Prospectus dated 2 December 2013

LOUIS DREYFUS COMMODITIES B.V.

(incorporated in The Netherlands with limited liability)

€500,000,000

4.00 per cent. Bonds due 2020

Issue Price 100 per cent.

The 4.00 per cent. Bonds due 2020 (the "**Bonds**") will be issued in an initial aggregate principal amount of €500,000,000 by Louis Dreyfus Commodities B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of The Netherlands (the "**Issuer**" or "**LDC**") on 4 December 2013 (the "**Issue Date**"). Interest on the Bonds is payable annually in arrear on 4 December in each year. Payments on the Bonds will be made without deduction for or on account of taxes of the Relevant Taxing Jurisdiction (as defined hereinafter) to the extent described under "Terms and Conditions of the Bonds — Taxation".

The Bonds mature on 4 December 2020 but may be redeemed in whole, but not in part, at the option of the Issuer upon the occurrence of a Withholding Tax Event (as defined in "Terms and Conditions of the Bonds – Redemption and Purchase") at their principal amount together with interest accrued to the date fixed for redemption. In the event of a Change of Control of the Issuer (as defined herein), each Bondholder will have the right to request the Issuer to redeem all or part of its Bonds. The Issuer may, on giving not less than 15 nor more than 30 days' notice to Holders, redeem all but not some only of the Bonds at par, if immediately before giving such notice, the aggregate principal amount of the Bonds outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

The Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer. See "Terms and Conditions of the Bonds – Status".

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005, as amended, relating to prospectuses for securities, for the approval of this Prospectus for the purposes of Article 5.3 of Directive 2003/71/EC, as amended (the "**Prospectus**"), to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the "**Prospectus Directive**"). Application has also been made to the Luxembourg Stock Exchange for the Bonds to be admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market as of the Issue Date. References in this Prospectus to the Bonds being "listed" (and all related references) shall mean that the Bonds have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. The CSSF gives no undertaking as to the economic and financial soundness of the transaction or the solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg Law on prospectuses for securities.

The denominations of the Bonds shall be €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000.

The Bonds will initially be represented by a Temporary Global Bond, without interest coupons, which will be deposited with a common depositary on behalf of Clearstream, Luxembourg société anonyme ("**Clearstream, Luxembourg**") and Euroclear SA/NV ("**Euroclear**") on or about the Issue Date. The Temporary Global Bond will be exchangeable for interests in a Global Bond, without interest coupons, on or after a date which is expected to be 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Global Bond will be exchangeable for definitive Bonds in bearer form with coupons attached not less than 60 days, or, in the case of exchange following principal in respect of any Bonds not being paid when due and payable, 30 days, following the request of the Issuer or the holder in the limited circumstances set out in it. No definitive Bonds will be issued with a denomination above €199,000. See "Summary of Provisions relating to the Bonds while in Global Form".

The Bonds have not been, and are not intended to be, rated.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Prospectus.

JOINT LEAD MANAGERS

BNP PARIBAS **CITIGROUP** **CREDIT SUISSE** **HSBC**

This Prospectus has been prepared for the purpose of giving information with regard to the Issuer and its consolidated subsidiaries taken as a whole (the "**Group**") and the Bonds which, according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial condition, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is correct in all material respects and does not omit anything likely to affect the import of such information.

Neither the Joint Lead Managers (as defined in "Subscription and Sale") nor any of their respective affiliates have independently verified the information contained herein or authorised the whole or any part of this Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the offering of the Bonds. No Joint Lead Manager accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the offering of the Bonds or their distribution.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers to subscribe or purchase, any of the Bonds. The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus, see "Subscription and Sale".

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial condition of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Bonds may not be offered, sold or delivered within the United States or to or for the account or benefit of U.S. persons.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction or to any person to whom it is unlawful to make an offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offering, sale and delivery of Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer and sale of the Bonds in the United States, the United Kingdom, France, The Netherlands, Switzerland, Hong Kong and Singapore.

In connection with the issue of the Bonds, BNP Paribas (the "Stabilising Manager") (or any person acting on its behalf) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising

Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that are, or may be deemed to be, "forward-looking statements". All statements other than statements of historical facts included in this Prospectus may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "project", "plan", "schedule", "intend", "estimate", "anticipate", "believe", "continue", "could", "should", "would" or similar words or expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance or achievements of the Issuer and the Group to differ materially from those expressed or implied by such forward-looking statements. These factors include those set forth in the section of this Prospectus entitled "Risk Factors". Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. The risks described in this Prospectus are not the only risks investors should consider. New risk factors emerge from time to time and it is not possible for the Issuer to predict all risk factors on their business and that of the Group or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place any undue reliance on forward-looking statements as a prediction of actual results, performance or achievements. The Issuer undertakes no obligation to update the forward-looking statements contained in this Prospectus or any other forward-looking statements it may make. All subsequent written and forward-looking statements attributable to the Issuer or persons acting on its behalf are expressly qualified in their entirety by such cautionary statements.

INFORMATION REGARDING THE GROUP'S MARKETS AND INDUSTRY

Market data and certain industry forecasts used throughout this Prospectus have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and neither the Issuer nor the Joint Lead Managers make any representation as to the accuracy of that information.

Substantially all the information contained in this Prospectus concerning the Group's position vis-à-vis its competitors is based on internal analyses derived from publicly available information. The Issuer believes that these sources and estimates are reliable, but the Issuer has not independently verified them. Any discussion of matters relating in this Prospectus to competitive position is, therefore, subject to uncertainty due to concerns about the completeness or reliability of available official and public information.

CURRENCY INFORMATION, ROUNDING AND OTHER FINANCIAL INFORMATION

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to "**Singapore**" are references to the Republic of Singapore, all references to the "**U.S.**", "**U.S.A.**" or "**United States**" are references to the United States of America and all references to the "**UK**" are references to the United Kingdom. All references to "**U.S. dollars**" or "**U.S.$**" are to the lawful currency of the United States of America, and all references to "**Euro**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Certain monetary amounts in this Prospectus have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

References herein to "**billions**" are to thousands of millions.

PRESENTATION OF CERTAIN FINANCIAL INFORMATION

BIOSEV

With effect from 4 December 2012, the Group carried out a reorganisation, which led to the up-streaming of the Group's 65.9 per cent. owned sugar cane production and processing subsidiary BIOSEV, from the Group to a newly formed intermediary holding, leading to BIOSEV becoming a sister company of the Issuer and ceasing to be a subsidiary of the Group.

The results of BIOSEV are shown as discontinued operations in the consolidated income statements of the Group for the six month period ended 30 June 2013 and the years ended 31 December 2012, 2011 and 2010 presented on pages F-1 ff. (see "Net Income – discontinued operations"). The results of BIOSEV are not included in the results of operations for any of the financial periods discussed in this Prospectus. Information relating to the financial position of the Group as at 30 June 2013, and at 31 December 2012, 2011 and 2010 is also shown without BIOSEV for reference purposes and ease of comparison.

New and amended accounting standards and interpretations in effect starting from 2013

Investors are referred to Note 1 to the consolidated financial statements of the Group for the month period ended 30 June 2013 presented on pages F-1 ff. for certain new and amended accounting standards and interpretations in effect starting from 2013, which will apply to the Group.

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Overview of the Bonds

The following overview is qualified in its entirety by the remainder of this Prospectus.

Issuer:	Louis Dreyfus Commodities B.V.
Bonds:	€500,000,000 4.00 per cent. Bonds due 2020
Fiscal Agent and Paying Agent:	BNP Paribas Securities Services, Luxembourg Branch
Issue Date:	4 December 2013
Issue Price:	100 per cent.
Form of Bonds, Initial Delivery of Bonds and Clearing Systems:	The Bonds will initially be represented by a Temporary Global Bond, without interest coupons, which will be deposited with a common depositary on behalf of Clearstream, Luxembourg and Euroclear on or about 4 December 2013. The Temporary Global Bond will be exchangeable for interests in a Global Bond, without interest coupons, on or after a date which is expected to be 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Global Bond will be exchangeable for definitive Bonds in bearer form in certain limited circumstances. See also "Summary of Provisions relating to the Bonds while in Global Form".
Denominations:	€100,000 and integral multiples of €1,000 in excess thereof.
Status of the Bonds:	The Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer as described in "Terms and Conditions of the Bonds – Status".
Interest:	The Bonds bear interest from, and including the Issue Date. Interest on the Bonds is payable annually in arrear on 4 December in each year. See "Terms and Conditions of the Bonds – Interest".
Redemption:	The Bonds will mature on 4 December 2020.
Early Redemption for Taxation Reasons:	The Bonds may be redeemed in whole, but not in part, at the option of the Issuer upon the occurrence of a Withholding Tax Event (as defined in "Terms and Conditions of the Bonds – Redemption and Purchase") at their principal amount together with interest accrued to the date fixed for redemption.
Redemption at the option of the Bondholders in the event of a Change of Control:	In the event of a Change of Control of the Issuer, each Bondholder will have the right to request the Issuer to redeem all or part of its Bonds at par. See "Terms and Conditions of the Bonds – Redemption and Purchase".
Early Redemption at the Issuer's option, Minimal Outstanding Amount:	The Issuer may, on giving not less than 15 nor more than 30 days' notice to the Bondholders, redeem all but not some only of the Bonds at par, if immediately before giving such notice, the aggregate principal amount of the Bonds outstanding is less than 10 per cent. of the aggregate principal amount originally

	issued. See "Terms and Conditions of the Bonds – Redemption and Purchase".
Events of Default and Negative Pledge:	The Terms and Conditions of the Bonds contain certain events of default and a negative pledge, see "Terms and Conditions of the Bonds – Events of Default" and "Terms and Conditions of the Bonds - Negative Pledge".
Taxation:	All payments of principal and interest in respect of the Bonds will be made free and clear of withholding taxes of the Relevant Taxing Jurisdiction (as hereinafter defined) subject to applicable law and customary exceptions, all as described in "Terms and Conditions of the Bonds – Taxation".
Substitution	The Issuer shall be entitled, subject to certain conditions, to substitute itself as obligor under the Bonds with another entity, see "Terms and Conditions of Bonds – Meetings of Bondholders, Modification, Waiver and Substitution".
Governing Law:	English law.
No Ratings:	The Bonds have not been and are not intended to be rated.
Listing and Admission to Trading:	There is currently no public market for the Bonds. Application has been made to the Luxembourg Stock Exchange for the Bonds to be admitted to the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's regulated market as of the Issue Date. References in this Prospectus to the Bonds being "listed" (and all related references) shall mean that the Bonds have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments.
Selling Restrictions:	The United States, the United Kingdom, France, Switzerland, The Netherlands, Hong Kong and Singapore. See "Subscription and Sale". The Issuer is Category 2 for the purposes of Regulation S under the U.S. Bonds Act of 1933, as amended.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. These include various risks relating to the Issuer's and the Group's business. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Bonds. These include the fact that the Bonds may not be a suitable investment for all investors and certain market risks. See "Risk Factors".

Use of Proceeds:	The net proceeds of the issue of the Bonds will be applied by the Issuer for general corporate purposes of the Group and investments in accordance with the Group's investment strategy.
ISIN:	XS1000918018
Common Code:	100091801

Risk Factors

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive. The order in which the following risk factors are listed is not an indication of the likelihood that they will occur or the extent of their commercial consequences. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

References herein to "Conditions" shall be to the Terms and Conditions of the Bonds.

Risks relating to the Group and its Business

Risks relating to the market generally

Global Financial Crisis and Eurozone Debt Crisis

Concerns about credit risk (including that of sovereigns) and the Eurozone crisis have recently intensified. The large sovereign debts and/or fiscal deficits of a number of European countries and the U.S.A. have raised concerns regarding the financial condition of financial institutions, insurers and other corporates (i) located in these countries; (ii) that have direct or indirect exposure to these countries; and/or (iii) whose banks, counterparties, custodians, customers, service providers, sources of funding and/or suppliers have direct or indirect exposure to these countries. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which the Group operates and the businesses and economic condition and prospects of the Group's counterparties, customers, suppliers or creditors, directly or indirectly, in ways which it is difficult to predict.

The impact of these conditions could be detrimental to the Group and could adversely affect its business, operations and profitability; its solvency and the solvency of its counterparties, custodians, customers and service providers; the value and liquidity of its assets and liabilities; the value and liquidity of the Bonds and/or the ability of the Issuer to meet its obligations under the Bonds and under its debt obligations more generally.

Prospective investors should ensure that they have sufficient knowledge and awareness of the Eurozone crisis, global financial crisis and the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Bonds. In particular, prospective investors should take into account the considerable uncertainty as to how the Eurozone crisis, the global financial crisis and the wider economic situation will develop over time.

Cyclicality of the market

The volume of products the Group merchandises is affected by supply and demand conditions which may be beyond the Group's control

The Group is primarily a merchandiser of agricultural products and metals and its results are affected to a large extent by the volume of products transacted. Under volatile or uncertain market conditions, or when there is depressed demand or oversupply, the volume of physical goods being merchandised or to be merchandised may be reduced for long periods.

As such, the Group may not be able to sell its products or may be forced to sell them at reduced prices which will result in the Group's profit margins being reduced. The inability of the Group to sell its products will prolong the Group's exposure to price risks. It may also cause severe cash flow problems, especially when the time limits for the sale and purchase of the Group's products as agreed with the Group's banking counterparties are exceeded. This may lead to banks recalling or refusing to extend the loans of the Group. As a result, the business, results of operations and/or financial condition of the Group may be adversely affected.

Adverse weather conditions, including as a result of future climate change, may adversely affect the Group

Weather conditions have historically caused volatility in the agricultural commodity industry and consequently, in the Group's operating results, by causing crop failures or significantly reduced harvests. This can adversely affect the supply and pricing of the agricultural commodities that the Group sells and uses in its business and negatively affect the creditworthiness of its customers and suppliers.

Prices for commodities may fluctuate

The prices of all the products that the Group merchandises fluctuate. There can be no assurance that prices of commodities produced and/or marketed by the Group will not move in the future, adversely affecting its financial results.

Among other factors, the prices of commodities produced, purchased and sold by the Group are subject to the general worldwide economic environment, and any downturn in the global economy or in regions material to it could adversely affect the business, results of operations and/or financial condition of the Group.

The use of futures contracts or other derivative instruments may not fully hedge the risks of price fluctuations and the Group may not be able to effectively hedge the Group's risk of price fluctuations for some of the products the Group merchandises

Liquid derivatives markets exist for the majority of the key commodities that the Group markets, for example CBOT (Chicago), MATIF (Paris) and NYMEX (New York), and consequently for products such as cotton, sugar, coffee, grains, oilseeds, juice, metals, freight, rice, fertilizers and dairy, the Group uses derivative instruments to hedge the risks of adverse price fluctuations.

However, the use of such derivative instruments as a means of hedging its exposures may not be fully effective under certain circumstances such as:

- where the prices of the physical products and the corresponding futures prices do not move in the same direction and/or by the same magnitude for periods of time which could be prolonged due, for instance, to speculative activity in the futures market;

- where the product the Group merchandises does not correspond exactly to the futures market in terms of grade, type, market and quantity; and/or
- where the Group's hedging arrangements have to be rolled forward due to the Group's continued possession of the Group's physical products beyond the period contemplated by the initial hedging transaction, thereby exposing the Group to price differences between the contract periods.

If any of the above risks should materialise, the Group's business, results of operations and/or financial condition may be adversely affected.

Moreover, for some of the products which the Group merchandises, there are no futures markets and, as such, there are no derivative instruments available for the Group to hedge the risks of adverse price fluctuations. Under such circumstances, the Group is partially or fully exposed to price risks until the Group has sold the products that the Group has purchased or has bought products that the Group has contracted to sell. If the price of products the Group sells is lower than the price at which the Group procured them, the Group's profitability may be adversely affected.

The Group is vulnerable to industry cyclicality

Earnings generated from the sale of commodities which the Group produces at its own industrial operations, or which are produced by its industrial associates, are influenced by movements in demand and prices for these commodities. Some of the Group's customers operate in industries that are highly cyclical. Demand for particular commodities that the Group produces, purchases, sells and delivers may decrease during downturns in any related industry and, consequently, the volumes and prices of such commodities and the earnings generated therefrom may be adversely affected.

The lead time required to build a processing plant can make it difficult to time capacity additions with market demand for the Group's products. When additional processing capacity becomes operational, a temporary imbalance between the supply and demand for processing capacity might exist, which, until the supply/demand balance is restored, negatively impacts processing margins. The Group's processing margins will continue to fluctuate following industry cycles, which could adversely affect the Group's profitability.

The continued increase in oil prices and general worldwide inflationary pressure could have an impact on the Group

Future increases in oil prices globally may adversely affect the economic growth and stability of certain countries in which the Group operates, and, as a result, may reduce the ability of consumers to purchase the Group's products. The economic and political conditions in these countries make it difficult to predict whether oil will continue to be available at prices that will not negatively affect economic growth and stability.

Industrial risk and logistics disruptions

The Group's business is dependent on its processing facilities and the Group is subject to the risks affecting operations at such facilities

The Group currently operates processing facilities in various countries such as Argentina, Brazil, Canada, China, Germany, India, Indonesia, Russia, Ukraine and U.S.A. (See "Description of Business – Description of Main Activities – Fixed Asset Operator" and "Description of Business – Description of Assets".) These facilities are subject to operating risks, such as industrial accidents, which could cause personal injury or loss of human life and third party damages to become payable, the breakdown or failure of equipment, power supplies or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters and the need to comply with new directives of relevant government authorities.

The Group needs to carry out planned shutdowns of its various plants for routine maintenance, statutory inspections and testing and may need, from time to time, to shut down its various plants for capacity expansions and equipment upgrades.

In addition, due to the nature of its business and despite compliance with requisite safety requirements and standards, the Group's production process is still subject to operating risks, including discharges or releases of hazardous substances, exposure to particulates and the operation of mobile equipment and manufacturing machinery.

These operating risks may cause personal injury or loss of human life and third party damages and could result in the imposition of civil and criminal penalties. The occurrence of any of these events could have a material adverse effect on the productivity and profitability of a particular processing facility and on the Group's business, results of operations and/or financial condition.

(See "Description of Business – Health and Safety" and "Description of Business – Environment")

The Group is subject to risks relating to the processing, storage and transportation of its commodities

The Group relies on a network of processing, transportation and storage facilities that are subject to numerous risks and hazards. If any of these risks materialises, the Group's business, results of operations and/or financial condition could be materially adversely affected.

The Group's processing and storage facilities are subject to risks and hazards, including accidental environmental damage, technical failure, theft, vandalism and terrorism. In addition, the Group also depends upon seaborne freight, rail, trucking, pipeline, overland conveyor and other systems to deliver its commodities to market. Disruption of these transport services due to weather-related problems, key equipment or infrastructure failures, strikes, maritime disaster or other events could temporarily impair the Group's ability to supply its commodities to its customers and thus could adversely affect the Group's operations.

Transportation and storage of certain commodities involve significant hazards that could result in fires, explosions, spills, maritime disaster and other unexpected or dangerous conditions. The occurrence of any of these events could result in a material adverse effect, either directly or indirectly, through resulting damages, claims and awards, remediation costs or adverse publicity on the Group's business. Commodity storage entails significant risks associated with the storage environment, including temperature, humidity levels, pests, parasites and/or diseases. (See also, "Risk Factors – Industrial risk and logistics disruptions. The value of the Group's physical products may deteriorate across various stages of its supply chain"). Excessively high or low levels of moisture, temperature or humidity may result in damage to stored crops and seeds. An event that destroys or results in all or part of a silo complex or terminal being taken out of service could result in the loss of stored crops and require the Group to find alternative storage arrangements. The Group may also be subject to the loss of stored crops as a result of catastrophic events, such as fires, explosions or natural disasters. Moreover, as the Group expands both up- and downstream in the value chain, the volume of inventories that needs to be stored in warehouses grows, and, despite the Group's procedures to limit this exposure and insurance cover, there is thus an increased risk that pilfering and misappropriation could occur.

In addition, the vessels the Group charters to transport its products may be exposed to a variety of natural calamities during operations, including violent storms, tidal waves, rogue waves and tsunamis. Any of these natural calamities could result in such vessels grounding, sinking, colliding with other vessels or property, or the loss of life. If one of the vessels suffers damage, in addition to the potential loss of its cargo, it would need to be repaired, and the costs relating to such losses or repairs may not be covered (either in part or in full) by the insurance policies that are in place. The costs of such repairs are unpredictable and could be substantial. In addition, vessels will require general repair and maintenance from time to time. The loss of earnings while the vessels are being repaired and repositioned, the cost of arranging for alternative transport, as well as the actual cost of such repairs, could adversely affect the Group's business and results of operations. Furthermore, the vessels the Group uses to transport its products may be exposed to piracy, terrorist attacks and other events beyond its control. These events could result in adverse effects to the Group's business as a result of seizure of its cargoes and disruption to its customers' or suppliers' business. While the Group has procured insurance for its operations against these types of risks, no insurance can compensate for all potential losses and there can be no assurance that the insurance coverage the Group has will be adequate or that its insurers will pay a particular claim. In the event of damage to, or the loss of, a vessel or vessels and/or their cargoes, or cases of personal injury or fatalities among personnel, lack of adequate insurance coverage or indemnities may have a material adverse effect on the Group's business and results of operations.

The Group is subject to volatility in shipping and logistics costs

Although the Group has its own freight platform which provides shipping services to support the Group’s operations, most of the Group’s shipments are made using third-party land and sea transport providers. Consequently, the Group is subject to fluctuations in the prices of shipping and logistics costs, which may in turn have an impact on the Group’s results of operations. Shipping and logistics costs for commodities are usually market-driven and are highly cyclical. Shipping rates fluctuate in response to the level of demand for vessels and the availability of vessels to satisfy that demand. The level of demand is influenced by many factors, including general economic conditions, global trading volumes and port usage. Shipping rates are the most variable element of expense in relation to a particular shipment and are relevant to the Group’s results to the extent that they affect the pricing and profit margin of the services provided by the Group.

Changes in shipping rates affect the shipping industry as a whole, and the Group normally mitigates the effect by passing on a proportion of such changes to its customers. However, it may not always be possible for the Group to immediately offset a freight contract with a corresponding charter party or sufficiently hedge against all changes in shipping costs. During certain periods, depending on market conditions, prevailing rates may be subject to change and should rates increase, the profitability and financial results of the Group may be adversely affected even if such rates increases have a positive effect on the profitability and financial results of the chartering division of the Group. In addition, other factors, such as port congestion, increases in fuel costs and piracy, could materially adversely affect the ability of the Group to carry on its operations in a timely or cost-effective manner.

The Group is exposed to infrastructure risks

Certain of the Group’s industrial assets are located in sparsely populated regions to which there is limited access. Key infrastructure such as roads, other transport infrastructure, power sources and water supplies are essential if the Group is to conduct its operations in these regions. In addition, the availability and cost of these utilities and infrastructure affect the Group’s capital and operating costs and consequently its ability to maintain production levels and results of operations. Unusual weather or other natural phenomena, sabotage to or other interference in the maintenance or provision of this infrastructure could impact the development of the Group's projects; reduce the Group's production volumes; or increase the cost or time of transportation of commodities to the Group's customers. Any such issues arising in respect of the infrastructure supporting or on the Group's sites could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. The Group's merchandising activities entail shipments of commodities in large quantities, often by sea. The Group often competes with other producers, purchasers or merchandisers for limited storage and berthing facilities at ports and freight terminals, which can result in delays in loading or unloading the Group's products and expose the Group to significant delivery interruptions. Limitations or interruptions in rail, shipping or port capacity could impede the Group's ability to deliver its products on time. In addition, increases in the costs of freight could adversely affect the Group's business, results of operations or financial condition.

The value of the Group's physical products may deteriorate across various stages of its supply chain

The actual value of the products which the Group delivers may differ from that assessed by the Group for the following principal reasons:

Quality deterioration

The Group's products are subject to deterioration in quality during storage and transit. Each of the Group's products has different physical characteristics and requires different kinds of storage, handling and transportation. For example, some products are sensitive to the external environment and their quality may deteriorate considerably during storage. The realisable value of the Group's products falls with quality deterioration through bad or inadequate quality management.

Weight loss

Weight loss constitutes a major operational risk. All the Group's products tend to lose some weight or volume due to natural causes. Pilferage and theft also contribute to weight loss during storage or transit. The Issuer's financial performance will be adversely affected if there are weight or volume losses to products, which are not otherwise assumed and factored into the pricing of such products.

Variation in yield

Some of the Group's products undergo processing operations, which require estimates to be made regarding the amount of raw material input needed to produce the required output. Such processing output is estimated at the time of buying the various products. Actual output may, however, deviate from the estimate. If such deviation occurs, the Group's results of operations may be adversely affected.

Treasury, access to capital, debt, currency exchange and interest rates

There are risks associated with the Group's current debt financings

The Group is highly dependent on debt financing in the form of short-term debt to fund the Group's working capital requirements.

Since all of the Group's loans have a limited tenure, the Group needs sufficient liquidity to meet the Group's loan repayment obligations. Adverse market conditions which hamper the liquidation of stocks or delay the recovery of credit may affect the Group's loan repayment schedules and this may in turn result in the banks withdrawing or requiring early repayment of the facilities granted to the Group. This might pose a solvency risk for the Group even though the Group may be profitable.

As the Group obtains loans of longer tenures, it may be exposed to risk of interest rate fluctuations. These may adversely affect the Group's business, results of operations and/or financial condition.

The Group may experience limited availability of funds

The Group may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group or that any additional financing will not be dilutive to its shareholders.

Factors that could affect the Group's ability to procure financing include the cyclicality of the agricultural products and food ingredients market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. In addition, consolidation in the banking industry in any market in which the Group procures financing may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to one company or sector.

During recent years, credit markets worldwide have experienced significant volatility, including a reduction in liquidity levels, increasing costs for credit protection and a general decline in lending activity between financial institutions and in commercial lending markets worldwide. These developments may result in the Group incurring increasing financing costs associated with the Group's significant levels of debt.

Furthermore, there can be no assurance that the Group will be able to raise financing on favourable terms or at all, which could have a material adverse effect on the Group. Moreover, the Group's future credit facilities may contain covenants that limit its operating and financing activities and require the creation of security interests over its assets. The Group's ability to meet its payment obligations and to fund planned capital expenditures will depend on the success of the Group's business strategy and the Group's ability to generate sufficient revenues to satisfy its obligations, which are subject to many uncertainties and contingencies beyond the Group's control.

(See "Description of Business – Funding and Liquidity")

Margin calls on futures contracts or other derivative instruments

The Group uses derivative instruments such as commodity futures, forward currency contracts and interest rate contracts to hedge its risks associated with commodity price, foreign currency and interest rate fluctuations.

Excessive movements in commodity prices, foreign currency exchange rates or interest rates could result in margin calls being made on the Group by the relevant futures exchange or calls for posting of additional cash or non-cash collateral being made on the Group by its other derivatives counterparties. Such margin calls in turn result in sudden cash flow requirements which the Group may not be able to meet.

In the event that the Group fails to meet any margin calls, the relevant futures exchange or other derivatives counterparty could terminate the outstanding derivatives position, which could result in losses being suffered by the Group.

Foreign exchange rate fluctuations could adversely affect the Group's financial results

Due to the international nature of its business, the Group is exposed to currency exchange rate fluctuations as a significant portion of its net sales and expenses are denominated currencies other than the U.S. dollar. Changes in exchange rates between the U.S. dollar and other currencies, particularly the Brazilian real, the Argentine peso, the Euro and certain Eastern European and Asian currencies, affect the Group's revenues and expenses that are denominated in local currencies.

Where possible and as a matter of policy, the Group uses forward contracts such as cash-settled forwards to hedge the Group's foreign currency exchange exposures arising from the purchase and sale of products in currencies other than U.S. dollars. Where such instruments are not available, the Group will also attempt to create natural hedging arrangements by matching the value of sales and purchases to and from the same geographic market. Should the Group be unable to hedge the Group's currency exposures, the Group's business, results of operations and/or financial condition may be adversely affected.

Credit and country (political) risks

The Group operates in many developing countries and the Group is subject to risks relating to conducting business in such countries

The Group has significant operations in emerging markets such as Asia, the Middle East, Africa, South and West Latin America and North Latin America (in particular, Brazil) and other developing countries, including certain African countries. The Group believes that the Group has a significant customer and supplier base in these developing countries. In conducting the Group's business, the Group is subject to political, economic, legal, operational and other risks arising from operating in these countries. These risks may include, amongst others:

- civil unrest, military conflict, terrorism, change in political climate and general security concerns;
- default by government bodies who may be the only authorised trading counterparties in certain regulated markets;
- relatively less developed legal systems and business practices which may give rise to difficulties in enforcement of agreements entered into with counterparties;
- changes in duties payable and taxation rates;
- imposition of restrictions on currency conversion or the transfer of funds;
- fluctuation in the currency values;
- limitations and/or bans on imports and exports;
- expropriation or nationalisation of private enterprises or confiscation of private property or assets;
- reversal or change of laws, regulations or policies;
- relatively less developed business and communication infrastructure which may hamper the Group's efficiency and internal controls; and
- reinstatement of commodity boards or state monopolies for any of the Group's products.

Should any of the aforementioned risks materialise and they either exceed the coverage of, or are not covered by, the Group's insurance policies, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group may be adversely affected by the actions of the Group's counterparties

The counterparty risks that the Group may face include, amongst others, the following:

Performance risks

The Group faces the risk that the Group's contractual counterparties, such as customers, suppliers and service providers, fail to honour their contractual obligations to the Group. This may result in the Group not being able to net off the Group's positions and hence reduce the effectiveness of the Group's hedging arrangements.

Non-execution of contracts by counterparties may lead to the Group in turn not being able to honour its contractual obligations to third parties. This may subject the Group to, *inter alia*, legal claims and penalties.

The Group may also be subject to legal claims and penalties if the products which the Group has contracted to sell to its customers suffer losses in weight or quality during shipment and transportation by third parties. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

Credit risks

The Group's counterparties may default on credit which the Group grants them. Credit default may arise due to the failure of the Group's internal credit exposure monitoring system or mechanism, improper judgment or incomplete information on the trading risks of the Group's counterparties. In the countries from which the Group procures its products, the Group may make advances to, amongst others, farmers, agents, co-operatives and other suppliers. These advances may not be recoverable in the event of volatile price movements, disruptions or a sudden end to the crop season. The Group may also make advances to established suppliers or sell on credit to established customers, where it is commercially advantageous to do so. In all these situations, counterparty default on advances will adversely affect the Group's financial performance. Where loans are secured with collateral, the Group may not be able to recover the full value of the loan by liquidating the collateral. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group's business depends significantly on the market conditions in China

A significant proportion of the Group's revenues comes from its activities in the Chinese market. An economic downturn in China or in any of the regional markets where the Group has significant operations could materially and adversely affect the Group's financial condition. In addition, the Chinese government may from time to time adjust its monetary and fiscal policies to manage the rate of growth of the Chinese economy, and such economic adjustments may negatively affect the world economy, and consequently affect negatively the Group's results.

Government regulations and policies

The Group is subject to a significant number of laws and regulations

The Group's activities are subject to extensive laws and regulations governing various matters. These include laws and regulations relating to the commodities markets, taxation, anti-trust, environmental protection, management and use of hazardous substances, management of natural resources, development of projects, production and post-closure reclamation, labour and occupational health and safety standards. Additionally, in many of the developing countries where the Group operates, the legal systems may not be mature and legal practice may not be developed, such that, in certain cases, there may be significant uncertainty as to the correct legal position as well as the possibility of laws changing or new laws and regulations being enacted, which has the potential to increase risk and compliance costs.

These laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety and other impacts of the Group's past and current operations, and could lead to the imposition of substantial fines, penalties, other civil or criminal sanctions, the curtailment or cessation of operations, orders to pay compensation, orders to remedy the effects of violations and/or orders to take preventative steps against possible future violations. Moreover, the costs associated with compliance with these laws and regulations are substantial. More stringent enforcement or restrictive interpretation of current laws and regulations by governmental authorities or rulings or clearances obtained from such governmental authorities could cause additional expenditure (including capital expenditure) to be incurred or impose restrictions on or suspensions of the Group's operations and delays in the development of its properties.

In addition, the enactment of new laws and regulations and changes to existing laws and regulations compliance with which could be expensive or onerous, could also have a material adverse impact on the Group's business.

In particular, in the wake of the recent worldwide financial crisis, both the U.S.A. and European states have sought to increase regulation of the financial markets, including the commodities markets in which the Group operates, through implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislation in the U.S.A. and similar initiatives in Europe. Though the implantation of these initiatives is still subject to uncertainty, they could, in particular, have an impact on the Group's ability to hedge its merchandising activities (for instance, by imposing limits on positions in the commodity exchanges and/or requiring increased transparency with respect to volumes transacted).

Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability

Agricultural production and trade flows are significantly affected by government policies and regulations. Governmental policies affecting the agricultural industry (such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and commodity products) can influence industry profitability, the planting of certain crops versus other uses of agricultural resources, the location and size of crop production, whether unprocessed or processed commodity products are merchandised, and the volume and types of imports and exports.

In addition, international trade disputes can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. Rising commodity prices have historically prompted governments in several countries to introduce export bans on key agricultural commodities and commodity products.

There is no assurance that such export bans may not become more prevalent, whether across countries or products. Future government policies may adversely affect the supply, demand for and prices of the Group's products, restrict the Group's ability to do business in the Group's existing and target markets and could adversely affect the Group's financial condition.

The Group is subject to regulation by various regulatory bodies

The Group is subject to the rules and practices of various regulatory bodies, exchanges and trade associations which regulate and organise the terms and conditions of trade in some of the Group's products. Such organisations include, amongst others: the Commodity Futures Trading Commission; Autorité des Marchés Financiers; Financial Conduct Authority; exchanges such as CBOT, CME, LME, London International Financial Futures and Options Exchange ("**LIFFE**"); the Liverpool Cotton Association (now known as the International Cotton Association); Grain and Feed Trade Association; Association for international trading in oils, fats and oilseeds; and the China Futures Association.

These associations help to facilitate dispute resolution through a recognised forum and allow trade participants to regulate, promote and develop best practices as an industry.

If the Group is found to be in breach of any rules or regulations of such trade associations or regulatory bodies, the Group may be subject to fines, penalties or other sanctions. This may adversely affect the Group's business, results of operations and/or financial condition.

(See "Description of Business – Regulatory Environment and Compliance").

The Group may be subject to the laws of various countries imposing sanctions for conducting business with certain persons

Certain countries in which the Group currently does business, or may consider doing business in the future, are or may become subject to various trade sanctions including, but not limited to, sanctions administered by the United States Treasury Department's Office of Foreign Assets Control, and European Union and United Nations Sanctions programmes. While the Group employs dedicated resources (see "Description of Business – Regulatory Environment and Compliance") to ensure that it is in compliance, no guarantee can be given that the Group will not in the future enter into transactions that breach these sanctions. Non-compliance with applicable sanctions could result in imposition of significant fines, as well as negative publicity and reputational damage. Any of the foregoing could result in a material adverse effect on the Group's business, results of operations and/or financial condition.

Environmental regulation imposes additional costs and may affect the results of the Group's operations

Costs and liabilities related to compliance with applicable environmental laws and regulations are an inherent part of the Group's business. Particularly in respect of the Group's processing activities, the Group is subject to various national, provincial and municipal environmental laws and regulations, concerning issues such as damage caused by air emissions, noise emissions, waste-water discharges, solid and hazardous waste handling and disposal, and the investigation and remediation of contamination.

These laws can impose liability for non-compliance with the regulations or clean up liability in respect of the generation of hazardous waste and other substances that are disposed of either on or off-site, regardless of fault or the legality of the disposal activities. Other laws may require the Group to investigate and remedy contamination at its properties or where it conducts its operations, including contamination that was caused in whole or in part by previous owners of its properties. Moreover, these laws and regulations are becoming increasingly more stringent and may in future create substantial environmental legislation and regulatory requirements. It is possible that such compliance may prove restrictive and/or costly.

In addition to clean-up liability, the Group may become subject to monetary fines and penalties for violation of applicable laws, regulations or administrative orders. This may also result in closure or temporary suspension or adverse restrictions on its operations. The Group may also, in future, become involved in proceedings with various regulatory authorities that may require it to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for environmental compliance.

In addition, third parties may sue the Group for damages and costs resulting from environmental contamination emanating from its properties and/or production facilities. Although there are no material outstanding claims that the Group's properties and production facilities are not in compliance in all material respects with all applicable environmental laws, unidentified environmental liabilities could arise which could have an adverse effect on the Group's business, results of operations and/or financial condition.

(See "Description of Business – Environment").

The Group may not be able to maintain or obtain statutory and regulatory licences, permits and approvals required for its business

The Group requires certain statutory and regulatory licences, permits and approvals, which may be subject to certain conditions. While the Group has historically been able to maintain or obtain such licences, permits and approvals as and when required, there can be no assurance that the relevant authorities will in the future issue or extend any such licences, permits or approvals in a timely manner, at all or on terms that are acceptable to the Group. The loss of any of its licences, a temporary suspension thereof, a breach of the terms of a licence by the Group or failure to obtain any further required licences in the future for whatever reason could have a material adverse effect on the Group's business, results of operations and/or financial condition. (See "Description of Business – Regulatory Environment and Compliance").

Other major risks (including public health)

Terrorist attacks, other acts of violence or war and adverse political developments may affect the business and results of operations of the Group

The Group operates in over 90 countries around the world, including large presences in Asia, the Middle East, Africa and Latin America. Many of the countries in which it operates have experienced terrorist attacks in the past. Terrorist activities could materially and adversely affect international financial markets and economies and may adversely affect the operations, revenues and profitability of the Group. The consequences of any of these terrorist attacks or armed conflicts are unpredictable, and the Group may not be able to foresee events that could have an adverse effect on the Group's business, results of operations and/or financial condition.

The outbreak of an infectious disease or any other serious public health concerns in Asia and elsewhere could adversely impact the Group's business, results of operations and/or financial condition

The outbreak of an infectious disease in Asia and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Asia or elsewhere and adversely impact the revenues and results of the Group. In 2003, there was an outbreak of Severe Acute Respiratory Syndrome ("**SARS**") in Hong Kong, China and other places. The SARS outbreak had a significant adverse impact on the economies of the affected countries. The spread of Influenza A H1N1 in 2009 also affected many areas of the world and there were reported cases of New Delhi Metallo-beta-lactamase-1 (NDM-1) in many countries and regions. There were also reported cases of avian influenza (bird flu) in several countries including Hong Kong, China and Indonesia.

Although historically the Group's results have not been significantly affected by outbreaks of infectious disease, there can be no assurance that there will not be another significant global outbreak of a severe communicable disease such as avian influenza or SARS or that any precautionary measures taken against infectious diseases would be effective. A future outbreak of an infectious disease or any other serious public health concern in Asia or elsewhere could adversely affect the Group's business.

Competition and market data

The Group faces competition in the Group's various product and geographic markets

The Group faces competition in its various product and geographic markets. The Group's competitors range from global trade houses to local distributors and buying agents.

