GLENCORE

INTERNATIONAL AG
AND SUBSIDIARIES

Third Quarter

2007

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Financial highlights

Nine months ended September 30, 2007 and 2006

% Change	US $ million 2007	US $ million 2006	
20%	103 581	86 524	Revenues
18%	4 673	3 968	Gross income
38%	5 778	4 181	EBITDA[1]
30%	5 155	3 953	Operating income
16%	4 685	4 024	Glencore net income[2]

September 30, 2007 compared to December 31, 2006

% Change	US $ million 2007	US $ million 2006	
22%	57 322	47 068	Total assets
35%	14 703	10 927	Glencore shareholders' funds[3]
18%	10 305	8 715	Net debt[4]
30%	25 067	19 251	Capitalization[5]

Key ratios as of September 30, 2007 and December 31, 2006

2007	2006	
1.17	1.19	Current ratio (times)
37.9	39.4	Long term debt to capitalization[5] (%)
1.34	1.44	Net debt[4] to EBITDA[1] (times)[6]

1 EBITDA consists of operating income of $ 5,155 million (2006: $ 3,953 million) plus depreciation of $ 305 million (2006: $ 228 million) and dividend income of $ 318 million (2006: $ 0 million).

2 Glencore net income consists of income before attribution of $ 4,928 million (2006: $ 4,244 million) less attribution to minority interest of $ 243 million (2006: $ 220 million).

3 Glencore shareholders' funds consist of net assets attributable to profit participation shareholders, minority interest and equity holders of $ 15,555 million (2006: $ 11,673 million) less minority interest of $ 852 million (2006: $ 746 million).

4 Net debt consists of total debt less cash and cash equivalents, marketable securities, readily marketable inventories of $ 7,389 million (2006: $ 6,799 million) and outstanding currency hedge instruments of $ 303 million (2006: $ 96 million).

5 Capitalization is the sum of long term debt, minority interest and Glencore shareholders' funds.

6 9 month figures have been annualized; full year EBITDA 2006 of $ 6,050 million consists of operating income of $ 5,728 million plus depreciation of $ 322 million.

Financial review

Income Statement

Third quarter 2007 Glencore net income was $ 1.2 billion, another strong period for Glencore with all business segments continuing to benefit from positive market conditions. On a year to date basis, increases over the comparable 2006 period were as follows:

- Operating income up 30% from $ 3,953 million to $ 5,155 million
- Cash flows from operating activities before working capital changes up 14% from $ 3,723 million to $ 4,241 million

Share of income from associates was up $ 601 million to $ 1,336 million (82%). Much of the increase relates to the higher contribution from Xstrata, representing both its enhanced performance and also Glencore's increased shareholding following the equity swap arrangement brought on balance sheet in May 2006 and its subsequent maturing in late 2006.

Selling and administrative expenses increased by 14% over the corresponding 2006 period, primarily due to additional variable compensation expenses related to the higher earnings noted above while net interest expense for the third quarter largely tracked that reported in each of the two previous 2007 quarters.

The net gain on sale of investments of $ 862 million relates primarily to the merger, completed in March 2007, of certain of our aluminum/alumina assets with those of Rusal and Sual's in exchange for a 12% stake in the combined entity United Company Rusal. In 2006, the net gain of $ 986 million resulted primarily from the sale of Glencore's 33.3% interest in the Cerrejon Coal Group to Xstrata.

Dividend income relates almost entirely to cash receipts from our new 12% stake in United Company Rusal Limited.

Changes in mark to market valuation were negative $ 104 million compared to a positive $ 386 million in the corresponding prior period. The 2007 amount comprises mainly mark to market movements related to the exchange feature into Xstrata shares of the Exchangeable bonds, the progressive repurchase of which commenced in the second quarter of 2006, and which has now significantly reduced our exposure to such mark to market movements. In 2006, mark to market movements also included the Xstrata equity swap until May 2006.

