 2016 as a result of the sale of a minor stake in Puma Energy Holding Pte. Ltd. of USD34.3 million. Further, an impairment was made on the equity investment in Porto Sudeste for an amount of USD80 million as described under note 7.

12. PREPAYMENTS

Under the prepayments category we account for the prepayments of commodity deliveries. The contractually outstanding prepayments amount decreases in size with each cargo that is delivered, until maturity. Once the contractually agreed total cargo has been fully delivered, the prepayment agreement falls away leaving no remaining contractual obligations on Trafigura or the supplier. As the economic benefit of the prepayments is the receipt of goods rather than the right to receive cash or another financial asset, the prepayments are not classified as a financial asset under IFRS.

The prepayments are split in non-current prepayments (due > 1 year) and current prepayments (due < 1 year).

A portion of the long-term prepayments, as well as short-term prepayments, is on a limited recourse basis.

13. LOANS RECEIVABLE

	31 March 2017 USD'M	30 September 2016 USD'M
Loans to associates and related parties	**297.7**	433.9
Other non-current loans receivable	**309.7**	367.4
Total	**607.4**	**801.3**

Loans to associates and related parties include a loan of USD86.7 million to the equity-accounted investee MATSA. This loan is held to collect contractual cash flows and generates a fixed income for the Group. In the first half year of 2017, an USD165.1 million redemption has been received on this loan.

Other non-current loans receivables include various loans which are granted to counterparties which we trade with. This line also includes the long-term part amounting USD238.1 million of the debt agreement with the Angolan Ministry of Finance as described in note 6.

14. OTHER INVESTMENTS

Investments included in the balance sheets per 31 March 2017 and 30 September 2016 can be broken down as follows:

	31 March 2017 USD'M	30 September 2016 USD'M
Listed equity securities – Fair value through OCI	**17.7**	97.6
Listed debt securities – Fair value through profit and loss	**329.6**	327.0
Unlisted equity investments – Fair value through profit and loss	**61.6**	59.4
Unlisted equity investments – Fair value through OCI	**70.0**	56.3
Total	**478.9**	**540.3**

The decrease of the other investments is mainly due to the sale of the listed Chinalco Mining shares (USD75.9 million) and the upward valuation of the debt instrument related to Porto Sudeste (USD12.2 million). Due to the sale of Chinalco Mining a cumulative gain of USD18.3 million was transferred within equity from the revaluation reserve to retained earnings.

Equity and debt securities – at fair value through profit and loss includes financial debt instruments acquired related to the investment made in the Porto Sudeste do Brasil. During the six-month period ended 31 March 2017 a gain of USD14.8 million has been recorded in other income related to the fair value through profit and loss instruments.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

15. TRADE AND OTHER RECEIVABLES

	31 March 2017	30 September 2016
	USD'M	USD'M
Trade debtors	**7,730.1**	6,725.7
Provision for bad and doubtful debts	**(57.5)**	(56.6)
Accrued turnover	**6,127.0**	5,403.7
Broker balances	**1,374.6**	1,212.1
Other debtors	**394.7**	333.2
Loans to third parties	**307.8**	217.3
Loans to related parties	**77.3**	104.2
Other taxes	**290.1**	222.5
Prepaid expenses	**205.1**	147.2
Related parties	**1,513.5**	890.6
Total	**17,962.7**	**15,199.9**

All financial instruments included in trade and other receivables are held to collect the contractual cash flows. Furthermore, the cash flows that the Group receives on these instruments are solely payments of principal and interest.

Of the USD7,730.1 million trade debtors, USD1,917.1 million had been sold on a non-recourse basis under the securitisation programme (30 September 2016: USD1,516.0 million).

As at 31 March 2017, 18.5 percent (30 September 2016: 17.7 percent) of receivables were between 1-60 days overdue, and 15.7 percent (30 September 2016: 17.8 percent) were greater than 60 days overdue. Most of the overdue amounts are related to state-owned counterparties. 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. Trafigura applied the simplified method in assessing expected credit losses. The accounts receivables have been divided in ageing buckets and based on a historical analysis on defaults and recovery rates and a percentage for expected credit losses has been determined. Trafigura manages to limit credit losses by renegotiating contracts in the case of a default. From the above analysis, an expected credit loss as at 31 March 2017 of USD4.7 million has been taken into account (30 September 2016: USD5.9 million). The provision for doubtful debtors at 31 March 2017 amounts to USD57.5 million (2016: USD56.6 million). The primary character of this provision is that it is in line to resolve demurrage claims and commercial disputes with our clients. Accrued turnover represent receivable balances for sales which have not yet been invoiced. They have similar risks and characteristics as trade debtors. Trade debtors and accrued turnover have similar cashflow characteristics and are therefore considered to be a homogeneous group of financial assets.

For details on the related parties, refer to note 24

16. SECURITISATION PROGRAMME

The Group operates a Securitisation Programme which enables the Group to sell eligible receivables. The securitisation vehicle, Trafigura Securitisation Finance plc., is consolidated as part of the Group and consequently the receivables sold to the programme are included within the consolidated trade debtor balances. Over time the external funding has increased significantly in size while incorporating a longer-term committed funding element, principally through the issuance of Medium Term Notes (MTN), as well as retaining a significant proportion of variable funding purchased by bank sponsored conduits. As at 30 March 2017, the maximum available amount of external funding of the programme was USD2,344.1 million (30 September 2016: USD1,888.0 million). The utilised external funding of the programme as at 31 March 2017 was USD2,237.1 million (30 September 2016: USD1,485.0 million). The available external funding of the securitisation programme consists of:

	Interest rate	Maturity	31 March 2017	30 September 2016
			USD'M	USD'M
AAA MTN	Libor + 0.95%	2017 – October	**279.0**	279.0
BBB MTN	Libor + 2.25%	2017 – October	**21.0**	21.0
AAA VFN	See note	Various throughout the year	**1,811.4**	1,425.4
BBB VFN	See note	Various throughout the year	**136.2**	107.2
Senior subordinated debt	LIBOR + 4.25%	2020 – March	**96.5**	55.4
Total			**2,344.1**	**1,888.0**

17. CASH AND CASH EQUIVALENTS

	31 March 2017	30 September 2016
	USD'M	USD'M
Cash at bank and in hand	**3,889.5**	2,786.4
Short-term deposits	**377.3**	355.5
Total	**4,266.8**	**3,141.9**

As at 31 March 2017, the Group had USD8.3 billion (30 September 2016: USD8.0 billion) of committed revolving credit facilities of which USD3.0 billion (30 September 2016: USD3.2 billion) remained unutilised. The Group had USD1.7 billion (30 September 2016: USD2.0 billion) of immediately (same day) available cash in liquidity funds. The Group had immediate access to available liquidity balances from liquidity funds and corporate facilities in excess of USD4.7 billion (30 September 2016: USD5.2 billion).