The Group also faces additional competition from its existing customers who are becoming more involved in sourcing their own products. In some of the developing economies where the Group operates, government controls on trade are gradually being relaxed and trade is being opened up to new participants. As such, there are potential threats of new competitors entering the markets in which the Group operates. Increased competition may reduce the growth in customer base, reduce the profit margin and the market share that the Group currently has, and result in higher selling and marketing expenses. There can be no assurance that other competitors will not surpass the Group's performance in the future. In the event that the Group fails to sustain its competitive advantages, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group also faces the risk of disintermediation as some of its existing market counterparties at different stages of the agricommodities value chain may, in the future, use their resources to broaden into some or all of the markets in which the Group operates and therefore provide further competition for the Group. These competitors may also expand and diversify their commodity sourcing, processing or marketing or merchandising operations to increase competitive pressure on the Group, and the Group's business, results of operations and/or financial condition may be adversely affected.

In most of the countries in which the Group operates, the Group's operations are also subject to various licensing requirements. Complete deregulation or the removal of licensing requirements in the countries from which the Group procures its products may lead to increased competition. This may have an adverse effect on the Group's business operations in these countries. As a result, the Group's business, results of operations and/or financial condition may be adversely affected. (See "Description of Business – Competition").

The Group is often unable to obtain accurate third-party data to corroborate the Group's market assumptions

To meet the demands of the Group's customers in the developed world, the Group sources agricultural products and food ingredients from the point of collection from suppliers in numerous developing countries. As such, the Group is exposed to inefficient markets where the Group relies on its own employees to overcome any lack of political, legal and financial infrastructure to obtain accurate, reliable and available data. If, as a result of inaccurate or unreliable data or lack of available data, the Group's assumptions with respect to any of the markets in which it operates prove to be erroneous, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group may face uncertainties associated with its expansion plans

Since its establishment in its current form in 2006, the Group had undertaken certain expansion initiatives through the acquisition of various companies and the establishment of joint ventures, and as part of its strategy, the Group intends to continue pursuing a policy of measured expansion and development through asset acquisition (See "Description of Business – Strategy – Consolidate the Group's leading global positions through continued targeted asset growth and integration of the value chain").

The Group's expansion initiatives involve numerous risks, including but not limited to, the financial costs of investment in machinery and equipment, construction of new facilities and working capital requirements. Moreover, mergers and acquisitions involve risks, including: unforeseen contingent risks or latent liabilities relating to these businesses that may only become apparent after the merger or acquisition is finalised; potential difficulties in the integration and management of the operations and systems; potential difficulties in the retention of select personnel; potential difficulties in the co-ordination of sales and marketing efforts; and diversion of the Group's management's attention from other ongoing business concerns.

The success of the Group's acquisition and investment strategy depends on a number of factors, including:

- the Group's ability to identify suitable opportunities for investment or acquisition;
- whether the Group is able to complete an acquisition or investment agreement on terms that are satisfactory;
- the extent to which the Group is able to exercise control over the acquired company or business;
- the economic, business or other strategic objectives and goals of the acquired company or business compared to those of the Group; and
- the Group's ability to successfully integrate the acquired company or business with the Group.

In addition, there is no assurance that the initiatives undertaken will result in increased revenues or cost-cutting or other synergies commensurate with the investment costs. If the Group is unable to do so or cannot manage its costs, its business and profitability will be adversely affected as the Group will not be able to recover the costs of its investment.

The Group is dependent on its internal systems for the Group's operations

The Group's operations rely on its ability to process a substantial number of complex transactions involving different markets, countries and currencies. Consequently, the Group is dependent on the Group's risk management systems, operational systems, other data processing systems and the Group's financial accounting systems. Although most of the Group's information technology infrastructure is housed in secured data-centres with disaster recovery plans in place for its critical systems (see "Description of the Business – Information Technology"), if any of these systems do not operate properly or are disabled, the Group may suffer disruption to the Group's business operations, financial loss and/or damage to the Group's reputation.

In addition, the Group's systems may not detect illegal, unauthorised or fraudulent activities by the Group's employees. The Group's present systems may also not be able to cope with the Group's growth and expansion. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group is dependent on key personnel for the Group's operations and profitability

One of the key reasons for the Group's growth and success has been the Group's ability to retain a talented and motivated team of senior professional managers (See "Description of Business – Competitive Strengths - Strong management team and stable shareholder structure"). The Group's continued success will depend on the Group's ability to retain key management staff and train new employees. If members of the Group's senior management team are unable or unwilling to continue in their present positions, the Group's business, results of operations and/or financial condition may be adversely affected.

Moreover, the process of hiring employees with the required combination of skills and attributes may be time-consuming and competitive. The Group may not be able to attract additional qualified persons for overseas postings in developing economies. This will further constrain the Group's growth in those places. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

If the demand among competitors for professional managers and skilled employees continues to increase, such increase in demand is likely to lead to increases in remuneration costs, and as a result, the Group's business, results of operations and/or financial condition may be adversely affected.

The Issuer is a holding company

The Issuer's principal business is to act as the holding company of the Group and virtually all of the Issuer's assets are shareholdings in its subsidiaries and associated companies. Investors will not have any direct claims on the cash flows or the assets of such subsidiaries and associated companies, and such entities have no obligation, contingent or otherwise, to pay amounts due under the Bonds or to make funds available to the Issuer for these payments. In order to satisfy its payment obligations, the Issuer will rely on dividends and other payments received from its subsidiaries and associated companies. Both the timing and ability of certain subsidiaries and associated companies to pay dividends is limited by applicable laws as well as their financial performance and may be limited by conditions contained in certain of their agreements such as dividend restrictions and obligations to maintain debt/equity ratios (see "Description of the Business – Funding and Liquidity").

Substantial shareholders could significantly influence the outcome of corporate actions in a manner which may conflict with the Group's interests and the interests of other shareholders

The Group (including its predecessor companies) is, and has been for over 160 years, a family-owned company and the Issuer's substantial shareholders can significantly influence most matters requiring approval by the Issuer's shareholders. No assurance can be given that the Issuer's substantial shareholders' objectives will not conflict with the Issuer's business goals and activities.

The Group is subject to its obligations relative to its Employee Participation Plan and related contractual arrangements

The Group has set up an Employee Participation Plan ("**EPP**") at the level of its indirect parent company, Louis Dreyfus Commodities Holdings B.V. ("**LDCH BV**"), designed to ensure that certain key employees benefit from the Group's success and growth. In connection with this plan, the Issuer has certain contractual obligations. The Group and LDCH BV have entered into reimbursement agreements under which certain subsidiaries of the Group will reimburse LDCH BV for the benefit attributed to their employees pursuant to the EPP. For further details of the Group's financial obligations under the EPP, see note 29 to the consolidated financial statements of the Group as at, and for the years ended, 31 December 2012, 2011 and 2010 as set out on pages F-1 *et seq*. of this Prospectus. The Group's obligations under the EPP may impose constraints on its financial results and might affect them adversely, without any relation with the Group's economic or commercial performance.

Insurance, liability and tax

The Group's insurance policies may not adequately cover all potential losses and the Group or its key personnel might face liability in case of major incident

The Group's insurance policies cover various risks, including, but not limited to, general and specific liabilities, property damage, fire, theft, civil disturbance, riots, inland transit and marine risks. While the Group considers that currently it has sufficient insurance coverage in place, the Group's insurance policies may not adequately compensate for any and every type of loss that the Group may incur. Any such loss not otherwise compensated may adversely affect the Group's business, results of operations and/or financial condition.

The Group's liability in the case of a major incident, such as pollution caused by a cargo, destruction of freight infrastructures, product recall or poisoning, is covered under various insurance policies, up to a certain limit. However, the Group might not be able to fully protect itself against the financial, reputational or commercial consequences of such an event, and this might adversely affect the Group's business, results of operations and/or financial condition.

The Group may inadvertently deliver genetically modified organisms ("GMOs") to those customers that request GMO-free products

The use of GMOs in food and in animal feed has been met with varying degrees of acceptance in the different markets in which the Group operates. The United States and Argentina, for example, have approved the use of GMOs in food products and animal feed, and GMO and non-GMO grain is produced and frequently commingled during the grain sourcing process.

However, adverse publicity about genetically modified food has led to governmental regulation that limits or prevents sales of GMO products in some of the markets in which the Group sells its products, including the European Union and its constituent nations. It is possible that new restrictions on GMO products will be imposed in major markets for the Group's products or that the Group's customers will decide to purchase lower levels of GMO products or not to buy GMO products.

The Group may not always be able to verify all aspects of how and where the agricultural products that the Group sources are produced and under what conditions they are so produced and it is therefore possible that the Group may inadvertently deliver products that contain GMOs to those customers that request GMO-free products. As a result, the Group could lose customers and may incur liability. The Group may also incur significant expenses related to upgrading its procedures and facilities. GMO products that have not received regulatory approval may also enter the food chain. If the Group encounters incidents of this type, they can be costly and time-consuming to rectify, may damage the Group's reputation and may subject the Group to litigation. If regulators in the countries that restrict or prohibit the sale of GMO products or customers who request GMO-free products do not have confidence in the Group's products, the Group could lose customers and could be prohibited from selling its products in those countries, which could, in turn, affect the Group's business, results of operations and/or financial condition.

The Group's profitability may be affected by changes in tax regimes and certain special tax incentives

The Group's operations in various countries are subject to different tax regimes. Changes in local tax regulations, or the interpretation thereof, might adversely affect the Group's business, results of operations and/or financial condition.

Factors which are material for the purpose of assessing the market risks associated with the Bonds

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

The secondary market generally

Although application has been made for the listing and quotation of the Bonds on the Luxembourg Stock Exchange, the Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be maintained or be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, or have been prepared to meet the investment requirements of limited categories of investors. These types of securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Bonds.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency unit (the "**Investor's Currency**") other than the Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any of the Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

Risks related to the Bonds

The Bonds may not be a suitable investment for all investors

Each of the risks highlighted below could adversely affect the trading price of the Bonds or the rights of investors under any Bonds and, as a result, investors could lose some or all of their investment. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Issuer may raise other funds which affect the price of the Bonds

The Issuer may raise additional funds through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Bonds. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders on a winding-up of the Issuer. The issue of any such securities or the incurrence of any such other liabilities might also have an adverse impact on the trading price of the Bonds and/or the ability of Bondholders to sell their Bonds.

No obligation of subsidiaries or associated companies to pay amounts under the Bonds

The Issuer’s principal business is to act as the holding company of the Group, and virtually all of the Issuer’s assets are shareholdings in its subsidiaries and associated companies. Investors will not have any direct claims on the cash flows or the assets of the other entities of the Group, and such entities have no obligation, contingent or otherwise, to pay amounts due under the Bonds or to make funds available to the Issuer for these payments.

Neither the Issuer nor the Bonds are rated

Investors should not assume or imply that any rating ascribed to the Issuer or any of its indebtedness or credit would apply to the Bonds. The Issuer does not currently benefit from, and has not applied to any ratings agency for, either a corporate rating or a rating of the Bonds, and does not currently intend to apply for any such rating.

Taxation

Payments of interest on the Bonds, or profits realised by a Bondholder upon the sale or repayment of the Bonds, may be subject to taxation or other documentary charges or duties in its home jurisdiction or in any other jurisdiction in which it is required to pay taxes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Bonds. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Bonds. Only these advisers are in a position to duly consider the specific situation of each potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the Bonds.

A Holder's effective yield on the Bonds may be diminished by the tax impact on that Bondholder of its investment in the Bonds.

Modification and waivers

The Conditions contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

EU Savings Directive

EC Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") requires European Union ("**EU**") Member States to provide to the tax authorities of other EU Member States details of payments of interest and other similar income paid by a person established within its jurisdiction to (or for the benefit of) an individual or certain other persons in that other EU Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment to an individual were to be made or collected through an EU Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent with a specified office in an EU Member State that is not obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

Integral multiples of less than €100,000

The denomination of the Bonds is €100,000 and integral multiples of €1,000 in excess thereof. Therefore, it is possible that the Bonds may be traded in amounts in excess of €100,000 that are not integral multiples of €100,000. In such a case, a Bondholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 will not receive a definitive Bond in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more denominations.

Change of control – Put option

In the event of a Change of Control of the Issuer (as defined in Condition 5(c) of the Terms and Conditions of the Bonds), each Bondholder will have the right to request the Issuer to redeem all or part of its Bonds at par, together with any accrued interest thereon. In such case, any trading market in respect of those Bonds in respect of which such redemption right is not exercised may become illiquid. Investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Bonds.

Change of law

The terms and conditions of the Bonds are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change as to English law or administrative practice after the date of this Prospectus.

Insolvency laws of The Netherlands may preclude Holders from recovering payments due on the Bonds or the Coupons.

The Issuer is organised under the laws of The Netherlands and has its statutory seat (*statutaire zetel*) in The Netherlands, and is likely to have its centre of main interests (within the meaning of the EU Insolvency Regulation) in The Netherlands. Consequently, the main insolvency proceedings in respect of the Issuer would likely be initiated in The Netherlands while secondary proceedings could be initiated in one or more EU jurisdictions (with the exception of Denmark) in which the Issuer has an establishment. Dutch insolvency laws may make it difficult or impossible to effect a restructuring which may limit the ability of the Holders to enforce their rights under the Bonds or the Coupons.

There are two insolvency regimes under Dutch law in relation to corporations. The first, suspension of payments (*surseance van betaling*), is intended to facilitate the reorganisation of a debtor's debts and enable the debtor to continue as a going concern. The second, bankruptcy (*faillissement*), is primarily designed to liquidate the assets of a debtor and distribute the proceeds thereof to its creditors.

A request for a suspension of payments can only be filed by the debtor itself if it foresees that it will not be able to continue to pay its debts as they fall due in the future. Upon commencement of suspension of payments proceedings, the court will immediately (*dadelijk*) grant a provisional suspension of payments, and will appoint an administrator (*bewindvoerder*). A definitive suspension will generally be granted in a creditors' meeting called for that purpose, unless a qualified minority (more than one-quarter in amount of claims held by creditors represented at the creditors' meeting or one-third in number of creditors represented at such creditors' meeting) of the unsecured and non-preferential creditors (including subordinated creditors) withholds its consent or if there is no prospect that the debtor will in the future be able to pay its debts as they fall due (in which case the debtor will generally be declared bankrupt). During a suspension of payments, unsecured and non-preferential creditors (including subordinated creditors) will be precluded from attempting to recover their claims existing at the moment of the commencement of the suspension of payments from the assets of the debtor. A suspension of payments is subject to exceptions, the most important of which excludes secured creditors and (subject to certain limitations) preferential creditors (such as tax and social security authorities and employees) from the application of the suspension. This implies that during suspension of payments proceedings secured creditors may proceed to take recourse against the assets that secure their claims to satisfy their claims, and preferential creditors are also not barred from seeking to recover their claims. However, a competent Dutch court may order a “cooling down period” for a maximum period of two times two months during which enforcement actions by secured creditors and preferential creditors are barred, unless such creditors have obtained leave for enforcement from the court or the supervisory judge (*rechter-commissaris*).

In a suspension of payments, a composition (*akkoord*) may be proposed by the debtor to its creditors. Such a composition will be binding on all unsecured and non-preferential creditors (including subordinated creditors), irrespective of whether they voted in favour or against it or whether they were represented at the creditor’s meeting called for the purpose of voting on the composition, if (i) it is approved by a simple majority of the recognised and admitted creditors present or represented at the relevant meeting, representing at least 50 per cent. of the amount of the recognised and admitted claims and (ii) it is subsequently ratified (*gehomologeerd*) by the court. Consequently, Dutch insolvency laws could reduce the recovery of Holders in a Dutch suspension of payments applicable to the Issuer.

Bankruptcy can be applied for either by the debtor itself or by a creditor if the debtor has ceased to pay its debts as they fall due. This is deemed to be the case if the debtor has at least two creditors (at least one of which has a claim that is due and payable). Simultaneously with the opening of the bankruptcy, a liquidator in bankruptcy will be appointed. Under Dutch bankruptcy proceedings, the assets of an insolvent debtor are generally liquidated and the proceeds distributed to the debtor’s creditors in accordance with the ranking and priority of their respective claims. The general principle of Dutch bankruptcy law is the so-called *paritas creditorum* (principle of equal treatment) which means that the net proceeds of the liquidation of the debtor's assets in bankruptcy proceedings shall be distributed to the unsecured and non-preferential creditors in proportion to the size of their claims and in priority to any subordinated creditors. Subordinated creditors will only receive payment if the net proceeds of the debtor's assets exceed the claims of the unsubordinated creditors. Certain creditors (such as secured creditors and preferential creditors) have special rights that may adversely affect the interests of Holders. For example, a Dutch bankruptcy in principle does not prohibit secured creditors from taking recourse against the encumbered assets of the bankrupt debtor to satisfy their claims.

Consequently, Dutch insolvency laws could reduce the potential recovery of a Holder in Dutch bankruptcy proceedings. As a general rule, to obtain payment on unsecured and non-preferential claims (including subordinated claims), such claims need to be submitted to the liquidator in bankruptcy in order to be recognised. The liquidator in bankruptcy determines whether a claim can be provisionally recognised for the purpose of the distribution of the proceeds, and at what value and ranking. The valuation of claims that do not by their terms become payable at the time of the commencement of the bankruptcy proceedings may be based on their net present value. Interest payments that fall due after the date of the bankruptcy will not be recognised. At a creditors’ meeting (*verificatievergadering*) the liquidator in bankruptcy, the insolvent debtor and all relevant creditors may contest the provisional recognition of claims of other creditors. Creditors whose claims or part thereof are disputed in the creditors’ meeting will be referred to separate court proceedings (*renvooiprocedure*). This procedure could result in Holders receiving a right to recover less than the principal amount of their Bonds or Coupons. In addition, in a Dutch bankruptcy in practice usually no or little funds remain available for the payment of unsecured and non-preferential creditors or subordinated creditors.

As in suspension of payments proceedings, in a bankruptcy, a composition (*akkoord*) may be offered to the unsecured and non-preferential creditors, including subordinated creditors. Such a composition will be binding upon all unsecured and non-preferential creditors (including subordinated creditors), if (i) it is approved by a simple majority of unsecured non-preferential creditors (including subordinated creditors) with recognised and provisionally admitted claims representing at least 50 per cent. of the total amount of the recognised and provisionally admitted unsecured non preferential claims (including subordinated claims) and (ii) it is subsequently ratified (*gehomologeerd*) by the court.

Secured creditors may, in a Dutch bankruptcy, enforce their rights against the assets of the debtor which are subject to their security rights, to satisfy their claims as if there were no bankruptcy. As in suspension of payments proceedings, the competent Dutch court or the supervisory judge may order a "cooling down period" for a maximum of two times two months during which enforcement actions by those creditors are barred unless they have obtained leave for enforcement from the supervisory judge. Under Dutch law, as soon as a debtor is declared bankrupt, all pending enforcements of judgments against such debtor terminate by operation of law and all attachments on the debtor's assets lapse by operation of law. Litigation against a debtor which is pending on the date on which that debtor is declared bankrupt and which concerns a claim against that debtor which must be satisfied from the proceeds of the liquidation in bankruptcy is automatically stayed.

Terms and Conditions of the Bonds

The following are the terms and conditions substantially in the form in which they will be endorsed on the Bonds:

The issue of the Bonds was authorised by the managing board (bestuur) of the Issuer in a resolution adopted on 22 November 2013. An agency agreement dated 4 December 2013 (as amended from time to time, the "**Agency Agreement**") has been entered into in relation to the Bonds between the Issuer and BNP Paribas Securities Services, Luxembourg Branch, as principal paying agent and fiscal agent. The fiscal agent and the paying agents for the time being (including any successor agents appointed from time to time in connection with the Bonds) are referred to below respectively as the "**Fiscal Agent**" and the "**Paying Agents**" (which expression shall include the Fiscal Agent) and together, the "Agents". The Agency Agreement includes the form of the Bonds and the coupons relating to them (the "**Coupons**"). Copies of the Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents (specified below in accordance with Condition 6(e)). The holders of the Bonds (the "**Bondholders**") and the holders of the Coupons (whether or not attached to the relevant Bonds) (the "**Couponholders**") are deemed to have notice of all the provisions of the Agency Agreement applicable to them. References to "Holders" shall include both Bondholders and Couponholders.

References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below.

1 Form, Denomination and Title

(a) **Form and denomination:** The Bonds are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000, each with Coupons attached on issue. No definitive Bonds will be issued with a denomination above €199,000. Bonds of one denomination may not be exchanged for Bonds of any other denomination.

(b) **Title:** Title to the Bonds and Coupons passes by delivery. The holder of any Bond or Coupon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2 Status

Status: The Bonds and Coupons constitute (subject to Condition 3) unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 3, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations, save for such obligations which may be preferred by applicable law.

3 Negative Pledge

So long as any Bond or Coupon remains outstanding (as defined in the Agency Agreement), the Issuer will not, and will ensure that none of its Material Subsidiaries will, create, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds and the Coupons the same security as is created to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Bondholders.

In these Conditions:

(i) "**Consolidated Group**" means the Issuer and its consolidated Subsidiaries from time to time;

(ii) "**Material Subsidiary**" means, at any time, a Subsidiary:

(x) whose revenues (excluding intra-Consolidated Group items) then account for at least 10 per cent. of the consolidated revenues of the Consolidated Group; or

(y) whose assets (excluding intra-Consolidated Group items) then account for at least 10 per cent. of the consolidated assets of the Consolidated Group.

For this purpose:

(a) the revenues or assets of a Subsidiary of the Issuer will be determined from the contribution which it makes to the assets and revenues, as applicable, of the Consolidated Group based on the latest audited financial statements of the Consolidated Group;

(b) if a Subsidiary of the Issuer becomes a member of the Consolidated Group after the date on which the latest audited financial statements of the Consolidated Group have been prepared, the revenues or assets of that Subsidiary will be determined from its latest financial statements;

(c) the revenues or assets of the Consolidated Group will be determined from its latest audited annual financial statements; and

(d) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Issuer, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent audited annual financial statements of those Subsidiaries and the Consolidated Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

(iii) "**Relevant Indebtedness**" means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market; and

(iv) "**Subsidiary**" means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

4 Interest

The Bonds bear interest from and including 4 December 2013 at the rate of 4.00 per cent. per annum, payable annually in arrear in equal instalments of €40.00 per Calculation Amount (as defined below) on 4 December in each year (each an "**Interest Payment Date**"). Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Fiscal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these terms and conditions (the "**Conditions**")).

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), the day-count fraction used will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

In these Conditions, the period beginning on and including 4 December 2013 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Bond shall be calculated per €1,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period save as provided above in relation to equal instalments shall be equal to the product of 4.00 per cent., the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

5 Redemption and Purchase

(a) **Redemption Date:** To the extent they have not previously been redeemed or repurchased and cancelled, the Bonds will be redeemed at their principal amount plus accrued interest on 4 December 2020 (the "**Maturity Date**").

(b) **Redemption for withholding taxation reasons:** The Issuer may redeem the Bonds in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 14 and the Fiscal Agent (which notice shall be irrevocable), at their principal amount together with interest accrued to the date fixed for redemption, if the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any actual or proposed change in, or amendment to, the laws or regulations of the jurisdiction of the Issuer or any Substitute appointed pursuant to Condition 11 (the "**Relevant Taxing Jurisdiction**") (including a decision or ruling of any court or tribunal) or any political subdivision or any authority thereof or therein having power to tax, or any actual or proposed change in the official application or official interpretation of such laws or regulations (including any interpretation or pronouncement by any relevant tax authority), which change or amendment becomes effective on or after the Issue Date, (a "**Withholding Tax Event**"), provided that (i) such Withholding Tax Event cannot be avoided by the Issuer taking reasonable measures available to it and (ii) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing (which may include legal advisers of the Issuer and/or who have advised in connection with the original issue of the Bonds) to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(c) **Redemption at the option of the Bondholders in the event of a Change of Control**:

A Change of Control Put Event will be deemed to occur if a Change of Control occurs (a "**Change of Control Put Event**").

If a Change of Control Put Event occurs, each Bondholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the relevant Change of Control Put Event Notice (as defined below), the Issuer has given notice to redeem the Bonds in accordance with Condition 5(b)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) the Bonds held by it on the Change of Control Put Date at their principal amount together with (or, where purchased, together with an amount equal to) interest (if any) accrued to but excluding the Change of Control Put Date.

Promptly upon a Change of Control Put Event having occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Bondholders in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the circumstances giving rise to it, the procedure for exercising the Change of Control Put Option and the Change of Control Put Date.

In order to exercise the Change of Control Put Option, the holder of the Bond must deposit such Bond with the Principal Paying Agent at its specified office at any time during normal business hours of the Principal Paying Agent, accompanied by a duly signed and completed option exercise notice in the form (for the time being current) available from the specified office of the Principal Paying Agent (a "**Change of Control Put Notice**") within the period (the "**Change of Control Put Period**") of 45 days after a Change of Control Put Event Notice is given. No Bond so deposited and option so exercised may be revoked or withdrawn.

The Bonds should be delivered together with all Coupons relating to them maturing after the Change of Control Put Date, failing which the amount of any such missing unmatured Coupon will be deducted from the sum due for payment in the manner provided in Condition 6(c). The Principal Paying Agent will issue to the Bondholder concerned a non-transferable receipt in respect of the Bond so delivered. Payment in respect of any Bond so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date, by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office the Principal Paying Agent. For the purposes of these Conditions, receipts issued pursuant thereof shall be treated as if they were Bonds.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Bonds on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

For the purposes of this Condition 5(c):

A "**Change of Control**" shall be deemed to have occurred each time that any Third Person or Third Persons acting in concert come(s) to own or acquire(s) directly or indirectly (i) more than 50 per cent. of the issued share capital of the Issuer or (ii) such number of shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights exercisable at a general meeting of the Issuer.

"**Change of Control Put Date**" is the seventh day after the last day of the Change of Control Put Period.

"**Permitted Holding Company**" means each and any company or other legal entity which is directly or indirectly controlled or co-controlled by a Relevant Person, whether through ownership of voting capital, by contract or otherwise.

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

"**Related Persons**" with respect to the Relevant Person means:

(i) in the case of any individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof;

(ii) any trust, corporation, partnership or other Person for which one or more of the Relevant Person and other Related Persons, directly or indirectly constitute the whole or entire stockholders, beneficiaries, partners or owners thereof, or persons beneficially holding in the aggregate the whole or entire controlling interest therein; or

(iii) any investment fund or vehicle managed, sponsored or advised by such Relevant Person on its behalf or any successor thereto.

"**Relevant Person**" means any Person who, as at 4 December 2013, controls the Issuer.

"**Third Person**" means any Person who fulfils all of the following criteria:

(i) is not as at 4 December 2013 a direct or indirect holder of shares of the Issuer;

(ii) is not a Related Person of the Relevant Person; and

(iii) is not a Permitted Holding Company.

(d) **Redemption in the case of Minimal Outstanding Amount:** The Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem all but not some only of the Bonds at par, if immediately before giving such notice, the aggregate principal amount of the Bonds outstanding is less than 10 per cent. of the aggregate principal amount originally issued (which shall, for the avoidance of doubt, include any further Bonds issued pursuant to Condition 12).

(e) **Notice of redemption:** All Bonds in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

(f) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Condition 11(a).

(g) **Cancellation:** Bonds redeemed or purchased for cancellation purposes will be cancelled. Bonds so cancelled may not be re-issued or re-sold.

6 Payments

(a) **Method of Payment:** Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Bonds or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent. Payments of interest due in respect of any Bond other than on presentation and surrender or endorsement of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Bond.

(b) **Payments subject to laws:** All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7. No commissions or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

(c) **Surrender of unmatured Coupons:** Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 7) for the relevant payment of principal.

(d) **Payments on business days:** A Bond or Coupon may only be presented for payment on a day which is a business day in the place of presentation. No further interest or other payment will be made as a consequence of the day on which the relevant Bond or Coupon may be presented for payment under this Condition 6 falling after the due date. In this Condition "**business day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

(e) **Paying Agents:** The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Fiscal Agent, and (ii) a Paying Agent with a specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

7 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds and the Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any taxes present or future, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of or within the Relevant Taxing Jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond or Coupon presented for payment:

(a) **Other connection:** by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding of the Bond or Coupon;

(b) **Presentation more than 30 days after the Relevant Date:** more than 30 days after the Relevant Date except to the extent that the Holder of it would have been entitled to such additional amounts on presenting such Bond or Coupon for payment on the last day of such period of 30 days;

(c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive;

(d) **Payment by another Paying Agent:** by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying Agent in a Member State of the European Union;

(e) **Avoidable deduction:** by or on behalf of a Holder if such withholding or deduction would have been avoided by such Holder complying with any statutory requirement or making a declaration of residence or non-residence or other similar claim from exemption to the relevant tax authority and such Holder fails to do so; or

(f) **Beneficial owners:** by or on behalf of a Holder that is a partnership, or a Holder that is not the sole beneficial owner of the Bond or which holds the Bond in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settler or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settler or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment.

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Holders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition.

8 Events of Default

If any of the following events occurs and is continuing:

(a) **Non-Payment:** the Issuer fails to pay the principal of or any interest on any of the Bonds when due and such failure continues for a period of 15 days in the case of principal or interest; or

(b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Bonds which default is not remedied within 30 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Bondholder; or

(c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for moneys borrowed becomes due and payable prior to its stated maturity as a result of any event of default (howsoever described) or (ii) any such indebtedness is otherwise not paid when due following the expiry of any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed after the expiration of any applicable grace period, unless (in the case of (i) only, and only in relation to an event of default referred to in (i) which is not a payment default) the Issuer or the relevant Material Subsidiary, as the case may be, is contesting in good faith and by appropriate proceedings that such indebtedness was due, and provided (in the case of (i), (ii) and (iii)) that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 8(c) have occurred equals or exceeds €50,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this Condition 8(c) operates); or

(d) **Insolvency:** the Issuer or any of its Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting such debts; or

(e) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation where all the obligations of the Issuer under the Bonds are assumed by the resulting or remaining entity,

then any Bond may, by notice in writing given to the Fiscal Agent at its specified office by the holder, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further formality unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent.

9 Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

10 Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent or any Paying Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, Bond, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

11 Meetings of Bondholders, Modification, Waiver and Substitution

(a) **Meetings of Bondholders:** The Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on, or to vary the method of calculating the rate of interest on, the Bonds, (iii) to change the currency of payment of the Bonds or the Coupons, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) **Modification of Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Bondholders.

(c) **Substitution:** The Issuer, or any previous substituted company, may at any time, without the consent of the Holders, substitute for itself as principal debtor under the Bonds and the Coupons, any Subsidiary or Affiliate of the Issuer (the "**Substitute**"), provided that no payment in respect of the Bonds or the Coupons is at the relevant time overdue or in default. The substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement, and may take place only if: (i) the Substitute shall, by means of the Deed Poll, agree to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge which is or may be imposed on, incurred by or levied on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Bond or Coupon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any liability, charge, cost or expense, in connection with the substitution; (ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents or approvals) to ensure that the Deed Poll, the Bonds and Coupons represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of Louis Dreyfus Commodities B.V. have been taken, fulfilled and done and are in full force and effect; (iii) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it; (iv) where the Substitute is not the Issuer, the obligations of the Substitute under the Bonds and the Coupons shall be unconditionally and irrevocably guaranteed by Louis Dreyfus Commodities B.V. by means of the Deed Poll; (v) legal opinions, dated not more than five Business Days prior to the date of substitution, addressed to the Holders shall have been delivered to them (care of the Fiscal Agent) from independent legal advisers of recognised standing (which may include legal advisers of the Issuer and/or who have advised in connection with the original issue of the Bonds) in each jurisdiction referred to in (i) above, the jurisdiction of the Issuer (if different) and in England as to the fulfilment of the preceding conditions of this Condition 11 and the other matters specified in the Deed Poll; and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Bondholders in accordance with Condition 14, stating that copies, and pending execution the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Bondholders, will be available for inspection at the specified office of each of the Paying Agents. The Issuer will notify Bondholders as soon as reasonably practicable following a substitution in accordance with Condition 14 and such substitution shall become effective upon the publication of such notice.

In this Condition "**Affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

12 Further Issues

The Issuer may from time to time without the consent of the Holders create and issue further Bonds either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any other Bonds issued pursuant to this Condition and forming a single series with the Bonds.

13 Provision of Financial Information

For so long as any Bonds are outstanding the Issuer will deliver to the Fiscal Agent within 105 days of the end of each financial year of the Issuer, beginning with the financial year ending 31 December 2013, a copy in the English language of financial statements consisting of an audited consolidated balance sheet of the Issuer as at the end of the most recent financial year and prior financial year and audited consolidated statements of income, comprehensive income, changes in equity and cash flow of the Issuer for the most recent financial year with a comparison against the prior-year period, together with complete notes to such financial statements and a report of the independent auditors of the Issuer on such financial statements; and procure that copies of the same are made available (A) on the website of the Luxembourg Stock Exchange's regulated market and (B) for inspection by Holders in accordance with the Agency Agreement at the specified office of each of the Paying Agents as soon as practicable thereafter. The financial statements referred to in this paragraph shall be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (or any other internationally recognised set of accounting standards deemed equivalent to IFRS by the Committee of European Securities Regulators from time to time) and with a level of detail that is substantially comparable to that set out on pages F-1 *et seq.* of the Prospectus relating to the Bonds dated 2 December 2013.

In addition, for so long as any Bonds are outstanding, the Issuer will deliver to the Fiscal Agent within 105 days of the end of the first six months in each financial year of the Issuer, beginning with the six months ended 30 June 2013, a copy in the English language of half-yearly financial statements consisting of an unaudited consolidated balance sheet as at the end of such six months and the immediately preceding financial year-end and unaudited statements of income, comprehensive income, changes in equity and cash flow for the six months ending on the date of the unaudited balance sheet, and the comparable prior year period for the Issuer, together with condensed notes to such financial statements and a limited review or other report of the independent auditors of the Issuer on such financial statements and procure that copies of the same are made available (A) on the website of the Luxembourg Stock Exchange's regulated market and (B) for inspection by Holders in accordance with the Agency Agreement at the specified office of each of the Paying Agents as soon as practicable thereafter. The interim condensed financial statements referred to in this paragraph shall be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (or any other internationally recognised set of accounting standards deemed equivalent to IFRS by the Committee of European Securities Regulators from time to time) in accordance with a level at least equivalent to IAS34 "Interim Financial Reporting".

14 Notices

Notices to Bondholders will be valid if published in a leading newspaper having general circulation in London (which is expected to be the Financial Times) and (so long as the Bonds are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if such publication shall not be practicable, in an English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

16 Governing Law

(a) **Governing Law:** The Agency Agreement, the Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

(b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Bonds or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Bonds or Coupons) ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Condition is for the benefit of each of the Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) **Agent for Service of Process:** The Issuer irrevocably appoints Hackwood Secretaries Limited of One Silk Street, London, EC2Y 8HQ as its agent in England to receive service of process in any Proceedings in England based on any of the Bonds or the Coupons. If for any reason the Issuer does not have such an agent in England, it will promptly appoint a substitute process agent and immediately notify the Holders of such appointment in accordance with Condition 14. Nothing herein shall affect the right of any Holder to serve process in any other manner permitted by law.

Summary of Provisions while in Global Form

The Agency Agreement, the Temporary Global Bond and the Global Bond contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the terms and conditions of the Bonds set out in this document. The following is a summary of certain of those provisions:

1 Exchange

The Temporary Global Bond is exchangeable in whole or in part for interests in the Global Bond on or after a date which is expected to be 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Bond. The Global Bond is exchangeable in whole but not, except as provided in the next paragraph, in part (free of charge to the holder) for the Definitive Bonds described below (i) if the Global Bond is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (ii) if principal in respect of any Bonds is not paid when due and payable. Thereupon, the holder may give notice to the Fiscal Agent of its intention to exchange the Global Bond for Definitive Bonds on or after the Exchange Date specified in the notice.

If principal in respect of any Bonds is not paid when due and payable, the holder of the Global Bond may, by notice to the Fiscal Agent (which may but need not be the default notice referred to in "–Default" below), require the exchange of a specified principal amount of the Global Bond (which may be equal to or (provided that, if the Global Bond is held by or on behalf of a clearing system, that clearing system agrees) less than the outstanding principal amount of Bonds represented thereby) for Definitive Bonds on or after the Exchange Date (as defined below) specified in such notice.

On or after the Exchange Date, the holder of the Global Bond may surrender the Global Bond or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for the Global Bond, or on endorsement in respect of the part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Bonds (having attached to them all Coupons in respect of interest which has not already been paid on the Global Bond), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Agency Agreement. On exchange in full of the Global Bond, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant Definitive Bonds.

"**Exchange Date**" means a day falling not less than 60 days or, in the case of exchange pursuant to (ii) above, 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (i) above, in the cities in which the relevant clearing system is located.

2 Payments

No payment will be made on the Temporary Global Bond unless exchange for an interest in the Global Bond is improperly withheld or refused. Payments of principal and interest in respect of Bonds represented by the Global Bond will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bonds, surrender of the Global Bond to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Bondholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Global Bond, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Bonds. Condition 7(d) will apply to the definitive Bonds only. For the purpose of any payments made in respect of a Global Bond, Condition 6(d) shall not apply, and all such payments shall be made on a day on which the TARGET 2 system is open for the settlement of payments in euro.

3 Notices

So long as the Bonds are represented by the Global Bond and the Global Bond is held on behalf of a clearing system, notices to Bondholders may be given by delivery of the relevant notice to that clearing system for communication by it to the entitled accountholders in substitution for publication as required by the Conditions except that, so long as the Bonds are listed on the Luxembourg Stock Exchange's regulated market and the rules of that Exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (*www.bourse.lu*) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) .

4 Prescription

Claims against the Issuer in respect of principal and interest on the Bonds while the Bonds are represented by the Global Bond will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

5 Meetings

The holder of the Global Bond shall (unless the Global Bond represents only one Bond) be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each €1,000 in principal amount of Bonds.

6 Purchase and Cancellation

Cancellation of any Bond required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Global Bond.

7 Default

The Global Bond provides that the holder may cause the Global Bond or a portion of it to become due and payable in the circumstances described in Condition 8 by stating in the notice to the Fiscal Agent the principal amount of Bonds which is being declared due and payable. If principal in respect of any Bond is not paid when due and payable, the holder of the Global Bond may elect that the Global Bond becomes void as to a specified portion and that the persons entitled to such portion, as accountholders with a clearing system, acquire direct enforcement rights against the Issuer under further provisions of the Global Bond executed by the Issuer as a deed poll.

8 Put Option

The Bondholders' put option in Condition 5(c) may be exercised by the holder of the Global Bond, giving notice to the Fiscal Agent of the principal amount of Bonds in respect of which the option is exercised and presenting the Global Bond for endorsement of exercise within the time limits specified in Condition 5(c).