Cash flows / liquidity

Cash flows from operating activities before working capital changes amounted to $ 4,241 million for the first 9 months of 2007, representing an increase of 14% compared to $ 3,723 million for the corresponding 2006 period. Net working capital requirements increased by a further $ 694 million during the 2007 third quarter, driven by agricultural products' record prices and seasonality, along with continued sharp increases in delivered thermal coal prices. Unlike other segments, our agricultural business is subject to some degree of seasonality, whereby the second quarter would typically be the low working capital point with November being the high point. The relatively small size of this segment for Glencore would normally not result in such a large additional working capital requirement, however in combination with the sharp price rises (e.g. EU wheat FOB up 56% during the third quarter and 92% since January 2007), this has had a noticeable impact compared to prior periods, but is expected to be substantially converted into cash during early 2008.

Investing activities amounted to a net outflow of $ 2,286 million over the first 9 months of 2007, of which $ 1,495 million had been recognized as at June 2007. The net outflow comprises primarily investments in the Cartagena oil refinery in Colombia, Nikanor plc (a London AIM listed entity developing a large scale copper and cobalt project in the Congo), some shipping assets, as well as the participation in a capital raising by Century Aluminum and ongoing capital expansion and improvement projects at our industrial assets, partly offset by proceeds from dividends received of $ 429 million. All of these initiatives are expected to result in substantially enhanced income and cash flow generating potential in future periods.

As discussed in our Interim Report, since August 2007, new funding for our A-1+/P-1 rated Asset backed (receivables) U.S. commercial paper program had largely dried up due to certain of its features, in particular the issuer's ability to extend, notwithstanding the highly rated and fast-turning trade receivables underlying the program. As at September 30, 2007, $ 653 million was still outstanding under this program, down from the $ 2 billion program limit as at June 30, 2007. We are currently in the process of replacing this form of very cost-effective working capital financing, and in the meantime, have entered into a new 1 year $ 1.35 billion Xstrata secured bank loan in September 2007, with terms closely matching the 3 year $ 1.35 billion facility concluded in December 2006.

Glencore maintains adequate liquidity via its committed credit facilities and diversified funding sources. As at September 30, 2007, in addition to its cash balances, Glencore had available undrawn committed facilities in excess of $ 3 billion.

Balance sheet

The current ratio as of September 30, 2007, was 1.17 compared with 1.19 as of December 31, 2006, however net current assets actually increased by $ 317 million to $ 5,076 million. At September 30, 2007, 80% ($ 7,389 million) of total marketing inventories were contractually sold or hedged (readily marketable inventories), compared to 83% ($ 6,799 million) at December 31, 2006.

Net debt increased from $ 8,715 million at December 31, 2006 to $ 10,305 million at September 30, 2007, while over the same period, Glencore shareholders' funds increased by $ 3,776 million (35%) to $ 14,703 million.

Consolidated financial statements

Consolidated statements of income
for the nine months ended September 30, 2007 and 2006

2007 (unaudited)	2006 (unaudited)	US $ million
103 581	86 524	Revenues
– 98 908	– 82 556	Cost of goods sold
4 673	3 968	Gross income
– 854	– 750	Selling and administrative expenses
1 336	735	Share of income from associates
5 155	3 953	Operating income
– 843	– 496	Interest expense – net
318	0	Dividends received
862	986	Gain on sale of investments
– 104	386	Changes in mark to market valuation – net
66	28	Other income/(expense) – net
5 454	4 857	Income before income taxes and attribution
– 526	– 613	Income taxes
4 928	4 244	Income before attribution
– 544	0	Attribution to hybrid profit participation shareholders
– 3 187	– 3 557	Attribution to ordinary profit participation shareholders
1 197	687	Income for the period
		Attribution to:
– 243	– 220	Minority interest
– 954	– 467	Equity holders

Consolidated balance sheets

as of September 30, 2007 and December 31, 2006

2007 (unaudited)	2006 (audited)	US $ million Assets
		Non current assets
5 295	5 316	Property, plant and equipment
15 128	10 504	Investments in associates and other investments
1 559	1 117	Long term advances and loans
145	190	Deferred income taxes
22 127	17 127	Total non current assets
		Current assets
11 360	9 975	Inventories
22 684	18 821	Accounts receivable
417	349	Marketable securities
734	796	Cash and cash equivalents
35 195	29 941	Total current assets
57 322	47 068	Total assets