Short-term deposits made for periods longer than three months are separately shown in the statement of financial position and earn interest at the respective short-term deposit rates.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

18. SHAREHOLDERS' EQUITY

a. Share capital

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

b. Capital securities

As part of the financing of the Company and its subsidiaries, the Company has three capital securities instruments at the carrying value of USD1,243.2 million with a par value of SGD200 million, USD500 million and USD600 million.

The USD600 million capital security was originally issued on 14 March 2017. The distribution on the capital security is 6.875 percent per annum and it is listed on the Singapore Stock Exchange. The capital security may be redeemed at the Company's option in whole, but not in part, in the period starting 90 calendar days before, and ending of, the distribution payment date in March 2022 or any distribution date thereafter on not less than 30 and not more than 60 days' notice to the holders.

The SGD200 million capital security was originally issued in February 2014. The distribution on the security is 7.5 percent and is listed on the Singapore Stock Exchange. The capital security may be redeemed at the Company's option in whole, but not in part, on the distribution payment date in February 2019 or any distribution date thereafter, on not less than 30 and not more than 60 days' notice to the holders.

The USD500 million capital security was originally issued on 19 April 2013. The distribution on the capital security is 7.625 percent per annum and it is listed on the Singapore Stock Exchange. The capital security may be redeemed at the Company's option in whole, but not in part, on the distribution payment date in April 2018 or any distribution date thereafter on not less than 30 and not more than 60 days' notice to the holders.

The securities are perpetual in respect of which there is no fixed redemption date. The distribution on the capital securities is per annum, payable semi-annually in arrears every six-month from the date of issue. The company may elect to defer (in whole but not in part) any distribution in respect of these capital securities.

In the event of a winding-up, the rights and claims of the holders in respect of the capital securities shall rank ahead of claims in respect of the Company's shareholders, but shall be subordinated in right of payment to the claims of all present and future unsubordinated obligations, except for obligations of the Company that are expressed to rank pari passu with, or junior to, its obligations under the capital securities.

According to the trust deed obligations of the Securities and the Coupons shall be unconditionally and irrevocably guaranteed by Trafigura Group Pte. Ltd.

c. Currency translation reserve

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Company's net investment in a foreign operation.

d. Cash flow hedge reserve

Included in the cash flow hedge reserve is a gain of USD4.2 million (2016:USD14.1 million gain) related to the effective portion of the changes in fair value of cash flow hedges, net of tax.

e. Revaluation reserve

The revaluation reserve comprises the fair value measurements movements of the equity investments which are accounted for at fair value through other comprehensive income. On realisation of these gains or losses, for example the sale of an equity instrument, the cumulative amounts of this reserve are transferred to retained earnings. Included in the revaluation reserve is a loss of USD39.2 million (2016: USD23.0 million loss) related to the mark-to-market valuation of equity investments.

f. Retained earnings

Retained earnings comprise the share-based payment reserves and revaluation reserves.

19. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk, refer to note 22.

Carrying value of loans and borrowings	31 March 2017 USD'M	30 September 2016 USD'M
Non-current		
Revolving credit facilities	**3,690.0**	3,960.0
Private placements	**295.0**	331.0
Eurobond	**1,219.3**	1,231.7
Other loans	**1,418.8**	1,685.0
Finance leases	**15.5**	26.5
Total non-current	**6,638.6**	**7,234.2**
Current		
Revolving credit facilities	**1,444.2**	685.0
Private placements	**36.0**	–
Other loans	**624.5**	364.6
Finance leases	**8.3**	12.3
Short-term bank borrowings	**22,765.3**	16,971.1
Total current	**24,878.3**	**18,033.0**
Total	**31,516.9**	**25,267.2**

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

Terms and conditions of outstanding loans as at 31 March 2017 were as follows:

	Principal	Interest rates	Maturity	Floating/fixed rate debt	< 1 year USD'M	1-5 years USD'M	> 5 years USD'M	**Total USD'M**
Revolving credit facilities								
USD	2,960.0	Libor + 0.85%	2020 – March	Floating	–	2,461.2	–	**2,461.2**
USD	290.0	Libor + 0.85%	2019 – March	Floating	–	223.8	–	**223.8**
USD	1,185.0	Libor + 0.65%	2017 – October	Floating	825.0	–	–	**825.0**
CNH	1,269.5	Libor + 1.00%	2017 – October	Floating	184.2	–	–	**184.2**
USD	435.0	Libor + 1.30%	2017 – October	Floating	435.0	–	–	**435.0**
USD	625.0	Libor + 1.10%	2018 – October	Floating	–	625.0	–	**625.0**
USD	290.0	Libor + 1.10%	2019 – October	Floating	–	290.0	–	**290.0**
USD	90.0	Libor + 2.35%	2018 – October	Floating	–	90.0	–	**90.0**
					1,444.2	3,690.0	–	**5,134.2**
Private placements								
USD	88.0	6.50%	2018 – April	Fixed	–	88.0	–	**88.0**
USD	98.0	7.11%	2021 – April	Fixed	–	98.0	–	**98.0**
USD	36.0	4.38%	2018 – March	Fixed	36.0	–	–	**36.0**
USD	51.5	4.89%	2020 – March	Fixed	–	51.5	–	**51.5**
USD	57.5	5.53%	2023 – March	Fixed	–	–	57.5	**57.5**
					36.0	237.5	57.5	**331.0**
Eurobonds								
EUR	606.7	5.25%	2018 – November	Fixed	–	648.5	–	**648.5**
EUR	535.8	5.00%	2020 – April	Fixed	–	570.8	–	**570.8**
					–	1,219.3	–	**1,219.3**
Other loans								
USD	279.0	Libor + 0.95%	2017 – October	Floating	279.0	–	–	**279.0**
USD	21.0	Libor + 2.25%	2017 – October	Floating	21.0	–	–	**21.0**
USD	150.0	Libor + 2.65%	2020 – September	Floating	30.2	91.9	–	**122.1**
USD	200.0	Libor + 3.15%	2022 – March	Floating	20.7	147.8	–	**168.5**
USD	96.5	Libor + 4.25%	2020 – March	Floating	–	96.5	–	**96.5**
JPY	58,860.0	Libor + 1.00%	2019 – March	Floating	–	528.4	–	**528.4**
USD	200.0	6.33%	2036 – July	Fixed	5.3	23.0	171.7	**200.0**
EUR	150.0	Euribor+ 1.00%	2017 – July	Floating	160.1	–	–	**160.1**
EUR	200.0	5.50%	2020 – July	Fixed	–	213.0	–	**213.0**
USD	30.0	Libor + 3.25%	2018 – March	Floating	30.0	–	–	**30.0**
USD	20.0	Libor + 0.65%	2017 – September	Floating	20.0	–	–	**20.0**
USD	120.0	Libor + 4.00%	2021 – August	Floating	20.0	75.0	–	**95.0**
MXN	415.7	Libor + 5.70%	2023 – June	Floating	3.1	12.9	5.4	**21.4**
USD	39.6	Libor + 2.95%	2019 – October	Floating	3.5	18.7	–	**22.2**
Various loans with balances outstanding <USD'M15					31.5	31.2	3.2	**65.9**
					624.5	1,238.5	180.3	**2,043.3**
Finance leases					8.3	15.5	–	**23.8**
Total					**2,113.0**	**6,400.8**	**237.8**	**8,751.6**