9 Issuer's Option

The Issuer's call option provided for in Condition 5(d) shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the relevant Conditions. The rights of accountholders will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

10 Electronic Consent and Written Resolution

While any Global Bond is held on behalf of a relevant clearing system, then approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding (an "**Electronic Consent**" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held, and shall be binding on all Bondholders and holders of Coupons whether or not they participated in such Electronic Consent; and where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Bond or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Bondholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Bonds. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Bonds is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

Description of Business

Overview of LDC

Louis Dreyfus Commodities B.V. ("**LDC**" and, together with its consolidated subsidiaries, the "**Group**") was incorporated in The Netherlands as a private limited liability company (*Besloten Vennootschap*) under Dutch law on 28 December 2004 for an unlimited term with registration number 24 37 12 19. Its principal business is to act as a holding company of the Group. As holding company of the Group, LDC centralises and oversees the day-to-day global management of the Group. Its registered office is at Westblaak 92, 3012KM Rotterdam, The Netherlands and its telephone number is +31 10 206 2440. As at 30 June 2013, the share capital of LDC amounted to U.S.$1.438 million (at a historical conversion rate of €1.00 equalling U.S.$1.438) consisting of 100,000,000 ordinary shares of Euro 0.01 nominal value each fully issued and paid up. Neither the shares of LDC nor those of any of its direct or indirect subsidiaries are listed on any stock exchange. For further information on LDC's shareholding structure, please refer to "Management and Shareholders".

Overview of the Group

The Group is a leading global integrated commodities group [1], with worldwide activities in the merchandising of agricultural products and metals and their production, sourcing, processing, storage and transport. The Group focuses predominantly on a single asset class – agricultural commodities – but does so in a highly diversified manner, covering all of the main categories within this single asset class such as: grains, oilseeds, rice, feed, cotton, coffee, sugar, juices, fertilizers and dairy. The Group's business model consists of a globally managed, diversified portfolio of merchandising activities supported in key production and consumption centres by strategically located production, processing and logistics assets. The Group sources and produces a large range of agricultural products; processes and refines products and materials; stores and transports commodities for export or domestic consumption; and merchandises, customises and distributes to a wide range of industrial and commercial consumers, including in the food, textile, and fuel processing industries. In particular, the Group takes advantage of its extensive and long-standing product sourcing capacities in the Americas supported by its global logistics and processing network to supply its large distribution networks in the growing markets of Asia. The Group also provides financing, logistics and other services to producers and consumers within the commodities markets in which the Group participates.

The Group believes that it has global market leading positions in a number of areas in which it operates,[1] including being:

- the world's largest merchandiser of raw cotton by volume;
- a world leader in rice merchandising;
- one of the world's leading orange juice processors by volume;
- one of the world's largest merchandisers of oilseeds and their by-products (vegetable oils and meals) by volume;
- among the world's leading merchandisers of wheat, barley and corn by volume;
- among the world's largest merchandisers of green coffee by volume; and
- among the world's leading sugar merchandisers by volume.

1 For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

The Group conducts its operations in three business segments: Proteins, Tropicals and Other Products. Each of the Group's business segments focuses on a range of distinct product lines (each a "**platform**"), as follows: Proteins include the oilseeds, grains, rice, feed, freight and finance platforms; Tropicals include the juice, cotton, coffee and sugar platforms; Other Products include the metals, dairy, fertilizers and others platforms. Each platform is responsible for the integrated management, marketing, sourcing, hedging, logistics and fixed asset operations, as well as the global strategy, relating to the commodities or the activities which the platform covers.

Set out below are certain key consolidated financial data for the Group as at, or for the six month periods ended, 30 June 2012 and 2013, and as at, or for the years ended, 31 December 2010, 2011 and 2012:

	As at, or for the year ended, 31 December			**As at, or for the six month period ended, 30 June**	
	U.S.$ millions (after rounding)			*U.S.$ millions (after rounding)*	
	2010	**2011**	**2012**	**2012**	**2013**
Net Sales	44,667	57,669	57,140	26,960	29,161
Net Income, Group share – continuing operations	962	875	1,096	464	260
Fixed Assets[(1)] and Investments in associates	2,362	3,057	3,708	-	3,823
Equity – Group share	3,349	3,872	4,750	-	4,770

Note:

(1) References herein to "Fixed assets" or "Fixed Asset Base" mean Property, Plant and Equipment; Biological and Intangible assets.

History

The Group traces its history back to 1851, when Léopold Louis-Dreyfus, the 18-year-old son of a farmer from Sierentz, in the Alsace region of France, entered the grain business by buying wheat from local Alsatian farmers and selling it in the commercial centre of Basel in Switzerland. Over the next half-century, Louis Dreyfus expanded to become an international grain merchant (also trading in futures), with operations serving Europe, North and South America, South Africa and Asia.

During the early part of the twentieth century, Louis Dreyfus expanded its business in North and South America as an exporter of corn, wheat, barley, oats and oilseeds to worldwide customers. By the end of the Second World War, Louis Dreyfus had achieved a global footprint with offices in Europe, North and South America, South Africa, India, Indo-China, China, Australia and Russia.

In the 1970s and 1980s, Louis Dreyfus extended its agricultural activities to cotton, sugar, citrus and coffee.

In the 1990s, Louis Dreyfus focused on commodity sourcing activities to complement the existing merchandising activities, buying processing operations in citrus and oilseeds. In the early years of the present century, Louis Dreyfus further expanded with the purchase of sugar production operations in Brazil and entry into the metals business.

In 2006, Robert Louis-Dreyfus (the great-grandson of Léopold Louis-Dreyfus) took control of Louis Dreyfus group. He restructured Louis Dreyfus' different activities into autonomous subsidiaries, resulting in the creation of the Group. At the same time, Philippe Louis-Dreyfus (another great-grandson of Leopold Louis-Dreyfus) acquired 100 per cent. of Louis Dreyfus Armateurs, the ship-owning arm of the former Louis Dreyfus group.

During the last five years, the Group has consolidated and expanded its businesses in the commodities markets in which it currently operates, entered into new markets such as the palm oil, fertilizer, apple juice concentrate and dairy markets and managed a successful expansion into new geographical areas such as Indonesia, Vietnam and certain countries in the Middle East and Africa. It has also expanded through numerous significant acquisitions and transactions, including the following:

2007: acquisition of an oilseed crushing plant in China; creation of Calyx Agro;

2008: acquisition of an edible-oil refinery in India and of a stake in an Indonesian palm-oil plantation company;

2009: acquisition of a rapeseed crushing plant in Germany;

2010: acquisition of a deep-sea port in Lampung, Indonesia; signing of a long-term off-take contract to operate a grains and oilseeds terminal at the port of Santos (Brazil); and signing of an agreement with a strategic partner for the construction of a soybean crushing plant in Paraguay;

2011: entry into the Green Eagle joint venture (an Indonesian palm plantation company); entry into the feed milling sector in China, a strategic step marking the Group's first entry into the sector; acquisition of SCPA-Sivex International, a leading fertilizer, crop protection and chemical products manufacturer and distributor in West and Central Africa; and acquisition of Macrofértil Industria e Comercio de Fertilizantes Ltda in Brazil, a fertilizer manufacturer and distributor in several Brazilian states;

2012: acquisition of Imperial Sugar Company (a U.S.A. company formerly listed on NASDAQ) allowing the Group to expand its industrial base, add a new consumer product to its offering in the sugar sector and reinforce its presence in North America; acquisition of Ecoval, a leading international dairy trading company.

The Group's fixed asset base (including investments) had a value of U.S.$3.8 billion as at 30 June 2013.

Competitive Strengths

The Group believes that its success is built upon the following combination of key competitive strengths:

Leading global market positions in a wide range of commodity areas[2]

The Group is among the market leaders in many of the areas in which it operates. For example, it believes that it is: the world's largest merchandiser of raw cotton by volume; one of the world's leading orange juice processors by volume; one of the world's largest merchandisers of oilseeds and their by-products (vegetable oils and meals) by volume; among the world's leading merchandisers of wheat and corn and barley by volume; among the world's largest merchandisers of green coffee by volume; and among the world's leading sugar merchandisers by volume.

These market-leading positions benefit the Group in a number of ways, including by: (i) allowing it to benefit from economies of scale leading to more competitive pricing; (ii) helping it to develop trusted relationships with market counterparties, including suppliers, customers and farmers globally, which in

[2] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

turn gives the Group increased access to market knowledge and physical flows; and (iii) fostering partnerships with financial institutions (it has relationships with over 170 banks in more than 35 countries and six regions) providing coverage in over 90 countries which in turn provides increased and cheaper access to liquidity.

Diversity in product range and geographical spread

The Group focuses predominantly on a single asset class – agricultural commodities – but does so in a highly diversified manner covering all of the main categories within this field. Its commodities offering covers many of the world's most traded agricultural commodities such as: grains, oilseeds, feed, rice, cotton, coffee, fruit juices, fertilizers and dairy. The Group is also involved in metals (including copper and zinc concentrates, as well as copper cathodes) in the ocean freight market and the financial markets of certain emerging countries.

The Group also has a high level of geographical diversity. For over 160 years, the Group's and its predecessor entities' strategy has been to be as close as possible to the world's production and consumption regions. As at 31 December 2012, it had operations in six global regions: North America, North Latin America, South Latin America, Europe and the Black Sea, Asia and the Middle East and Africa, and managed its activities from 113 offices located around the world with operations in more than 90 countries. Its operations are particularly developed in the Southern Hemisphere, and the Group takes advantage of its extensive and long-standing product sourcing capacities in the Americas to supply its large distribution networks in the growing markets of Asia and the Middle East and Africa (though it also sources directly in Asia). The Group believes that its diversity in terms of both product offering and geography is a key strength allowing it to improve access to evolving global commodity flows while helping to mitigate against regional risks. In particular, the Group considers that its high level of diversification in both commodity types and geography is beneficial in a number of ways:

Logistics synergies

The Group has generated and continues to build economies of scale by drawing on the complementary crop harvesting cycles for the Tropicals and Proteins segments. This results in a more efficient use of logistical facilities and working capital, as well as synergies among support and administrative functions. Moreover, maximising volumes leads to increased optimisation of the Group's ocean freight chartering activities both in bulk and containers.

Pooling expertise

The Group's emphasis on enhancing information flows and leveraging its expertise enables it to apply similar arbitrage strategies across a diverse range of commodities.

Local market knowledge

The Group's significant involvement at the local agri-business level in different geographical regions affords it insights into macro-drivers such as foreign exchange fluctuations, farmer finances, weather, and government policies.

Risk management

The diversity of the Group's commodity offerings contributes to de-concentrating risk, both on the market side (for example, there is generally a low correlation between the Proteins and Tropicals segments) and in terms of spreading credit risk among a wider base of market counterparties. Geographical diversity further helps to mitigate against regional risk, for example enabling the Group to guarantee supply regardless of adverse climate conditions or biosecurity issues.

Platform for local expansion

The Group's existing presence and local knowhow in one platform in a particular region facilitate its expansion into other platforms in the same region.

Vertically integrated merchandiser

The Group's merchandising activities are supported by a base of logistical and production assets integrated into the areas of its core commodities. Through significant investment in assets on all of the world's continents, the Group has built links across the value chain: from sourcing and production, through processing and refining and transport and storage, to research, merchandising, customisation and distribution. The Group currently operates over 200 facilities across the world, with a fixed asset base (including investments) with a current value of U.S.$3.8 billion as at 30 June 2013.

Integration of assets allows the Group to benefit from synergies and economies of scale in relation to all key transaction components, including commodity purchases and sales and their associated financing, storage, transportation and risk management activities, resulting in increased efficiencies at every stage of the value chain. It also gives the Group increased control over physical flows in the supply chain thus helping to protect against supply risk and gather local intelligence to improve merchandising.

In-depth market understanding supported by dedicated research teams

The Group's merchandising operations are supported by dedicated research teams, whose job is to continually produce real-time and in-depth market intelligence. In this, the Group employs principles developed and tested by over 160 years of experience in the markets, enhanced by the latest technology, including an extensive data base for performance tracking and validation. Real-time data analysis allows harvests on the ground to be evaluated by local offices and experts, and the results processed centrally and directed to the platforms and merchandising business worldwide. The Group believes that its diversified global presence adds to this a comprehensive knowledge of local markets and their specific characteristics and opportunities.

The Group also believes that it has an in-depth market understanding, and that this is a significant strength because it helps to inform the platforms' hedging and merchandising decisions and allows them to identify and implement new business opportunities globally by accessing "on the ground" knowledge and information about local markets on a "real time" basis.

Risk management capabilities

The Group believes that the ability to manage risk is a key strength of the Group. Risk management is a core function of LDC's management structure – the chief compliance risk officer ("**CCRO**") is positioned just below the chief executive officer in the Group's management hierarchy and above all of the regional and functional organisational structures. The CCRO also reports to the Chairman of the Board for Compliance. Risk is also a crucial consideration in the Group's overall merchandising strategy, which is based on bulk sourcing and merchandising, capturing margins coming from the high volumes merchandised and value chain integration, with profits relatively isolated from large market fluctuations thanks to proactive and prudent risk management. (See "Risk Management".) Risk policies are determined centrally and administered regionally by a team of dedicated specialists. Exposures are monitored on a daily basis. Compliance procedures are continuously being reviewed and updated to reflect the constantly evolving regulatory environment. Risk and compliance procedures and monitoring systems are designed to be clear and prudent while seeking to allow optimal deployment of risk capital.

The Group believes that its sound risk management policies have contributed to its positive performance through the volatile market environment over the last few years and helped to mitigate earnings volatility.

Strong management team and stable shareholder structure

LDC's management team has a proven track record of developing and growing the business. Since the creation of the Group in its current form in 2006, the current management has overseen the consolidation and expansion of the Group's business in the commodities markets in which it had existing operations and managed its successful expansion into new markets such as palm oil, fertilizers and dairy, as well as into new geographical areas such as Indonesia, Vietnam and certain countries in the Middle East and Africa. The management team has also overseen numerous major acquisitions and transactions (See "Description of Business – History"). Together the top management team (Senior Executive Committee) has an individual average of more than 16 years of experience working within the Louis Dreyfus Group and the majority were promoted to their current positions from within Louis Dreyfus.

LDC believes that its current ownership structure fosters a culture of excellence, teamwork and accountability. Key management and employees are incentivised through the Group's employee participation plan, which involves equity participation at the LDCH BV level and helps to align interests of shareholders, management and employees. Employees of LDC currently hold an economic interest of approximately 15 per cent. in LDCH BV.

Moreover, Louis Dreyfus is, and has been for over 160 years, a family-owned business. This shareholder structure has historically provided stability, and is conducive to the Group's long-term business consolidation, development and expansion.

Well-managed and flexible financial model

The Group has historically pursued a funding model based on its regional subsidiaries maintaining lending relationships with local banks. This has provided significant diversification both in terms of sources of funding and geographies allowing the Group to expand while managing its liquidity position.

Since its creation the Group has managed to increase the number of committed facilities available to it. It had 30 per cent. committed facilities at 31 December 2010: this had increased at 30 June 2013 to 32 per cent. representing an increase of U.S.$1.8 billion. Funding is provided by a diverse range of both regional and international banks, and as at 30 June 2013, the Group had access to a pool of over 170 different relationship banks.

At the same time, the Group believes that it has successfully managed its liquidity position including throughout the 2008 financial crisis and in the volatile commodities environment over the last three years with increasing long-term debt and short-term debt balanced by current assets. The Group's consolidated gross debt[3] stood at U.S.$8.7 billion as at 31 December 2012 (U.S.$2.6 billion being long-term debt, and 62 per cent. maturing after 2014) with available liquidity of U.S.$7.6 billion,[4] covering 40 per cent. of total assets as at 31 December 2012. As at 31 December 2012, short-term debt was U.S.$6.1 billion, 95 per cent. covered by cash and cash equivalents and Readily Marketable Inventories

3 Gross debt includes long-term and short-term bank loans and acceptances, commercial paper, financial advances from related parties, less repurchase agreements and securities short positions.

4 Available liquidity is made up of cash and cash equivalents plus available for sale financial assets plus other financial assets at fair value, plus RMI plus undrawn committed bank lines (U.S.$2 billion as at 30 June 2013).

(RMI).[5] At the same date, net debt[6] stood at U.S.$7.8 billion and adjusted net debt (net of RMI) reached U.S.$2.8 billion leading to an adjusted net gearing[7] at 0.59. The Group's consolidated gross debt[3] stood at U.S.$9.3 billion as at 30 June 2013 (U.S.$2.4 billion being long-term debt) with available liquidity of U.S.$8.5 billion,[4] covering 42 per cent. of total assets as at 30 June 2013. As at 30 June 2013, short-term debt was U.S.$6.9 billion, 88 per cent. covered by cash and cash equivalents and Readily Marketable Inventories (RMI).[5] At the same date, net debt[6] stood at U.S.$8.4 billion and adjusted net debt (net of RMI) reached U.S.$3.03 billion leading to an adjusted net gearing[7] at 0.63.

LDC believes that its sound liquidity position and access to diverse funding sources has significantly contributed to its global expansion and business growth and has allowed the Group to remain flexible and resilient during the 2008 financial crisis and in the volatile commodities environment over the last three years. (See "Description of Business – Funding and Liquidity").

Strategy

The Group's strategy is centred around four key axes:

Consolidate the Group's leading global positions through continued targeted asset growth and integration of the value chain[8]

Through significant investment in assets on all of the world's continents, the Group has built links across the value chain: from sourcing and production, through processing and refining and transport and storage, to research, merchandising, customisation and distribution. The Group currently operates over 200 facilities across the world, with a fixed asset base (including investments) worth U.S.$3.8 billion as at 30 June 2013. As a key component of its strategy, the Group plans to continue pursuing a policy of measured expansion and development through investments in assets. The Group intends to exploit opportunities for building and/or acquiring assets all along the value chain, both upstream and downstream, ranging from production assets such as orange groves through processing assets, both primary such as oilseed crushing plants, and secondary such as sugar refineries. For instance, in June 2012, the Group acquired the listed U.S.A. company Imperial Sugar Company (ISC), an established market leader in sugar refining and distribution. The acquisition of ISC means that the Group can offer an enhanced service to its upstream and downstream business partners. This sourcing and processing asset expansion will be supported by targeted acquisitions and expansion on the logistics and infrastructure side, for example, by investing in deep-sea port terminals and storage facilities in key sources and destinations.

The Group believes that this strategy will: (i) result in increased processed and merchandised volumes and associated revenues; (ii) allow it to become more integrated and to further benefit from synergies and economies of scale in relation to all key transaction components, including commodity purchases and sales and their associated financing, storage, transportation and risk management activities, resulting in increased efficiencies at every stage of the value chain; and (iii) give it increased control over physical flows in the supply chain and presence at key locations thus helping to protect against supply risk and gather local market insight to manage its risks and improve its merchandising activities.

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5 Due to their very liquid nature, certain agricultural inventories are treated as readily marketable inventories (RMI). RMI are readily convertible to cash because of widely available markets and international pricing mechanisms. The Group considers that trading inventories of fewer than three months can qualify as RMI.

6 Net debt is gross debt minus cash and cash equivalents minus other current financial assets net of financial assets held for trading purposes and reverse repurchase agreement loans.

7 Adjusted net gearing: adjusted net debt/equity.

8 For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

Taking advantage of the Group's existing diversified global presence by expanding into new geographies to selectively target business opportunities

The Group operates on all of the world's continents and has a presence in more than 90 countries. The Group has a proven track record of successfully expanding and consolidating its presence in new geographical markets, for example with the 2011 acquisition of SCPA-Sivex International, a fertilizer, crop protection and chemical products distributor, which consolidated the Group's footprint in West and Central Africa. The Group intends to build upon this presence and leverage its proven track record of operating within a broad geographical area to consolidate, extend and diversify its reach in key global regions. Expansion will be centred on regions which the Group considers to be high-growth markets and will focus on both key sourcing areas, such as North and South America, Australia, Indonesia and the Black Sea region, as well as key consumption destinations such as China, India and the African continent. The Group intends to expand and diversify its geographical presence by growing its asset base and by leveraging existing relationships and developing new relationships with market counterparties in key regions. It intends to target partnerships with regional market leaders to secure flows from sources, gain knowledge of local markets and leverage on local partners' local networks, thus accessing relevant supplies in cost-competitive geographies such as South East Asia and the Black Sea region. It will also use its expertise in logistics to enter sizeable domestic markets through logistics or processing activities at destination in order to address the regional consumer base and capitalise on its significant commercial and industrial know-how.

The Group believes that this strategy will enable it to: (i) accompany market growth and capture new market share by continued market penetration; (ii) enhance access to evolving global commodity flows; (iii) mitigate against regional risks by bolstering the geographic diversity of the Group's sources and end-markets; (iv) capitalise on geographical arbitrage merchandising opportunities by supplying products in one location by sourcing it from another to capture optimal margins; and (v) continue to profit from new business opportunities worldwide by accessing "on the ground" knowledge and information about local markets.

Continued diversification in product lines to help balance commodity concentration risk and to meet customer requirements

The Group focuses predominantly on a single asset class – agricultural commodities, but does so in a diversified manner covering all of the main categories within this field, merchandising over 13 distinct commodities categories. The Group has a proven track-record of expanding into new commodity classes which complement its existing business, for example with the establishment of the fertilizers platform in Brazil, which capitalises on the Group's extensive relationship with the local farming community, from whom the Group purchases cotton bales, soybeans and grains, by enabling the Group to sell to such farmer community fertilizers or crop protection products, allowing the Group to capture share in an expanding market with high growth potential and profit margins. The Group intends to continue to consolidate its market presence in the commodities which it already merchandises by further investment in those platforms, as well as exploiting opportunities to branch out into new commodity lines in high growth markets to complement the existing business. The Group intends to achieve this strategy both organically and by targeted acquisitions, and will seek to leverage existing capabilities in physical merchandising and supply chain management, as well as its existing network and assets, to support expansion into new commodities. For instance, in October 2012 the Group acquired Ecoval, a major player in the dairy industry which is expected to help to significantly develop the Group's dairy activities. The addition of the Netherlands-based Ecoval to its existing business is expected to enable the Group to enhance both its product and geographical diversity in the dairy market.

The Group believes that this strategy, accompanied by continued asset growth and geographical expansion, will enable it to further diversify its product offering thus mitigating the risk of exposure to any particular commodity class and helping to optimise use of financing resources and to mitigate profit volatility. It is also expected to give the Group access to an even broader spectrum of commodities in different grades and specifications, allowing it to better satisfy customer requirements and further exploit cross-selling opportunities between commodities.

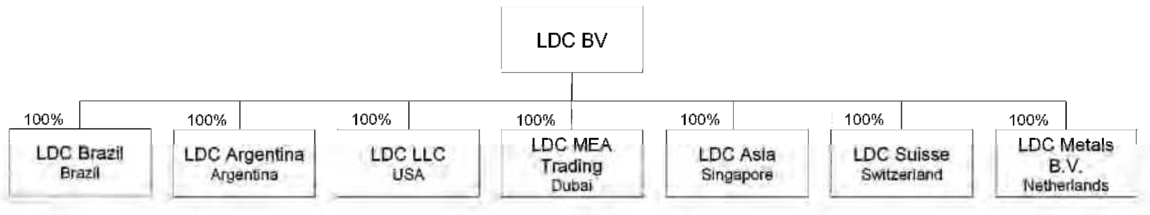
Maintain a conservative financial profile and diversify funding sources to support measured growth

The Group's funding has historically been based on a local funding model, with its regional subsidiaries maintaining lending relationships with local banks. This has provided significant diversification both in terms of sources of funding and geographies allowing the Group to expand while successfully managing its liquidity position, as has been demonstrated through 2008 financial crisis and in the volatile commodities environment over the last three years. The Group intends to continue to pursue this financial model by focusing in the near- to medium-term on: (i) procuring more committed facilities; (ii) extending the Group's debt maturity profile; and (iii) further diversification of funding sources. (See "Competitive Strengths – Well-managed and flexible financial model" and "Description of Main Activities – Funding and Liquidity".)

Corporate Structure

The Issuer is a member of the wider Louis Dreyfus group and a direct subsidiary of Louis Dreyfus Commodities Netherlands Holding B.V.

Set out below is a diagram showing the Group's corporate structure:



Description of Main Activities

Introduction

The Group is a leading global integrated commodities group,[9] with worldwide activities in the merchandising of agricultural products and metals and their production, sourcing, processing, storage and transport. The Group focuses predominantly on a single asset class – agricultural commodities – but does so in a highly diversified manner, covering all of the main categories within this single asset class such as: grains, oilseeds, rice, feed, cotton, coffee, sugar, fruit juices, fertilizers and dairy. The Group's business model consists of a globally managed, diversified portfolio of merchandising activities supported in key production and consumption centres by strategically located production, processing and logistics assets. The Group sources and produces a large range of agricultural products; processes and refines products and materials; stores and transports commodities for export or domestic consumption; and merchandises, customises and distributes to a wide range of industrial and commercial consumers, including in the food, textile and fuel processing industries. In particular, the Group takes advantage of its extensive and long-standing product sourcing capacities in the Americas supported by its global logistics and processing network to supply its large distribution networks in the

[9] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

fast-developing emerging markets. The Group also provides financing, logistics and other services to producers and consumers within the commodities markets in which the Group participates.

Merchandising

The core business of the Group consists of merchandising commodities. The Group and its predecessor entities have over 160 years of experience as a physical commodity merchant. This has allowed it to develop and build upon its expertise in the diversified commodities portfolios which it merchandises and to cultivate long-term relationships with a supplier and customer base across diverse industries and in several geographic regions. The Group sources a diversified range of physical commodities from third party suppliers and from industrial assets in which the Group has full or part ownership interests. These commodities are sold, often with value added services such as freight, insurance, financing and/or storage, to a broad range of consumers and industrial commodity end users, with many of whom the Group enjoys long-term commercial relationships. The Group focuses on maximising returns from the entire supply chain, taking into account its extensive and global third party supply base, its logistics, risk management and working capital financing capabilities, extensive market insight, business optionality, extensive customer base, strong market position and penetration in most commodities and economies of scale.

Merchandising can occur at every step in the value chain, from raw commodities (sometimes prior to harvest) to processed commodities and the distribution of finished products, some of which are sold under brands owned by the Group. Determining which products to merchandise and at what stage of the production process is an important element of the Group's arbitrage policy and the Group believes that its diverse asset base and flexible sourcing structure allow it to take advantage of market opportunities and effectively arbitrage demand and supply imbalances.

With a presence in the whole value chain in several commodities markets, the Group regularly does business with a wide variety of counterparties in a large number of geographic locations. Counterparties vary to some extent depending on the particular commodity, but generally include:

- on the product sourcing side: farmers, farming co-operatives and traders;
- in the area of processing: raw commodities suppliers such as farming co-operatives, individual farms, multinationals, distributors, wholesalers and end-users;
- in the field of logistics: processing plants, warehouses, silos, tanks, local exporters, freight companies, forwarders, logistics providers; and
- in its merchandising activities: multinationals, global merchants, state bodies, end-users and wholesalers.

All the counterparties above generate a credit and performance risk (see "Risk Management"). The Group operates principally with spot transactions but also has some longer-term contracts, both on fixed and variable pricing terms. (For a description of how the various risks involved in transactions with counterparties are managed, see "Risk Management".)

Payment terms are usually secured and, where applicable and possible, the remaining risk is sold to third parties such as banks or insurers.

The Group estimates that, at any one time, it has over 10,000 active counterparties in the main production areas (such as Africa, South America, Black Sea, North America, etc.) and the main destination areas such as North America, Europe, Middle-East, Africa and Asia. In line with the industry in which the Group operates, the customer base is fragmented and there is no significant customer concentration in any of the areas in which the Group operates. No counterparty accounts for more than 2 per cent. of total exposure (in nominal terms). The Group's five largest counterparties are all independent third parties. The majority of the Group's counterparties have contracts for one product line only, and crossover between the Group's customer base and its supplier base is limited.

Additionally, the Group is a significant user of futures exchanges (CME CBOT, NYMEX, ICE, NYSE EURONEXT LIFFE and MATIF) for the purpose of hedging its price risk on physical transactions.

Fixed Asset Operator

The Group's merchandising operations are supported by a base of production and processing fixed assets integrated into the areas of the core commodities which it merchandises.

Farming

The Group's major farm products consist of palm (via the Green Eagle joint venture in Indonesia) and orange and lemon groves. It also has a 29 per cent. minority shareholding in Calyx Agro as at 31 December 2012, which operates a farmland portfolio in South America on which soy, corn, wheat and cotton are farmed. Combined, the Group (including Calyx Agro) operates more than 180,000[10] hectares of farming land distributed across the world. These activities enable the Group to secure the sourcing of specific products, gain access to valuable information on expected crop yields and foster closer relationships with other producers in the various geographical regions in which it operates.

Processing

LDC also operates over 200 industrial facilities. These include processing plants, ports, terminals and storage facilities. As well as being stand-alone revenue generators in their own right, the "on-the-ground" presence of these assets contributes significant regional market insight and technical know-how and helps mitigate against supply risk, while providing an integrated value chain which enhances cost efficiency. See "Description of Assets" below.

Whether commodities are sourced internally from farming and industrial assets or externally from third-party suppliers is dependent on relevant market conditions and arbitrage strategy. If, for example, a certain product can be sold at a particular time at its raw stage more profitably than the finished product (production and other costs taken into account), then the Group may choose not to use such product for processing but rather to sell it directly and to supply the Group's processing plants or end customers with externally-sourced products.

Logistics

The Group's products are transported by road, rail and sea. Transportation happens both internally at every stage of the sourcing and production process and externally to end-customers. The Group's ability to transport products efficiently and cost-effectively using both third-party freight companies and the Group's own freight platform (for shipping by sea) provides a value-added service which LDC believes enhances the Group's product offering. Integration of the freight platform also allows the Group more effectively to control transport costs, protect against supply risks and enhance synergies within the value-chain. The ability to move products quickly and efficiently from one place to another further enables the Group to optimise geographical arbitrage activities – for example, by supplying a particular product in one location by sourcing it from another, thus allowing the Group to capitalise on favourable market opportunities to ensure optimal pricing. See "Proteins Segment – Freight" below.

In the geographical areas in which it operates, the Group has access to storage assets – these include those which it owns and controls and those which are leased from third parties. The Group's own storage assets include warehouses and silos in a number of key locations. As with logistics and industrial assets, integration allows the Group to control storage costs, protect against non-availability risks and enhance synergies within the value-chain. The ability to access both proprietary and third-

[10] Information as at 31 December 2012.

party storage facilities over a wide geographical area also enables the Group to maximise arbitrage opportunities by being able to store goods for further processing or on-sale to exploit future price differentials. See "Description of Assets" below.

Market Intelligence

The Group believes that its success in merchandising derives from a long-standing and deeply entrenched knowledge of the markets in which it operates. As a global business, supported by regional know-how over a wide geographical area and diverse product ranges, the Group draws on its own comprehensive knowledge of local markets and their specific characteristics to inform its merchandising and risk management strategies. The Group is assisted in this by its diverse and geographically widespread asset base and supporting operations providing "on the ground" knowledge to enable it to effectively arbitrate, obtain critical information, build and maintain sales volumes, secure the value chain end-to-end and address increasingly complex market and regulatory environments. This integration also leads to significant synergies between the Group's sourcing and production facilities, mainly in the Americas and Asia, and its sales and marketing capabilities, as well as enhanced risk management capabilities.

A team of researchers distributed across the Group's offices in Europe, Asia, the Americas and Africa provides the platforms with in-depth market research including analysis of external reports and other data, and supply and demand projections. This research is used by the merchandising team to assist with their arbitraging and marketing activities. The merchandising team is made up of over 1,300 experts worldwide whose role is to continuously monitor the markets and market research to ensure that "on the ground" knowhow is effectively exploited and that arbitrage opportunities are maximised to secure the value chain. The team evaluates harvests on the ground, gathers information from the Group's offices and experts in every country and analyses external reports, data and supply and demand prospects. Real-time information flow means more accurate estimates and enables the Group to alert the appropriate teams, who can immediately make adjustments and optimise their activities. The Group's market intelligence is supported by extensive databases. See "Information Technology" below.

Operating segments

The Group operates its business under three segments: Proteins, Tropicals and Other Products.

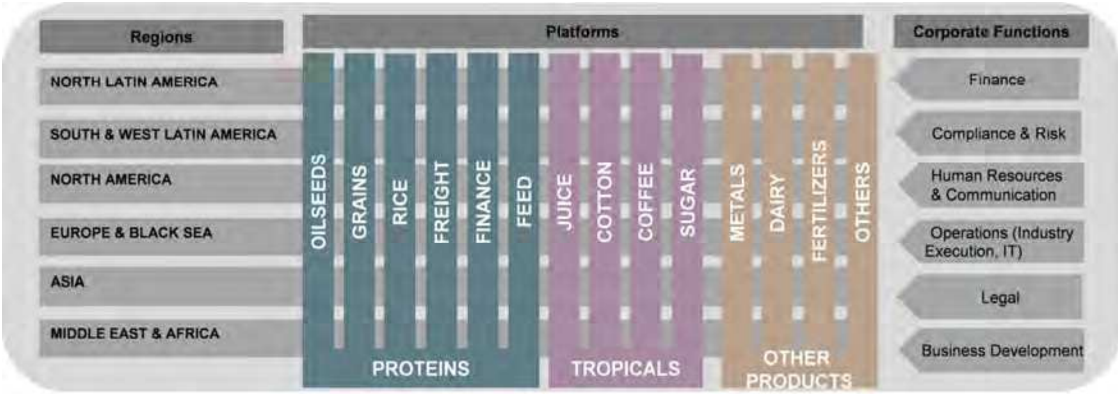
The Group's three business segments, in turn, are divided as follows:

1 The **Proteins** business segment focuses on the following platforms: grains (including corn, wheat, sorghum, rye, oats and barley and their by-products, for example flour and corn ethanol), oilseeds (including soybeans, canola, sunflower seeds, palm and their by-products, for example meals, crude and refined vegetable oils, biodiesel, lecithin and glycerin), rice (including paddy, brown and milled rice) and feed and two support platforms: freight and finance. The Proteins business segment includes the in-house ocean freight and finance platforms which support the Group's platforms and, in particular, the grains and oilseeds platforms. Those platforms are also structured to serve external customers and, as such, are managed as stand-alone profit centres. The ocean freight platform offers time chartering as well as voyage chartering and is instrumental in ensuring transport logistics and services for the Group's other platforms as well as those of third parties. The finance platform is responsible for hedging financial market risks (for example foreign exchange, interest rates and credit risks) in tandem with the Group's commodity departments and has a specific expertise in and focus on emerging countries' financial markets.

2 The **Tropicals** business segment focuses on the following platforms: cotton, coffee (including arabica and robusta coffee beans), sugar (including raw and refined sugar and sugar ethanol) and juice (including orange, lime, grapefruit and apple juices and their oils and by-products).

3 The **Other Products** business segment focuses, *inter alia*, on the following main platforms: fertilizers (including a range of chemical products such as fertilizers and crop protection), metals (including copper and zinc concentrates as well as copper cathodes) and dairy (including fluid milk and milk powders).

This operational structure can be represented in diagrammatic form as follows:



Each platform in an integrated manner is responsible for sourcing, hedging, logistics and fixed asset operations, as well as the global strategy, relating to the commodities or the activities which the platform covers. This global competence helps to ensure worldwide consistency, high reactivity and efficiency for each platform.

Each platform receives financing, accounting, controlling and reporting and risk management support from the six regional organisations.

Activities of each of the Group's business segments are supported by ownership interests in fixed assets such as farming operations and storage, handling and processing facilities in strategic locations.

Set out below are selected financial data of the Group as at, or for the six month periods ended, 30 June 2012 and 2013, and as at, or for the years ended, 31 December 2010, 2011 and 2012, in each case broken down by segment (presented in U.S.$ millions or percentages (after rounding)):

As at, or for the six month period ended, 30 June 2013

	Proteins		Tropicals		Other Products		Total for segments
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	
Total sales	17,766	60.9	6,168	21.2	5,228	17.9	29,161
Operating result(1).........	428	58.0	222	30.1	88	11.9	738
Result from equity investments	(9)	56.8	(4)	26.1	(3)	17.1	(16)
Segment assets(2)	10,251	54.6	6,124	32.6	2,392	12.8	18,767
Segment liabilities(3).....	(3,816)	68.4	(1,311)	23.5	(456)	8.1	(5,583)

As at, or for the six month period ended, 30 June 2012

	Proteins		Tropicals		Other Products		Total for segments
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	
Total sales	16,964	62.9	6,601	24.5	3,396	12.6	26,960
Operating result[(1)].........	628	58.1	392	36.2	62	5.7	1,082
Result from equity investments	(4)	104.2	1	14.3	(1)	10.1	(4)

As at, or for the year ended, 31 December 2012

	Proteins		Tropicals		Other Products		Total for segments
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	
Total sales	35,941	62.9	13,644	23.9	7,555	13.2	57,140
Operating result[(1)].........	1,309	56.7	844	36.5	156	6.8	2,310
Result from equity investments	(7)	60.2	(1)	4.4	(4)	35.4	(12)
Segment assets[(2)]	8,639	49.9	6,577	38.0	2,095	12.1	17,312
Segment liabilities[(3)].....	(3,009)	62.2	(1,343)	27.8	(482)	10.0	(4,834)

As at, or for the year ended, 31 December 2011

	Proteins		Tropicals		Other Products		Total for segments
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	
Total sales	35,203	61.0	16,473	28.6	5,993	10.4	57,669
Operating result[(1)].........	1,091	50.9	915	42.7	138	6.4	2,144
Result from equity investments	6	53.4	3	27.3	2	19.3	11
Segment assets[(2)]	8,145	50.3	6,161	38.0	1,899	11.7	16,205
Segment liabilities[(3)].....	(3,103)	60.2	(1,551)	30.1	(498)	9.7	(5,151)

	As at, or for the year ended, 31 December 2010						
	Proteins		Tropicals		Other Products		Total for segments
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	
Total sales	28,049	62.8	11,473	25.7	5,145	11.5	44,667
Operating result(1).........	963	50.6	865	45.4	76	4.0	1,903
Result from equity investments	13	319.8	(5)	(127.2)	(4)	(92.6)	4
Segment assets(2)	8,178	47.6	7,499	43.6	1,504	8.8	17,181
Segment liabilities(3).....	(2,778)	46.4	(2,683)	44.9	(521)	8.7	(5,982)

Notes:

(1) Operating result is gross margin plus result from equity investments.

(2) Segment assets is fixed assets plus current assets.

(3) Segment liabilities is current liabilities.

Although managed globally, each platform receives the support of the six regional organisations (North Latin America; South and West Latin America; North America; Europe and the Black Sea; Asia; and Middle East and Africa) which assist with financing, accounting, controlling and reporting and risk management.

Each region is managed by its own chief executive officer, chief operating officer and chief financial officer. This matrix is designed to ensure that business operations leverage each other's strengths and benefit from cross-region and cross-segment knowledge sharing and expertise.