2007 (unaudited)	2006 (audited)	US $ million Liabilities and equity
		Net assets attributable to profit participation shareholders, minority interest and equity holders
46	46	Share capital
2 893	2 081	Reserves and retained earnings
852	746	Minority interest
3 791	2 873	
1 134	590	Hybrid profit participation shareholders
10 630	8 210	Ordinary profit participation shareholders
15 555	11 673	Total net assets attributable to profit participation shareholders, minority interest and equity holders
		Other non current liabilities
9 512	7 578	Long term debt
695	769	Deferred income taxes
1 441	1 866	Provisions and other long term liabilities
11 648	10 213	Total other non current liabilities
		Current liabilities
715	612	Current portion of long term debt
8 921	8 565	Short term debt
20 096	15 635	Accounts payable
387	370	Income tax payable
30 119	25 182	Total current liabilities
57 322	47 068	Total liabilities and equity

Consolidated statements of cash flows
for the nine months ended September 30, 2007 and 2006

2007 (unaudited)	2006 (unaudited)	US $ million
		Operating activities
5 454	4 857	Income before income taxes and attribution
		Adjustments to reconcile income before income taxes and attribution to net cash provided/(used) by operating activities
305	228	Depreciation and amortization
– 1 336	– 735	Share of income from associates
196	992	Unrealized (gain)/loss on bonds' exchange feature
3	248	Increase/(decrease) in long term provisions
– 862	– 986	(Gain)/loss on sale of investments – net
0	– 1 320	Unrealized (gain)/loss on equity swap – net
– 136	– 53	Unrealized mark to market movements on other investments
– 318	0	Dividends received from other investments
44	0	Early debt extinguishment
48	– 4	Other non cash items
843	496	Interest expense – net
4 241	3 723	Cash provided by operating activities before working capital changes
		Working capital changes
– 10	24	(Increase)/decrease in marketable securities
– 3 834	– 3 200	(Increase)/decrease in accounts receivable
– 1 616	– 700	(Increase)/decrease in inventories
3 570	2 354	Increase/(decrease) in accounts payable
– 1 890	– 1 522	Total working capital changes
2 351	2 201	Cash provided/(used) by operating activities
– 553	– 264	Income taxes paid
63	50	Interest received
– 753	– 566	Interest paid
1 108	1 421	Net cash provided/(used) by operating activities

Consolidated statements of cash flows
for the nine months ended September 30, 2007 and 2006

2007 (unaudited)	2006 (unaudited)	US $ million
		Investing activities
– 426	14	(Increase)/decrease in long term advances and loans
– 132	– 189	Net cash used in acquisition of subsidiaries
– 1 136	– 95	Purchase of investments
– 1 182	– 684	Purchase of property, plant and equipment
19	8	Proceeds from sale of property, plant and equipment
142	1 734	Proceeds from sale of investments
318	0	Dividends received from other investments
111	35	Dividends received from associates
– 2 286	823	Net cash provided/(used) by investing activities
		Financing activities
2 708	– 1 372	Net proceeds/(repayment) of short term debt[1]
– 822	– 255	Net proceeds /(repayment) of U.S. commercial paper notes
– 35	– 9	Net proceeds/(repayment) of other long term bank debt
0	700	Net proceeds from issuance of Perpetual Notes
1 242	0	Net proceeds from issuance of Sterling bonds
– 455	– 287	Payment of profit participation certificates
– 505	– 160	Repayment of U.S. private placement senior notes
– 880	– 468	Repurchase of Exchangeable bonds
– 135	– 31	Dividend to minority interest
– 2	– 2	Payment of dividends
1 116	– 1 884	Net cash provided /(used) by financing activities
– 62	360	Increase/(decrease) in cash and cash equivalents
796	346	Cash and cash equivalents, beginning of period
734	706	Cash and cash equivalents, end of period

[1] 2007 amount includes a portion of the committed revolving credit facility recorded as long term

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