During the six-month period ended 31 March 2017, a number of important transactions for the Group were completed.

In October 2016, Trafigura refinanced its Asian Revolving Credit Facility and Term Loan Facilities for a value of USD1,665 million with the support of 25 banks. The transaction comprised three tranches: two US Dollar-denominated tranches (for one and three years) and a one-year CNH denominated tranche, which was included for the fourth year in a row.

On 23 March 2017, Trafigura refinanced its flagship European Revolving Credit Facility. Trafigura's refinancing strategy is reassessed every year in light of the prevailing market environment and this year, Trafigura took a slightly different approach to the refinancing exercise whereby only the 364-day tranche was refinanced, while the three-year tranche from the 2016 European RCF was extended by one year, resetting the maturity back to three years. The 364-day tranche refinancing closed at USD2,270 million meaning that the facility was more than 50 percent over-subscribed from its launch amount of USD1,500 million. A total of 41 banks committed to the facility, including seven entirely new lenders to Trafigura.

The Group was in compliance with all its corporate and financial covenants as at 31 March 2017.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

20. TRADE AND OTHER PAYABLES

	31 March 2017 USD'M	30 September 2016 USD'M
Trade creditors	**2,536.5**	2,100.3
Accrued costs of sales and expenses	**6,821.8**	6,825.4
Broker balances	**9.7**	18.3
Related parties	**18.4**	8.5
Total	**9,386.4**	**8,952.5**

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 22.

21. COMMITMENTS AND CONTINGENCIES

The Company and its subsidiaries are parties to a number of legal claims and proceedings arising out of their business operations. The Company believes that the ultimate resolution of these claims and proceedings will not, in the aggregate, have a material adverse effect on the Company's financial position, consolidated income or cash flows. Such legal claims and proceedings, however, are subject to inherent uncertainties and the outcome of individual matters is unpredictable. It is possible that the company could be required to make expenditures, in excess of established provisions, in amounts that cannot reasonably be estimated.

The following contingent liabilities exist in respect of trade financing:

	31 March 2017 USD'M	30 September 2016 USD'M
Letters of credit	**5,580.4**	4,702.3
Letters of indemnity	**36.6**	–
Guarantees	**688.5**	312.7
Total	**6,305.5**	**5,015.0**

The Company had outstanding commitments at the end of 31 March 2017, and 30 September 2016 as follows:

	31 March 2017 USD'M	30 September 2016 USD'M
Storage rental	**2,630.4**	2,731.5
Time charters	**1,299.7**	1,133.3
Office rent	**109.1**	122.8
	4,039.2	3,987.6
Assets under construction	**76.2**	378.4
Total	**4,115.4**	**4,366.0**

Non-cancellable operating lease rentals are payable as follows:

	31 March 2017 USD'M	30 September 2016 USD'M
Less than one year	**1,149.4**	1,222.3
Later than one year and less than five years	**2,455.8**	2,340.6
Later than five years	**434.0**	424.7
Total	**4,039.2**	**3,987.6**

Assets under construction includes an amount of USD12.0 million (30 September 2016:USD236.5 million) as commitments for vessels under construction.

22. FINANCIAL INSTRUMENTS

a. Financial risk management

Market risk is the risk of loss in the value of Trafigura's positions due to changes in market prices. Trafigura holds positions primarily to ensure our ability to meet physical supply commitments to our customers, to hedge exposures arising from these commitments, and to support our investment activities. Our positions change due to changing customer requirements and investment opportunities. The value of our positions is accounted for at fair value and therefore fluctuates on a daily basis due to changes in market prices. Categories of market risk we are exposed to include:

- Commodity price risk results from exposures to changes in spot prices, forward prices and volatilities of commodities, such as crude oil, petroleum products, natural gas, base metals, coal and iron ore.
- Currency rate risk results from exposures to changes in spot prices, forward prices and volatilities of currency rates.
- Interest rate risk results from exposures to changes in the level, slope and curvature of yield curves, the volatilities of interest rates, and credit spreads.
- Equity price risk results from exposures to changes in prices and volatilities of individual equities and equity indices

The three main, reinforcing, components of Trafigura's risk management process are the Chief Risk Officer (CRO), the Derivatives Trading Committee, and the trading teams.

The Chief Risk Officer is independent of the revenue-producing units and reports to the Chief Operating Officer and the Management Board. The CRO has primary responsibility for assessing and monitoring Trafigura's market risks. The CRO's team liaise directly with the trading teams to analyse new opportunities and ensure that risk assessments adapt to changing market conditions. The CRO's team also ensures Trafigura's risk management capabilities incorporate ongoing advances in technology and risk management modelling capabilities.

The Derivatives Trading Committee, which is comprised of members of the Management Board and the Chief Risk Officer is responsible for applying Trafigura's risk management capabilities towards improving the overall performance of the Group. During 2017, the Derivatives Trading Committee met weekly to discuss and set risk and concentration limits, review changing market conditions, and analyse new market risks and opportunities.