Set out below are selected financial data of the Group for the six month periods ended 30 June 2012 and 2013 and the last three full financial years broken down by geographical region (presented in U.S.$ millions (after rounding))

Net sales by geographical destination (1)

	For the six month period ended 30 June	
	2012	**2013**
Asia	10,730	11,064
North Latin America(2)	2,884	2,411
South and West Latin America(2)	1,400	2,340
Middle East and Africa	3,315	3,669
Europe and the Black Sea	5,531	6,031
North America	3,300	3,647
Total	26,960	29,161

	For the year ended 31 December		
	2010	**2011**	**2012**

Asia	14,314	19,901	22,626
North Latin America	2,523	4,404	4,313
South Latin America	1,311	2,495	4,478
Middle East and Africa	7,700	6,893	6,338
Europe and the Black Sea	10,027	12,700	11,470
North America	8,791	11,275	7,914
Total	**44,667**	**57,669**	**57,140**

Notes:.

(1) Revenue by destination is based on the country of incorporation of the counterparty.

(2) During the first half of 2013, the management of activities in countries located in West Latin America was regrouped with South Latin America. In relation to Net Sales, this led to a reclassification of U.S.$393 million from North Latin America to South & West Latin America for the six-month period ended 30 June 2012.

Fixed assets[3]

	As at **30 June 2013**
Asia	240
North Latin America[4]	1,114
South and West Latin America[4]	531
Middle East and Africa	27
Europe and the Black Sea	322
North America	1,217
Total	3,451

	As at 31 December		
	2010	**2011**	**2012**
Asia	134	147	195
North Latin America	769	1,004	1,114
South Latin America	390	470	500
Middle East and Africa	2	24	27
Europe and the Black Sea	207	338	359
North America	733	746	1,175
Total	**2,235**	**2,729**	**3,370**

Notes:

(3) Includes Intangible assets, Property, Plant & Equipment, Biological assets.

(4) During the first half of 2013, the management of activities in countries located in West Latin America was regrouped with South Latin America. In relation to Fixed Assets, this led to a reclassification of U.S.$8.5 million from North Latin America to South & West Latin America for the year ended 31 December 2012.

Proteins segment

The grains, rice and oilseeds platforms, which form part of the Group's Proteins segment, are the Group's longest-standing businesses, dating back to 1851 when Léopold Louis-Dreyfus created the original business by merchandising wheat in Switzerland. Since then, the Group has expanded its expertise into the corn, soybean and rice markets, establishing an international presence over time. The Proteins segment includes commodities for both human and animal consumption (soybeans, soymeal, soyoil, palm oil, wheat, feed, grains, rice). Demand is therefore linked to both population growth and food consumption habits. Proteins also include the freight and finance platforms, which support the Group's commodities platforms.

Set out below are selected financial data of the Proteins segment for the six month periods ended 30 June 2012 and 2013 and the last three full financial years (presented in U.S.$ millions or percentages (after rounding)):

	As at 31 December						As at 30 June			
	2010		2011		2012		2012		2013	
	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments	Result or Figure	% of total for segments
Total sales...........	28,049	62.8	35,203	61.0	35,941	62.9	16,964	62.9	17,765	60.9
Operating result[(1)]...............	963	50.6	1,091	50.9	1,309	56.7	628	58.1	428	58.0
Result from equity investments.........	13	319.8	6	53.4	(7)	60.2	(4)	104.2	(9)	56.8
Segment assets[(2)].	8,178	47.6	8,145	50.3	8,639	49.9	-	-	10,251	54.6
Segment liabilities[(3)]..........	(2,778)	46.4	(3,103)	60.2	(3,009)	62.2	-	-	(3,816)	68.4

Notes:

(1) Operating result is gross margin plus result from equity investments.

(2) Segment assets is fixed assets plus current assets.

(3) Segment liabilities is current liabilities.

Set out below is a description of selected assets used by the Proteins segment. Please see also "Description of Assets" below for a fuller description of the Proteins segment's assets.

Selected segment assets[11]	
• 12 grains & oilseeds plants in Asia (China, India and Indonesia)	• 14 grains silos in Ukraine and Russia • 3 grains & oilseeds silos in Middle East

[11] Information as at 31 December 2012.

Selected segment assets[11]	
• 5 grains & oilseeds plants in North Latin America (Brazil) • 4 grains & oilseeds plants in North America (U.S.A. and Canada) • 4 grains & oilseeds plants in South Latin America (Argentina and Paraguay) • 2 grains & oilseeds plants in Europe and the Black Sea (Germany and Ukraine) • 1 grains & oilseeds plant in the Middle East & Africa (South Africa)	& Africa (Kenya, Egypt and South Africa) • 12 grains & oilseeds country elevators (Canada and U.S.A.) • 23 oilseeds warehouses in Brazil • 4 palm oil plantations in Indonesia • 3 rice warehouses in Nigeria and South Africa

Oilseeds

Louis Dreyfus has long experience in the oilseeds market and today, the Group believes it is one of the largest global merchants of oilseeds and oilseeds by-products by volume.

The oilseeds complex covers a large number of commodities. Most oilseeds are crushed to produce protein meals and vegetable oils for direct consumption or further processing. Oilseeds meals are mainly used in the animal feed industry as a protein ingredient, soybean meal being the most widely used. Vegetable oils are mainly used in human food consumption (cooking oils and food processing), industrial applications (plastics, cosmetics, paints) and energy (biodiesel).

The Group merchandises a wide spectrum of oilseeds and oilseeds by-products, including soybeans, soybean meal, soybean oil (crude and refined), soy-methyl-ester and rape-methyl-ester, rapeseed/canola, rapeseed/canola meal, rapeseed/canola oil (crude and refined), sunflower oil, cottonseeds, cottonseed oil, cottonseed meal, palm oil (crude and refined), olein, stearin, vanaspati, lecithin and glycerine. The Group's activities span the entire oilseeds value chain from upstream to downstream. The Group also markets refined oils under the Group's proprietary brands, like VIBHOR in India.

The Group exports and distributes oilseeds and oilseeds by-products in more than 35 major destinations around the world. Major customers are wholesalers and other merchandisers, food, feed or industrial corporations, and multi-nationals and governmental entities.

The oilseeds platform's merchandising activities are supported by proprietary operations at every level of the value chain, from sourcing through to storage, transformation and transport. The Group operates 15 processing assets and 17 strategic logistics assets, including elevators, barges, warehouses, tanks, ports and terminals. More than 4,000 people work for the oilseeds platform.[12]

The Group owns palm oil plantations in Indonesia as part of the Green Eagle joint venture with the Rajawali Group. The joint venture operates in four different regions of Indonesia: West Kalimantan, East Kalimantan, South Kalimantan and Papua. The joint venture oversees more than 50,000 planted hectares. The Group is committed to the RSPO (Roundtable on Sustainable Palm Oil) principles and criteria.

Other oilseed raw materials are sourced from local farmers or from other wholesalers in all the regions where the Group operates.

[12] Information as at 31 December 2012.

The Group owns or leases and operates oilseed processing facilities. Logistical support is provided by the Group's freight platform for sea transport. In addition, the Group owns or leases and operates logistics assets.

Grains

Grains are the Group's longest-standing business, and LDC believes that the Group ranks globally among the leading merchandisers in terms of volumes merchandised for wheat, corn and barley.[13]

The grains platform includes wheat, corn, sorghum, barley, rye, oats, DDGs (Dried Distillers Grains) and corn-based ethanol.

The Group sources grain products from all of the world's major grain producing regions (the U.S.A., South America, Australia and Eastern Europe, including in particular the countries of the former Soviet Union) from farmers and other suppliers. It is involved in processing and refining grains and grain by-products. It also manages a large import and distribution network in key consumption regions such as Europe, Asia, Africa, the Middle East and the countries of the Black Sea.

The grain platform's main sales destinations are Asia, the Middle East and Africa.

The Group owns and operates processing facilities, warehousing and export facilities globally. Logistical support is provided by the Group's freight platform for sea transport.

Rice

LDC believes that the Group is a world leader in rice merchandising.[13]

Rice can be merchandised at various stages: from paddy rice, which has come from the field after harvest and has a hard husk protecting the kernel inside; through to brown rice, which has had the husk removed but which retains a bran layer; to milled rice (or white rice), which has had the husk and bran removed.

In the rice platform, the Group is involved in merchandising, supported by sourcing activities in the Mississippi Delta, U.S.A. and in Asia, where it sources high-quality Indian, Thai, Vietnamese, Pakistani and Chinese milled rice for consumers within Asia and for export. It also buys rice for domestic and export markets in Mercosur, and in West Africa where it has built long-term partnerships and is one of the market leaders in rice merchandising by volume.[13] In Asia as well as in North Latin America and South and West Latin America, the Group has developed strong distribution networks. The Group buys paddy, brown and milled rice mainly from Asia and South America. The main suppliers of rice to the Group are local merchants who buy products from rice millers. The Group's main customers in the rice platform are wholesalers and merchants selling to wholesalers who operate in their own domestic markets.

Feed

In 2012 the Group set up an independent feed platform. The aim of the new platform is to develop a network of feed mills. With an enhanced network, the Group intends to span the value chain for its grain and oilseed platforms. The Group's entry into the feed market brings it closer to the end-users and provides valuable market information to provide synergies with its upstream origination and marketing activities. Through the Group's recent joint ventures in China, the platform operates three feed mills, primarily producing hog, poultry and layer feed.

[13] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

Freight

LDC has many years of experience in chartering, having been involved in all aspects of the bulk ocean freight industry for over 120 years. The Group's freight platform provides critical supply chain links to support the Group's worldwide commodity merchandising activities (in particular the oilseeds and grains platforms). To a lesser extent, it also operates as a stand-alone profit centre providing freight services to third party merchandisers.

The freight platform is involved in all aspects of ocean transport activity, and is fully globalised with four main chartering offices covering all time zones. The platform's activity includes time-chartering (leasing vessels on a daily basis) as well as voyage-chartering (chartering vessels on a lump-sum or per metric rate).

The Group charters and operates a global fleet of over 150 vessels[14] ranging from Handysize (bulk carriers with deadweight of about 15,000 to 35,000 tons) up to Capesize (bulk carriers typically above 150,000 tons deadweight).

Finance

The finance platform has a strategic geographic presence in Buenos Aires, Geneva, São Paulo and Singapore, and actively provides foreign exchange currency risk management support for the various commodity platforms. As well as pure foreign exchange management, the platform is leveraging on its trading experience to diversify into various other types of financial instruments including interest rates hedges, options and fixed income securities. As the business has grown and extended to new regions, the finance platform has continued to leverage key relationships to absorb local market knowledge, especially in the emerging markets.

Tropicals segment

The juice, cotton, coffee and sugar platforms together make up the Group's Tropicals segment. The Tropicals segment includes those commodities for which demand is linked to population growth and GDP growth. The Group has an international presence and a high level of integration enabling LDC to operate at every major step of the value chain.

Set out below are selected financial data of the Tropicals segment for the six month periods ended 30 June 2012 and 2013 and the last three full financial years (presented in U.S.$ millions or percentages (after rounding)):

	As at 31 December						**As at 30 June**			
	2010		**2011**		**2012**		**2012**		**2013**	
	Result or Figure	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**
Total sales...........	11,473	25.7	16,473	28.6	13,644	23.9	6,601	24.5	6.168	21.2
Operating result(1)...............	865	45.4	915	42.7	844	36.5	392	36.2	222	30.1
Result from equity investments.........	(5)	(127.2)	3	27.3	(1)	4.4	1	14.3	(4)	26.1
Segment assets(2).	7,499	43.6	6,161	38.0	6,577	38.0	-	-	6,124	32.6
Segment liabilities(3)..........	(2,683)	44.9	(1,551)	30.1	(1,343)	27.8	-	-	(1,311)	23.5

14 Information as at 31 December 2012.

Notes:

(1) Operating result is gross margin plus result from equity investments.

(2) Segment assets is fixed assets plus current assets.

(3) Segment liabilities is current liabilities.

Set out below is a description of selected assets used by the Tropicals segment. Please see also "Description of Assets" below for a fuller description of the Tropicals segment's assets.

Selected segment assets[15]	
• 10 coffee processing facilities in Vietnam, India, Peru, Brazil, Mexico, Columbia and Honduras • 6 coffee logistics facilities in Vietnam, Indonesia, Kenya, Tanzania, Uganda and Brazil • 2 sugar warehouses in Russia and UAE • 5 sugar plants in China, Indonesia and U.S.A. (Imperial Sugar)	• 1 cotton tolling facility in Kazakhstan • 25 cotton warehouses in Brazil, U.S.A., Paraguay, Argentina and Australia • 11 juice plants in China, Poland, U.S.A. and Brazil • 3 juice logistics facilities in Belgium and Brazil (Santos port) • 33 juice farms in Brazil

Juice

The juice platform comprises orange, grapefruit, lime, lemon and apple juice, each with their oils and other by-products. The Group (including its predecessor companies) has over 20 years of experience in the juice business and has more than 1,300 suppliers and 400 clients in over 70 countries. Primary juice customers are beverage bottlers (either branded or private-label) and consumer product companies.

The platform is involved in the entire value chain of juice processing, from farming to distributing packaged juice. The Group has invested heavily in Brazilian orange groves in order to achieve the optimum balance between proprietary fruit production and purchased fruit. The platform produces both frozen concentrate orange juice ("**FCOJ**") and not-from-concentrate orange juice ("**NFC**"). In North America, LDC believes it is one of the leading bulk FCOJ processors and merchants by volume, one of the market leaders in the packaging of frozen retail juice concentrates for private-label brands sold by grocery store chains and one of the world's leading orange juice processors by capacity. Worldwide, the Group believes it is one of the leading orange juice processors by volume.[16]

In August 2010, the Group entered the apple juice concentrate processing business with the acquisition of a controlling interest in a Chinese company, the Shaanxi Sanchuan Juice Company Ltd., which is located in Shaanxi, one of China's main apple-producing regions. The company's processing plants have a production capacity of 18,000 metric tonnes of juice concentrate per year.

The platform leverages its development off its extensive asset base. LDC seeks to maintain and strengthen its existing commercial relationships with a variety of major bottlers and farmers.

[15] Information as at 31 December 2012.

[16] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

On the sourcing side, the Group farms approximately 30,000 hectares of orange groves in Brazil (either on an ownership or a leasing basis).

In addition, the Group operates processing assets. Logistical support is provided by assets which are capable of handling both FCOJ and NFC in bulk and drums.

Cotton

The Group's cotton platform conducts operations in all major world markets, including sourcing in the key production regions of the U.S.A., China, Brazil, West Africa, India, Pakistan and Australia. The Group serves all major consumption markets. China is the largest consumption market for the cotton platform.

LDC believes that the Group is one of the global leaders in cotton merchandising and is the largest merchandiser of raw cotton in the world by volume.[16]

In order to support its cotton operations, the Group has developed and maintains a state-of-the art proprietary research department, equipped with facilities for gathering weather and news reports, statistical data, intelligence material and academic analysis from around the world.

The platform also prides itself on its strong business relationships with both suppliers and customers, developed through domestic presence in key markets, especially in Asia.

Logistical support is provided by extensive warehouse operations in the United States, Argentina, Brazil, Paraguay and Australia. The group also operates intermodal loading operations in the U.S.A.

Coffee

The coffee platform operates an integrated global supply chain managing the flow of coffee from source to destination. The Group trades all major Arabica and Robusta varieties and serves a diversified range of customers, from specialist roasters to multinational food companies across the globe.

The Group believes it is one of the top three coffee supply chain managers in the world.[16]

The Group has an upstream sourcing footprint in all of the world's major producing countries including Brazil, Colombia, Honduras, Peru, Mexico, Vietnam, Indonesia, India, Uganda, Kenya and Tanzania. These activities are supported by a network of marketing offices in regional merchandising centres, which include Geneva, São Paulo, Wilton, Singapore and Nairobi.

The Group's coffee activities are supported by investments at all major stages of the coffee production chain, from sourcing and processing to destination warehousing.

The Group has invested and continues to make investments to address the growing demand for sustainable and traceable coffee, and is a member of the Common Code for the Coffee Community (4C) Association as well as being an approved and active supplier under most of the major codes of conduct found in the sector: Rainforest Alliance, UTZ Certified, Fairtrade, Organic coffee and customer-specific sustainability programmes.

Logistical support is provided by warehouse operations.

Sugar

The core activity of the sugar platform is the sourcing and merchandising of raw and white sugar and ethanol.

The sugar platform has a global presence with 16 merchandising centres notably in Geneva, Wilton, Singapore, São Paulo, Delhi and Beijing and distribution activities in Russia, Dubai, Kenya and Mexico. The Group sources raw and white sugar mainly from Brazil, Thailand and Central America and merchandises principally in the Middle East, South East Asia, East European countries and East Africa.

The Group believes it is one of the top three sugar merchandisers worldwide by volume.[17]

The Group has equity stakes in green field sugar refineries in Indonesia and China. In June 2012, the Group made an investment in the U.S.A. through the purchase of Imperial Sugar and its basket of reputable brands, including Dixie Crystals® and Holly®. This acquisition is intended to give the Group a major presence in the NAFTA sugar market, strengthen its presence in global sugar refining and expand its customer base and product range.

Other Products

The third segment under which the Group operates contains its remaining platforms: metals, dairy, fertilizers and inputs and others.

Set out below are selected financial data of the Other Products segment for the six month periods ended 30 June 2012 and 2013 and the last three full financial years (presented in U.S.$ millions or percentages (after rounding)):

	As at 31 December						**As at 30 June**			
	2010		**2011**		**2012**		**2012**		**2013**	
	Result or Figure	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**	**Result or Figure**	**% of total for segments**
Total sales...........	5,145	11.5	5,993	10.4	7,555	13.2	3,396	12.6	5,228	17.9
Operating result(1)................	76	4.0	138	6.4	156	6.8	62	5.7	88	11.9
Result from equity investments.........	(4)	(92.6)	2	19.3	(4)	35.4	(1)	10.1	(3)	17.1
Segment assets(2).	1,504	8.8	1,899	11.7	2,095	12.1	-	-	2,392	12.8
Segment liabilities(3)..........	(521)	8.7	(498)	9.7	(482)	10.0	-	-	(456)	8.1

Notes:

(1) Operating result is gross margin plus result from equity investments.

(2) Segment assets is fixed assets plus current assets.

(3) Segment liabilities is current liabilities.

Set out below is a description of selected assets used by the Other Products segment. Please see also "Description of Assets" below for a fuller description of the Other Product's segment's assets.

Selected segment assets[18]	
• 1 milk plant in Ukraine • 17 fertilizer warehouses in Brazil and the	• 1 smelter and 2 metal mines in the Middle East & Africa • 4 metals warehouses in China,

[17] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

[18] Information as at 31 December 2012.

Selected segment assets[18]	
Middle East & Africa • 6 fertilizer plants/blenders in Brazil, Cameroon and Ivory Coast	Singapore, Peru and Namibia

Metals

The metals platform sources, blends, exports, transports and merchandises copper, zinc, lead concentrates, copper blister and refined base metals. The majority of the Group's sales on this platform are carried out in Asia.

The Group's strategy for the metals platform is to expand the platform's logistical presence at points of sourcing, notably Peru, Bolivia, Zambia and Namibia, and to leverage its presence in the Chinese market through its own domestic merchandising activity under the Wholly Owned Foreign Enterprise (WOFE) licence that the Group currently has.

The metals platform operates warehouses in Mexico and Namibia and has a tolling arrangement with a smelter in Namibia.

Through the metals platform the Group owns 17,762,500 shares in the Baja Mining Corp (corresponding to a 5.2 per cent. interest) which were acquired on 19 November 2010.

In 2012, the Group acquired a majority stake in a LME deliverable warehouse, as well as logistics operator GKE Metal Logistics Private Limited.

Fertilizers and inputs

LDC considers its expansion into the fertilizers market in 2007 to be a natural progression for the Group, given its long-standing expertise in soft commodities, the natural synergies with other platforms and its global reputation and network.

The Group's Primary business includes importing and distributing fertilizers. The platform is involved in clearing the goods through customs and storing, blending, bagging, bottling and transporting them to the customers. The platform merchandises nitrogen, phosphates, potash fertilizers and crop protection products to large farms, co-operatives and government associations, as well as food, mining and industrial firms. It sources products from the world's largest suppliers and producers.

In 2011, the Group expanded its West African presence via the acquisition of SCPA-Sivex International, a leading fertilizer, crop protection and chemical products distributor in West and Central Africa. The combined entity makes the Group one of the major agri-business players in Africa.[19]

In June 2011, the Group also acquired Macrofertil Industria e Comercio de Fertilizantes Ltda, a Brazilian fertilizer manufacturer, thus broadening its presence throughout several states within Brazil.

Both of the investments made in 2011 illustrate the broader strategy of the fertilizers platform to integrate the agri-chemicals segment into the Group's asset portfolio. The Group's presence is currently concentrated in Africa and South America, but in 2012 the Group developed teams and distribution networks to Indonesia to expand into Asia in order to exploit the global growth in the market for fertilizers and crop protection products, mainly in palm oil plantations and grains.

The Group owns fertilizer blending plants and logistical assets.

[19] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

Dairy

The Dairy platform has global marketing, distribution and logistics capabilities in all major world dairy centres, and uses its own brands: Jolait, Milait, Sunny farms and Montex to supply the market.

The principal products merchandised by the Dairy platform to the global food, drink and animal feed industries include regular whole milk powders, milk fats, whey concentrates and isolates, whey powders, milk protein concentrates and cheeses.

In October 2012, the Group acquired the dairy merchant Ecoval Dairy Trade which has enabled it to reinforce its presence across the entire value chain.

Miscellaneous

Other activities within the "Other Products" segment consist in the provision of services to third parties. It includes the Group's minority shareholding (29 per cent.) in Calyx Agro as at 30 June 2013, a company which identifies, acquires, develops, transforms and operates agricultural land in Brazil, Argentina, Uruguay and Paraguay. Calyx Agro operates 66,000 hectares of land, of which 31 per cent. is owned by Calyx Agro (the rest being leased from third parties).

The Group also provides market research to certain funds investing in diversified commodities managed by the Edesia Asset Management Group.

Recent Developments and Investments

As a key component of its strategy, the Group is continuing to pursue a policy of measured expansion and development through investments in assets and taking advantage of opportunities for building and/or acquiring assets all along the value chain, both upstream and downstream.

The Group has provided a letter of credit to Baja Mining Corp., a mining company in which the Group holds shares, pursuant to a U.S.$35 million Equity Convertible Cost Overrun Facility entered into between it and Baja Mining Corp. on 28 September 2010. If drawn, this letter of credit converts automatically into common shares of Baja Mining Corp. On 25 May 2012, the Group filed a request for arbitration with the London Court of International Arbitration against Baja Mining Corp. The Group is seeking, *inter alia*, to obtain a declaration that the Equity Convertible Cost Overrun Facility is terminated. The Group's position is that, given circumstances and developments since the issuance of the letter of credit, the Equity Convertible Cost Overrun Facility is terminated and not capable of being drawn. The Group is also seeking damages. As part of the arbitration, Baja Mining Corp. subsequently issued a counterclaim in an unspecified amount with respect to an alleged breach of the cost overrun facility by a Group company. The Group regards this counterclaim as groundless and very unlikely to succeed. The arbitration hearing is scheduled for April 2014.

With effect from 1 July 2013, Ciro Echesortu replaced Serge Schoen as Chief Executive Officer of LDC. Ciro Echesortu previously held the role of Chief Operating Officer and has been working for the Group for 28 years. With effect from 25 September 2013, Serge Schoen has been appointed Chairman of the Supervisory Board of LDCH BV. He assumes an executive function within the Group, notably in relation to key strategic matters.

On 30 July 2013, LDC completed the issuance of an inaugural €400 million, 5-year, 3.875 per cent. unrated Eurobond listed on the Luxembourg Stock Exchange.

In September 2013, a U.S.$250 million farm credit system facility was granted to LDC LLC, maturing in September 2020.

On 25 September 2013, Louis Dreyfus Commodities Melbourne Holdings Pty Ltd and Ravensdown Fertiliser Co-operative Limited signed an agreement for the purchase of certain assets, resources and existing contracts of Ravensdown's Western Australian operations. This constitutes LDC's first significant investment in this region of Australia. The completion of the transaction remains subject to the satisfaction of certain customary closing conditions.

On 2 October 2013, LDC LLC completed a U.S.$ 150 million facility upgrade at the Port of greater Baton Rouge, Louisiana. The new export elevator is designed to handle up to 5 million metric tons of grain and oilseeds annually during the first phase of its operations.

On 17 October 2013, Louis Dreyfus Commodities Suisse S.A., a wholly owned subsidiary of LDC, and Brooklyn Kiev LLC announced that they have entered into an agreement to establish a joint venture for the development and management of a multi-commodity terminal in Odessa and related activities. The new terminal is expected to start the first phase of its operation in 2013, with LDC planning to ship its first grain cargo through the terminal in the coming months. When all stages of development are complete, which is expected to be around August 2014, the terminal will have a total grain storage capacity of around 240,000 metric tons.

In October 2013, LDC LLC renewed the one-year U.S.$500 million RCF, which was due to mature in November 2013, into a three-year U.S.$600 million RCF.

Description of assets

The Group owns or operates a strategically-located and diverse portfolio of fixed assets. Through significant investment in assets on all of the world's continents, the Group has built links across the value chain, from sourcing and production, through processing and refining and transport and storage, to research, merchandising, customisation and distribution. The Group's ongoing investment strategy of creating value and expanding its fixed asset base has resulted in the Group now operating over 200 assets across the world. The Group's major fixed assets are listed below. The list is divided up between processing assets and sourcing and logistics assets.

Processing assets[20]

Regions Key	
ASIA	Asia
EBS	Europe & Black Sea
MEA	Middle East & Africa
NAM	North America
NLA	North Latin America
SLA	South Latin America

Segment	Platform	Assets	Region	Country	Location (city)	Type of Asset	Description
Proteins	Grains & Oilseeds	Feedmill Henan	ASIA	China	Anyang/Huaxian	Processing	Minority stake
Proteins	Grains & Oilseeds	Feedmill Henan	ASIA	China	Kaifeng/Qixian	Processing	Minority stake
Proteins	Grains & Oilseeds	Feedmill Henan	ASIA	China	Zhengzhou	Processing	Minority stake
Proteins	Grains & Oilseeds	Feedmill Henan	ASIA	China	Zhumadian	Processing	Minority stake, under construction
Proteins	Grains & Oilseeds	Bazhou oilseeds plant	ASIA	China	Bazhou	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Zhangjiagang oilseeds plant	ASIA	China	Zhangjiagang	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Kandla oilseeds plant	ASIA	India	Anjar	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Krishnapatnam oilseeds plant	ASIA	India	Pantapalem	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Lampung palmoil plant	ASIA	Indonesia	Lampung	Processing	Consolidated asset, under construction

[20] Information as at 31 December 2012.

Proteins	Grains & Oilseeds	Green eagle oilseeds plant	ASIA	Indonesia	South Kalimantan	Processing	Minority stake
Proteins	Grains & Oilseeds	Green eagle oilseeds plant	ASIA	Indonesia	East Kalimantan	Processing	Minority stake
Proteins	Grains & Oilseeds	Hibiscus oilseeds plant	ASIA	China	Dongguan	Processing	Consolidated asset, under construction
Proteins	Grains & Oilseeds	Wittenberg plant	EBS	Germany	Wittenberg	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Ukrainian oilseeds plant	EBS	Ukraine	Zaporizhzhya	Processing	Tolling agreement
Proteins	Grains & Oilseeds	Lichtenburg oilseeds plant	MEA	South Africa	Lichtenburg	Processing	Tolling agreement
Proteins	Grains & Oilseeds	Claypool oilseeds plant	NAM	USA	Claypool, Indiana	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Yorkton oilseeds plant	NAM	Canada	Yorkton, Saskatchewan	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Grand Junction ethanol plant	NAM	USA	Grand Junction, Iowa	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Norkfolk ethanol plant	NAM	USA	Norfolk, Nebraska	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Alto Araguaia oilseeds plant	NLA	Brazil	Alto Araguaia/MT	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Itumbiara oilseeds plant	NLA	Brazil	Itumbiara/GO	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Jataí oilseeds plant	NLA	Brazil	Jataí/GO	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Paraguaçu oilseeds plant	NLA	Brazil	Paraguaçú Paulista/PS	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Ponta Grossa oilseeds plant	NLA	Brazil	Ponta Grossa/PR	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Timbúes oilseeds plant	SLA	Argentina	Timbúes - Santa Fe	Processing	Consolidated asset
Proteins	Grains & Oilseeds	General Lagos oilseeds plant	SLA	Argentina	Gral.Lagos - Santa Fe	Processing	Consolidated asset
Proteins	Grains & Oilseeds	Merco oilseeds plant	SLA	Paraguay	Caaguazú	Processing	Consolidated asset
Proteins	Grains & Oilseeds	CAIASA oilseeds plant	SLA	Paraguay	Villeta, Dpto Central	Processing	Minority stake, under construction
Tropicals	Juice	Sanchuan juice plant	ASIA	China	Sanyuan	Processing	Consolidated asset
Tropicals	Juice	Tarczyn apple juice plant	EBS	Poland	Tarczyn	Processing	Tolling agreement
Tropicals	Juice	Opole apple juice plant	EBS	Poland	Opole	Processing	Tolling agreement
Tropicals	Juice	Blonie apple juice plant	EBS	Poland	Blonie	Processing	Tolling agreement
Tropicals	Juice	Indiantown juice plant	NAM	USA	Indiantown, Florida	Processing	Consolidated asset
Tropicals	Juice	Winter Garden juice plant	NAM	USA	Winter Garden, Florida	Processing	Consolidated asset
Tropicals	Juice	Rolandia juice plant	NLA	Brazil	Rolandia/PR	Processing	Off-take contract
Tropicals	Juice	Bebedouro juice plant	NLA	Brazil	Bebeduro/SP	Processing	Consolidated asset
Tropicals	Juice	Matão juice plant	NLA	Brazil	Matao/SP	Processing	Consolidated asset
Tropicals	Juice	Paranavai juice plant	NLA	Brazil	Paranavai/PR	Processing	Consolidated asset
Tropicals	Juice	Engenheiro Coelho juice plant	NLA	Brazil	Engenheiro Coelho/SP	Processing	Consolidated asset
Tropicals	Cotton	Kazakh cotton plant	EBS	Kazakhstan	Shymkent	Processing	Tolling agreement
Tropicals	Coffee	Gia Lai coffee mill	ASIA	Vietnam	Pleiku, Gia Lai	Processing	Consolidated asset
Tropicals	Coffee	Petec coffee mill and warehouse	ASIA	Vietnam	Ho Chi Minh	Processing	Consolidated asset
Tropicals	Coffee	Koppa coffee plant	ASIA	India	Koppa, Mysore District	Processing	Consolidated asset, under construction
Tropicals	Coffee	Varginha coffee plant	NLA	Brazil	Varginha/MG	Processing	Consolidated asset
Tropicals	Coffee	Nova Venécia coffee plant	NLA	Brazil	Nova Venécia/ES	Processing	Consolidated asset
Tropicals	Coffee	Perote coffee plant	NLA	Mexico	Perote/Ver.	Processing	Consolidated asset
Tropicals	Coffee	Ibague coffee plant	NLA	Colombia	Ibague	Processing	Consolidated asset
Tropicals	Coffee	San Antonio coffee plant	NLA	Colombia	Pereira	Processing	Consolidated asset
Tropicals	Coffee	Honduras coffee plant	NLA	Honduras	Tegucigualpa	Processing	Consolidated asset
Tropicals	Coffee	Tarapoto coffee plant	SLA	Peru	Tarapoto	Processing	Consolidated asset
Tropicals	Coffee	Jaen coffee plant	SLA	Peru	Jaen	Processing	Consolidated asset
Tropicals	Coffee	La Merced coffee plant	SLA	Peru	La Merced	Processing	Consolidated asset

Tropicals	Sugar	Fujian sugar plant	ASIA	China	Zhangzhou	Processing	Consolidated asset, under construction
Tropicals	Sugar	Andalan sugar plant	ASIA	Indonesia	Jakarta	Processing	Minority stake, under construction
Tropicals	Sugar	Gramercy sugar plant	NAM	USA	Gramercy, LA	Processing	Consolidated asset
Tropicals	Sugar	Ludlow sugar plant	NAM	USA	Ludlow, KY	Processing	Consolidated asset
Tropicals	Sugar	Port Wentworth sugar plant	NAM	USA	Port Wentworth, GA	Processing	Consolidated asset
Other Products	Metal	Namibian metal smelter	MEA	Namibia	Tsumeb	Processing	Tolling agreement
Other Products	Fertilizers & Inputs	Douala fertilizer warehouse & blender	MEA	Cameroon	Douala	Processing	Consolidated asset
Other Products	Fertilizers & Inputs	Abidjan fertilizer warehouse & blender	MEA	Ivory Coast	Abidjan	Processing	Consolidated asset
Other Products	Fertilizers & Inputs	Caarapo fertilizer plant	NLA	Brazil	Caarapó/RS	Processing	Consolidated asset
Other Products	Fertilizers & Inputs	Nova Mutum fertilizer plant	NLA	Brazil	Nova Mutum/MT	Processing	Consolidated asset
Other Products	Fertilizers & Inputs	Ponta Grossa fertilizer plant	NLA	Brazil	Ponta Grossa/PR	Processing	Consolidated asset
Other Products	Fertilizers & Inputs	Mogiana fertilizer plants	NLA	Brazil	Paranaguá/PR	Processing	Consolidated asset
Other Products	Dairy	Zolotonosha milk plant	EBS	Ukraine	Zolotonosha	Processing	Minority stake

Sourcing and logistics assets[21]

Oilseeds and grains	More than 60 storage assets 19 transport facilities (port, terminal) in Indonesia, Argentina, Paraguay, Uruguay, USA, Canada and Brazil
Juice	Port, terminal and waterways in Brazil and Belgium
Cotton	25 warehouses and loading facilities
Coffee	6 warehouses
Fertilizers	17 warehouses and 1 port terminal
Others[22]	7 warehouses

Farming

Indonesia	Palm oil plantations via the Green Eagle (joint venture with the Rajawali Group)
South America	Orange groves Participation of 29 per cent. in Calyx Agro

Capital Expenditure

The Group's capital expenditure relates primarily to asset acquisition and maintenance as part of its ongoing strategy of expanding and diversifying its global fixed asset base. The Group takes advantage of opportunities as and when they arise for investing in all segments in all regions and all along the value chain. Capital expenditure – excluding BIOSEV– between 2010 and 30 June 2013, amounted to U.S. $2,005 million. The Group expects expenditure on its near-term projects to be broadly in line with historical expenditure.

Capital expenditure by operating segment for the six month periods ended 30 June 2013 and the last three full financial years is set out below (in U.S.$ millions (after rounding)):

[21] Information as at 31 December 2012.

[22] Comprises metals, sugar, rice.

	Year ended 31 December			Six month period ended 30 June
	2010	2011	2012	2013
Proteins	185	498	331	143
Tropicals.................................	134	117	273	118
Other Products........................	44	78	48	37
Segment Total	**362**	**693**	**652**	**298**

As at 30 June 2013, the Group had approximately U.S.$40 million of commitments mainly related to capital improvements to export terminals and mill maintenance and investment (U.S.$51 million as at 31 December 2012, U.S.$108 million as at 31 December 2011 and U.S.$12 million as at 31 December 2010, excluding BIOSEV).

The Group has a five-year plan approved by the board of LDCH BV which sets out general investment strategies over the medium-term. In addition, the Group has a dedicated capital expenditure committee which considers and approves requests put forward by the Group's operating platforms for particular projects on a case-by-case basis and allocates resources accordingly.

See also "Results of Operations and Financial Position – Capital Expenditure".

Funding and Liquidity

The key principles of the Group's funding strategy are the following:

- Local funding model with a central co-ordination
- Diversified and long-standing relationship bank pool
- Adequate funding policy
- Sound liquidity management
- Robust balance sheet
- Limited covenant restriction

The Group's funding has historically been based on a local funding model, which has provided significant diversification both in terms of sources of funding and geographies. Under the supervision of the Group's Global Treasury Department, each regional subsidiary within the Group is in charge of funding its needs through local banks or local branches of international banks.

The Group's funding strategy is currently evolving around three main axes:

- Procuring more committed facilities (as at 31 December 2010, 30 per cent. of the Group's (excluding BIOSEV) global facilities were committed; this had increased to 32 per cent. as at 30 June 2013).
- Extending the Group's debt maturity profile.
- Further diversification of funding sources.

In addition to the existing long- and medium-term facilities, through bilateral or syndicated structures, the Group has more recently put in place the following syndications as new sources of committed medium-to long-term funding:

- Two syndicated loans, with term and revolver tranches of U.S.$400 million each between LDC Asia and a syndicate of local and international banks. Both have a bullet repayment tranche and a revolver tranche. One of these syndicated loans had an original maturity date of March 2013, which the lending banks have agreed to extend by two years to March 2015; the other matures in September 2014 and September 2016 for each tranche, respectively. The refinancing of the second of these loans is currently in progress. It will mature in the fourth quarter of 2016 and its size is expected to be increased. Both loans are guaranteed by LDC.
- A syndicated loan of U.S.$800 million, with term and revolver tranches, between LDC Suisse and a syndicate of local and international banks, with a maturity date of December 2014. The loan is guaranteed by LDC. In September 2013, the maturity of this syndicated loan was extended by one year, with the effect that the new maturity date is December 2015.
- A syndicated term loan of U.S.$225 million between LDC Brazil and a syndicate of local and international banks. The final maturity date is September 2015.
- A syndicated term loan of U.S.$172 million between LDC AgroIndustrial (LDC Brazil's subsidiary) and a syndicate of local and international banks. The final maturity date is June 2014.
- A U.S.$605 million farm credit system facility granted to LDC LLC, with three tranches (U.S.$255 million, U.S.$125 million and U.S.$225 million) maturing respectively in December 2017, 2018 and 2019.
- In September 2013, a U.S.$250 million farm credit system facility was granted to LDC LLC, maturing in September 2020.
- A syndicated revolving credit facility ("**RCF**") of U.S.$870 million between LDC LLC and a syndicate of local and international banks. There is a three-year tranche maturing in May 2015 and a one-year tranche maturing in May 2013. On its maturity, the U.S.$580 million one-year tranche maturing in May 2013 was refinanced through a new U.S.$710m syndicated RCF maturing in May 2016.
- In October 2013, LDC LLC renewed the one-year U.S.$500 million RCF, which was due to mature in November 2013, into a three-year U.S.$650 million RCF.
- In September 2012, LDC BV issued an inaugural U.S.$350 million, 8.25 per cent. coupon hybrid capital securities. The securities are perpetual but the Group has the right to redeem them in certain circumstances. The perpetual capital securities are not rated and are listed on the Official List of the Singapore Exchange. The instrument is granted 100 per cent. equity treatment under the IFRS.
- On 30 July 2013, LDC completed the issuance of an inaugural €400 million, 5-year, 3.875 per cent. unrated Eurobond listed on the Luxembourg Stock Exchange.

Certain portions of the debt relating to the above facilities (U.S.$38 million in aggregate at 30 June 2013) are secured by mortgages on assets (mainly greenfield projects in Brazil but also existing fixed assets).

Certain portions of the debt relating to short term financings are secured on LDC Metals Suisse SA inventories and trade receivables. These amounted to U.S.$784 million as at 30 June 2013.

In addition, the Group has U.S.$115 million notes outstanding issued by LDC LLC and subscribed on a private placement basis by investors in the U.S.A. The maturity dates of the Notes is December 2013. These notes include industry-standard covenants.

Certain of the financings listed above contain limited covenants which require maintenance of working capital levels, net worth, debt/equity ratios, dividend restrictions and limits on indebtedness. In the case of any financings listed above which are guaranteed by LDC BV, LDC BV has covenanted to maintain a consolidated tangible net worth of greater than U.S.$2.5 billion. LDC BV is not subject to any other financial covenants in the financings to which it is a party.

The remaining part of the Group's funding, mainly uncommitted, is made of bilateral facilities with over 120 different banks. These are used to finance working capital.

The Group's key guidelines are that: short-term debt is used to support the ongoing business, financing its main working capital needs, whilst long-term debt provides support for long-term investments. The Group's consolidated gross debt[23] stood at U.S.$9.3 billion as at 30 June 2013 (U.S.$8.7 billion as at 31 December 2012 and U.S.$8.2 billion as at 31 December 2011) with U.S.$2.4 billion being long-term debt. As at 30 June 2013, short-term debt was U.S.$6.9 billion, 88 per cent. covered by cash and cash equivalents and Readily Marketable Inventories (RMI)[24] totalling, respectively, U.S.$0.6 billion and U.S.$5.4 billion (84 per cent. of total inventories). At the same date, adjusted net debt[25] stood at U.S.$3.03 billion, compared to U.S.$ 2.8 billion as at 31 December 2012 and U.S.$2.4 billion as at 31 December 2011, and adjusted net gearing[26] was at 0.63. Available liquidity[27] was U.S.$8.5 billion, 63 per cent. provided by RMI. LDC maintains, at all times, sufficient available liquidity to cover short-term liabilities.

See also "Results of Operations and Financial Position – Financing".

Global network

The Group manages its activities from 113 offices located around the world and operates in over 90 countries. Set out below is a map highlighting the Group's global presence and indicating main offices and assets in the various geographical regions as at 31 December 2012.

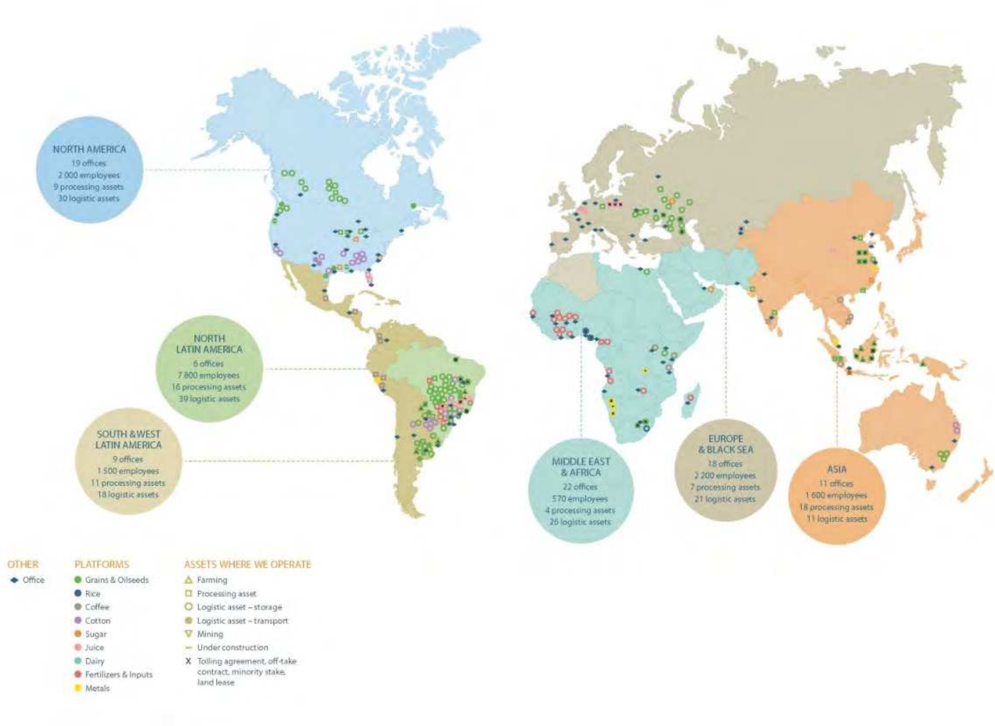
[23] Gross debt includes long-term and short-term bank loans and acceptances, commercial paper, financial advances from related parties, less repurchase agreements and securities short positions.

[24] Due to their very liquid nature, certain agricultural inventories are treated as RMI. RMI are readily convertible to cash because of widely available markets and international pricing mechanisms. The Group considers that trading inventories of fewer than three months can qualify as RMI.

[25] Net debt is gross debt minus cash and cash equivalents minus other current financial assets.

[26] Adjusted net gearing is net debt adjusted for RMI/Equity.

[27] Available liquidity is made up of cash and cash equivalents plus available-for-sale financial assets plus other financial assets at fair value, plus RMI plus undrawn committed bank lines (U.S.$2 billion as at 30 June 2013).



North America

Platforms in the region: Oilseeds, Grains, Rice, Freight, Cotton, Juice, Coffee, Sugar, Dairy. The Group has 19 principal offices across North America and employed 2,000 people as at 31 December 2012. It owns or operates nine processing assets and 30 logistical assets.

North Latin America[28]

Platforms in the region: Oilseeds, Grains, Rice, Finance, Cotton, Juice, Coffee, Sugar, Fertilizers and inputs, Dairy, Metals. The Group has six offices across North Latin America and employed 7,800 employees as at 31 December 2012. It owns or operates 16 processing assets and at least 39 logistical assets. In addition, the Group farms 30,000 hectares of orange groves.

South and West Latin America[28]

Platforms in the region: Oilseeds, Grains, Rice, Finance, Cotton, Coffee, Dairy, Fertilizers, Metals. The Group has nine offices across South and West Latin America and employed 1,500 people as at 31 December 2012. It owns or operates 11 processing assets and 18 logistical assets.

Europe and the Black Sea

Platforms in the region: Oilseeds, Grains, Rice, Freight, Finance, Cotton, Juice, Coffee, Sugar, Dairy, Fertilizers and inputs, Metals. The Group has 18 offices across Europe and the Black Sea and employed 2,200 people as at 31 December 2012. It owns or operates seven processing assets and 19 logistical assets.

[28] During the first half of 2013, the management of activities in countries located in the West Latin America region (Colombia, Mexico and Honduras) was regrouped with the South Latin America region from the North Latin America region to form the South and West Latin America region.

Middle East and Africa

Platforms in the region: Oilseeds, Grains, Rice, Cotton, Juice, Coffee, Sugar, Fertilizers and inputs, Metals. The Group has 22 offices across the Middle East and Africa and employed 570 people as at 31 December 2012. It owns or operates four processing assets and 26 logistical assets.

Asia

Platforms in the region: Oilseeds, Grains, Rice, Feed, Freight, Finance, Cotton, Juice, Coffee, Sugar, Metals. The Group has 11 principal offices across Asia and employed 1,600 people as at 31 December 2012. It owns or operates 18 processing assets and 11 logistical assets.

Employees[29]

For the six month period ended 30 June 2013, the Group had an average of 18,006 employees worldwide (18,634 for the year ended 31 December 2012 and 16,523 for the year ended 31 December 2011). The employees include department managers, support staff and employees in the subsidiary offices and production sites, as well as management. The following table indicates the distribution of employees by category for the periods indicated (averages for year):

	Year ended 31 December		**Six month period ended 30 June**
	2011	**2012**	**2013**
Managers and traders	1,245	1,394	1,505
Supervisors	930	1,049	1,125
Employees	3,626	4,043	4,320
Workers	7,512	8,480	8,306
Seasonal workers	3,210	3,668	2,750
Total	**16,523**	**18,634**	**18,006**

Employee numbers vary seasonally, and peak around 20,000 in the third and fourth quarter of the calendar year when extra seasonal workers are employed to assist with the harvest period.

The Group has developed various methods to ensure that employees are adequately and correctly trained for the functions they perform and also that they are aware of the legislation affecting the Group's business. In particular e-learning modules have been designed to address compliance-related topics, such as the Group's code of conduct, trade practice, anti-bribery and corruption rules, and regulatory compliance.

The Group aims to incentivise key employees and align employee and shareholder interests via the Group's employee participation plan, which involves equity participation at the LDCH BV level. LDC employees currently hold approximately 15 per cent. of the economic interests in LDCH BV. See also "Risk Factors – Risks relating to the Group and its Business – Competition and market data – The Group is subject to its obligations relative to its Employee Participation Plan and related contractual arrangements".

The Group is strongly opposed to child labour practices and forced or compulsory labour at any point in the value chain. The Group proactively applies United Nations ("**UN**") recommendations in respect of child- and forced-labour and promotes relations with suppliers, business partners and sub-contractors

[29] Data in this "Employees" section does not include BIOSEV employees

operating under the same values. The Group has a global training programme in place to reinforce the values of its code of conduct, such training being mandatory for all managers and staff.

Competition

The sectors in which the Group operates are highly competitive at all stages of the value chain and the Group faces competition in its various product and geographical markets. The Group's competitors range from global trade houses to local distributors and buying agents. Many of the Group's competitors in one area are also its customers or suppliers in other areas. The Group's main agri-commodities competitors on an international level are ADM, Bunge, Cargill and Glencore. The Group also competes with Wilmar, Olam and Noble in Asia.

See also "Risk Factors – Risks relating to the Group and its Business – Competition and market data – The Group faces competition in the Group's various product and geographic markets".

Information Technology

The Group has in place a programme of information technology development aimed at improving systems, processes and security. The Group is currently in the process of replacing local systems with integrated systems provided by major technology companies. This includes commodity trading, risk management systems and global back office systems based on common Master Data and standard processes. The aim is to implement systems which are centrally administered, allowing for better monitoring of processes and increased efficiency. The Group currently runs a number of programmes including SAP and Microsoft Dynamics Ax.

The Group has implemented a global area network which provides secured connectivity to most of its sites. This network helps to ensure good quality service for secured data transfer, as well as voice and video-conferencing. Most of the Group's IT infrastructure is housed in secured data-centres with disaster recovery plans in place for its critical systems so that business continuity is assured.

See also "Risk Factors – Risks relating to the Group and its Business – Competition and market data – The Group is dependent on its internal systems for the Group's operations".

Regulatory Environment and Compliance

The Group's merchandising activity regularly involves the hedging of its positions in physical commodities with futures and option exchange-traded contracts. As a result, the Group has activities on over 40 futures and option exchanges across the world and some of its entities hold membership on these exchanges. For instance, the Group's subsidiary, Term Commodities Inc. is a clearing member on all United States futures exchanges and Louis Dreyfus Commodities Suisse SA is a clearing member on the LIFFE.

The Group monitors compliance with all applicable exchange rules and with the global financial regulations governing these exchanges, such as Commodity Futures Trading Commission rules in the U.S.A. and the Markets in Financial Instruments Regulation and Market Abuse Regulation in the EU. As is the case for the rest of the industry, the Group is and will be impacted by the Dodd-Frank legislation (in the United States) and the EMIR legislation (in Europe), and is adapting its processes and systems in order to comply with the new requirements.

The Group's compliance and risk department, amongst other responsibilities, monitors regulatory compliance in four areas: commodities futures-related compliance such as the trading and clearing rules of the exchanges mentioned above, trade sanctions-related compliance (such as the U.S. Office of Foreign Assets Control, UN, EU or other trade sanctions), trade practice compliance (such as the U.S. Foreign Corrupt Practices Act 1977, as amended from time to time, the UK Bribery Act 2010 and other local bribery legislation) and compliance with the internal LDC Code of Conduct. Dedicated teams are charged with providing continuous training for staff and designing and supervising the implementation of compliance policies. They monitor the activity on a constant basis and report and log any breaches.

The Group seeks to adapt its existing policies and put in place new policies with the same level of rigour to tackle new legislative and regulatory challenges which arise as its operations expand across new geographies and into new product areas.

See also "Risk Factors – Risks relating to the Group and its Business – Government regulations and policies – The Group is subject to regulation by various regulatory bodies", "Risk Factors – Risks relating to the Group and its Business – Government regulations and policies – The Group may not be able to maintain or obtain statutory and regulatory licences, permits and approvals required for its business", "Risk Factors – Risks relating to the Group and its Business – Government regulations and policies – The Group is subject to a significant number of laws and regulations" and "Risk Factors – Risks relating to the Group and its Business – Government regulations and policies – The Group may be subject to the laws of various countries imposing sanctions for conducting business with certain persons".

Health and Safety

The operations of the Group can involve occupational health and safety risks. In particular, the Group is involved in the production, processing, storage and transport of hazardous products. The Group's sites are monitored both internally and externally for product safety, compliance with laws and regulations, safety of processes, employee actions and those of contractors, occupational health and safety, transport safety, protection of the environment and operating loss and damage. In 2009, the Group launched a comprehensive occupational health and safety management system based on the OHSAS 18001 standard and, in 2010, added an environmental component to its management system based on the ISO 14001 standard. This management system covers the entire scope of its activities worldwide and includes periodic objective audits. Each region and production asset conducts monthly safety, health and environmental committee meetings to discuss safety results, action plan progress and other relevant topics. Regional committees include top management from that region. An annual "Worldwide Safety Day" (a day dedicated to global health and safety training) is carried out at all the Group's sites and among all its employees as part of the Group's continued commitment to workplace safety. Many of the Group's contractors also participate in Safety Day. In March 2012, the Group launched a Contractor Safety and Environmental Management Programme in an effort to further reduce risks at its sites and with those working for or on behalf of the Group.

Through staff education and preventative measures, the Group has succeeded in reducing recordable injuries in recent years, with many sites exceeding internal safety targets for 2011 in respect of recordable injuries for all employees. Nevertheless, and despite the Group's best efforts, the inherent risks in the Group's operations mean that accidents do occur from time to time and, in 2011, there were recordable accidents and lost time injuries (including fatalities). Continued focus and commitment in 2012 produced improved results, with the frequency of accidents falling in the Group's plants by 33 per cent. in 2012 compared with 2011. There was also a near full implementation of the Group's management system.

Environment

The nature of the Group's operations, especially in the area of commodity production, processing and logistics, exposes it to environmental risks, and, from time to time, the Group incurs costs associated with compliance with environmental regulations and guidance promulgated by the authorities and remediation of sites in the wide variety of areas and geographical regions in which it operates.

The Group aims to develop its business without compromising environmental protection. The Group has obtained all necessary governmental licences and certificates to operate its sites. The environmental management system development and implementation process involves all sites in the Group developing comprehensive plans to ensure compliance with all applicable national, state or territorial and local laws and regulations. The Group's production plants have adopted measures to control areas such as atmospheric discharge, water quality and conservation, runoff and seepage, plant and wildlife protection and energy consumption. Prior to construction or acquisition, each of the Group's assets is evaluated for its environmental impact and proper licensing by local environmental agencies. Each facility is subject to periodic internal environmental monitoring and review by external authorities, and internal and external environmental audits are carried out on a regular basis.

On 20 December 2012, as a result of the odour levels at the integrated seed crushing, pharmaglycerine and biodiesel plant in Wittenberg Germany operated by LDC Wittenberg ("**LDCW**"), a subsidiary of the Group, not being in compliance with the permit set by the state environmental agency (the "**LVwA**"), an order was issued to close the plant until the level set by the permit was formally met. LDCW's position is that the underlying requirements of the permit were in fact met and the order was disproportionate, illegal and unnecessary. In early April 2013, LDCW was successful in obtaining a judgement from the Halle Administrative Court to suspend the application of the order. A full proceeding to review the proportionality and legality of LVwA's order is now underway, with a decision expected before June 2014.

The Group is a member of several multi-stakeholder organisations, including: the Roundtable for Responsible Soy; the Roundtable for Sustainable Palm Oil; the Better Cotton Initiative; Bonsucro (a sugar-cane roundtable); and the Sustainable Rice Platform (of which the Group is a founder member). The primary function of each such organisation is to involve all the different participants in a particular commodity supply chain in collective discussions and decision-making on sustainable methods of producing marketing commodities. As well as addressing social and labour issues, this also features a substantial environmental element which covers topics such as sustainable water usage, control of chemical applications, treatment of waste and greenhouse gas emissions.

In most cases, the roundtables have developed a "certification standard" whereby a product can be audited against the set of sustainability criteria developed by the roundtable and a product which passes this audit is certified as to its sustainability credentials. The Group is a partner in the UN Global Compact and also participates in a number of international coffee certification programmes including Fair Trade and the Rainforest Alliance.

The Group's Environmental Management System complements its larger Safety, Health and Environment programme and overall business management system. It is not only used to manage the environmental aspects of the Group's activities, products and services, but also to set objectives and targets to improve the Group's environmental performance and reduce the impact of the Group's operations on the environment. Four Key Performance Indicators have been highlighted for all production, logistic and agricultural assets: energy consumption, greenhouse gases, water consumption and waste generation and disposal. The management system is used to identify opportunities for improvement in these areas and to manage projects generally.

See also "Risk Factors – Risks relating to the Group and its Business – Government regulations and policies – Environmental regulation imposes additional costs and may affect the results of the Group's operations".

Quality Control

The Group is dedicated to meeting each customer's quality requirements. Commodity orders include grade and quality specifications. The Group has product quality measures in place in each platform to meet these customer requirements. In some regions, the Group belongs to trade associations that impose industry quality standards such as the National Oilseeds Processors Association in the U.S.

Each platform has quality control representatives who are responsible for adherence with the Group's policy and who act as a check on the quality of product and services.

Insurance

It is the Group's policy to cover its insurable risks. Principal areas where the use of insurance is systematic include: General and Specific Liability, Property, Marine and Cargo and Travel and Vehicles. All insurance is contracted in co-ordination with the Group's Insurance Department. Where such are permitted and advantageous, global policies are put in place and managed centrally in order to ensure optimal coverage for the Group. All fixed assets, transport and storage of commodities are systematically insured both for damage and liability.

See also "Risk Management – Physical Risk" and "Risk Factors – Risks relating to the Group and its Business – Insurance, Liability and Tax – The Group's insurance may not adequately cover all potential losses and the Group or its key personnel might face liability in case of major incident".

Litigation

From time to time the Group is involved in litigation as part of the ordinary course of its business activities, both as claimant and defendant. This ordinary course litigation has not had a material adverse effect on the Group's operating results or financial condition.

Results of Operations and Financial Position

The following discussion of the Group's results of operations and financial position should be read in conjunction with the audited consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013 and as at, and for the three years ended, 31 December 2012 appearing elsewhere in this Prospectus. Unless otherwise indicated, all financial information included in this section is audited, except that financial information relating to (i) the six month period ended 30 June 2013 and (ii) the Group's consolidated statement of financial position excluding BIOSEV has not been audited. Certain figures are subject to rounding.

Overview of Results of Operations

Six month period to 30 June 2013

During the first half of 2013, activity in some relevant agricultural commodities' markets transitioned from a tight supply base to a more abundant base following strong crop prospects in certain key regions. This environment translated into moderate volatility and price levels, and constrained demand flows. Despite these conditions, the Group demonstrated an enduring ability to deliver profits. Net sales reached U.S.$29.2 billion, up 8% from the same period in the previous year. The Issuer reported a net income, Group Share, of U.S.$260 million for the six month period ended 30 June 2013, compared to U.S.$388 million from continuing operations one year before, or U.S.$280 million including discontinued operations – both adjusted for one-off gains.[30]

Geographical and product diversification remained key advantages for the Group to secure results and volumes. All three of the Group's segments made a positive contribution to operating results.

Financial Year 2012

The Group remained largely unshaken by fragile global conditions in 2012. The Group booked net sales of U.S.$57,140 million in 2012, compared to U.S.$57,669 million in 2011. The Group posted net income from continuing operations group share of U.S.$1,096 million, an increase of 25 per cent. compared to 2011, surpassing the previous record of U.S.$962 million in 2010.

In 2012, the global economy started slowly to recover from a crisis which had weakened both North America and Europe and disturbed worldwide trade flows. Exceptional weather conditions brought uncertainty to supplies and had an impact on the global agri-business. However, market volatility in 2012 decreased compared with 2011.

Financial Year 2011

With net sales of U.S.$57,669 million and gross margin of U.S.$2,132 million, the Group's business remained profitable in 2011.

In 2011, the world economy underwent a difficult period, characterised by significant downside risk and fragility. The turmoil generated by the financial crisis in Europe spread to both developing and high-income countries. As a result, there was a sharp slowdown in global growth and world trade.

Despite some declines, agricultural commodity prices remained significantly higher in 2011 than in 2010, mainly due to concerns about supply. Higher than expected crop yields explain the small decrease observed during the fourth quarter, though prices remained at a historical high supported by strong underlying demand in countries where economic growth was robust. Most prices, in addition to being on the high side, were also extremely volatile, moving in tandem with unstable financial and equity markets. Fluctuations in exchange rates and uncertainties in energy markets also contributed to

[30] Details of the one-off impacts relating to the Imperial Sugar Company acquisition are available in note 3 to the interim condensed consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013.

sharp price swings in agricultural markets. The Group expanded its leadership positions, increasing global volumes by around 7 per cent. compared to 2010. Its three core segments, Proteins, Tropicals and Other Products generally performed well. The Group booked net income from continuing operations group share of U.S.$875 million in 2011 compared to U.S.$962 million in 2010.

Profit and Loss Analysis

Net Sales

Six month period to 30 June 2013 versus six month period to 30 June 2012

The Group booked net sales of U.S.$29,161 million in the first six month period of 2013, an 8 per cent. increase compared to U.S.$26,960 million in the first six month period of 2012. The increase was due primarily to large export demand in the first half of 2013, despite the unusual weather conditions in 2012 generating supply and demand tightness at the beginning of 2013.

Group sales were driven by sales by the Proteins segment, which were U.S.$17,766 million in the first six month period of 2013, a 5 per cent. increase compared to U.S.$16,964 million in the first six month period of 2012 (and accounting for 61 per cent. of total Group sales in the first six month period of 2013, compared to 63 per cent. in the first six month period of 2012). Sales by the Tropicals Segment were U.S.$6,168 million, (accounting for approximately 21 per cent. of total Group sales) compared to U.S.$6,601 million in the first six month period of 2012 (accounting for 24 per cent. of total Group sales). Sales of the Other Products segment were U.S.$5,228 million in the first six month period of 2013 (accounting for 18 per cent. of total Group sales) compared to U.S.$3,396 million in the first six month period of 2012 (accounting for 13 per cent. of total Group sales).

In the first six month period of 2013, emerging markets (being Asia, the Middle East, Africa, South and West Latin America and North Latin America) represented 67 per cent. of the total Group sales, compared to 68 per cent. in the first six month period of 2012.

Financial Year 2012 versus Financial Year 2011

The Group booked net sales of U.S.$57,140 million in 2012, a 1 per cent. decrease compared to U.S.$57,669 million in 2011. The decrease was due primarily to a globally lower price environment compared to historically high prices in 2011, despite an average 7 per cent. rise in volume of physical sales across all segments during the year.

Group sales were driven by sales by the Proteins segment, which were U.S.$35,941 million in 2012, a 2 per cent. increase compared to U.S.$35,203 million in 2011 (and accounting for 63 per cent. of total Group sales in 2012, compared to 61 per cent. in 2011). Sales by the Tropicals Segment were U.S.$13,644 million, (accounting for approximately 24 per cent. of total Group sales) compared to U.S.$16,473 million in 2011 (accounting for 29 per cent. of total Group sales). Sales of the Other Products segment were U.S.$7,555 million in 2012 (accounting for 13 per cent. of total Group sales) compared to U.S.$5,993 million in 2011 (accounting for 10 per cent. of total Group sales).

The increasing geographical diversification of the Group helped to sustain net sales. In 2012, emerging markets (being Asia, the Middle East, Africa, South Latin America and North Latin America) represented 66 per cent. of the total Group sales, an increase of 10 per cent. over 2011. The Group's enhanced presence in Asia accounted for 40 per cent. of the sales in 2012 compared to 34.5 per cent. in 2011. Whereas markets such as Europe and the Black Sea and North America have historically been the Group's largest sales regions, sales at destination for the Asia region grew by 14 per cent. in 2012 compared to 2011.

Financial Year 2011 versus Financial Year 2010

The Group booked net sales of U.S.$57,669 million in 2011, a 29 per cent. increase compared to 2010. The increase was due to rising commodities prices coupled with an average 7 per cent. rise in volume of physical sales across all segments during the year.

Group sales were driven by the Proteins segment which were U.S.$35,203 million in 2011 (accounting for 61 per cent. of total sales), a 25.5 per cent. increase compared to U.S.$28,049 million 2010. Sales of the Tropicals Segment were U.S.$16,473 million in 2011 (accounting for 28.6 per cent. of total Group sales), a 43.6 per cent. increase compared to U.S.$11,473 million in 2010. Sales of the Other Products segment were U.S.$5,993 million in 2011 (accounting for 10.4 per cent. of total Group sales), a 16.5 per cent. increase compared to U.S.$5,145 million in 2010.

In 2011, emerging markets (being Asia, the Middle East, Africa, South Latin America and North Latin America) represented 58 per cent. of the total Group sales. Asia accounted for 34.5 per cent.

Gross Margin and Segment Operating Result

Segment operating result consists of the sum of the segment gross margin and the share of net result in affiliated companies under equity method.

Six month period to 30 June 2013 versus six month period to 30 June 2012

In the first six month period of 2013, the Group posted gross margin of U.S.$753 million, compared to U.S.$1,086 million in the first six month period of 2012, or a 24 per cent. decrease compared to U.S.$995 million in the first six month period of 2012 when adjusted for one-off gains.[31]

The Group closed the first six month period of 2013 with a Segment Operating Result of U.S.$738 million, a 32 per cent. decrease compared to U.S.$1,082 million in the first six month period of 2012, or a 26 per cent. decrease compared to U.S.$991 million in the first six month period of 2012 when adjusted for one-off gains.[31]

The Proteins segment operating result was U.S.$428 million (accounting for 58 per cent. of total segment operating result), a 32 per cent. decrease compared to U.S.$628 million in the first six month period of 2012. The Tropicals segment operating result was U.S.$222 million (accounting for 30 per cent. of total segment operating result) a 43 per cent. decrease compared to U.S.$392 million in the first six month period of 2012. The Other Products segment operating result was U.S.$88 million (accounting for 12 per cent. of total segment operating result), a 42 per cent. increase compared to U.S.$62 million in the first six month period of 2012.

Financial Year 2012 versus Financial Year 2011

In 2012, the Group posted gross margin of U.S.$2,321 million, a 9 per cent. increase over U.S.$2,132 million in 2011.

The Group closed 2012 with a Segment Operating Result of U.S.$2,310 million compared to U.S.$2,144 million in 2011, an increase of 8 per cent.

LDC considers that this performance is remarkable given the context of a slow, worldwide economic recovery. Both advanced and emerging markets continue to suffer from a general sense of uncertainty due to the economic crisis affecting Europe and North America.

Fuelled by demographic-related domestic needs in developing economies, the agri-business sector enjoyed robust demand. Despite hitting record prices in 2011, agricultural commodity prices continued

[31] Details of the one-off impacts relating to the Imperial Sugar Company acquisition are available in note 3 to the interim condensed consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013.

to reflect weather-related risks in global production volumes, as well as uncertainty over government intervention.

The Proteins segment operating result was U.S.$1,309 million (accounting for 56.7 per cent. of total segment operating result), a 20 per cent. increase compared to U.S.$1,091 million in 2011. The Tropicals segment operating result was U.S.$844 million (accounting for 36.5 per cent. of total segment operating result) compared to U.S.$915 million in 2011. The Other Products segment operating result was U.S.$156 million (accounting for 6.8 per cent. of total segment operating result), a 13.5 per cent. increase compared to U.S.$138 million in 2011.

Financial Year 2011 versus Financial Year 2010

The Group posted gross margin of U.S.$2,132 million in 2011, compared to U.S.$1,899 million in 2010.

This consistent result can be explained by the Group's significant diversification, which meant that the Group's results were to a large extent cushioned against fluctuation in results of any particular platform or commodity by the wide variety of its operations both in terms of geography and commodity. This is true from a segmental standpoint, with gross margin well balanced between the Proteins and Tropicals segments; and geographically between the Group's regions, with Asia becoming the Group's third largest region in terms of gross margin booked.

Total segment operating result was U.S.$2,144 million in 2011, driven by the Proteins and Tropicals segments. The Proteins segment operating result was U.S.$1,091 million (accounting for 50.9 per cent. of total segment operating result), a 13.4 per cent. increase compared to U.S.$963 million in 2010. The Tropicals segment operating result was U.S.$915 million (accounting for 42.7 per cent. of total segment operating result), a 5.8 per cent. increase compared to U.S.$865 million in 2010. Other products segment operating result was U.S.$138 million (accounting for 6.4 per cent. of total segment operating result) compared to U.S.$76 million in 2010.

Commercial and Administrative Expenses ("C&A")

Six month period to 30 June 2013 versus six month period to 30 June 2012

C&A expenses were U.S.$347 million in the first six month period of 2013, showing a decrease of 11 per cent. compared to U.S.$389 million in the first six month period of 2012. Despite increasing volumes, the Group reduced its C&A expenses. Results were magnified by the weakening of local currencies in some Latin American and Asian countries.

Financial Year 2012 versus Financial Year 2011

C&A expenses reached U.S.$755 million in 2012, showing a decrease of 7 per cent. compared to U.S.$810 million in 2011. Despite increasing volumes, the Group reduced its Commercial and Administrative expenses through cost optimisation in order to enhance its profitability in the long term.

Financial Year 2011 versus Financial Year 2010

C&A was U.S.$810 million for 2011, up from U.S.$599 million for 2010. During the year, the Group invested, *inter alia*, in governance processes and new offices to sustain its growth in a weaker U.S. dollar exchange rate environment. The C&A increase is related to the Group's organic growth, primarily in emerging markets, and external expansion, with acquisitions mainly in the fertilizer business, notably SCPA-Sivex International (SSI) based in Africa and Macrofertil Industria e Comercio de Fertilizantes Ltda (Macrofertil) based in Brazil.

Finance Costs, Net

Six month period to 30 June 2013 versus six month period to 30 June 2012

Finance costs amounted to U.S.$104 million in the first six month period of 2013 compared to U.S.$116 million in the first six month period of 2012, showing a 11 per cent. decrease year-on-year.

Interest expenses fell by 7 per cent. despite a higher level of average gross debt. This was due to improved funding conditions in addition to a decrease in LIBOR. Foreign exchange gains were recorded mainly on funding denominated in Argentinean Pesos and in Brazilian Real.

Financial Year 2012 versus Financial Year 2011

Finance costs amounted to U.S.$195 million for 2012 compared to U.S.$218 million in 2011, showing a 10.2 per cent. decrease year-on-year. Interest expense rose in 2012 compared to 2011 due to a higher level of long-term debt, but was counter-balanced by gains in foreign exchange, especially in North and South Latin America. The gain in finance costs was also explained by a level of average debt slightly diminishing following decreasing financing needs linked to commodity prices in 2011.

Financial Year 2011 versus Financial Year 2010

Finance costs were U.S.$218 million in 2011 compared to U.S.$141 million in 2010.

The increase in the finance costs is partly related to the average debt in 2011 which was significantly higher than in 2010, in a high price environment necessitating increased trade finance requirements.

The Group's cost of funds was also affected by the U.S. dollar liquidity crisis for European banks, which had an impact on the cost of U.S. dollar denominated borrowing, mainly during the fourth quarter of 2011. This situation may continue to impact the Group's finance costs moving forward.

Net Income

Six month period to 30 June 2013 versus six month period to 30 June 2012

Net income, Group Share from continuing operations, was U.S.$260 million in the first six month period of 2013 compared to U.S.$388 million in the first six month period of 2012 (U.S.$280 million including discontinued operations). The figures for the first six month period of 2012 are adjusted for one-off gains).[32]

Financial Year 2012 versus Financial Year 2011

Net income, Group Share from continuing operations, reached U.S.$1,096 million in 2012 (Net income from continuing operations at U.S.$1,104 million) compared to U.S.$875 million in 2011 (Net income from continuing operations at U.S.$879 million), a 25 per cent. rise compared to 2011.

Financial Year 2011 versus Financial Year 2010

Net income from continuing operations for 2011 was U.S.$879 million (U.S.$875 million Group Share) compared to U.S.$954 million in 2010 (U.S.$962 million Group Share).

Net Income – discontinued operations

Effective from 4 December 2012, LDCH BV contributed all its shares and voting rights in LDC to a newly formed intermediate holding company, Louis Dreyfus Commodities Netherlands Holding B.V., to which LDC distributed, by way of a dividend in kind, all its shares and voting rights (65.9 per cent.) in BIOSEV.

[32] Details of the one-off impacts relating to the Imperial Sugar Company acquisition are available in note 3 to the interim condensed consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013.

As a result of this reorganisation, BIOSEV moved from being a subsidiary of LDC and a member of the Group to a sister company of LDC.

This transaction between entities under common control was made at 30 September 2012 book value and generated no result on the sale of consolidated companies. The Group's consolidated statements of income for the six month periods ended 30 June 2013 and 30 June 2012 and the years ended 31 December 2012, 2011 and 2010 have been re-presented as if the operations of BIOSEV and its consolidated group had been discontinued from 1 January 2010. The discontinued operations excluded from the results of continuing operations are detailed in note 4 to the consolidated financial statements for 2012 appearing on pages F-1 ff.

Financial Year 2012 versus Financial Year 2011

Net loss from discontinued operations reached U.S.$150 million in 2012 (Net loss from discontinuing operations Group share being U.S.$93 million) compared to U.S.$251 million in 2011 (Net loss from discontinuing operations being U.S.$140 million).

Financial Year 2011 versus Financial Year 2010

Net loss from discontinued operations for 2011 was U.S.$251 million (U.S.$140 million Group Share) compared to a net income from discontinued operations of U.S.$159 million in 2010 (U.S.$89 million Group Share).

Analysis of Financial Position

U.S.$ million	31 December 2010	31 December 2010 w/o Biosev[(A)]	31 December 2011	31 December 2011 w/o Biosev[(A)]	31 December 2012	31 December 2012 after IAS 19[(B)]	30 June 2013
Non current assets	**6,601**	**2,632**	**7,161**	**3,510**	**4,400**	**4,421**	**4,555**
PPE, Biological and Intangible assets	5,963	2,235	6,083	2,729	3,370	3,370	3,451
Investments in associates	117	117	455	328	338	338	373
Other investments[(1)]	389	149	444	274	491	491	430
Others	132	130	179	179	201	222	302
Current assets	**17,255**	**16,024**	**15,588**	**14,525**	**14,719**	**14,717**	**16,052**
Inventories	7,360	6,522	6,125	5,592	5,977	5,977	6,390
Accounts receivable and other	8,642	8,356	7,879	7,657	7,732	7,730	8,667
Current financial assets[(2)]	1,253	1,146	1,583	1,276	1,010	1,010	994
Total assets	**23,856**	**18,656**	**22,749**	**18,034**	**19,119**	**19,138**	**20,607**
Equity	**5,260**	**3,362**	**5,284**	**3,912**	**4,807**	**4,766**	**4,817**
Attributable to owners of the parent	4,497	3,349	4,751	3,872	4,750	4,709	4,770
Attributable to non-controlling interests	763	13	533	40	57	57	47
Non-current liabilities	**4,265**	**2,216**	**4,789**	**2,717**	**3,168**	**3,229**	**3,056**
Long-term debt	3,271	1,869	3,849	2,315	2,570	2,570	2,372
Others	993	348	939	403	598	658	685
Current liabilities	**14,332**	**13,077**	**12,676**	**11,405**	**11,144**	**11,144**	**12,734**
Short-term debt[(3)]	7,681	6,982	6,849	5,993	6,195	6,195	7,039
Accounts payable and other	6,652	6,095	5,827	5,412	4,949	4,949	5,695
Total equity and liabilities	**23,856**	**18,656**	**22,749**	**18,034**	**19,119**	**19,138**	**20,607**

(1) including non-current assets held-for-sale
(2) current financial assets are made up of cash and cash equivalents, financial advances to related parties, available-for-sale financial assets and other financial assets at fair value through profit and loss
(3) including financial advances from related parties

(A) The table above shows information relating to the consolidated statements of financial position of the Group as at 31 December 2012, 2011 and 2010. In respect of 2011 and 2010, the table also shows information relating to the consolidated statements of financial position without BIOSEV, for reference purposes and ease of comparison with 2012.

(B) The Group has been applying the amendment to IAS 19 "Employee benefits" since 1 January 2013 with retroactive effect from 1 January 2012 on comparable financial statements with following impacts on the Group's consolidated balance sheet at 1 January 2013:

- an increase in liabilities related to retirement benefit obligations of U.S.$60 million;
- a decrease in assets recognised in the balance sheet of U.S.$2 million;
- an increase in deferred tax asset in the balance sheet of U.S.$21 million; and
- a decrease in consolidated equity, net of tax, of U.S.$41 million.

Further details are available in note 1 to the interim condensed consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013 presented on pages F-1 ff. All ratios have been recalculated accordingly.

30 June 2013 versus 31 December 2012

The Group closed the first six month period of 2013 with total assets of U.S.$20,607 million, up from U.S.$19,138 million as at 31 December 2012.

31 December 2012 versus 31 December 2011

The Group closed the fiscal year 2012 with total assets of U.S.$19,119 million, up from U.S.$18,034 million as at 31 December 2011.

31 December 2011 versus 31 December 2010

The Group closed the fiscal year 2011 with total assets of U.S.$18,034 million as at 31 December 2011, down from U.S.$18,656 million as at 31 December 2010.

Fixed Assets and Investment in Associates

30 June 2013 versus 31 December 2012

By 30 June 2013, total non-current assets[33] had increased to reach U.S.$4,555 million compared to U.S.$4,421 million as at 31 December 2012.

31 December 2012 versus 31 December 2011

By 31 December 2012, total non-current assets had increased to reach U.S.$4,400 million compared to U.S.$3,510 million as at 31 December 2011.

Fixed Assets and Investment in Associates represented 84 per cent. of the total non-current assets, slightly decreasing compared to the 31 December 2011 ratio of 87 per cent.

[33] Including non-current assets held for sale.

Fixed assets increased from U.S.$2,729 million to U.S.$3,370 million showing a growth of 23 per cent. since 31 December 2011. This increase was mainly due to the Group's extensive acquisition programme carried out throughout 2012.

31 December 2011 versus 31 December 2010

As at 31 December 2011, total non-current assets stood at U.S.$3,510 million, with fixed assets and Investment in Associates representing 87 per cent. of total non-current assets, roughly in line with the proportion as at 31 December 2010.