Trafigura's trading teams provide deep expertise in hedging and risk management in the specific markets each team operates in. While the trading teams have front line responsibility for managing the risks arising from their activities, our process ensures a strong culture of escalation and accountability, with well-defined limits, automatic notifications of limit overages and regular dialogue with the CRO and Derivatives Trading Committee.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

b. Market risk

Market risk is the risk of loss in the value of Trafigura's positions due to changes in market prices. Trafigura holds positions primarily to ensure our ability to meet physical supply commitments to our customers, to hedge exposures arising from these commitments, and to support our investment activities. Our positions change due to changing customer requirements and investment opportunities. The value of our positions is accounted for at fair value and therefore fluctuates on a daily basis due to changes in market prices. Categories of market risk we are exposed to include:

- Commodity price risk results from exposures to changes in spot prices, forward prices and volatilities of commodities, such as crude oil, petroleum products, natural gas, base metals, coal and iron ore.
- Currency rate risk results from exposures to changes in spot prices, forward prices and volatilities of currency rates.
- Interest rate risk results from exposures to changes in the level, slope and curvature of yield curves, the volatilities of interest rates, and credit spreads.
- Equity price risk results from exposures to changes in prices and volatilities of individual equities and equity indices.

Trafigura hedges a large majority of price risks arising from its activities. When there is a difference in the characteristics of available hedging instruments and the corresponding commodity price exposures, Trafigura remains exposed to a residual price risk referred to as basis risk. Dynamically managing the basis risk that arises from Trafigura's activities requires specialist skills and is a core focus of our trading and risk management teams.

Value at Risk

Value at Risk (VaR) is a statistical estimate of the potential loss in value of our positions and unsold in-transit material due to adverse market movements. Trafigura calculates VaR over a one-day time horizon with a 95 percent confidence level. We use an integrated VaR model which captures risks including commodity prices, interest rates, equity prices and currency rates. Trafigura's integrated VaR model facilitates comparison of VaR across portfolios comprised of a range of different risk exposures.

As of 31 March 2017, Trafigura's one-day market risk VaR was USD4.5 million (30 September 2016: USD4.5 million). Average market risk VaR (1 day 95 percent) during the first six-month of this fiscal year was USD6.3 million compared to USD6.3 million in the previous fiscal year. Trafigura's Board of Directors has set a target of maintaining VaR (1 day 95 percent) below 1 percent of Group equity.

Trafigura is aware of the inherent limitations to VaR and therefore uses a variety of risk measures and risk management techniques to create a robust risk management process. Limitations of VaR include:

- VaR does not estimate potential losses over longer time horizons where the aggregate moves may be extreme.
- VaR does not take account of the liquidity of different risk positions and therefore does not estimate the losses that might arise if Trafigura liquidated large positions over a short period of time.
- VaR is based on statistical analysis of historical market data. If this historical data is not reflective of futures market prices movements, VaR may not provide accurate predictions of future possible losses.

Trafigura's VaR calculation covers its trading businesses in the crude oil, refined oil products, petrochemical, natural gas, metals, concentrates, coal, iron ore, and freight markets and assesses the open-priced positions which are those subject to price risk, including inventories of these commodities. Trafigura's VaR model is based on historical simulations, with full valuation of more than 5,000 market risk factors.

VaR is calculated based on simultaneously shocking these risk factors. More recent historical price data is more heavily weighted in these simulations, which enables the VaR model to adapt to more recent market conditions and improves the accuracy of our estimates of potential losses.

Trafigura's VaR model utilises advanced statistical techniques that incorporate the non-normal price dynamics that are an important feature of commodity markets. Our VaR model is continuously and automatically calibrated and back-tested to ensure that its out-of-sample performance adheres to well defined targets. In addition, our VaR model is regularly updated to ensure it reflects the current observed dynamics of the markets Trafigura is active in.

Trafigura has made a significant, ongoing investment in risk management systems, including a reporting system which automatically distributes customised risk reports throughout the Group on a daily basis. These reports provide up-to-date information on each team's risk using industry standard measures such as 95 percent and 99 percent Value at Risk and performance indicators such as Sharpe ratios.

All trading books have well defined VaR risk limits and management and the trading teams are automatically notified whenever a book nears its risk limit, as well as whenever a VaR overage occurs. In addition, Trafigura's deals desk management team is automatically notified whenever statistically anomalous changes occur in the profit and loss of any deal.

For senior management, the daily reports provide a comprehensive view of Trafigura's risk, classified according to various risk factors. These reports emphasise the risk diversification created by the Group's varied activities and highlight any excessive risk concentrations.

c. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument or physical contract fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

The Company has a formalised credit process with credit officers in the key locations around the world. Strict credit limits are set up for each counterparty on the basis of detailed financial and business analysis. These limits are constantly monitored and revised in light of counterparty or market developments and the amount of exposure relative to the size of the Group's balance sheet. The Company makes extensive use of the banking and insurance markets to cover any counterparty or country risks that are in excess of its credit limits.

The risk management monitoring and decision-making functions are centralised and make extensive use of the Company's integrated bespoke IT system. The Company conducts transactions with the following major types of counterparties:

- Physical commodity counterparties spread across the vertical chains for both oil and bulk, e.g. producers, refiners/smelters and end-users. Sales to investment grade and non-investment grade counterparties are made on open terms up to internally approved credit limits. Exposures above such limits are subject to payment guarantees.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

- Payment guarantee counterparties, i.e. prime financial institutions from which the Company obtains payment guarantees.
- Hedge counterparties comprising a number of prime financial institutions and physical participants in the relevant markets. There is no significant concentration of risk with any single counterparty or group of counterparties. Collateral is obtained from counterparties when the Company's exposure to them exceeds approved credit limits. It is the Company's policy to have ISDA Master Agreements or ISDA-based Long-Form Confirmation Agreements in place with all hedging counterparties.

The Company trades in all major geographic regions. Where appropriate, guarantees, insurance and letters of credit are used to reduce payment or performance risk. The Company has gross credit exposure in locations across the world with a concentration in emerging markets. Most of this exposure is laid off with third parties while the Company retains between ten to 20 per cent on average of the individual exposures.

The Company's maximum exposure to credit risk, without considering netting agreements or without taking into account of any collateral held or other credit enhancements, is equal to the carrying amount of Trafigura's financial assets as indicated in the balance sheet plus the guarantees to third parties and associates. The Company's objective is to seek continued revenue growth while minimising losses incurred due to increased credit risk exposure.

The Group has amounts and guarantees outstanding related to countries that are impacted by sanctions currently imposed by the US and EU. The Group analysed the sanctions and exposures and concluded that these do not materially impact the Group's positions.

(i) Concentration of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographical factors similarly affect the Company's counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The carrying amount of financial assets represents the maximum credit exposure. The Company determines concentrations of credit risk by monitoring the country profile of its third-party trade receivables on an ongoing basis.

(ii) Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and cash equivalents and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default. The credit quality of trade and other receivables is assessed based on a strict credit policy. The Group has monitored customer credit risk, by grouping trade and other receivables based on their characteristics.

Based on the Group's monitoring of customer credit risk, the Group believes that, except as indicated above, no impairment allowance is necessary in respect of trade receivables not past due.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in note 19 (Trade and other receivables).

(iii) Guarantees

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. As part of the Group's ordinary physical commodity trading activities, Trafigura Group Pte. Ltd. may act as guarantor by way of issuing guarantees accepting responsibility for subsidiaries' contractual obligations.

d. Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations when due, or that it is unable, on an on-going basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash and cash equivalents and ready sources of committed funding available to meet anticipated and unanticipated funding needs. Sound financial management with a focus on liquidity has been instrumental to the Group's success. The Company has demonstrated the ability to raise the appropriate types of financing to match the needs of the business and to tap various investor bases (e.g. syndicated loan markets, trade finance markets, bond markets, USPP, securitisation, etc.), maturities and geographies.

The Company manages its treasury and liquidity risks maintaining a strong liquidity position through the following:

- Targeting immediately available cash on hand of minimum USD500 million under normal conditions (higher in the case of extreme volatility);
- Maintaining bilateral lines which allow the Group to mark-to-market financings to the value of the underlying physical assets. Mark-to-market financing is performed weekly (or intra-weekly in the case of extreme volatility) and provides an additional source of liquidity which is not available to competitors which are financed purely from revolving credit facilities;
- Committed unsecured credit facilities;
- Maintaining headroom under bilateral trade finance lines and committed revolving credit facilities ; and
- Limited distribution of profit (significant retained earnings) and subordination of repurchased equity.

The Group provided a financial guarantee for an amount of USD213.8 million as of 31 March 2017 that will expire in 2018.

The maturity analysis of the Group's financial liabilities based on the contractual terms is as follows:

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

The maturity analysis of the Group's financial liabilities based on the contractual terms is as follows:

	Total USD'M	0-1 years USD'M	1-5 years USD'M	> 5 years USD'M
31 March 2017				
Financial liabilities				
Current and non-current loans and borrowings	31,516.9	24,878.3	6,400.8	237.8
Trade and other payables	9,386.4	9,386.4	–	–
Expected future interest payments	739.5	235.8	314.0	189.7
Derivative financial liabilities	900.9	417.6	475.8	7.5
Total financial liabilities	**42,543.7**	**34,918.1**	**7,190.6**	**435.0**

	Total USD'M	0-1 years USD'M	1-5 years USD'M	> 5 years USD'M
30 September 2016				
Financial liabilities				
Current and non-current loans and borrowings	25,267.2	18,033.0	6,985.3	248.9
Trade and other payables	8,952.5	8,952.5	–	–
Expected future interest payments	835.7	214.5	420.6	200.6
Derivative financial liabilities	658.9	421.2	230.7	7.0
Total financial liabilities	**35,714.3**	**27,621.2**	**7,636.6**	**456.5**

e. Interest rate risk

Trafigura is not exposed to significant interest rate risk. Interest rate risk of the Group is mainly applicable on the long-term funding of the Group, although a majority of debt, whether long term or short term, is floating rate.

From time to time the Group enters into interest rate derivatives transactions to lock-in current interest rate levels, for instance, interest rate swaps provide a method of reducing the Group's exposure to floating interest rates arising from its corporate funding programmes. To realise the desired matching of derivative results with the hedged interest rate payments, cash flow hedge accounting is applied and the derivatives are designated as hedging instruments. The derivatives are carried on balance and their effectiveness is tested on a quarterly basis.

f. Currency risk

Trafigura has few exposures to foreign currency risk on its trading activities and those that do exist are hedged out. The Group does not use financial instruments to hedge the translation risk related to equity and earnings of foreign subsidiaries and non-consolidated companies. The Group uses cross-currency swaps to hedge currency risk on the principal and related payments of foreign currency denominated loans and bonds for which cash-flow hedge accounting is applied. The periods when the cash flows are expected to occur are similar to the periods when the cash flows on the foreign currency denominated loans and bonds occur as indicated in Note 19 and 22d.

	31 March 2017 USD'M Notionals	30 September 2016 USD'M Notionals	31 March 2017 USD'M Fair values	30 September 2016 USD'M Fair values
Cross currency swap	1,670.2	1,670.2	(203.2)	(115.7)
Cross currency interest rate swap	581.3	506.2	(54.1)	(11.5)
Total	**2,251.5**	**2,176.4**	**(257.3)**	**(127.2)**

g. Fair value hedge accounting

In some instances, The Group elects to apply fair value hedge accounting to hedge certain risk components of non-financial hedged items. These non-financial hedged items are the tolling agreements which Trafigura has entered into for the processing of Eagle Ford crude oil into petroleum by-products. Ultimately, the derivative hedging instruments (splitter hedges) are aimed to hedge the spread between purchasing Eagle Ford crude oil and selling refined product. When applicable, The Group designates derivative hedging instruments as fair value hedges in relationship to the hedged item. The hedged item may be individual risk components which are separately identifiable and reliably measurable. The designated hedge derivatives are accounted for at fair value through profit and loss and reflected on the balance sheet as either a recognised asset or liability or an unrecognised firm commitment. Each of the identified risk components of the hedged item will be revalued at each period with its corresponding benchmark accounted for at fair value and recognised through profit and loss and reflected on the balance sheet as either a recognised asset or liability or an unrecognised firm commitment. Ineffectiveness will occur as a result of basis differences between the valuation of designated hedge instruments used and valuation of the designated risk component benchmarks considered to best represent the risk component.