Fixed assets increased from U.S.$2,235 million as at 31 December 2010 to U.S.$2,729 million as at 31 December 2011, a 21 per cent. increase. While there were no major changes to the Group's regional and platform organisation, a significant portion of the increase was generated in emerging markets.

Investment in associates increased from U.S.$117 million as at 31 December 2010 to U.S.$328 million as at 31 December 2011. Most of this increase was related to the Green Eagle palm plantations joint venture set up in Indonesia.

Capital Expenditure

Six month period to 30 June 2013

During the first six month period of 2013, the Group pursued its capital expenditure plan, investing U.S.$298 million over the period, compared to U.S.$288 million in the first six month period of 2012.

The Proteins segment invested U.S.$143 million to further expand its asset base. In the USA, the Group continued an ongoing investment in Port Allen, an export elevation complex in Louisiana that will benefit the Oilseeds and Grains platforms (see "Recent Developments and Investments"). In South Africa, the Group entered into a joint venture agreement for the development of a rice cleaning and packing facility. In Brazil, the Group initiated a comprehensive warehouse master plan including both greenfield and brownfield projects. The move was part of a multi-year effort to enhance the Group's grains and oilseeds logistics and origination footprint. In Paraguay, the Group and its joint venture partners started operating an oilseeds crushing plant in June 2013. In the rice business, the Group established a joint venture to operate an existing rice mill with Vietnam Northern Food Corporation Vinafood 1, a major state-owned company handling the procurement and trading of rice in Vietnam. Other highlights include: a joint venture in a palm oil refinery in Indonesia, which came on line in April 2013; ongoing investment projects in an Indonesian palm oil refinery, expected in 2014; and a port on the Azov Sea, with operations expected to start in 2015.

The Tropicals segment invested U.S.$118 million over the period. The Group continued the value chain integration of the Cotton platform, signing a joint venture agreement on 26 April 2013 with Namoi Cotton Co-operative Ltd whereby the joint venture will provide marketing and packing services. The Coffee platform increased its asset footprint through the acquisition of a mill in Honduras. The Sugar platform is building two sugar refineries in Indonesia and China.

The Other Products segment invested U.S.$37 million over the period. During the first half of 2013, the Metals platform acquired a strategic minority stake in Chinalco Mining Corporation International ("**CMC**"), an entity listed on the Hong Kong Stock Exchange and currently developing the Toromocho Project in Peru.

Financial Year 2012

In 2012, the Group pursued its capital expenditure plan to focus on industrial and logistical facilities and origination diversification, investing U.S.$652 million in its continuing activities over the period, compared to U.S.$693 million in 2011.

In 2012, the major development strategy of the Proteins segment included the building of a grain and oilseeds port elevator in Baton Rouge, Louisiana, U.S.A. This was completed in 2013 (see "Recent Developments and Investments"). There was also an expansion of storage capacities in Mombasa, Kenya. In parallel, from early 2013 onwards a new high-capacity warehouse in Jatai, south-west Brazil, will serve the Oilseeds platform.

The Proteins segment developed a biodiesel line and enhanced its drying capacities at the General Lagos complex in Argentina. The Group's India-based oil refinery in Krishnaptnam started operations. The Group's crushing plant in Paraguay, jointly built with partners and due for completion at the end of April 2013, is expected to enhance the Group's presence in South America. Further developing the European region, the Group entered an agreement to build a port terminal for agricultural commodities in the Black Sea region. The Group continued its investment programme to enhance existing asset capacities, especially in Latin America and North America.

Financial Year 2011

The group further extended its capital expenditure programme throughout the value chain, investing U.S.$693 million during 2011 compared with U.S.$363 million in 2010, to broaden its presence in Asia, the Middle East and Africa. The Group has also invested in port facilities, key in its merchant business as part of its expansion programme.

The Proteins segment actively pursued its expansion of logistics and oil complex assets. In logistics, the highlight was the commencement of the investment plan for Port Allen, an elevation complex in Louisiana, U.S.A. to benefit exports by the oilseeds and grains platforms from the U.S.A. These two platforms also continued the construction of the Bahia Blanca port in Argentina, which is now operational. Additional handling and warehousing capacities were added in Australia for the grains platform. On the oil complex side, the Proteins segment made major investments, the most significant of which was the creation of the Green Eagle joint venture, an Indonesian palm plantation company. The oilseeds platform investment highlights also included a new biodiesel production line in General Lagos (Argentina), and the India-based Krishnapatnam oil refinery which started production in early 2012. Another focus was the acquisition of a new cottonseed crushing plant in Brazil and the establishment of a new joint venture in Paraguay which has started construction of a port-based soybean crushing plant. In addition, oil storage capacities were added in Kenya.

The Tropicals segment also made significant investments during the year. The juice platform continued to pursue its investment plan by developing its activity in the NFC market and by expanding orange tree plantations through the acquisition of farms and by planting its own trees. The sugar platform also pursued its development along the value chain. It built one new warehouse in Russia and invested in two companies, taking a minority share in an Indonesian sugar refinery, currently under construction, and a majority share in a Chinese sugar refinery, currently under construction.

The Other Products segment made significant investments, notably its fertilizers platform. In January 2011, the Group acquired SCPA-Sivex International, the leading fertilizer, crop protection and chemical products distributor in West and Central Africa. The combined entity makes the Group one of the key agri-business players in West and Central Africa with significant growth potential for the future.[34] The fertilizers platform also acquired Macrofértil Industria e Comercio de Fertilizantes Ltda in Brazil, broadening its presence throughout the value chain.

[34] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above.

Working Capital Usage

30 June 2013 versus 31 December 2012 and 30 June 2012

The Group's working capital usage ("**WCU**") reached at U.S.$9.4 billion at 30 June 2013, compared to U.S.$8.8 billion as at 31 December 2012. Inventories represented 68 per cent. of total WCU at 30 June 2013, compared to 68 per cent. at 31 December 2012. Inventories reached U.S.$6,390 million at 30 June 2013, compared to U.S.$5,977 million as at 31 December 2012.

As at 30 June 2013, RMI represented 84 per cent. of total inventories, remaining stable compared to the 83 per cent. as at 31 December 2012.[35]

Financial Year 2012 versus Financial Year 2011

The Group's WCU increased by 12 per cent. in 2012 compared to 2011, reaching U.S.$8.8 billion. Inventories represented 68 per cent. of total WCU at the end of 2012, compared to 71 per cent. at the end of 2011. Inventories reached U.S.$5,977 million as at 31 December 2012, a 7 per cent. increase compared to 31 December 2011.

As at the end of December 2012, RMI represented 83 per cent. of total inventories, remaining stable compared to last year.[35]

Financial Year 2011 versus Financial Year 2010

The Group's WCU stood at U.S.$7,857 million as at 31 December 2011, down by more than 11 per cent. compared to 31 December 2010 (U.S.$8,832 million). This decrease was mainly due to a decrease in inventory levels, which fell 14 per cent. due to both the effect of commodities prices and the close monitoring of WCU across the Group. Measured in days of sales, inventory levels showed a downward trend from 61 days as at 31 December 2010 to 39 days as at 31 December 2011.

As at 31 December 2011, RMI represented 83 per cent. of total inventories.[35]

Financing

30 June 2013 versus 31 December 2012

The Group succeeded in maintaining a solid available liquidity[36] in the first half of 2013, covering 42 per cent. of total assets as at 30 June 2013. At 30 June 2013, committed facilities amounted to 32 per cent. of total facilities.

The Group's adjusted net debt[36] amounted to U.S.$3,029 million as at 30 June 2013 – compared to U.S.$2,846 million at 31 December 2012 – due to additional working capital needs, and leading to an adjusted net gearing[36] of 0.63 at 30 June 2013, compared to 0.60 at 31 December 2012. The Group has access to over 170 banks, in more than 35 countries across six regions, to provide coverage in over 90 countries, and grant constant access to liquidity.

In the first six month period of 2013, LDC LLC, the U.S. subsidiary of LDC, refinanced the one-year tranche maturing in May 2013 of a syndicated RCF of U.S.$580 million through a new U.S.$710 million syndicated RCF maturing in May 2016.

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[35] Due to their very liquid nature, certain agricultural inventories are treated as RMI. RMI are readily convertible to cash because of widely available markets and international pricing mechanisms. The Group considers that trading inventories of fewer than three months can qualify as RMI.

[36] Following common practice in the agri-business, the Group calculated its adjusted net debt less RMI (readily marketable inventories). Due to their very liquid nature, certain agricultural inventories are treated as RMI. RMI are readily convertible to cash because of widely available markets and international pricing mechanisms. The Group considers that trading inventories of fewer than three months can qualify as RMI.

On 30 July 2013, the Issuer completed the issuance of an inaugural €400 million, 5-year, 3.875 per cent. unrated Eurobond. The Group expects to thereby strengthen its financial position by extending the maturity of its debt and diversifying sources of financing.

31 December 2012 versus 31 December 2011

Despite a macroeconomic environment suffering from a fragile recovery, the Group succeeded in maintaining a solid available liquidity[37] in 2012 reaching U.S.$7,590 million and covering 40 per cent. of total assets as at 31 December 2012. As at this date, 95 per cent. of the Group's short-term debt was covered by Current Financial Assets and RMI. The Group achieved this result thanks to cautious monitoring of cash-flow forecasts and to the Group's regional model for accessing financing around the world. The Group has access to over 170 banks, in more than 35 countries across six regions, to provide coverage in over 90 countries. At the end of 2012, committed facilities amounted to 34 per cent. of the total facilities. Group gross debt amounted to U.S.$8,659 million as at the end of December 2012, compared to U.S.$8,180 million as at 31 December 2011, whereas the Group's consolidated Net Debt stood at U.S.$7,783 million at the end of 2012, compared to U.S.$7,052 million as at 31 December 2011, leading to an adjusted net Gearing of 0.59, as at 31 December 2012 after taking into account the RMIs (compared to 0.61 at 31 December 2011).

The Group's adjusted Net Debt reached U.S.$2,847 million as at 31 December 2012 compared to U.S.$2,395 million at the end of 2011.

31 December 2011 versus 31 December 2010

The Group's liquidity remained strong in a worsening global economic environment due to its careful monitoring of cash flow and its regional model for accessing financing around the world, with over 170 lending banks in 35 countries and six regions covering more than 55 countries.

The Group increased its amount of committed financing (to 35 per cent. as at 31 December 2011) and extended its debt maturity profile. In August 2011, Louis Dreyfus Commodities Asia concluded a syndicated loan of U.S.$400 million and in December 2011, Louis Dreyfus Commodities Suisse concluded a syndicated loan of U.S.$800 million. Long-term debt financing for the Group increased by 24 per cent. over the year, while short -term debt decreased by 15 per cent.

The Group's consolidated net debt[36] stood at U.S.$7,052 million as at 31 December 2011 compared to U.S.$7,754 million as at 31 December 2010. Adjusted Gearing, at 0.61, at the same level than at 31 December 2010, with adjusted Gearing (net of RMI) at 0.61.

Equity

30 June 2013 versus 31 December 2012

Following dividend payments of U.S.$155 million, the Group's Equity stood at U.S.$4,817 million as at 30 June 2013 (compared to U.S.$4,766 million at 31 December 2012), of which U.S.$4,770 million was equity attributable to the owner of the parent (compared to U.S.$4,709 million at 31 December 2012).

31 December 2012 versus 31 December 2011

The Group's Equity reached U.S.$4,807 million as at 31 December 2012, a 23 per cent. increase compared to U.S.$3,912 million at 2011 year-end.

The change in Equity is principally explained by the Group's 2012 financial performance and to a lesser extent by the issuance of U.S.$350 million, 8.25 per cent. coupon hybrid capital securities in

[37] Available liquidity is made up of cash and cash equivalents plus available–for-sale financial assets plus other financial assets at fair value, plus RMI plus undrawn committed bank lines (U.S.$2 billion as at 30 June 2013).

September 2012. The structure of the perpetual hybrid capital securities qualifies the instrument to be classified as equity under IFRS.

31 December 2011 versus 31 December 2010

Following dividend payments of U.S.$249 million for 2011, the Group closed 2011 with a consolidated equity of U.S.$3,912 million as at 31 December 2011 (compared to U.S.$3,362 million as at 31 December 2010), of which U.S.$3,872 million was equity attributable to the owner of the parent (LDCH BV) (compared to U.S.$3,349 million as at 31 December 2010).

Risk management

Compliance and risk governance

In the normal course of its business, the Group assumes and manages several types of risk including, but not limited to, market risk, trade finance and country risk, physical risk, liquidity and funding risk, foreign exchange risk and operational risk. The ability to manage and hedge these risks is a key strength of the Group, having contributed to its performance through the volatile market environment over the last few years. Risk management is a core function of the Group's management structure – the Group's chief compliance and risk officer ("**CCRO**") reports directly to the Group Chief Executive Officer for risk and to the Chairman of the Supervisory Board for Compliance. Risk policies are determined centrally and administered regionally by a team of dedicated specialists. Exposures are monitored on a daily basis. Compliance procedures are continuously being reviewed and updated to reflect the constantly evolving regulatory environment. Risk and compliance procedures and monitoring systems are designed to be clear and prudent while seeking to allow optimal deployment of risk capital.

The supervisory board of the Group oversees risk governance issues and has complete authority to decide on control procedures, risk management policies, risk capital allocations and risk limits. Beneath the Board, three senior-management bodies work side by side with the CCRO to oversee both quantitative and qualitative aspects of risk management and implement Group risk policies and Board decisions.

The three bodies are:

- The Risk Committee – this is the body that analyses and reviews the major quantitative risks facing LDC, such as credit risk, market risk, country risk, liquidity and funding risk, as well as risk procedures and methodologies;
- The Macro Committee – this is the body that analyses and reviews qualitative global trends such as concentrations, systemic risks and exogenous risks that may impact the portfolio; and
- The Internal Audit and Compliance Committee – this body oversees internal audit, internal control, compliance, training, sustainability and operational risk.

Both management supervision and segregation of duties are fundamental pillars of the Group's risk management process. Consequently, in addition to the three committees referred to above, the compliance and risk department teams perform risk management duties, which include quantifying, analysing and monitoring the Group's exposures, and implementing any necessary corrective action. These teams are independent from the trading function and centralised under the responsibility and supervision of the CCRO.

While day-to-day responsibility for managing risk is assigned to trading managers, senior management is responsible, through the various risk officers, for approving strategies and establishing trading constraints and limits. Exposures are assessed and compared to assigned limits and available risk capital on a daily basis by the different risk teams. These limits ensure that the positions held are consistent with the loss limits that have been set. As such, traders are not allowed to hold positions that have the potential to exceed their designated daily stop loss limits.

The Group's risk exposure is assessed, monitored and controlled through a number of systems developed internally, in which it invests significant and continuous development efforts.

Market risk

Market risk refers to the potential for changes in the market value of the commodities to which the Group is exposed. Categories of market risk include exposures to price volatility, and price, time, geographies, quality and inter- and intra-commodity spreads.

To reduce price risk resulting from market fluctuations, the Group uses a range of instruments including exchange-traded futures and options contracts. The residual risk is quantified, reported and managed within specific limits. Where there are clear opportunities due to temporary market disequilibrium, the Group may retain some limited flat price risk.

It is the Group's policy to manage market risk by:

- Pre-determining, analysing and consciously entering into retained risks;
- Diversifying exposures;
- Controlling position sizes, maturities and Value at Risk ("**VaR**") (potential loss in the value of a position due to adverse market movements over a defined time horizon with a specific confidence interval);
- Stress testing portfolios; and
- Applying strict internal procedures (in particular, all exposures must remain within approved limits).

Various techniques and quantitative tools have been developed internally to measure the magnitude of market risk within the Group, in any given portfolio or set of positions as a whole. They are used jointly to construct a global view of the Group's risk profile on any given date. Each technique analyses specific aspects of the risk profile and is an integral part of the Group's market risk management.

Key techniques and tools are as follows:

- Risk limits, based on a summary measure of market risk exposure referred to as VaR;
- Stress testing (assessment of potential vulnerability to exceptional but plausible events whose probabilities are not accurately captured by a VaR approach);
- Theoretical/artificial scenario analysis (assessment of specific risks linked to the Group's position and trading strategy); and
- Unit and marginal VaRs, component VaRs and parametric VaRs are used alongside the Monte Carlo VaR in order to provide a complete picture of the various residual risks.

Procedures for position size adjustment in case of breaches of assigned limits are enforced across the Group and traders are monitored on a daily basis.

Credit risk

Credit risk is the risk of incurring losses due to counterparties failing to perform under their contractual obligations.

As a general principle, the Group seeks to avoid or pass on credit risk. Where possible, this risk is systematically mitigated and passed on to third parties. Retention of some credit risk, when unavoidable, is strictly limited to what is considered appropriate by the Credit Risk Department and/or the Risk Committee.

As a policy, the Group will always seek to manage credit risk by applying strict internal procedures ranging from systematic credit risk assessment to monitoring and proactive control of exposures.

The Group's global credit risk management system enables the Group to monitor exposures to all individual counterparties on an aggregate basis and to counterparties and their affiliates on a regional and commodity basis.

Trade finance and country risk

Any firm or individual conducting cross-border transactions is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situation.

As a general principle, the Group seeks to avoid country risk: any exceptions require approval by the Credit and Country Committee. It is the Trade Finance Department's role to seek to mitigate political, country and third-party risks.

While it is not the Group's policy to extend financing to its counterparties, except in particular and specific circumstances, it may seek to obtain trade financing for its counterparties by putting in place trade structures where both the funding and the risks are deferred to financial institutions on a limited or no-recourse basis for the Group.

Storage of commodities in emerging markets presents specific risks and is co-ordinated and monitored by the Trade Finance Department in conjunction with the Insurance and Credit Risk Departments.

Each contract has an associated payment term. The vast majority of transactions are concluded on secure cash payment terms but will generally expose the Group to performance risk. In certain circumstances the Group may provide credit. Depending on the terms, the Group could be exposed to varying amounts of risk when the payment for the contract becomes due. The Trade Finance Department reviews any non-standard payment terms within a commercial contract.

Physical risk

It is the Group's policy to cover its insurable risks. Principal areas where the use of insurance is systematic include: general and specific liability, property, marine & cargo, travel and vehicles.

All insurance is contracted in conjunction with the Insurance Department. Where permitted and advantageous for the Group, global policies are put in place and managed centrally in order to ensure optimal coverage for the Group. All fixed assets, transport and storage of commodities are systematically insured both for damage and liability.

Liquidity and funding risk

Access to liquidity and managing working capital and margin posting requirements is fundamental to the operation of the Group's business.

The Group ensures that sufficient headroom is preserved at all levels (corporate, regional and platform levels) through a system which requires platforms to maintain a liquidity reserve within their working capital allocation to meet exceptional market conditions.

Line availability is controlled both locally and centrally by the Treasury Department with the head of treasury in charge of relaying potential systemic or worrying macro issues/situations to the Risk Committee.

Central and local minimum cash reserves are maintained and residual funding capacity is monitored against cash flow forecasts on a daily and weekly basis. In order to ensure sufficient liquidity to meet business requirements, nine-month rolling cash flow forecasts are updated by regions on a weekly basis, providing an outlook of the commercial cash flows anticipated by the platforms. In case of potential stressed situations, particular businesses are required to reduce line usage.

These projections are completed by a daily measurement of the treasury VaR, anticipating the maximum margin calls that each regional treasury may have to face using various time horizons and confidence intervals. A daily VaR measure of the positions subject to margin calls is performed by the Market Risk Department and reported through the Treasury VaR report to the Treasury Department and the Group's senior management.

Foreign exchange risk

As a general principle, all the Group's subsidiaries conduct their operations in their functional currencies.

When foreign exchange exposure arising from purchase and sale of products in non-functional currencies is unavoidable, the Group uses forward contracts and non-deliverable forwards to hedge the foreign exchange exposure. Where such instruments are not available, the Group will attempt to create natural hedging arrangements by matching the value of sales and purchases in the given currency. Local treasury departments are in charge of these operations.

The Group owns assets and equity participations in various geographies, and is consequently exposed to foreign exchange risk on the equity share in its subsidiaries. This risk is somewhat mitigated by a diversification effect, as the Group's activities are diversified and assets or equity are spread throughout multiple geographies.

Foreign exchange risk arising from overhead costs is hedged from zero to twelve months generally prior to the budgeting cycle. The number of months to be hedged is defined per currency and updated on a regular basis, and monitored by a senior management committee.

Operational risk

Operational risk relates to the risk of direct loss or reputational damage arising from shortcomings or failures in internal processes, frauds or systems breakdown. The Group manages operational risk by mobilising significant efforts and resources to improve and consolidate control standards and day-to-day monitoring through various related departments: the operational risk department is responsible for defining Group operational policy, standards and controls, the Internal Audit department conducts regular reviews of each of the Group's legal entities and activities, and the finance department is responsible for the implementation and consistency of these controls in the various regions on a daily basis.

Management and Shareholders

Management Bodies

The management structure of LDC consists of a Supervisory Board at the level of its indirect parent, LDCH BV (the "**LDCH BV Supervisory Board**"), a Managing Board at the LDC level (the "**Managing Board**") and an operational management team at the LDC level (the "**LDC Senior Executive Committee**").

The LDCH BV Supervisory Board is made up of Serge Schoen (Executive Chairman), Margarita Louis-Dreyfus (Deputy Chairperson), Jean-René Angeloglou, Raymond Cretegny, Mehdi El Glaoui and Aimery Langlois-Meurinne.

Specialised committees have been put in place at the level of LDCH BV, which report to the LDCH BV Supervisory Board. These committees are the LDCH BV Audit Committee; the LDCH BV Strategy Committee; and the LDCH BV Compensation Committee. These committees monitor and regulate the activities of LDCH BV's consolidated group as a whole, including LDC.

The LDCH BV Audit Committee is made up of Jean-René Angeloglou, Mehdi El Glaoui and Raymond Cretegny. The LDCH BV Strategy Committee is made up of Serge Schoen, Margarita Louis-Dreyfus and Aimery Langlois-Meurinne. The LDCH BV Compensation Committee is made up of Raymond Cretegny, Margarita Louis-Dreyfus and Jean-René Angeloglou.

The LDC Managing Board is made up of Claude Ehlinger, Group Chief Financial Officer and Johannes Schol.

The business address of the members of the LDC Managing Board and the LDCH BV Supervisory Board is Westblaak 92, 3012KM Rotterdam, The Netherlands. None of the members of the LDC Managing Board or the LDCH BV Supervisory Board has activities outside LDC which are significant with respect to LDC. LDC is not aware of any conflicts of interest between any duties to LDC of the members of the LDC Managing Board or the LDCH BV Supervisory Board and their private interests or other duties.

LDC complies with the currently applicable Dutch corporate governance regime.

Day-to-day operational functions are carried out by the LDC Senior Executive Committee. The composition of the LDC Senior Executive Committee is as follows:

Chief Executive Officer	Ciro Echesortu
Senior Head of Macro	Erik Anderson
Chief Financial Officer	Claude Ehlinger
Senior Head of Juice and Sugar	Jacques Gillaux
Chief Compliance & Risk Officer	Nigel Mamalis
Senior Head of Human Resources and Communication	Andrea Maserati
Senior Head of Tropicals Merchant	Joe Nicosia
Senior Head of Business Processes	François-Philippe Pic
Senior Head of Oilseeds	Andre Roth
Senior Head of Proteins and Other Products, Platform Coordinator	Silvia Taurozzi

Shareholders

As at 30 June 2013, the share capital of LDC was U.S.$1.438 million (at a historical conversion rate of €1.00 equalling U.S.$1.438) consisting of 100,000,000 issued and full-paid ordinary shares of Euro 0.01 nominal value each. The ordinary shares of LDC are 100 per cent. held by Louis Dreyfus Commodities Netherlands Holding BV a wholly owned subsidiary of LDCH BV. An economic interest of approximately 15 per cent. in LDCH BV is held by employees and management of LDC as part of the employee participation plan described above (See "Description of Business – Employees"). The remaining shares of LDCH BV are beneficially owned by members of the Louis-Dreyfus family through intermediate holding companies and trusts.

See "Management Bodies" above for certain arrangements that have been put in place at the LDCH BV level to ensure that shareholder control is not abused. LDC is not aware of any arrangements which may result in a change of control of LDC.

Use of Proceeds

The net proceeds of the issue of the Bonds will be used for general corporate purposes of the Group and investments in accordance with the Group's investment strategy. Total expenses incurred in connection with the admission to trading of the Bonds will be €4,345.

Taxation

The statements herein regarding taxation are based on the laws in force as at the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of, the Bonds. Each prospective holder or beneficial owner of Bonds should consult its tax adviser as to the tax consequences of any investment in, or ownership, disposition of and receiving payment of interest, principal and/or other amounts under the Bonds.

The Netherlands

General

The following is a general summary of certain Netherlands tax consequences of the acquisition, holding and disposal of the Bonds. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Bonds and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as investors that are subject to taxation in Bonaire, Sint Eustatius and Saba and trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective holders of Bonds should consult with their tax advisers with regard to the tax consequences of investing in the Bonds in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, as in effect on the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

Withholding tax

Payments under the Bonds will not be subject to withholding or deduction for, or on account of, any Netherlands taxes.

Taxes on income and capital gains

Please note that the summary in this section does not describe The Netherlands tax consequences for:

(i) holders of Bonds if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under The Netherlands Income Tax Act 2001 (in Dutch: "***Wet inkomstenbelasting 2001***"). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits and/or to 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

(ii) pension funds, investment institutions (in Dutch: "*fiscale beleggingsinstellingen*"), exempt investment institutions (in Dutch: "*vrijgestelde beleggingsinstellingen*") (as defined in The

Netherlands Corporate Income Tax Act 1969; in Dutch: "*Wet op de vennootschapsbelasting 1969*") and other entities that are exempt from Netherlands corporate income tax; and

(iii) holders of Bonds who are individuals for whom the Bonds or any benefit derived from the Bonds are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holder (as defined in The Netherlands Income Tax Act 2001).

Residents of The Netherlands

Generally speaking, if the holder of the Bonds is an entity that is a resident or deemed to be resident in The Netherlands for Netherlands corporate income tax purposes, any payment under the Bonds or any gain or loss realised on the disposal or deemed disposal of the Bonds is subject to Netherlands corporate income tax at a rate of 25 per cent. (a corporate income tax rate of 20 per cent. applies with respect to taxable profits up to €200,000, the bracket for 2013).

If a holder of the Bonds is an individual, resident or deemed to be resident in The Netherlands for Netherlands income tax purposes (including the non-resident individual holder who has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of The Netherlands), any payment under the Bonds or any gain or loss realised on the disposal or deemed disposal of the Bonds is taxable at the progressive income tax rates (with a maximum of 52 per cent.), if:

(i) the Bonds are attributable to an enterprise from which the holder of the Bonds derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth of such enterprise without being a shareholder (as defined in The Netherlands Income Tax Act 2001); or

(ii) the holder of the Bonds is considered to perform activities with respect to the Bonds that go beyond ordinary asset management (in Dutch: "*normaal, actief vermogensbeheer*") or derives benefits from the Bonds that are (otherwise) taxable as benefits from other activities (in Dutch: "*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (i) and (ii) do not apply to the individual holder of the Bonds, such holder will be taxed annually on a deemed income of 4 per cent. of his/her net investment assets for the year at an income tax rate of 30 per cent. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Bonds are included as investment assets. A tax free allowance may be available. An actual gain or loss in respect of the Bonds is as such not subject to Netherlands income tax.

Non-residents of The Netherlands

A holder of the Bonds that is neither resident nor deemed to be resident in The Netherlands nor has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of The Netherlands will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Bonds or in respect of any gain or loss realised on the disposal or deemed disposal of the Bonds, provided that:

(i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Netherlands Income Tax Act 2001 and The Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in The Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in The Netherlands and to which enterprise or part of an enterprise the Bonds are attributable; and

(ii) in the event the holder is an individual, such holder does not carry out any activities in The Netherlands with respect to the Bonds that go beyond ordinary asset management and does not derive benefits from the Bonds that are (otherwise) taxable as benefits from other activities in The Netherlands.

Gift and inheritance taxes

Residents of The Netherlands

Gift or inheritance taxes will arise in The Netherlands with respect to a transfer of the Bonds by way of a gift by, or on the death of, a holder of such Bonds who is resident or deemed resident of The Netherlands at the time of the gift or his/her death.

Non-residents of The Netherlands

No Netherlands gift or inheritance taxes will arise on the transfer of Bonds by way of gift by, or on the death of, a holder of Bonds who is neither resident nor deemed to be resident in The Netherlands, unless:

(i) in the case of a gift of a Bond by an individual who at the date of the gift was neither resident nor deemed to be resident in The Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in The Netherlands; or

(ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds The Netherlands nationality will be deemed to be resident in The Netherlands if such person has been resident in The Netherlands at any time during the 10 years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding The Netherlands nationality will be deemed to be resident in The Netherlands if such person has been resident in The Netherlands at any time during the 12 months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Netherlands VAT will be payable by the holders of the Bonds on any payment in consideration for the issue of the Bonds or with respect to the payment of interest or principal by the Issuer under the Bonds.

Other taxes and duties

No Netherlands registration tax, customs duty, stamp duty or any other similar documentary tax or duty will be payable by the holders of the Bonds in respect or in connection with the issue of the Bonds or with respect to the payment of interest or principal by the Issuer under the Bonds.

EU Savings Directive

Under the Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person located within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State. However, for a transitional period, Austria and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a Paying Agent, the Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

The current Luxembourg government has announced its intention to opt out of the withholding system in favour of automatic exchange of information, with effect from 1 January 2015.

Luxembourg

The comments below are intended as a basic overview of certain tax consequences in relation to the purchase, ownership and disposition of the Bonds under Luxembourg law and do not purport to be complete or exhaustive. Persons who are in any doubt as to their tax position should consult a professional tax adviser. This description is not intended to constitute tax or legal advice by the Issuer.

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Bondholders or Bondholders that are Residual Entities (as defined below), there is no withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of interest paid to individual Bondholders or Bondholders that are Residual Entities (as defined below), upon repayment of the principal in case of reimbursement, redemption, repurchase or exchange of the Bonds.

Luxembourg non-resident individuals

Under the Directive (as defined above) and the Luxembourg laws dated 21 June 2005 (the "**Laws**") implementing the Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union ("**EU**"), a Luxembourg based paying agent (within the meaning of the Laws) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain residual entities resident or established in another Member State or in certain EU dependent or associated territories unless the beneficiary of the interest payments opts for the procedure of the exchange of information or, in case of an individual beneficiary, for the tax certificate procedure. Residual Entities within the meaning of article 4.2. of the Directive are entities established in a Member State or in certain EU dependent or associated territories which are not legal persons (the Finnish and Swedish companies listed in article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation and that are not and have not opted to be treated as UCITS recognised in accordance with Council Directive 85/611/EEC, as replaced by Council Directive 2009/65/EC, or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands. The current withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

Luxembourg resident individuals

A 10 per cent. withholding is levied on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents or to certain Residual Entities that secure interest payments on behalf of such individuals (unless such entity has opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by Council Directive 2009/65/EC, or for the exchange of information regime). Income from current accounts, provided that the interest rate is not higher than 0.75 per cent., is exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short-and long-term) and which does not exceed €250 per person and per paying agent, is exempt from the withholding tax. This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers receiving the payment in the course of their private wealth.

Subscription and Sale

BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited and HSBC Bank plc (together, the "**Joint Lead Managers**") have, pursuant to a Subscription Agreement dated 2 December 2013, jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe the Bonds at 4.00 per cent. of their principal amount less certain fees and commissions. The Issuer has agreed to reimburse the Joint Lead Managers for certain of their expenses in connection with the issue of the Bonds. The Subscription Agreement entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer. The yield of the Bonds is 4.00 per cent. on an annual basis. The yield is calculated as at the Issue Date on the basis of the issue price. It is not an indication of future yield.

Selling Restrictions

General

Neither the Issuer nor any Joint Lead Manager has made any representation that any action will be taken in any jurisdiction by the Joint Lead Managers or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Joint Lead Manager has agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any related offering material, in all cases at its own expense.

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Joint Lead Manager has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Bonds, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Bonds within the United States by a dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

The Netherlands

In relation to The Netherlands, each of the Joint Lead Managers has represented and agreed that it has not made and will not make any offer of Bonds which are the subject of the offering contemplated by this Prospectus in The Netherlands, unless such offer is made exclusively to persons which are qualified investors (as defined in Article 2(1)(e) of the Prospectus Directive in The Netherlands.

France

Each of the Joint Lead Managers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Bonds to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Bonds, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own accounts, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

The direct or indirect distribution to the public in France of any Bonds so acquired may be made only as provided by Articles L.411-1 to L.411-4 of the French *Code monétaire et financier* and applicable regulations thereunder.

Singapore

Each of the Joint Lead Managers has acknowledged that this Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") and the Bonds will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore, as amended (the "**SFA**"). Accordingly, each of the Joint Lead Managers has represented, warranted and agreed that they have not offered or sold any Bonds or caused such Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell such Bonds or cause such Bonds to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will they circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Bonds, whether directly or indirectly, to persons in Singapore other than: (i) to an institutional investor under Section 274 of the SFA; (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor, or to a relevant person defined in Section 275(2) of the SFA or to any person arising from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a corporation) where the transfer arises from an offer referred to in Section 275(1A) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

Hong Kong

Each Joint Lead Manager has represented, warranted and undertaken to the Issuer and each other Joint Lead Manager that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Switzerland

Each Joint Lead Manager has represented that it (a) will only offer, advertise, distribute or sell Notes in, into or from Switzerland or make available this Prospectus or any other offering or marketing material relating to the Notes in compliance with all applicable laws and regulations in force in Switzerland and (b) will to the extent necessary, obtain any consent, approval or permission required, if any, for the offer, advertisement, distribution or sale by it of Notes under the laws and regulations in force in Switzerland.

This Prospectus does not constitute a prospectus within the meaning of the Swiss Code of Obligations and accordingly, neither this Prospectus nor any other offering or marketing material relating to the Notes has been prepared with regard to the disclosure standards for prospectuses under article 652a or

1156 of the Swiss Code of Obligations or the listing rules of the SIX Swiss Exchange. Only the relevant offering document for the offering of the Notes in, into or from Switzerland and any information required to ensure compliance with the Swiss Code of Obligations and all other applicable laws and regulations in force in Switzerland may be used in the context of a public offer in, into or from Switzerland.

General Information

1. Application has been made to the Luxembourg Stock Exchange for the Bonds to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange's regulated market.

2. The Issuer has obtained all necessary consents, approvals and authorisations in the Netherlands in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by the managing board (*bestuur*) of the Issuer in a resolution adopted on 22 November 2013.

3. Except as disclosed in "Recent Developments and Investments" on pages 64 and 65 of this Prospectus, there has been no significant change in the financial or trading position of the Issuer since 30 June 2013 and no material adverse change in the prospects of the Issuer or of the Group since 31 December 2012.

4. The Bonds have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems with a Common Code of 100091801. The International Bonds Identification Number (ISIN) for the Bonds is XS1000918018. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

5. Neither the Issuer nor the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.

6. Each Bond and Coupon will bear the following legend: "*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code*".

7. There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds.

8. No person involved in the Issue of the Bonds has an interest, including a conflicting one, which could be material to the issue of the Bonds.

9. Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

10. Copies (and English translations where the documents in question are not in English) of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent:

    (a) the Agency Agreement (which includes the form of the Global Bonds, the definitive Bearer Bonds and the Coupons);

    (b) the consolidated financial statements of the Group as at, and for the six month period ended, 30 June 2013 and as at, and for the three years ended, 31 December 2012;

(c) the Articles of Association of the Issuer; and

(d) a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus.

This Prospectus will be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

11. Deloitte & Associés of 185 avenue Charles de Gaulle, 92200 Neuilly sur Seine, France (Independent Public Accountants and a member of *Compagnie Régionale des Commissaires aux Comptes de Versailles,* France) have audited and rendered unqualified audit reports on the accounts of the Issuer for the years ended 31 December 2012, 2011 and 2010.

12. Certain of the Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, and/or its affiliates in the ordinary course of business for which they may receive fees.

Index to the Consolidated Financial Statements

As at, and for the six month period ended, 30 June 2013

As at, and for the three years ended, 31 December 2012

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Period from 1 January 2013 to 30 June 2013

To the Managing Directors of Louis Dreyfus Commodities B.V.

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated financial statements of Louis Dreyfus Commodities B.V. and subsidiaries as at 30 June 2013, which comprise the interim consolidated balance sheet as at 30 June 2013, and the related interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* ("IAS 34"), as adopted by the European Union applicable to interim financial information. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of IFRS as adopted by the European Union applicable to interim financial information.