Fair Value Hedge Instruments	**31 March 2017** **USD'M**	30 September 2016 USD'M
LTD profit and loss hedging instruments as basis for hedge ineffectiveness	**9.5**	127.1
Carrying value of hedged Item	**(33.6)**	(151.8)
LTD hedge ineffectiveness (recognised in profit and loss)	**(24.1)**	(24.7)
YTD hedge ineffectiveness (recognised in profit and loss)	**0.6**	(10.4)

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

h. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company's immediate parent, Trafigura Beheer B.V., is exclusively owned by its employees. This shareholding arrangement leads to an alignment of the long-term interests of the Company and its management team. By virtue of having its own capital at risk, senior management is incentivised to take a long-term view of the Company's overall performance and to protect its capital.

The Company's capital management aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The Company monitors capital using an adjusted debt to equity ratio, which is adjusted total debt divided by the Company's equity. For this purpose, the adjusted debt metric represents the Company's total long and short-term debt less cash, deposits, readily marketable inventories, debt related to the Company's securitisation programmes and the non-recourse portion of loans to third parties.

The Company's long term average target adjusted debt to equity ratio is 1.0x. The Company's adjusted net debt to equity ratio at the end of the reporting period was as follows:

	31 March 2017 USD'M	30 September 2016 USD'M
Non-Current loans and borrowings	**6,638.6**	7,234.2
Current Loans and borrowings	**24,878.3**	18,033.0
Total debt	**31,516.9**	25,267.2
Adjustments		
Cash and cash equivalents	**4,266.8**	3,141.9
Deposits	**327.4**	7.9
Stock	**15,647.2**	11,537.7
Securitisation debt	**2,237.1**	1,516.0
Non-recourse debt	**1,142.4**	434.8
Adjusted total debt	**7,896.0**	8,628.9
Group equity	**6,933.5**	5,847.1
Adjusted debt to Group equity ratio at the end of the period	**1.14**	1.48

i. Fair value

(i) Fair values versus carrying amounts

The fair values of inventories, financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

2017	Carrying value USD'M	Fair value USD'M
Assets		
Listed equity securities – Fair value through OCI	17.7	17.7
Listed debt securities – Fair value through profit and loss	329.6	329.6
Unlisted equity investments – Fair value through profit and loss	61.6	61.6
Unlisted equity investments – Fair value through OCI	70.0	70.0
Loans receivable and advances	607.4	(*)
Inventories	15,647.2	15,647.2
Trade and other receivables	17,962.7	(*)
Derivatives	532.4	532.4
Deposits	327.4	(*)
Cash and cash equivalents	4,266.8	(*)
Total financial assets and inventories	**39,822.8**	**16,658.5**
Liabilities		
Loans and borrowings		
Floating rate borrowings	29,529.7	(*)
Fixed rate borrowings	1,963.3	2,033.9
Finance lease and purchase contract	23.8	(*)
Trade and other payables	9,386.4	(*)
Derivatives	900.9	900.9
Total financial liabilities	**41,804.1**	**2,934.8**

2016	Carrying value USD'M	Fair value USD'M
Assets		
Listed equity securities – Fair value through OCI	97.6	97.6
Listed debt securities – Fair value through profit and loss	327.0	327.0
Unlisted equity investments – Fair value through profit and loss	59.4	59.4
Unlisted equity investments – Fair value through OCI	56.3	56.3
Loans receivable and advances	801.3	(*)
Inventories	11,537.7	11,537.7
Trade and other receivables	15,199.9	(*)
Derivatives	573.6	573.6
Deposits	7.9	(*)
Cash and cash equivalents	3,141.9	(*)
Total financial assets and inventories	**31,802.6**	**12,651.6**
Liabilities		
Loans and borrowings		
Floating rate borrowings	23,241.0	(*)
Fixed rate borrowings	1,987.4	2,039.2
Finance lease and purchase contract	38.8	(*)
Trade and other payables	8,952.6	(*)
Derivatives	658.9	658.9
Total financial liabilities	**34,878.7**	**2,698.1**

(*) Management has determined that the carrying amounts of trade and other receivables, cash and cash equivalents, deposits and trade and other payables reasonably approximate their fair values because these are mostly short-term in nature and are re-priced regularly.

The fair value of the guarantee disclosed in note 22d was calculated based on level 3 valuation inputs taking into account current illiquid market conditions; which include sanctions enacted by the US and EU.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(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 March 2017 and 30 September 2016 were as follows:

	Amounts eligible for offsetting under netting agreements				
	Gross amount	Amounts offset	Net amount	Amounts not subject to netting agreements	Net amounts presented in the statement of financial position
31 March 2017	USD'M	USD'M	USD'M	USD'M	USD'M
Related parties	1,533.2	(19.7)	1,513.5	–	**1,513.5**
Derivative assets	440.8	(268.6)	172.2	360.1	**532.4**
Related parties	(38.1)	19.7	(18.4)	–	**(18.4)**
Derivative liabilities	(676.3)	268.6	(407.7)	(493.2)	**(900.9)**

	Amounts eligible for offsetting under netting agreements				
	Gross amount	Amounts offset	Net amount	Amounts not subject to netting agreements	Net amounts presented in the statement of financial position
30 September 2016	USD'M	USD'M	USD'M	USD'M	USD'M
Related parties	914.2	(23.6)	890.6	–	890.6
Derivative assets	916.6	(678.6)	238.0	335.6	573.6
Related parties	(32.1)	23.6	(8.5)	–	(8.5)
Derivative liabilities	(943.6)	678.6	(265.0)	(394.0)	(659.0)

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.

(ii) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 1 classifications primarily include futures with a maturity of less than one year. Level 2 classifications primarily include swaps and physical forward transactions which derive their fair value primarily from exchange quotes and readily observable broker quotes. Level 3 classifications primarily include physical forward transactions which derive their fair value predominately from calculations that use broker quotes and applicable market based estimates surrounding location, quality and credit differentials. In circumstances where Trafigura 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 Trafigura's policy to hedge significant market risk, therefore sensitivity to fair value movements is limited. Trafigura manages its market risk using the Value at Risk (VaR) as disclosed in note 22b.

Other financial assets and inventories	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	Total USD'M
31 March 2017				
Listed equity securities – Fair value through OCI	17.7	–	–	**17.7**
Listed debt securities – Fair value through profit and loss	5.6	–	324.0	**329.6**
Unlisted equity investments – Fair value through profit and loss	–	–	61.6	**61.6**
Unlisted equity investments – Fair value through OCI	–	–	70.0	**70.0**
Futures	47.6	–	–	**47.6**
OTC derivatives	–	37.9	–	**37.9**
Physical forwards	–	–	181.8	**181.8**
Cross-currency swaps	–	129.4	–	**129.4**
Interest rate swaps	–	21.1	–	**21.1**
Other financial derivatives	–	114.6	–	**114.6**
Inventories	–	15,647.2	–	**15,647.2**
Total	**70.9**	**15,950.2**	**637.4**	**16,658.4**

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

Other financial liabilities	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	Total USD'M
31 March 2017				
Futures	22.8	–	–	**22.8**
OTC derivatives	–	126.6	–	**126.6**
Physical forwards	–	–	240.5	**240.5**
Cross-currency swaps	–	388.2	–	**388.2**
Interest rate swaps	–	15.7	–	**15.7**
Other financial derivatives	–	107.1	–	**107.1**
Fixed rate borrowings	–	2,033.9	–	**2,033.9**
Total	**22.8**	**2,671.5**	**240.5**	**2,934.8**

Other financial assets and inventories	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	Total USD'M
30 September 2016				
Listed equity securities – Fair value through OCI	97.6	–	–	97.6
Listed debt securities – Fair value through profit and loss	15.1	–	311.9	327.0
Unlisted equity investments – Fair value through profit and loss	–	–	59.4	59.4
Unlisted equity investments – Fair value through OCI	–	–	56.3	56.3
Futures	24.1	–	–	24.1
OTC derivatives	–	213.1	–	213.1
Physical forwards	–	6.5	175.6	182.1
Cross-currency swaps	–	28.5	–	28.5
Interest rate swaps	–	20.8	–	20.8
Other financial derivatives	–	104.9	–	104.9
Inventories	–	11,537.7	–	11,537.7
Total	**136.8**	**11,911.5**	**603.2**	**12,651.5**

Other financial liabilities	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	Total USD'M
30 September 2016				
Futures	15.6	–	–	15.6
OTC derivatives	–	148.9	–	148.9
Physical forwards	–	1.0	227.9	228.9
Cross-currency swaps	–	144.2	–	144.2
Interest rate swaps	–	30.9	–	30.9
Other financial derivatives	–	90.6	–	90.6
Fixed rate borrowings		2,039.2	–	2,039.2
Total	**15.6**	**2,454.8**	**227.9**	**2,698.3**

The overview of the fair value hierarchy and applied valuation methods can be specified as follows:

			31 March 2017 USD'M	30 September 2016 USD'M
Listed equity securities – Fair value through OCI	Level 1	Assets	17.7	97.6
		Liabilities	–	–
Valuation techniques and key inputs:	Quoted prices in an active market			
Significant unobservable inputs:	None			

			31 March 2017 USD'M	30 September 2016 USD'M
Listed debt securities – Fair value through profit and loss	Level 1	Assets	5.6	15.1
		Liabilities	–	–
Valuation techniques and key inputs:	Quoted prices in an active market			
Significant unobservable inputs:	None			

			31 March 2017 USD'M	30 September 2016 USD'M
Futures	Level 1	Assets	47.6	24.1
		Liabilities	22.8	15.6
Valuation techniques and key inputs:	Quoted prices in an active market			
Significant unobservable inputs:	None			

			31 March 2017 USD'M	30 September 2016 USD'M
OTC derivatives	Level 2	Assets	37.9	213.1
		Liabilities	126.6	148.9
Valuation techniques and key inputs:	Reference prices			
Significant unobservable inputs:	Inputs include observable quoted prices sourced from traded reference prices or recent traded prices indices in an active market for identical assets or liabilities.			

			31 March 2017 USD'M	30 September 2016 USD'M
Physical forwards	Level 2	Assets	–	6.5
		Liabilities	–	1.0
Valuation techniques and key inputs:	Reference prices			
Significant unobservable inputs:	Inputs include observable quoted prices sourced from traded reference prices or recent traded prices indices in an active market for identical assets or liabilities.			

			31 March 2017 USD'M	30 September 2016 USD'M
Cross-currency swaps	Level 2	Assets	129.4	28.5
		Liabilities	388.2	144.2
Valuation techniques and key inputs:	Reference prices			
Significant unobservable inputs:	Inputs include observable quoted prices sourced from exchanges or recent traded prices indices in an active market for identical assets or liabilities.			

			31 March 2017 USD'M	30 September 2016 USD'M
Interest rate swaps	Level 2	Assets	21.1	20.8
		Liabilities	15.7	30.9
Valuation techniques and key inputs:	Discounted cash flow model			
Significant unobservable inputs:	Inputs include observable quoted prices sourced from exchanges or traded reference indices in an active market for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations.			

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

			31 March 2017	30 September 2016
			USD'M	USD'M
Other financial derivatives	Level 2	Assets	114.6	104.9
		Liabilities	107.1	90.6
Valuation techniques and key inputs:	Discounted cash flow model			
Significant unobservable inputs:	Inputs include observable quoted prices sourced from exchanges or traded reference indices in an active market for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations.			

			31 March 2017	30 September 2016
			USD'M	USD'M
Inventories	Level 2	Assets	15,647.2	11,537.7
		Liabilities	–	–
Valuation techniques and key inputs:	Quoted prices in an active market premium discount on quality and location			
Significant unobservable inputs:				

			31 March 2017	30 September 2016
			USD'M	USD'M
Fixed rate borrowings	Level 2	Assets	–	–
		Liabilities	2,033.9	2,039.2
Valuation techniques and key inputs:	Discounted cash flow model cash flows discounted at current borrowing rates for similar instruments			
Significant unobservable inputs:				

			31 March 2017	30 September 2016
			USD'M	USD'M
Listed debt securities – Fair value through profit and loss	Level 3	Assets	324.0	311.9
		Liabilities	–	–
Valuation techniques and key inputs:	Discounted cash flow model			
Significant observable inputs:	– Forecast throughput			
	– Discount rates using weighted average cost of capital			
Significant unobservable inputs:	– Market illiquidity			
	– Operating cost and capital expenditures			
	The resultant asset is a discounted cash flow of the underlying throughput.			
	Increase/decrease of the forecasted throughput will result in an increase/decrease of the value of the asset. There are no reasonable changes in assumptions which will result in material change to the fair value of the asset			