Neuilly-sur-Seine, France, 27 September 2013

Deloitte & Associés

François-Xavier Ameye

INTERIM CONSOLIDATED INCOME STATEMENT

Period from 1 January 2013 to 30 June 2013

(in thousands of U.S. dollars)	Notes	30 June 2013 6 months	30 June 2012 6 months
Net sales	23	$ 29,161,437	$ 26,960,205
Cost of sales		(28,408,081)	(25,874,404)
Gross Margin		**753,356**	**1,085,801**
Commercial and administrative expenses		(347,415)	(388,844)
Finance costs, net	24	(103,579)	(116,487)
Share of loss in affiliated companies carried at equity	7	(15,083)	(4,175)
Loss on sale of investments	26	(1,020)	(18,127)
Gain (loss) on sale of assets		291	(1,147)
Other gains and losses		259	(4)
Income before tax – continuing operations		**286,809**	**557,017**
Current taxes		(58,686)	(104,334)
Deferred taxes	20	30,318	18,757
Net income – continuing operations		**258,441**	**471,440**
Attributable to:			
Owners of the parent Stockholders		**260,178**	**463,938**
Non-controlling Interests		(1,737)	7,502
Net income – discontinued operations		**-**	**(173,786)**
Attributable to:			
Owners of the parent Stockholders		-	(108,169)
Non-controlling Interests		-	(65,617)
Net Income		**$ 258,441**	**$ 297,654**
Attributable to:			
Owners of the parent Stockholders		**260,178**	**355,769**
Non-controlling Interests		$ (1,737)	$ (58,115)

INTERIM CONSOLIDATED BALANCE SHEET

Period from 1 January 2013 to 30 June 2013

(in thousands of U.S. dollars)	**Notes**	**30 June 2013**	31 December 2012
Non-Current Assets			
Intangible assets	4	$ 155,909	$ 158,155
Property, plant and equipment, net	5	2,991,794	2,923,678
Biological assets	6	302,975	288,232
Investments in affiliated companies carried at equity	7	372,552	337,915
Other investments, deposits and sundry	8	425,366	486,150
Deferred income tax	20	301,975	222,383
Total Non-Current Assets		**4,550,571**	**4,416,513**
Current Assets			
Inventories	9	6,390,409	5,976,676
Trade and other receivables	11	6,434,922	5,711,669
Derivative assets	10	1,458,900	1,390,029
Margin deposits	10	607,534	497,408
Current income tax assets		166,038	131,193
Financial advances to related parties	30	47,520	20,892
Available-for-sale financial assets	12	50,424	10,957
Other financial assets at fair value through profit and loss	13	255,221	255,614
Cash and cash equivalents	14	641,092	722,291
Total Current Assets		**16,052,060**	**14,716,729**
Held-for-sale non-current assets and group of assets		4,856	4,848
Total Assets		**$ 20,607,487**	**$ 19,138,090**

(in thousands of U.S. dollars)	Notes	**30 June 2013**	31 December 2012
Equity			
Issued capital and share premium		$ 1,586,858	$ 1,586,858
Perpetual capital securities		345,079	345,079
Retained earnings		2,865,441	2,768,501
Other reserves		(27,120)	8,424
Equity attributable to owners of the parent		***4,770,258***	***4,708,862***
Equity attributable to non-controlling interests		46,857	57,133
Total Stockholders' Equity and Non-controlling Interests	15	**4,817,115**	**4,765,995**
Non-Current Liabilities			
Long term debt	16	2,371,661	2,570,225
Retirement benefit obligations	18	199,961	203,650
Reserve for contingencies	19	84,494	107,578
Deferred income tax	20	307,121	259,642
Other non-current liabilities	22	93,201	87,384
Total Non-Current Liabilities		**3,056,438**	**3,228,479**
Current Liabilities			
Bank loans and acceptances	17	6,301,070	5,294,360
Financial advances from related parties	30	738,093	900,325
Accounts payable and accrued expenses	21	4,345,507	3,767,305
Derivative liabilities	10	1,237,310	1,066,406
Reserve for contingencies	19	5,543	1,830
Current income tax liabilities		106,411	113,390
Total Current Liabilities		**12,733,934**	**11,143,616**
Total Liabilities		**15,790,372**	**14,372,095**
Total Equity and Liabilities		**$ 20,607,487**	**$ 19,138,090**

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period from 1 January 2013 to 30 June 2013

(in thousands of U.S. dollars)	**30 June 2013 6 months**			30 June 2012 6 months
	Pre-tax	Tax	Net	
Fixed assets revaluation reserve – change in fair value taken to equity	$ (361)	$ 29	$ (332)	$ (1,460)
Available-for-sale financial assets – change in fair value taken to equity	6,502	(4,342)	2,160	12,988
Cash flow hedges – change in fair value taken to equity	(26,407)	8,328	(18,079)	(19,419)
Exchange differences arising on translation of foreign operations	(13,722)	-	(13,722)	(83,814)
Share of other comprehensive income of associates	(8,204)	641	(7,563)	(16,434)
Net income directly taken into equity	**(42,192)**	**4,656**	**(37,536)**	**(108,139)**
Transfers from equity				
to profit and loss on cash flow hedges	3,152	(1,473)	1,679	(13,846)
to profit and loss on available-for-sale investments	-	-	-	(6,299)
to profit and loss on liquidated entities	(261)	-	(261)	-
Transfer from equity to net income	**2,891**	**(1,473)**	**1,418**	**(20,145)**
Changes in Other Comprehensive Income	**(39,301)**	**3,183**	**(36,118)**	**(128,284)**
Profit for the period – continuing operations	**286,809**	**(28,368)**	**258,441**	**471,440**
Profit for the period – discontinued operations	**-**	**-**	**-**	**(173,786)**
Total recognized income for the period	**$ 247,508**	**$ (25,185)**	**$ 222,323**	**$ 169,370**
Attributable to:				
Owners of the parent stockholders			**224,634**	**262,795**
Non-controlling interests			(2,311)	(93,425)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Period from 1 January 2013 to 30 June 2013

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Net Income	$ 258,441	$ 297,654
Adjustments for items not affecting cash		
Depreciation, amortization and biological assets' change in fair value	81,052	63,945
Current taxes	58,686	104,334
Deferred taxes	(30,318)	(18,757)
Interests, net	57,622	134,368
Other provisions, net	(14,737)	(84,908)
Share of loss in affiliated companies carried at equity, net of dividends	15,342	22,293
Loss from sale of assets and investments, net	729	18,127
Net expense arising from share-based payments	60,780	60,965
Non-cash items from discontinued operations	-	173,786
	487,597	**771,807**
Changes in operating assets and liabilities		
Inventories	(442,902)	(412,594)
Derivatives	101,895	391,529
Margin deposit net of margin deposit liabilities	(175,560)	(237,162)
Trade and other receivables	(694,199)	(542,801)
Trade and other payables	656,905	(205,408)
Interest paid	(215,649)	(188,887)
Interest received	44,076	33,885
Income tax paid	(95,610)	(172,986)
Net changes in operating assets and liabilities of discontinued operations	-	104,477
Net cash used in operating activities	**(333,447)**	**(458,140)**
Investing Activities		
Purchase of fixed assets	(178,683)	(182,217)
Additional investment, net of cash acquired	(119,800)	(105,349)
Change in short-term securities	28,393	3,493
Proceeds from sale of fixed assets	29,147	2,938
Proceeds from sale of investments, net	-	9,004
Change in loans and advances made	29,654	(68,892)
Net cash used in investing activities by discontinued operations	-	(398,762)
Net cash used in investing activities	**(211,289)**	**(739,785)**
Financing Activities		
Increase in bank loans, acceptances, commercial paper and related parties advances	774,973	660,968
Increase in long term debt	1,853,270	761,210
Repayment of long term debt	(2,008,242)	(403,090)
Dividends paid to equity owners of the parent	(152,500)	(59,500)
Dividends paid to non-controlling interests	(2,133)	(104)
Increase in capital financed by non-controlling interests	-	295
Net cash used in financing activities by discontinued operations	-	(98,629)
Net cash from financing activities	**465,368**	**861,150**
Exchange difference on cash	(1,831)	(2,715)
Decrease in cash and cash equivalents	**(81,199)**	**(339,490)**
Cash and cash equivalents, at beginning of period	722,291	1,273,272
Cash and cash equivalents, at end of the period	**$ 641,092**	**$ 933,782**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period from 1 January 2013 to 30 June 2013

(in thousands of U.S. dollars)	Issued Capital and Share Premium	Perpetual Capital Securities	Retained Earnings	Other Reserves	**Equity attributable to Owners of the Parent**	Equity attributable to Non-Controlling Interests	**Total Equity**
Balance at 1 January 2012	$ 1,586,858	$ -	$ 3,106,902	$ 24,755	$ 4,718,515	$ 532,935	$ 5,251,450
Net income			355,769		**355,769**	(58,115)	**297,654**
Dividends			(59,500)		**(59,500)**	(799)	**(60,299)**
Capital increase – cash					**-**	1,435	**1,435**
Available-for-sale financial assets – change in fair value, net of tax				6,689	**6,689**		**6,689**
Cash flow hedges – change in fair value, net of tax				(20,172)	**(20,172)**	(13,094)	**(33,266)**
Fixed assets revaluation reserve – change in fair value, net of tax				(1,439)	**(1,439)**	(21)	**(1,460)**
Foreign currency translation adjustment				(86,775)	**(86,775)**	(37,724)	**(124,499)**
Transactions with non-controlling interests			2,219	8,722	**10,941**	(164,552)	**(153,611)**
Balance at 30 June 2012	$ 1,586,858	$ -	$ 3,405,390	$ (68,220)	$ 4,924,028	$ 260,065	$ 5,184,093
Balance at 1 January 2013	$ 1,586,858	$ 345,079	$ 2,768,501	$ 8,424	$ 4,708,862	$ 57,133	$ 4,765,995
Net income			260,178		**260,178**	(1,737)	**258,441**
Dividends			(152,500)		**(152,500)**	(2,233)	**(154,733)**
Accrued capital securities distribution, net of tax			(10,738)		**(10,738)**		**(10,738)**
Available-for-sale financial assets – change in fair value, net of tax				2,160	**2,160**		**2,160**
Cash flow hedges – change in fair value, net of tax				(17,903)	**(17,903)**		**(17,903)**
Fixed assets revaluation reserve – change in fair value, net of tax				(311)	**(311)**	(21)	**(332)**
Foreign currency translation adjustment				(19,490)	**(19,490)**	(593)	**(20,083)**
Transactions with non-controlling interests					**-**	(5,692)	**(5,692)**
Balance at 30 June 2013	**$ 1,586,858**	**$ 345,079**	**$ 2,865,441**	**$ (27,120)**	**$ 4,770,258**	**$ 46,857**	**$ 4,817,115**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period from 1 January 2013 to 30 June 2013

Louis Dreyfus Commodities B.V. ("LDC") is a privately owned company incorporated in the Netherlands on 28 December 2004. The address of its registered office is Westblaak 92, 3012 KM Rotterdam – Netherlands. It is an indirect subsidiary of Louis Dreyfus Holding B.V. ("LDH"), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

At 31 December 2011, LDC was a direct subsidiary of Louis Dreyfus Commodities Holdings B.V. ("LDCH"), a company incorporated in the Netherlands. Effective 4 December 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company Louis Dreyfus Commodities Netherlands Holding B.V. ("LDCNH") to which LDC distributed by way of a dividend in kind, all its shares and voting rights in Biosev S.A.'s holding company ("Biosev"). In the 31 December 2012 consolidated financial statements of LDC, the Biosev group was presented as a discontinued operation. Subsequent to such internal reorganization, LDCH remains the indirect shareholder of both LDC and Biosev.

Since December 2007, a non-controlling share of LDCH was taken by employees in the execution of the equity participation plan described in note 28.

In September 2012, LDC priced an inaugural $350 million, 8.25% coupon hybrid capital securities transaction. The structure of the perpetual hybrid capital securities qualifies the instrument to be classified as equity under IFRS. The securities are perpetual, but LDC has the right to redeem them in certain circumstances. They are not rated, and are listed in the Official List of the Singapore Exchange.

LDC and its subsidiaries (the "Group") trade and market commodities, including grains, oilseeds, rice, sugar, ethanol, coffee and cotton on an international basis. The Group's involvement in commodities also includes processing of citrus and apple fruits, oilseeds, sugar cane and corn. The Group has become active in the biofuels industry. The Group also trades ocean freight, metals, dairy, fertilizers and financial instruments.

1. ACCOUNTING POLICIES

The interim condensed consolidated financial statements of LDC are prepared in the functional currency of LDC, which is the U.S. Dollar.

The interim condensed consolidated financial statements have been established by the Board of Directors of LDC on 27 September 2013.

The June 2013 consolidated financial statements of LDC have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted by the European Union at 30 June 2013. These sets of consolidated financial statements for the first half of 2013 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

These financial statements do not include all the information required for full annual financial statements, and are to be read in conjunction with the consolidated financial statements at 31 December 2012. The accounting policies used to prepare these financial statements are the same as those used to prepare the consolidated financial statements at and for the year ended 31 December 2012, except for the adoption of new amendments, standards and interpretations at 1 January 2013 detailed below.

NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS IN EFFECT STARTING FROM 2013

- Amendment to IAS 19 "Employee Benefits". This amendment eliminates the option to defer the recognition of actuarial gains and losses, known as the "corridor method" and requires their recognition in OCI as they occur, replaces the rate of expected returns on plan assets with the discount rate applied to the net defined benefit liability, requires the immediate recognition of all past service costs, updates the presentation of changes in assets and liabilities arising from defined benefit plans, and increases the disclosure requirements for defined benefit plans. This amendment should be applied for annual periods beginning on or after 1 January 2013.

The Group has been applying this amendment since 1 January 2013 with retroactive effect from 1 January 2012 on comparable financial statements with following impacts on the Group's consolidated balance sheets:

- An increase in liabilities related to retirement benefit obligations of $48 million at 1 January 2012 and $60 million at 1 January 2013,
- A decrease in assets recognized in balance sheet of $2 million at 1 January 2012 and $2 million at 1 January 2013,
- An increase in deferred tax asset in balance sheet of $17 million at 1 January 2012 and $21 million at 1 January 2013,
- A decrease in consolidated equity, net of tax, of $33 million at 1 January 2012 and $41 million at 1 January 2013.

- IFRS 13 “Fair Value Measurement”. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other IFRSs. The Group’s interim financial statements at 30 June 2013 reflect these amended disclosure requirements.
- Amendment to IFRS 7 “Disclosures-Offsetting Financial Assets and Financial Liabilities”. This amendment increases disclosures requirements to improve comparability with US GAAP with regard to the set-off of financial instruments. The Group’s interim financial statements at 30 June 2013 reflect these amended disclosure requirements.
- Amendment to IFRS 1 “Government Loans for First-time Adopters”. This amendment, dealing with loans received from governments at a below market rate of interest, gives first-time adopters of IFRSs relief from full retrospective application of IFRSs when accounting for these loans on transition. It provides the same relief to first-time adopters as is granted to existing preparers of IFRS financial statements when applying IAS 20 “Accounting for Government Grants and Disclosure of Government Assistance”. The amendment which should be applied for annual periods beginning on or after 1 January 2013 is not applicable to the Group and therefore had no effect on the balance sheet nor performance of the Group.
- IFRIC 20 “Stripping Costs in the Production Phase of a Surface Mine”. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The Interpretation which should be applied for annual periods beginning on or after 1 January 2013 is not applicable to the Group and therefore had no effect on the balance sheet nor performance of the Group.

In addition, in 2012, IASB issued Annual Improvement to IFRSs (2009-2011 Cycle), applicable for annual periods beginning on or after 1 January 2013, including:

- Amendment to IFRS 1, permitting the repeated application of IFRS 1 for entities that stopped applying IFRS and resuming the application of IFRS and clarifying for first-time adopters the accounting for the borrowing costs relating to qualifying assets for which the commencement date for capitalization was before the date of transition to IFRS,
- Amendment to IAS 1, clarifying the requirements for comparative information,
- Amendment to IAS 16, clarifying the classification of servicing equipment,
- Amendment to IAS 32, clarifying the accounting for the tax effect of distributions to holders of equity instruments,
- Amendment to IAS 34, clarifying the requirement for segment information on total assets and liabilities in interim financial reporting.

The other improvements to IFRS and amendments to IFRS effective 1 January 2013 had no effect on the balance sheet nor performance of the Group.

The Group has not early adopted any other standard, interpretation or amendment, which were issued but are not yet effective.

NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION WITH EFFECT IN FUTURE PERIODS

- IFRS 10 “Consolidated Financial Statements”. The standard provides a single consolidation model that identifies control as the basis for consolidation for all types of entities. IFRS 10 supersedes IAS 27 “Consolidated and Separate Financial Statements” and SIC-12 “Consolidation-Special Purpose Entities”.
- IFRS 11 “Joint Arrangements”. The standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities that meet definition of a joint venture. IFRS 11 supersedes IAS 31 “Interests in Joint Ventures” and SIC 13 “Jointly Controlled Entities-Non-Monetary Contributions by Ventures”.
- IFRS 12 “Disclosures of Interests in Other Entities”. The standard combines, enhances and replaces the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

- Following the issuance of IFRS 10, IFRS 11, and IFRS 12, IAS 27 and IAS 28 have been revised:
  - IAS 27 "Separate Financial Statements" now only includes requirements for separate financial statements and is thus no longer applicable to LDC, and
  - IAS 28 "Investments in Associates and Joint Ventures" prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.
- Amendments to IFRS 10, IFRS 11 and IFRS 12 "Transition Guidance". These amendments give additional transition relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

The application of these new standards (IFRS 10, IFRS 11 and IFRS 12) and the amended versions of IAS 27 and IAS 28 will be mandatory for annual periods beginning on or after 1 January 2014.
The Group is currently assessing the impact of these standards.

- Amendment to IAS 32 "Offsetting Financial Assets and Financial Liabilities". This amendment clarifies the requirement for offsetting financial instruments. The application of this amendment will be mandatory for annual periods beginning on or after 1 January 2014.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BY IASB BUT NOT YET APPROVED BY THE EUROPEAN UNION

The following standards and interpretations issued by IASB are not yet approved by the European Union. Their potential impact is currently under review by the Group:

- IFRS 9 "Financial instruments". The standard aims at replacing IAS 39 "Financial instruments – Recognition and Measurement". It is a 3-phase project where only phase 1, "Classification and Measurement" was issued. Phase 2, "Impairment Methodology", and phase 3 "Hedge Accounting", have not been issued yet. The endorsement process by the European Union has been placed on hold, pending the completion of the whole project by the IASB.
- Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date and Transition Disclosures". These amendments postpone the mandatory application date of IFRS to annual periods beginning on or after 1 January 2015 and modify the requirements on transition disclosures.
- Amendments to IFRS 10, IAS 27 and IFRS 12 "Investment Entities". These amendments define an investment entity, provide an exception to the consolidation requirement in IFRS 10 "Consolidated Financial Statements" for investment entities and require that an investment entity should not consolidate investments in entities that it controls, but measure those investments at fair value, with changes in fair value recognized in profit or loss. Furthermore, the amendment requires an investment entity to provide additional disclosures for IFRS about entities that it controls when it measures investments in those entities at fair value.
- Amendment to IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets". This amendment clarifies the IASB's original intention: that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.
- Amendment to IAS 39 and IFRS 9 "Novation of derivatives and continuation of hedge accounting". This amendment allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met.
- IFRIC 21 "Levies". The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

2. SEGMENT INFORMATION

The Group operates worldwide its business under three segments: Proteins, Tropicals and Other Products, organized around products that have similar economic characteristics. Following the indirect upstreaming of LDC's shareholding in Biosev from LDC B.V. to LDCH B.V. in December 2012, Biosev was discontinued for the six-month period ended 30 June 2012.

Each reportable segment is responsible for the farming, origination, processing, refining, storage, transport and distribution of the products (where applicable).

The Proteins segment includes commodities which feed both humans and animals (soybeans, soymeal, soyoil, palm oil, wheat, feedgrains, rice). Demand is therefore linked to both population growth and food consumption habits. Proteins also include the Freight and Finance platforms, which support the Group's commodities platforms.

The Tropicals segment includes those commodities for which demand is linked to population growth and GDP growth, such as cotton, coffee (including arabica and robusta coffee beans), sugar (including raw, refined sugar and sugar ethanol) and fruit juices (including orange, lime, grapefruit and apple juices and their oils and by-products).

The Other Products business segment focuses on the following main platforms: fertilizers & inputs, metals, dairy and others.

The financial performance of the segments is principally evaluated with reference to the Segment Operating Results, which is the net sales, less cost of sales plus share of profit (loss) in affiliated companies carried at equity.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Inter-segment sales and transfers where applicable are generally valued at market.

Segment information at and for the six-month period ended 30 June 2013, is as follows:

(in thousands of U.S. dollars)	**30 June 2013**			
	Proteins	Tropicals	Other Products	**Total**
Net Sales	**$ 17,765,696**	**$ 6,167,858**	**$ 5,227,883**	**$ 29,161,437**
Depreciation	(40,665)	(40,447)	(2,620)	**(83,732)**
Share of loss in affiliated companies carried at equity	(8,569)	(3,931)	(2,583)	**(15,083)**
Segment Operating Results	**$ 428,186**	**$ 222,204**	**$ 87,883**	**$ 738,273**
Commercial and administrative expenses				**(347,415)**
Finance costs, net				**(103,579)**
Others				**(470)**
Income taxes				**(28,368)**
Non-controlling interests				**1,737**
Net income attributable to equity owners of the parent Stockholders – Continuing operations				**$ 260,178**

(in thousands of U.S. dollars)	**30 June 2013**			
	Proteins	Tropicals	Other Products	**Total**
Segment Assets	**$ 10,250,957**	**$ 6,123,819**	**$ 2,392,595**	**$ 18,767,371**
Segment Liabilities	(3,815,645)	(1,310,966)	(456,206)	**(5,582,817)**
Other Assets[1]				**1,840,116**
Other Liabilities[2]				**(10,207,555)**
Total Net Assets	**$ 6,435,312**	**$ 4,812,853**	**$ 1,936,389**	**$ 4,817,115**
Additions to Fixed Assets[3]	**$ 143,118**	**$ 118,411**	**$ 36,954**	**$ 298,483**

1. Other Assets include other investments, deposits & sundry, deferred and current income tax assets, available-for-sale financial assets, other financial assets at fair value through profit & loss, cash and cash equivalents;
2. Other Liabilities include non-current liabilities, bank loans and acceptances, financial advances from related parties, reserve from contingencies, current income tax liabilities;
3. Additions to Fixed Assets include purchase of fixed assets and additional investments net of cash acquired.

Segment information for the six-month period ended 30 June 2012, and at 31 December 2012, is as follows:

(in thousands of U.S. dollars)	30 June 2012			
	Proteins	Tropicals	Other Products	**Total**
Net Sales	**$ 16,963,663**	**$ 6,600,612**	**$ 3,395,930**	**$ 26,960,205**
Depreciation	(36,399)	(27,161)	(2,153)	**(65,713)**
Share of income in affiliated companies carried at equity	(4,351)	597	(421)	**(4,175)**
Segment Operating Results	**$ 628,359**	**$ 391,560**	**$ 61,707**	**$ 1,081,626**
Commercial and administrative expenses				**(388,844)**
Finance costs, net				**(116,487)**
Others				**(19,278)**
Income taxes				**(85,577)**
Non-controlling interests				**(7,502)**
Net income attributable to equity owners of the parent Stockholders – Continuing operations				**$ 463,938**

(in thousands of U.S. dollars)	31 December 2012			
	Proteins	Tropicals	Other Products	**Total**
Segment Assets	**$ 8,638,272**	**$ 6,576,799**	**$ 2,094,431**	**$ 17,309,502**
Segment Liabilities	**(3,008,748)**	**(1,343,371)**	**(481,592)**	**(4,833,711)**
Other Assets[1]				**1,828,588**
Other Liabilities[2]				**(9,538,384)**
Total Net Assets	**$ 5,629,524**	**$ 5,233,428**	**$ 1,612,839**	**$ 4,765,995**
Additions to Fixed Assets[3]	**$ 331,297**	**$ 272,771**	**$ 47,645**	**$ 651,713**

1. Other Assets include other investments, deposits & sundry, deferred and current income tax assets, available-for-sale financial assets, other financial assets at fair value through profit & loss, cash and cash equivalents;
2. Other Liabilities include non-current liabilities, bank loans and acceptances, financial advances from related parties, reserve from contingencies, current income tax liabilities;
3. Additions to Fixed Assets include purchase of fixed assets and additional investments net of cash acquired.

Net sales by geographical destination, based on the country of incorporation of the counterparty, consist of the following for the six-month periods ended 30 June 2013 and 30 June 2012:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Asia	$ 11,064,119	$ 10,730,069
North Latin America[1]	2,410,805	2,884,013
South & West Latin America[1]	2,340,114	1,399,977
Middle East & Africa	3,668,942	3,315,039
Europe & Black Sea	6,030,836	5,330,829
North America	3,646,621	3,300,278
	$ 29,161,437	**$ 26,960,205**

1. During the period, the management of activities in countries located in West Latin America was regrouped with South Latin America. This has led to a reclassification of $393m from North Latin America to South & West Latin America for the six-month period ended 30 June 2012.

The Group's fixed assets (intangible assets, property plant & equipment and biological assets) are located in the following geographical areas at 30 June 2013 and 31 December 2012:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Asia	$ 240,002	$ 195,146
North Latin America[1]	1,114,222	1,105,058
South & West Latin America[1]	530,705	508,623
Middle East & Africa	27,509	27,177
Europe & Black Sea	321,722	358,822
North America	1,216,518	1,175,239
	$ 3,450,678	**$ 3,370,065**

1. Reclassification of $8.5m from North Latin America to South & West Latin America.

3. CHANGE IN LIST OF CONSOLIDATED COMPANIES

In February 2013, the Group acquired a new business, primarily comprised of a frozen juice packaging plant and related inventories in Toronto, Canada for $7.1 million. The Group recorded a preliminary gain from bargain purchase of $2.6 million, recognized as a profit of the period in the income statement against the line cost of sales. The contribution of this acquisition in the income statement is not material.

In April 2013, the Group acquired a new business in the United States, primarily comprised of an elevator for grains and seeds, for a total purchase price of $8 million. The contribution of this acquisition in the income statement is not material.

In June 2012, the Group acquired Imperial Sugar Company, one of the largest processors and marketers of refined sugar in the United States to food manufacturers, retail grocers and foodservice distributors, for a consideration of $79.2 million.

The purchase price allocation is as follows:

(in thousands of U.S. dollars)	Book value at date of acquisition under local GAAP	Fair value under IFRS
Intangible assets	$ 305	$ 23,471
Property, plant & equipment	249,655	300,798
Investments in affiliated companies carried at equity	364	-
Non-current assets	**$ 250,324**	**$ 324,269**
Current assets	**$ 142,004**	**$ 162,961**
Total Assets	**$ 392,328**	**$ 487,230**
Retirement benefit obligations	$ 113,386	$ 126,363
Deferred income tax	2,031	18,407
Other non-current liabilities	7,859	1,300
Non-current liabilities	**$ 123,276**	**$ 146,070**
Current liabilities	**$ 111,693**	**$ 117,139**
Total Liabilities	**$ 234,969**	**$ 263,209**
Net equity	**$ 157,359**	**$ 224,021**
Consideration transferred		**$ 79,235**
Gain from bargain purchase[1]		**$ (144,786)**

1. The gain from bargain purchase was recognized as a profit in the income statement against the line cost of sales. A profit of $146.3 million was recognized in 2012, of which $90.6 recognized in the six-month period ended 30 June 2012, and a loss of $(1.5) million was recognized in 2013.

In April 2012, the Group acquired a new business in Brazil, comprised of a citrus processing plant in the Parana region, for $44 million, of which $22 million still remain unpaid at 30 June 2013. The Group recorded a goodwill of $7.7 million.

In June 2012, the Group acquired 51% interest in GKE Metal Logistics Private Limited ("GKE Metal"), a metal warehouse and logistics operator in Singapore and Shanghai for a consideration of $6.3 million. The Group recorded a goodwill of $3.2 million.

In October 2012, the Group acquired Ecoval Holding B.V., a privately-held leading international dairy trading company with presence in the international trade flows of a broad variety of dairy products and derivatives for a consideration of $30.6 million.

The preliminary purchase price allocation is as follows:

(in thousands of U.S. dollars)	Book value at date of acquisition under local GAAP	Fair value under IFRS
Property, plant & equipment	$ 2,140	$ 2,502
Deferred income tax	4,569	3,524
Other non-current assets	200	200
Non-current assets	**$ 6,909**	**$ 6,226**
Current assets	**$ 106,740**	**$ 108,699**
Total Assets	**$ 113,649**	**$ 114,925**
Retirement benefit obligations	$ -	$ 1,927
Deferred income tax	1,944	775
Other non-current liabilities	265	265
Non-current liabilities	**$ 2,209**	**$ 2,967**
Current liabilities	**$ 81,756**	**$ 88,193**
Total Liabilities	**$ 83,965**	**$ 91,160**
Net equity	**$ 29,684**	**$ 23,765**
Consideration transferred		**$ 30,558**
Goodwill		**$ 6,793**

DISCONTINUED OPERATIONS

Effective 4 December 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company LDCNH to which LDC distributed, by way of a dividend in kind, all its shares and voting rights (65.9%) in Biosev.

As a result of this reorganization, Biosev moved from being a subsidiary of LDC to a sister company of LDC.

This transaction between entities under common control was made at 30 September 2012 book value and generated no result on sale of consolidated companies. The consolidated income statement has been re-presented as if the Biosev group had been discontinued from the start of the comparative year. The discontinued operations excluded from the results of continuing operations for the six-month period ended 30 June 2012 are the following:

(in thousands of U.S. dollars)	30 June 2012
Net sales	$ 684,169
Depreciation	(75,690)
Share of loss in affiliated companies carried at equity, net	(2,947)
Segment Operating Result	**$ (77,561)**
Commercial and administrative expenses	$ (37,226)
Finance costs, net	(161,143)
Others	(6,526)
Taxes	108,670
Non-controlling interests	65,617
Net income attributable to Equity Owners of the Parent Stockholders – discontinued operations	**$ (108,169)**

4. INTANGIBLE ASSETS

At 30 June 2013 and 31 December 2012, intangible assets consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**			31 December 2012		
	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Goodwill	$ 83,975	(33,191)	$ 50,784	$ 86,737	(35,072)	$ 51,665
Other intangible assets	197,108	(91,983)	105,125	189,878	(83,388)	106,490
	$ 281,083	**(125,174)**	**$ 155,909**	**$ 276,615**	**(118,460)**	**$ 158,155**

Accumulated depreciation of goodwill corresponds essentially to the depreciation recorded prior to the adoption of IFRS. During the six-month period ended 30 June 2013, the Group capitalized internally generated software expenses for $2.2 million ($1.6 million during the year ended 31 December 2012).

Changes in net value of intangible assets, for the six-month period ended 30 June 2013 and for the year ended 31 December 2012 are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	**$ 158,155**	**$ 527,878**
Acquisitions and additions	5,481	19,522
Disposals	-	(285)
Depreciation of the period	(9,917)	(22,571)
Goodwill recognized through business combinations[1]	-	3,463
Other intangible assets acquired through business combinations[2]	2,706	26,128
Foreign currency translation adjustment	(830)	1,151
Reclassification	314	1,649
Net flows related to Biosev[3]	-	(398,780)
Closing balance	**$ 155,909**	**$ 158,155**

1. During the year ended 31 December 2012, in accordance with IFRS 3 revised – Business combinations, the Group recognized a preliminary goodwill of $7.7 million through the acquisition of a citrus processing plant in Brazil, $6.8 million through the acquisition of Ecoval and $3.2 million through the acquisition of a majority stake in GKE Metal.
The Group also recorded an adjustment of $(18.2) million on the goodwill recognized in December 2011 through the acquisition of Macrofertil.
2. During the six-month period ended 30 June 2013, in accordance with IFRS 3 revised – Business combinations, the Group recognized tradenames through the acquisition of the McCain Foods Juice business for $0.3 million. The Group also recorded an adjustment of $2.4 million on customer relationships and technology use rights through the acquisition of Imperial Sugar.
During the year ended 31 December 2012, the Group recognized separately from the goodwill, customer relationships, favorable lease and licenses through the acquisition of a majority stake in GKE Metal for $5 million and trademarks and non-compete agreements through the acquisition of Imperial Sugar for $21 million.
3. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of intangible assets therefore included Biosev operations until that date. That represented $7 million in acquisitions and additions, $(7.2) million in depreciation, $50.9 million in goodwill recognized through business combinations, $(11.7) million in foreign currency translation adjustment, and $7.7 million in reclassification. The closing balance amounted to $(445.5) million, including $(403.7) million in goodwill and $(18) million in identified brands.

5. PROPERTY, PLANT AND EQUIPMENT

At 30 June 2013 and 31 December 2012, the consolidated property, plant and equipment, consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**			31 December 2012		
	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Land	$ 194,788	-	$ 194,788	$ 209,099	-	$ 209,099
Buildings	1,233,287	(319,956)	913,331	1,178,310	(296,863)	881,447
Machinery and equipment	2,131,108	(702,197)	1,428,911	2,125,820	(649,793)	1,476,027
Other tangible assets	125,889	(79,837)	46,052	121,931	(75,638)	46,293
Tangible assets in process	409,662	(950)	408,712	311,762	(950)	310,812
	$ 4,094,734	**(1,102,940)**	**$ 2,991,794**	**$ 3,946,922**	**(1,023,244)**	**$ 2,923,678**

Changes in net value of property, plant and equipment, for the six-month period ended 30 June 2013 and for the year ended 31 December 2012 are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	**$ 2,923,678**	**$ 4,591,590**
Acquisitions[1] and additions	174,434	426,136
Disposals	(17,630)	(7,070)
Depreciation of the period	(89,454)	(160,769)
Change directly accounted through Other Reserves	(298)	(593)
Acquisitions through business combinations[2]	11,000	349,294
Change in list of consolidated companies	-	(9,192)
Foreign currency translation adjustment	(9,622)	6,059
Reclassification	(314)	(1,649)
Net flows related to Biosev[3]	-	(2,270,128)
Closing balance	**$ 2,991,794**	**$ 2,923,678**

1. Acquisitions of new property, plant and equipment are of $154 million during the six-month period ended 30 June 2013 and of $344 million during the year ended 31 December 2012. Main acquisitions include the investment plan for Port Allen, an export elevation complex in Louisiana that will benefit the Oilseeds and Grain platforms' exports from the USA, the acquisition of new barges in Paraguay, the construction of two refineries in Fujian (China) and in Lampung (Indonesia), and the finalization of a processing plant in General Lagos (Argentina).
2. In accordance with IFRS 3 revised – Business combinations, the Group recorded during the six-month period ended 30 June 2013 the preliminary fair value of land, machinery, equipment and buildings (primarily elevator) through the acquisition of the Hardeman Grain and Seed business for $7.5 million; the preliminary fair value of land, machinery, equipment and buildings through the acquisition of the McCain Foods Juice business for $5.9 million. The Group also recorded an adjustment of $(2.4) million on the tangible assets recognized in December 2012 through the acquisition of Imperial Sugar.
During the year ended 31 December 2012, the Group recorded the preliminary fair value of sugar refinery and warehouses through the acquisition of Imperial Sugar for $303 million; the preliminary fair value of land, machinery, equipment and buildings related to a processing plant in Brazil for $36 million; and the preliminary fair value of building related to Ecoval for $2.4 million.
3. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of tangible assets therefore included Biosev operations until that date. That represented $165.3 million in acquisitions and additions, $(5.6) million in disposal, $(132.3) million in depreciation, $(7.7) million in reclassification, and $(169.8) million in foreign currency translation adjustment. The closing balance amounted to $(2,120) million.

Additions in property, plant and equipment include capitalized borrowing costs of $7.1 million during the six-month period ended 30 June 2013 ($17.5 million during the year ended 31 December 2012).

6. BIOLOGICAL ASSETS

The Group owns biological assets located in Brazil. They consist, at 30 June 2013, in 45 orange groves of which 40 are mature. Mature orange groves sustain 15 to 18 years of production.

Changes in biological assets, for the six-month period ended 30 June 2013 and for the year ended 31 December 2012 are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	$ 288,232	**$ 963,376**
Acquisitions[1] and additions	13,723	21,505
Disposals	(17,318)	(2,463)
Change in fair value	18,338	(8,893)
Net flows related to Biosev[2]	-	(685,293)
Closing balance	**$ 302,975**	**$ 288,232**

1. Acquisitions of new biological assets consist in $13.2 million of orange groves during the six-month period ended 30 June 2013. During the year ended 31 December 2012, the Group acquired $19 million of orange groves.
2. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of biological assets therefore included Biosev operations until that date. That represented $116.7 million in acquisitions and additions, $(0.6) million in change in fair value, and $(66.5) million in foreign currency translation adjustment. The closing balance amounted to $(734.9) million.

7. INVESTMENTS IN AFFILIATED COMPANIES CARRIED AT EQUITY

Changes in investments in affiliated companies carried at equity for the six-month period ended 30 June 2013 and the year ended 31 December 2012 are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	**$ 337,915**	**$ 455,419**
Acquisitions and additional investments in affiliates carried at equity[1]	57,544	49,967
Disposals of affiliates[2]	-	(17,512)
Share of loss	(15,083)	(11,621)
Dividends	(261)	(888)
Changes in Other Reserves[3]	(7,563)	(15,054)
Changes in consolidation method	-	4,799
Net flows related to Biosev[4]	-	(127,195)
Closing balance	**$ 372,552**	**$ 337,915**

1. During the six-month period ended 30 June 2013, the Group entered into a new joint venture called Namoi Cotton Alliance located in Australia and involved in the cotton processing and marketing business. During the same period ended 30 June 2013 and the year ended 31 December 2012, the Group funded some of its equity investments through capital injections.
2. During the second quarter of 2012, CLD Pacific Grain, LLC has been liquidated.
3. The variation in Other Reserves is mainly due to the depreciation of the Australian dollar and Indonesian rupiah for the six-month period ended 30 June 2013 and to the depreciation of the Indonesian rupiah for the year ended 31 December 2012.
4. In December 2012, the investment in the affiliated company Terminal de Exportação de Açúcar do Guarujá LTDA (TEAG) carried at equity, which was held by Biosev, was distributed as Biosev moved from being a subsidiary of LDC to a sister company of LDC. The net flows related to TEAG in 2012 LDC consolidated roll-forward of investments in affiliated companies carried at equity amounted to $(127.2) million. That represented $(2.9) million of share of loss, $(9.4) million of changes in other reserves and $(114.9) million of distributed amount.

The most significant equity investments are as follows:

Investment	**Activity**	**Ownership**	
		30 June 2013	31 December 2012
All Asian Countertrade, Inc (Philippines)	Sugar trading	18%	17%
Amaggi & LD Commodities S.A. (Brazil)	Grain and Soya storage and processing	50%	50%
Amaggi & LD Com. Terminais Portuarios S.A (Brazil)	Facilities	50%	50%
Calyx Agro Ltd (Cayman Islands)	Land fund	29%	29%
Complejo Agro Industrial Angostura S.A. (Paraguay)	Soybean crushing plant and facilities	33%	33%
Elevator OJSC (Russian Federation)	Grain storage and processing	30%	30%
Green Eagle Plantations Pte. Ltd. (Singapore)	Palm oil plantations	50%	50%
Henan Huiyida Agribusiness Co., Ltd. (China)	Feed mill plants	33%	33%
Kencana LDC Pte. Ltd. (Singapore)	Facilities	50%	50%
Louis Dreyfus Commodities – Gearbulk Terminais Portuários e Participações Ltda (Brazil)	Facilities	50%	50%
Namoi Cotton Alliance (Australia)	Cotton processing and marketing	49%	-
Pallasovsky elevator OJSC (Russian Federation)	Grain storage and processing	36%	36%
PT Andalan Furnindo (Indonesia)	Sugar refinery	25%	25%
Sangamon Transportation Group Cayman Islands Venture I (Cayman Islands)	Freight services	50%	50%
TEG – Terminal Exportador Do Guarujá Ltda (Brazil)	Facilities	40%	40%

A summary of Green Eagle Plantations' financial information, the Group's most significant affiliate carried at equity, is as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance sheet data		
Non-current assets	$ 595,582	$ 578,571
Current assets	81,908	58,681
Total Assets	**677,490**	**637,252**
Non-current liabilities	221,008	207,564
Current liabilities	126,374	96,828
Total Liabilities	**347,382**	**304,392**
Net Equity	**330,108**	**332,860**
Equity – Group's Share	**$ 165,054**	**$ 166,430**

Income statement data	**30 June 2013 6 months**	30 June 2012 6 months
Revenue	$ 82,396	$ 72,879
Net income	840	3,866
Group's share of income	**$ 420**	**$ 1,933**

A summary of the financial information of the other companies listed above is as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance sheet data		
Non-current assets	$ 699,757	$ 621,978
Current assets	735,362	517,906
Total Assets	**1,435,119**	**1,139,884**
Non-current liabilities	160,922	205,025
Current liabilities	778,230	518,424
Total Liabilities	**939,152**	**723,449**
Net Equity	**495,967**	**416,435**
Equity – Group's Share	**$ 179,792**	**$ 139,842**

Income statement data	**30 June 2013 6 months**	30 June 2012 6 months
Revenue	$ 742,422	$ 639,398
Net income	(24,399)	(17,560)
Group's share of loss[1]	**$ (11,297)**	**$ (9,768)**

1. The revenue, net income and group's share of loss for the six-month period ended 30 June 2012 include TEAG.

Investments in affiliated companies carried at equity can be summarized as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance sheet data		
Entities as listed above	$ 344,846	$ 306,272
Other entities	27,706	31,643
Investments in affiliated companies carried at equity[1]	**$ 372,552**	**$ 337,915**

1. The investments in affiliated companies carried at equity include a goodwill of $20.4 million at 30 June 2013 ($13.8 million at 31 December 2012).