			31 March 2017	30 September 2016
			USD'M	USD'M
Unlisted equity investments – Fair value through profit and loss	Level 3	Assets	61.6	59.4
		Liabilities	–	–
Valuation techniques and key inputs:	Quoted prices obtained from the asset managers of the funds.			
Significant unobservable inputs:	– Market illiquidity			
	– Price of commodities			

			31 March 2017	30 September 2016
			USD'M	USD'M
Unlisted equity investments – Fair value through OCI	Level 3	Assets	70.0	56.3
		Liabilities	–	–
Valuation techniques and key inputs:	Quoted prices obtained from the asset managers of the funds.			
Significant unobservable inputs:	– Market illiquidity			
	– Price of commodities			

			31 March 2017	30 September 2016
			USD'M	USD'M
Physical forwards	Level 3	Assets	181.8	175.6
		Liabilities	240.5	227.9
Valuation techniques and key inputs:	Discounted cash flow model			
Significant unobservable inputs:	Prices are adjusted by differentials including:			
	– Quality			
	– Location			
	An increase/decrease in one input resulting in an opposite movement in another input, resulting in no material change in the underlying value			

The movements in the Level 3 hierarchy can be summarised as follows:

USD'M	Physical forwards	Equity/debt securities	Total
1 October 2016	(52.3)	427.5	375.2
Total gain/(loss) recognised in income statement	(25.5)	14.1	(11.4)
Total gain/(loss) recognised in OCI	–	2.3	2.3
Invested	–	11.8	11.8
Disposals	–	(0.1)	(0.1)
Total realised	19.0	–	19.0
Transfer from level 1	–	–	–
31 March 2017	**(58.8)**	**455.6**	**396.8**
1 October 2015	(157.7)	664.0	506.3
Total gain/(loss) recognised in income statement	(31.2)	(33.4)	(64.6)
Total gain/(loss) recognised in OCI	–	(1.0)	(1.0)
Invested	–	1.3	1.3
Disposals	–	(91.8)	(91.8)
Total realised	98.9	–	98.9
Transfer from level 1	–	–	–
31 March 2016	**(90.0)**	**539.1**	**449.1**

There have been no transfers between fair value hierarchy Levels in the first half of 2017. Materially all level 3 physical forwards are settled in the next year.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

23. EMPLOYEE BENEFITS

a. Equity participation plan

The immediate parent of the Company, Trafigura Beheer B.V., has an equity participation plan (EPP) which is open to employees of the Group. Shares issued to employees are preference shares of the immediate holding company Trafigura Beheer B.V., which give rights to economic benefits with limited voting rights. The founders of the Company, represented in Beheer Malta Limited, a parent company of Trafigura Beheer B.V., together with the Board of Directors of the Company decide on the share awards to be issued to employees. Annual remuneration (which includes the equity participation awards) is subject to review by the remuneration committee of the Company.

The value of the shares is based on the net asset value of an ordinary share as set out in Articles of Association of Trafigura Beheer B.V., which management believe is a fair approximation of the fair value. Shares awarded under the EPP may vest immediately or over a period of several years.

Employees do not have the right to sell shares that have vested unless a purchase offer has been made by Beheer Malta Limited. Upon termination of employment, employees must transfer all of their shares at the direction of Beheer Malta Limited. Nor Trafigura Beheer B.V and the Company have neither a legal nor constructive obligation to settle the shares held by employees in cash. If employment is ceased prior to the end of the vesting period the shares will be forfeited except otherwise determined by Beheer Malta Limited.

The Group accounts for the EPP as an equity settled plan, the fair value of the shares granted, determined at the grant date, is recorded in the statement of income rateably over the vesting period of the shares.

Compensation in respect of share based payments recognised in staff costs amounted to USD48.7 million in 2017 (2016: USD43.2 million).

Unrecognised staff costs in respect of rateably vesting shares expected to be recognised from 2017 to 2021 amount to USD135.7 million at 31 March 2017 (2016: USD70.2 million).

24. RELATED PARTIES TRANSACTIONS

In the normal course of business, the Company enters into various arm's length transactions with related parties including fixed price commitments to sell and to purchase commodities, forward sale and purchase contracts, agency agreements and management service agreements. Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

All transactions between the Company and its subsidiaries are eliminated on consolidation along with any unrealised profits and losses between its subsidiaries, associates and joint ventures.

	31 March 2017	30 September 2016
Related party receivables/(payables)	USD'M	USD'M
Trafigura Beheer B.V.	**347.9**	352.6
Puma Energy	**502.7**	374.1
PT Servo Meda Sejahtera	**90.3**	122.5
Farringford NV	**46.8**	17.2
Beheer Malta Ltd	**474.9**	(7.2)
Ecore B.V.	**21.0**	16.4
Emincar	**208.0**	150.0
Jinchuan Group Co. Ltd.	**10.5**	31.4
MATSA	**68.6**	262.2
Other	**99.4**	100.9
Total	**1,870.1**	**1,420.2**

	31 March 2017	31 March 2016
	USD'M	USD'M
Sales	**3,770.1**	2,903.2
Purchases	**922.0**	529.7
Terminaling & dockage fees	**79.1**	62.7
Interest income	**39.9**	20.5
Interest expense	**–**	4.5
Others	**55.8**	37.8

Below table summarises the nature of relationship and nature of transactions entered with the related party:

Party	Nature of relationship	Nature of transaction
Farringford NV	Ultimate parent	Loans and cost recharges
Trafigura Beheer B.V.	Parent company	Loans and cost recharges
Beheer Malta Ltd	Parent company	Buy back of treasury shares
Minas de Aguas Teñidas, S.A.U ("MATSA")	Equity-accounted investee	Financing and trading agreement
Ecore B.V.	Cousin group	Cost recharges, trading and hedging
Puma Energy Holding	Equity-accounted investee	Financing and trading agreement
Porto Sudeste do Brasil S.A.	Equity-accounted investee	Loans and cost recharges
Buckeye Partners LLC	Equity-accounted investee	Lease agreements
Emincar	Equity-accounted investee	Financing and trading agreement
Jinchuan Group Co. Ltd.	Equity-accounted investee	Trading agreement
PT Servo Meda Sejahtera	Equity-accounted investee	Loan

25. SUBSEQUENT EVENTS

There were no events after the end of the reporting period that require disclosure.

TRAFIGURA

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