Income statement data	**30 June 2013 6 months**	30 June 2012 6 months
Entities as listed above	$ (10,877)	$ (7,835)
Others	(4,206)	713
Share of loss in affiliated companies carried at equity – continuing operations	**$ (15,083)**	**$ (4,175)**
Share of loss in affiliated companies carried at equity – discontinued operations	**$ -**	**$ (2,947)**

8. OTHER INVESTMENTS, DEPOSITS AND SUNDRY

At 30 June 2013 and 31 December 2012, other investments consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Long-term loans to affiliated companies carried at equity	$ 60,919	$ 72,152
Long-term loans to commercial partners	197,489	191,935
Long-term deposits and advances[1]	152,138	209,354
Others	14,820	12,709
	$ 425,366	**$ 486,150**

1. Long-term deposits include judicial deposits (Refer to Note 19 – Reserve for contingencies – tax and social risks), for $31 million at 30 June 2013 ($52 million at 31 December 2012).

9. INVENTORIES

At 30 June 2013 and 31 December 2012, inventories consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Trading inventories	$ 5,597,806	$ 5,293,739
Finished goods	603,468	465,334
Raw materials	192,918	224,623
Inventories (gross value)	**$ 6,394,192**	**$ 5,983,696**
Depreciation of non-trading inventories	(3,783)	(7,020)
Inventories (net value)	**$ 6,390,409**	**$ 5,976,676**

Cost of goods sold and cost of derivatives held for trading purpose are presented in cost of sales. The breakdown of this information is not meaningful due to the activity of the Group.

10. FINANCIAL INSTRUMENTS

Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a strong monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. At each financial period end, the Group has a policy of accruing its receivables and unrealized gains with counterparties that are deemed at risk.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by the Group including financial instruments, physical commodities, industrial and biological assets will fluctuate due to changes in market variables such as spot and forward commodity prices, relative price spreads and volatilities and foreign exchange rates.

The Group classifies exposures to market risk into either trading or non-trading activities. The Group manages market risk for trading activities by diversifying exposures, controlling position natures, sizes and maturities, performing stress testing, monitoring risk limits under the supervision of Macro and Risk Committees. Limits are established for the level of acceptable risk at corporate level and are allocated at platform and profit center levels. The compliance with the limits is reported to Risk Committee daily.

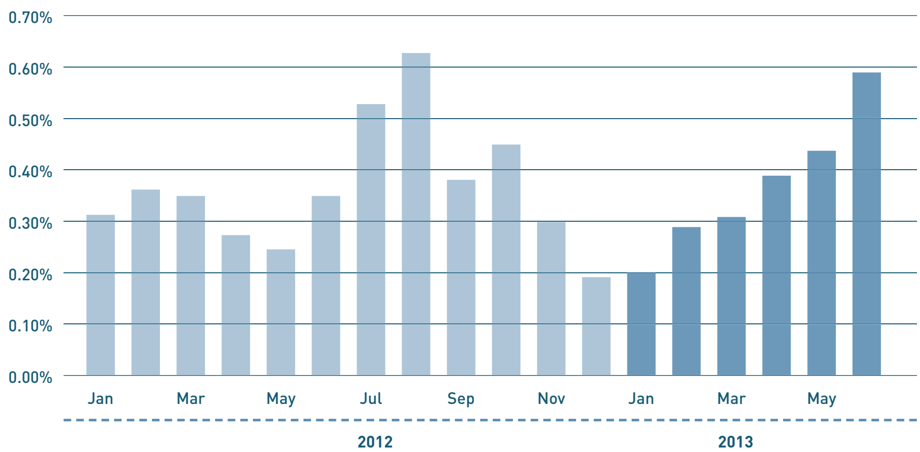
Limits are based on a daily measure of market risk exposure referred to as value at risk (VAR). The VAR that the Group measures is a model-based estimate grounded upon various assumptions such as: the returns of risk factors affecting the market environment follow a lognormal distribution, parameters are calculated by using exponentially weighted historical data in order to put more emphasis on the latest market information.

The VAR computed hence represents an estimate, with a confidence level of 95%, of the potential loss that is not expected to be exceeded should the current market risk position remain unchanged for one day. The use of 95% confidence level means that, within a one day horizon, losses exceeding the VAR figure are not expected to occur statistically more than once every twenty (trading) days.

The VAR may be under or over-estimated due to the assumptions placed on risk factors and historical correlations and volatilities in market prices, and the probability of large market moves may be underestimated per the normal distribution.

The monthly average of VAR as percentage of Group Equity corresponds to the average over a month of the VAR computed daily as percentage of Group Equity at the beginning of each quarter. The used Group Equity includes the Biosev contribution until September 2012. It consists of the following:

Average VaR as a % of Group Equity



During the six-month period ended 30 June 2013 and the year ended 31 December 2012, the Group VAR for trading activities has been less than 1% of Stockholders' equity.

FOREIGN CURRENCY RISK

The Group operates internationally and is therefore exposed to changes in foreign currency exchange for its assets and liabilities denominated in a currency different from the functional currency of each entity. Each entity within the Group enters into foreign exchange derivative contracts to hedge its exposures back to its own functional currency.

The operating current assets and liabilities are denominated in the following currencies at 30 June 2013 and 31 December 2012:

(in millions of U.S. dollars)	**30 June 2013**				
	U.S. Dollar	Brazilian Real	Euro	Other currencies	**Total**
Inventories – gross value	$ 5,592	$ 1	$ 220	$ 581	**$ 6,394**
Trade and other receivables – gross value	5,225	304	393	682	**6,604**
Derivative assets – gross value	1,393	60	14	65	**1,532**
Margin deposits	413	-	20	175	**608**
Current income tax assets	137	2	10	17	**166**
Assets	**$ 12,760**	**$ 367**	**$ 657**	**$ 1,520**	**$ 15,304**
Accounts payable and accrued expenses	3,452	150	150	594	**4,346**
Derivative liabilities	1,041	124	14	58	**1,237**
Current income tax liabilities	76	18	3	9	**106**
Liabilities	**$ 4,569**	**$ 292**	**$ 167**	**$ 661**	**$ 5,689**
Net Current Assets and Liabilities	**$ 8,191**	**$ 75**	**$ 490**	**$ 859**	**$ 9,615**

(in millions of U.S. dollars)	31 December 2012				
	U.S. Dollar	Brazilian Real	Euro	Other currencies	**Total**
Inventories – gross value	$ 5,200	$ 1	$ 399	$ 384	**$ 5,984**
Trade and other receivables – gross value	4,730	254	410	584	**5,978**
Derivative assets – gross value	1,316	125	10	41	**1,492**
Margin deposits	330	-	9	158	**497**
Current income tax assets	106	-	9	16	**131**
Assets	**$ 11,682**	**$ 380**	**$ 837**	**$ 1,183**	**$ 14,082**
Accounts payable and accrued expenses	2,850	274	128	515	**3,767**
Derivative liabilities	937	82	17	30	**1,066**
Current income tax liabilities	99	-	3	11	**113**
Liabilities	**$ 3,886**	**$ 356**	**$ 148**	**$ 556**	**$ 4,946**
Net Current Assets and Liabilities	**$ 7,796**	**$ 24**	**$ 689**	**$ 627**	**$ 9,136**

COUNTERPARTY RISK

The Group is engaged in the business of trading diversified commodities and commodity related products. Accordingly, a substantial portion of the Group's trade receivables is with other commodity trading companies. Margin deposits generally consist of U.S. treasury bills and are on deposit with commodity exchanges and brokers which hold such deposits in a custodial capacity. The Group's counterparty risk exposure from derivative financial instruments held for trading purposes is limited to the current fair value of contracts with a positive fair value.

Performance risk on an open contract measures the risk of non-performance by the counterpart and is composed of:

- the mark-to-market exposure to date (if any) reflecting the cost to the Group if the contract is not fulfilled and has to be replaced in the open market under prevailing market conditions, and;
- the potential future mark-to-market exposure reflecting the fact that the market price can move from the day of exposure calculation to the delivery date/payment date versus the current market price.

The Group has implemented risk management procedures to monitor its exposures and to minimize counterparty risk. These procedures include initial credit and limit approvals, margin requirements, master netting arrangements, letters of credit and other guarantees.

The Group's trade receivables include debtors with a carrying amount of $594 million which are past due at 30 June 2013. The credit quality of financial assets that are neither past due nor impaired is assessed by reference to credit ratings or to historical information about counterparty default rates.

(in thousands of U.S. dollars)	**30 June 2013**			31 December 2012		
	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	$ 4,695,396	$ (406)	**$ 4,694,990**	$ 4,434,468	$ (303)	**$ 4,434,165**
Due since 0-3 months	539,803	(10,685)	**529,118**	360,767	(67,282)	**293,485**
Due since 3-6 months	33,036	(2,887)	**30,149**	33,586	(9,895)	**23,691**
Due since 6 months-1 year	34,357	(15,969)	**18,388**	49,461	(28,495)	**20,966**
Due since > 1 year	105,611	(89,439)	**16,172**	151,921	(127,008)	**24,913**
Closing balance	**$ 5,408,203**	**$ (119,386)**	**$ 5,288,817**	**$ 5,030,203**	**$ (232,983)**	**$ 4,797,220**
Including:						
Trade receivables	*$ 3,580,024*	*$ (110,501)*	***$ 3,469,523***	*$ 3,294,630*	*$ (215,897)*	***$ 3,078,733***
Prepayments and advances to suppliers	*1,067,783*	*(3,722)*	***1,064,061***	*1,099,497*	*(6,131)*	***1,093,366***
Receivables on sale of assets	*3,160*	-	***3,160***	-	-	-
Other receivables	*100,530*	*(3,511)*	***97,019***	*116,124*	*(9,303)*	***106,821***
Margin deposits	*607,534*	-	***607,534***	*497,408*	-	***497,408***
Financial advances to related parties	*49,172*	*(1,652)*	***47,520***	*22,544*	*(1,652)*	***20,892***

POLITICAL AND COUNTRY RISK

In its cross-border operations, the Group is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situations. The Group does not seek to retain country risk and it is the trade finance, insurance and credit risk departments' duty to seek to mitigate political and country risk by transferring or covering them with major financial institutions or insurance.

LIQUIDITY RISK

Liquidity risk arises in the general funding of the Group's commodity trading activities and in the management of positions. It includes both the risk of being unable to fund the Group's portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

Management of the liquidity profile is designed to ensure that the Group has access to the funds necessary to cover maturing liabilities. Sources of funds include interest-bearing and non-interest-bearing deposits, bank notes, trading account liabilities, repurchase agreements, long-term debt, and borrowing arrangements.

The Group holds derivative contracts for the sale of physical commodities and derivative assets that are expected to generate cash inflows that will be available to meet cash outflows on purchases and liabilities. In the trading business, settling commodity contracts and liquidating trading inventories, by exchanging the commodity for cash before the contractual maturity term is a usual practice. The liquidity risk is consequently measured by allocating liabilities to the earliest estimated period on which the counterparty can require repayment, and assets to the earliest estimated period on which the Group can realize in cash these assets without any significant discount from market value. This measurement takes into consideration the market depth and price sensitivity to significant transaction volumes. The inclusion of information on non-financial items is necessary to understand the Group's liquidity risk management, as the liquidity is managed on a net asset and liability basis. The table below summarizes the maturity profile of the Group's financial liabilities and assets at 30 June 2013 and 31 December 2012.

	30 June 2013				31 December 2012			
(in millions of U.S. dollars)	Under 3 months	3 to 6 months	Over 6 months	**Total**	Under 3 months	3 to 6 months	Over 6 months	**Total**
Trading inventories	$ 5,391	$ 182	$ 25	**$ 5,598**	$ 4,936	$ 228	$ 130	**$ 5,294**
Derivative assets	1,261	98	100	**1,459**	1,145	87	158	**1,390**
Trade and other receivables	5,772	413	250	**6,435**	5,097	484	131	**5,712**
Derivative liabilities	(922)	(71)	(244)	**(1,237)**	(757)	(82)	(227)	**(1,066)**
Accounts payable and accrued expenses	(4,083)	(126)	(137)	**(4,346)**	(3,411)	(240)	(116)	**(3,767)**
Total Assets net of Liabilities	**$ 7,419**	**$ 496**	**$ (6)**	**$ 7,909**	**$ 7,010**	**$ 477**	**$ 76**	**$ 7,563**

The schedule below analyses the Group's financial interests which will be settled on future periods based on the financial debt at 30 June 2013 and 31 December 2012. These interests are grouped into maturity based on the contractual maturity date of the interests.

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Maturity < 1 year	$ 161,166	$ 161,482
Maturity between 1-2 years	84,635	83,055
Maturity between 2-3 years	49,386	53,597
Maturity between 3-4 years	29,922	32,611
Maturity between 4-5 years	18,945	20,823
Maturity > 5 years	17,446	22,023
Interests future cash outflows related to financial debt existing at closing date	**$ 361,500**	**$ 373,591**
of which:		
Floating rate	172,742	157,818
Fixed rate	188,758	215,773

INTEREST RATE RISK

At 30 June 2013 and 31 December 2012, the allocation of Group financing between fixed and floating interest rates, is as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Floating rate	$ 6,146,780	$ 5,698,127
Fixed rate	2,525,951	2,166,458
Total short and long term financing	**$ 8,672,731**	**$ 7,864,585**

(For further details, refer to notes 16 and 17).

The Group considers as floating rate any short term debt which initial contractual maturity is below six months.

CATEGORIES OF FINANCIAL INSTRUMENTS

At 30 June 2013, the different categories of financial instruments are as follows:

(in thousands of U.S. dollars)	Loans and receivables	Assets at fair value through profit & loss	Derivatives used for hedging	Available-for-sale	**Total**
Other investments, deposits and sundry	$ 425,366	$ -	$ -	$ -	**$ 425,366**
Total Non-Current Assets	**$ 425,366**	**$ -**	**$ -**	**$ -**	**$ 425,366**
Financial advances to related parties	47,520	-	-	-	**47,520**
Trade and other receivables	6,434,922	-	-	-	**6,434,922**
Margin deposits	607,534	-	-	-	**607,534**
Derivative assets	-	1,457,995	905	-	**1,458,900**
Available-for-sale financial assets	-	-	-	50,424	**50,424**
Other financial assets at fair value through profit & loss	-	255,221	-	-	**255,221**
Cash and cash equivalent	433,931	207,161	-	-	**641,092**
Total Current Assets	**$ 7,523,907**	**$ 1,920,377**	**$ 905**	**$ 50,424**	**$ 9,495,613**
Total Financial Instruments Assets	**$ 7,949,273**	**$ 1,920,377**	**$ 905**	**$ 50,424**	**$ 9,920,979**

Loans and receivables (for which the net book value is deemed to correspond to the fair value) are measured at cost. Unlisted available-for-sale financial assets are measured at cost, unless a fair value is available. Assets at fair value through profit & loss, derivatives and listed available-for-sale financial assets are measured at fair value.

(in thousands of U.S. dollars)	Liabilities at fair value through profit & loss	Derivatives used for hedging	Other financial liabilities	**Total**
Long term debt	$ -	$ -	$ 2,371,661	**$ 2,371,661**
Other non-current liabilities	-	-	93,201	**93,201**
Total Non-Current Liabilities	**$ -**	**$ -**	**$ 2,464,862**	**$ 2,464,862**
Bank loans and acceptances	-	-	6,301,070	**6,301,070**
Financial advances from related parties	-	-	738,093	**738,093**
Accounts payables and accrued expenses	-	-	4,300,678	**4,300,678**
Derivative liabilities	1,193,829	43,481	-	**1,237,310**
Margin deposit liabilities	-	-	44,829	**44,829**
Total Current Liabilities	**$ 1,193,829**	**$ 43,481**	**$ 11,384,670**	**$ 12,621,980**
Total Financial Instruments Liabilities	**$ 1,193,829**	**$ 43,481**	**$ 13,849,532**	**$ 15,086,842**

Other financial liabilities are measured at cost. Liabilities at fair value through profit & loss and derivatives are measured at fair value.

At 31 December 2012, the different categories of financial instruments were as follows:

(in thousands of U.S. dollars)	Loans and receivables	Assets at fair value through profit & loss	Derivatives used for hedging	Available-for-sale	Total
Other investments, deposits and sundry	$ 486,150	$ -	$ -	$ -	**$ 486,150**
Total Non-Current Assets	**$ 486,150**	**$ -**	**$ -**	**$ -**	**$ 486,150**
Financial advances to related parties	20,892	-	-	-	**20,892**
Trade and other receivables	5,711,669	-	-	-	**5,711,669**
Margin deposits	497,408	-	-	-	**497,408**
Derivative assets	-	1,387,968	2,061	-	**1,390,029**
Available-for-sale financial assets	-	-	-	10,957	**10,957**
Other financial assets at fair value through profit & loss	-	255,614	-	-	**255,614**
Cash and cash equivalent	447,936	274,355	-	-	**722,291**
Total Current Assets	**$ 6,677,905**	**$ 1,917,937**	**$ 2,061**	**$ 10,957**	**$ 8,608,860**
Total Financial Instruments Assets	**$ 7,164,055**	**$ 1,917,937**	**$ 2,061**	**$ 10,957**	**$ 9,095,010**

(in thousands of U.S. dollars)	Liabilities at fair value through profit & loss	Derivatives used for hedging	Other financial liabilities	Total
Long term debt	$ -	$ -	$ 2,570,225	**$ 2,570,225**
Other non-current liabilities	-	-	87,384	**87,384**
Total Non-Current Liabilities	**$ -**	**$ -**	**$ 2,657,609**	**$ 2,657,609**
Bank loans and acceptances	-	-	5,294,360	**5,294,360**
Financial advances from related parties	-	-	900,325	**900,325**
Accounts payables and accrued expenses	-	-	3,656,571	**3,656,571**
Derivative liabilities	1,034,181	32,225	-	**1,066,406**
Margin deposit liabilities			110,734	**110,734**
Total Current Liabilities	**$ 1,034,181**	**$ 32,225**	**$ 9,961,990**	**$ 11,028,396**
Total Financial Instruments Liabilities	**$ 1,034,181**	**$ 32,225**	**$ 12,619,599**	**$ 13,686,005**

DERIVATIVE FINANCIAL INSTRUMENTS HELD FOR TRADING PURPOSES

In the normal course of operations, the Group enters into various derivative financial instruments involving future settlement. These transactions include futures, forward purchase and sale agreements, and option contracts which are executed either on regulated exchanges or in the over-the-counter market ("OTC").

Futures contracts are exchange-traded contractual commitments either to receive or deliver a standard amount or value of a commodity or financial instrument at a specified future date and price. Futures exchanges typically require the parties to provide as security "initial margins" and additional cash deposits for "variation margins", based upon market value fluctuations. OTC contracts, which may or may not require the payment of initial margins or variation margins, involve parties who have agreed either to exchange cash payments or deliver/receive the underlying commodity or financial instrument. Option contracts are contractual agreements that give the purchaser the right, but not the obligation, to purchase or sell a financial instrument or commodity, at a predetermined price. Most of the Group's held for trading derivative financial instruments are used as hedges of trading positions.

At 30 June 2013 and at 31 December 2012, derivatives held for trading purposes are as follows:

(in thousands of U.S. dollars)	**30 June 2013**		31 December 2012	
	Assets	Liabilities	Assets	Liabilities
Swaps	$ 25,375	$ 13,911	$ 16,412	$ 14,793
Forward purchase and sale agreements	890,396	757,263	920,560	727,804
Futures	351,000	63,848	244,085	58,757
Options	40,948	45,136	43,500	10,129
Gross value of derivative assets	**$ 1,307,719**	**$ 880,158**	**$ 1,224,557**	**$ 811,483**
Provisions on derivative assets	(72,977)		(101,084)	
Derivatives held for trading purposes	**$ 1,234,742**	**$ 880,158**	**$ 1,123,473**	**$ 811,483**

At 30 June 2013, the Group recognized a provision of $73 million on performance risk to offset unrealized gains on counterparties identified as being at risk by the credit management. At 31 December 2012, this provision was of $101 million.

DERIVATIVE FINANCIAL INSTRUMENTS HELD FOR PURPOSES OTHER THAN TRADING

Derivatives held for purposes other than trading relate to hedges associated with the management of short-term and long-term asset and liability objectives.

Since 2008, the Group has entered into interest-rate swap contracts to hedge against fluctuations in international interest rates (Libor) on the floating rate exposure of part of the long term debt. These operations of a $16 million nominal value at 30 June 2013 are effective until 27 March 2014. The Libor rate for six-month deposits was fixed at an average of 3.05% per year.

Since 2008, the Group has utilized Non-Deliverable Forwards in order to hedge its exposure to fluctuations in future capital expenditure and employee expenses in Brazilian Real. These operations represent at 30 June 2013 a total $1.580 million nominal value and are effective until March 2019 with an average fixed exchange rate of 2.190 Brazilian Real to U.S. Dollar.

At 30 June 2013 and 31 December 2012 derivatives held for other than trading purposes consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**		31 December 2012	
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	$ 223,193	$ 312,852	$ 262,965	$ 220,342
Interest rate swaps	60	819	1,530	2,356
Swaps (except interest rate swaps)	-	-	-	-
Fair value hedges	**$ 223,253**	**$ 313,671**	**$ 264,495**	**$ 222,698**
Interest rate swaps	$ -	$ 18,916	$ -	$ 25,860
Swaps (except interest rate swaps)	-	-	-	-
Forward foreign exchange contracts	905	24,565	2,061	6,365
Cash flow hedges (change in fair value recognized through equity)	**$ 905**	**$ 43,481**	**$ 2,061**	**$ 32,225**
Derivatives held for other than trading purposes	**$ 224,158**	**$ 357,152**	**$ 266,556**	**$ 254,923**

FAIR VALUE HIERARCHY

Effective 1 January 2009, the Group adopted the amendment to IFRS 7 – "Improving Disclosures about Financial Instruments", for financial instruments that are measured in the balance sheet at fair value. The amendments were issued to enhance fair value and liquidity disclosures. With respect to fair value, the amendments require disclosure of a three-level fair value hierarchy, by class, for all financial instruments recognized at fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy at 30 June 2013 and 31 December 2012:

(in millions of U.S. dollars)	**30 June 2013**				31 December 2012			
	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	$ 278	$ 5,020	$ 300	**$ 5,598**	$ 169	$ 4,704	$ 421	**$ 5,294**
Derivative assets	397	1,037	25	**1,459**	350	1,016	24	**1,390**
Available-for-sale financial assets	34	14	2	**50**	7	-	4	**11**
Other financial assets at fair value through profit and loss	180	11	64	**255**	198	-	58	**256**
Cash and cash equivalents	641	-	-	**641**	722	-	-	**722**
Total Assets	**$ 1,530**	**$ 6,082**	**$ 391**	**$ 8,003**	**$ 1,446**	**$ 5,720**	**$ 507**	**$ 7,673**
Derivative liabilities	$ 129	$ 1,097	$ 11	**$ 1,237**	$ 154	$ 907	$ 5	**$ 1,066**
Total Liabilities	**$ 129**	**$ 1,097**	**$ 11**	**$ 1,237**	**$ 154**	**$ 907**	**$ 5**	**$ 1,066**

11. TRADE AND OTHER RECEIVABLES

At 30 June 2013 and 31 December 2012, trade and other receivables consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**			31 December 2012		
	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	$ 3,580,024	$ (110,501)	**$ 3,469,523**	$ 3,294,630	$ (215,897)	**$ 3,078,733**
Staff and tax receivables	440,266	(51,269)	**388,997**	488,118	(35,153)	**452,965**
Prepayments and advances to suppliers	1,067,783	(3,722)	**1,064,061**	1,099,497	(6,131)	**1,093,366**
Prepaid expenses	105,593	-	**105,593**	135,332	-	**135,332**
Receivables on sale of assets	3,160	-	**3,160**	-	-	**-**
Accrued receivables	1,306,569	-	**1,306,569**	844,452	-	**844,452**
Other receivables	100,530	(3,511)	**97,019**	116,124	(9,303)	**106,821**
	$ 6,603,925	**$ (169,003)**	**$ 6,434,922**	**$ 5,978,153**	**$ (266,484)**	**$ 5,711,669**

At 30 June 2013, the amount of the provision for trade and other receivables is $169 million ($266 million at 31 December 2012).

The changes in the depreciations on trade and other receivables are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	**$ (266,484)**	**$ (274,523)**
Change in list of consolidated companies	-	(23,734)
Increase in provision[1]	(21,483)	(89,396)
Reversal of provision[2]	118,367	86,978
Foreign currency translation adjustment	597	(1,523)
Net flows related to Biosev[3]	-	35,714
Closing balance	**$ (169,003)**	**$ (266,484)**

1. During the six-month period ended 30 June 2013, the increase in provision mainly corresponded to default risk on customers for $7 million for their estimated non recoverable portions ($84 million at 31 December 2012).
2. During the six-month period ended 30 June 2013, the reversal of provision mainly corresponded to provisions for receivables reversed for $112 million, out of which $103 million corresponded to fully reserved receivables, now both derecognized. The provision reversal also corresponded to provisions on advances to suppliers for $3 million. During the year ended 31 December 2012, the reversal of provision mainly corresponded to provisions for receivables reversed for $37 million and provisions on advances to suppliers reversed for $9 million.
3. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of provisions for trade and other receivables therefore included Biosev operations until that date. That represented $(11.2) million in increase in provision, $26.6 million in reversal of provision and $1.9 million in foreign currency translation adjustment. The closing balance amounted to $18.4 million.

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

At 30 June 2013 and 31 December 2012, the consolidated available-for-sale financial assets consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**		31 December 2012	
	Ownership	Balance	Ownership	Balance
Namoi Cotton Co-operative Ltd, publicly traded in Australia	13%	$ 3,446		$ -
Baja Mining, Corp., publicly traded in Canada	5.3%	593	5.3%	1,873
Chinalco Mining Corporation International, publicly traded in Hong Kong	1.1%	23,475		-
InterContinental Exchange, Inc., publicly traded in the United States	less than 1%	4,411	less than 1%	3,170
CME Group, Inc., publicly traded in the United States	less than 1%	2,279	less than 1%	1,520
Listed Available-For-Sale Financial Assets		**$ 34,204**		**$ 6,563**
Equiplan Participaçoes S/A	10%	14,000	10%	2,179
Others		2,220		2,215
Unlisted Available-For-Sale Financial Assets		**$ 16,220**		**$ 4,394**
		$ 50,424		**$ 10,957**

In April 2013, the Group acquired a minority stake for $3.8 million in Namoi Cotton Co-operative Ltd, a publicly traded company operating in cotton processing and marketing. On 31 January 2013, the Group acquired a minority stake for $30.3 million in Chinalco Mining Corporation International (CMC), subsequent to their successful listing on the Hong Kong Stock Exchange. The company is engaged in acquisition, investment, development and operation of non-ferrous and non-aluminum mineral resources.

During the first semester of 2013, an additional impairment of $1.3 million on Baja Mining Corp. was recognized due to the share price drop ($17.6 million previously impaired in 2012).

13. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

At 30 June 2013 and 31 December 2012, other financial assets consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Financial assets held for trading purpose	$ 129,057	$ 124,566
Short term securities (maturity > 3 months)[1]	100,380	121,993
Reverse repurchase agreement loan	25,784	9,055
	$ 255,221	**$ 255,614**

1. Including $16 million at 30 June 2013 of securities pledged as collaterals for exchange ($18 million at 31 December 2012).

Short-term securities are instruments with a maturity greater than three months acquired with the purpose of selling or repurchasing.

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows at 30 June 2013 and 31 December 2012:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Short term securities (maturity < 3 months)[1]	$ 207,161	$ 274,355
Cash	433,931	447,936
	$ 641,092	**$ 722,291**

1. Including $10 million at 30 June 2013 of securities pledged as collaterals for exchange ($23 million at 31 December 2012).

At 30 June 2013 and 31 December 2012, there is no material difference between the historical value of cash and cash equivalents and the fair value.

15. EQUITY

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Issued capital	$ 1,438	$ 1,438
Share premium	1,585,420	1,585,420
Perpetual capital securities, less costs net of tax	345,079	345,079
Retained earnings	2,865,441	2,768,501
Other reserves	(27,120)	8,424
Equity attributable to Owners of the Parent	**$ 4,770,258**	**$ 4,708,862**
Non-controlling Interests	46,857	57,133
Total Equity	**$ 4,817,115**	**$ 4,765,995**

The stockholder's equity and non-controlling interests disclosed in the financial statements correspond to the equity used by the management when assessing performance.

Capital

At 30 June 2013 and 31 December 2012, the capital of the Company is composed of 100,000,000 shares, with a 0.01 euro nominal value each, that are issued and fully paid. During the six-month period ended 30 June 2013, LDC distributed $152.5 million as dividends to LDCNH. During the year ended 31 December 2012, LDC distributed $130.5 million as dividends to LDCH and $258 million to LDCNH.

In September 2012, the Group priced an inaugural $350 million ($345 million, less costs net of tax), 8.25% coupon hybrid capital securities transaction. The securities are perpetual but the Group has the right to redeem them in certain circumstances. The perpetual capital securities are not rated and are listed in the Official List of the Singapore Exchange.

At 30 June 2013, accrued interests amount to $10.7 million net of tax ($6.6 million net of tax at 31 December 2012).

Other Reserves

Other Reserves at 30 June 2013 and 31 December 2012 relate to:

	30 June 2013				31 December 2012			
(in thousands of U.S. dollars)	Pre-tax	Tax	Non-controlling share	**Owners of the Parent Share**	Pre-tax	Tax	Non-controlling share	**Owners of the Parent share**
Other comprehensive income	**$ (84,368)**	**$ 18,242**	**$ (3,213)**	**$ (62,913)**	**$ (45,067)**	**$ 15,059**	**$ (2,639)**	**$ (27,369)**
Deferred compensation	35,793	-	-	**35,793**	35,793	-	-	**35,793**
Other reserves	**$ (48,575)**	**$ 18,242**	**$ (3,213)**	**$ (27,120)**	**$ (9,274)**	**$ 15,059**	**$ (2,639)**	**$ 8,424**

Other Comprehensive income

Changes in other comprehensive income, for the six-month periods ended 30 June 2013 and 30 June 2012 are as follows:

	Available-for-sale financial assets	Cash-flow hedges[1]	Fixed assets revaluation reserve	Retirement benefit obligations	Foreign Currency translation adjustment	**Total**
Balance at 1 January 2013 – Group Share	**$ (244)**	**$ (19,210)**	**$ 7,419**	**$ (7,801)**	**$ (7,533)**	**$ (27,369)**
of which:						
Pre-tax	(445)	(30,418)	9,226	(12,009)	(11,421)	**(45,067)**
Tax	201	11,208	(558)	4,208	-	**15,059**
Non-controlling share	-	-	1,249	-	(3,888)	**(2,639)**
Current period gains (losses)	2,160	(19,582)	(311)	-	(19,229)	**(36,962)**
Reclassification to profit or loss	-	1,679	-	-	(261)	**1,418**
Other comprehensive income for the period – Group Share	**$ 2,160**	**$ (17,903)**	**$ (311)**	**$ -**	**$ (19,490)**	**$ (35,544)**
of which:						
Pre-tax	6,502	(25,399)	(361)	-	(20,043)	**(39,301)**
Tax	(4,342)	7,496	29	-	-	**3,183**
Non-controlling share	-	-	(21)	-	(553)	**(574)**
Balance at 30 June 2013 – Group Share	**$ 1,916**	**$ (37,113)**	**$ 7,108**	**$ (7,801)**	**$ (27,023)**	**$ (62,913)**
of which:						
Pre-tax	6,057	(55,817)	8,865	(12,009)	(31,464)	**(84,368)**
Tax	(4,141)	18,704	(529)	4,208	-	**18,242**
Non-controlling share	-	-	1,228	-	(4,441)	**(3,213)**

	Available-for-sale financial assets	Cash-flow hedges[1]	Fixed assets revaluation reserve	Foreign Currency translation adjustment	**Total**
Balance at 1 January 2012 – Group Share	**$ (6,706)**	**$ (78,883)**	**$ 8,659**	**$ 60,017**	**$ (16,913)**
of which:					
Pre-tax	(7,628)	(157,214)	12,138	138,486	**(14,218)**
Tax	922	51,174	(2,189)	-	**49,907**
Non-controlling share	-	(27,157)	1,290	78,469	**52,602**
Current period gains (losses)	12,988	(16,991)	-	(72,137)	**(76,140)**
Reclassification to profit or loss	(6,299)	(9,097)	-	-	**(15,396)**
Other	-	-	(1,439)	-	**(1,439)**
Other comprehensive income for the period – Group Share	**$ 6,689**	**$ (26,088)**	**$ (1,439)**	**$ (72,137)**	**$ (92,975)**
of which:					
Pre-tax	7,548	(52,982)	(2,705)	(100,249)	**(148,388)**
Tax	(859)	19,716	1,245	-	**20,102**
Non-controlling share	-	(7,178)	(21)	(28,112)	**(35,311)**
Balance at 30 June 2012 – Group Share	**$ (17)**	**$ (104,971)**	**$ 7,220**	**$ (12,120)**	**$ (109,888)**
of which:					
Pre-tax	(80)	(210,196)	9,433	38,237	**(162,606)**
Tax	63	70,890	(944)	-	**70,009**
Non-controlling share	-	(34,335)	1,269	50,357	**17,291**

1. In 2013 and 2012 the Group entered into swap agreements to hedge its interest risk on identified loans. These transactions were recorded as cash flow hedges.

16. LONG TERM FINANCING

The Group's long term financing includes senior debts, bank loans and financial lease commitments. The maturity of the long term financing can be analyzed as follows at 30 June 2013 and 31 December 2012:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Maturity between 1-2 years	$ 1,299,629	$ 988,914
Maturity between 2-3 years	226,843	664,352
Maturity between 3-4 years	208,169	226,254
Maturity between 4-5 years	269,986	300,088
Maturity > 5 years	367,034	390,617
Non-Current portion of long term financing	**$ 2,371,661**	**$ 2,570,225**
Maturity < 1 year	$ 625,167	$ 648,498
Current portion of long term financing *(presented in bank loans and acceptances)*	**$ 625,167**	**$ 648,498**
Total Long Term Financing (including current portion)	**$ 2,996,828**	**$ 3,218,723**
of which:		
Fixed rate	$ 1,507,072	$ 1,311,486
Floating rate	$ 1,489,756	$ 1,907,237

Certain portions of this debt, aggregating $38 million at 30 June 2013 and $46 million at 31 December 2012, are secured by mortgages on assets.

Certain Senior Debt and bank loans contain covenants which require maintenance of levels of working capital, net worth, ratios of debt to equity, dividend restrictions and limit of indebtedness.

The debt outstanding is comprised of loans in the following currencies at 30 June 2013 and 31 December 2012:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
U.S. Dollar	$ 2,908,295	$ 3,125,504
Euro	46,959	56,722
Other currencies	41,574	36,497
Total Long Term Financing (including current portion)	**$ 2,996,828**	**$ 3,218,723**

The following is a comparative summary of long-term debt outstanding, current and non-current portion:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Senior notes, at 7.07% fixed rate, due through 2013	$ 115,000	$ 115,000
Bank loans, from 1.95% to 5.00% over LIBOR due through 2013 and 2014	171,961	663,653
Bank loans, from 1.95% to 3.44% over LIBOR due through 2015	771,496	563,546
Bank loans, from 1.95% to 3.50% over LIBOR due through 2016	218,854	209,575
Bank loans, from 1.95% to 3.50% over LIBOR due through 2017	237,886	253,744
Bank loans, from 2.50% to 5.30% over TJLP due through 2018	36,253	45,370
Other variable rates through 2024	53,306	171,349
Fixed rate through 2024	1,392,072	1,196,486
Total Long Term Financing (including current portion)	**$ 2,996,828**	**$ 3,218,723**

At 30 June 2013 there is no significant difference between the historical value of long term financing and its fair value.

17. BANK LOANS AND ACCEPTANCES

The Group finances most of its short-term requirements with bank loans and acceptances. The underlying agreements require certain companies to maintain minimum levels of net worth and to meet various liquidity tests.

At 30 June 2013 and 31 December 2012, bank loans and acceptances consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Bank loans	$ 4,431,689	$ 3,493,201
Bank loans secured on LDC Metals Suisse SA inventories and trade receivables	784,114	662,222
Bank overdrafts	308,643	384,299
Repurchase agreements	123,269	97,116
Securities short positions	28,188	9,024
Total Short Term Financing	**$ 5,675,903**	**$ 4,645,862**
Current portion of long term financing	625,167	648,498
Total Bank Loans and Acceptances	**$ 6,301,070**	**$ 5,294,360**
of which:		
Fixed rate	$ 1,411,989	$ 1,253,923
Floating rate	$ 4,889,081	$ 4,040,437

At 30 June 2013 and 31 December 2012, there is no significant difference between the historical value of bank loans and acceptances and their fair value.

The debt outstanding is comprised of loans in the following currencies at 30 June 2013 and 31 December 2012:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
U.S. Dollar	$ 5,461,625	$ 4,373,754
Brazilian Real	11	116,522
Euro	313,512	203,433
Other currencies	525,922	600,651
Total Bank Loans and Acceptances	**$ 6,301,070**	**$ 5,294,360**

The Group enters into repurchase agreements which are arrangements involving the sale of securities at a specified price with an irrevocable commitment to repurchase the same or similar securities at a fixed price, on a specified future date or with an open maturity.

18. RETIREMENT BENEFIT OBLIGATIONS

Following IAS 19 amendment application with retroactive effect from 1 January 2012, the amounts disclosed at 31 December 2012 are restated of IAS 19 impacts. Refer to Note 1 "Accounting Policies" for more information about changes in accounting policies.

At 30 June 2013 and 31 December 2012, retirement benefit obligations consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Long-term pension benefit	$ 153,129	$ 156,516
Post-retirement benefit	39,630	39,913
Other long-term employee benefits	7,202	7,221
Retirement benefit obligations	**$ 199,961**	**$ 203,650**
Current pension benefit[2]	$ 199	$ 316
Net plan asset[1]	$ -	$ (41)

1. Included in "Trade and other receivables" in the balance sheet.
2. Included in "Accounts payable and accrued expenses".

The Group maintains pension plans in various countries as prescribed by local laws and customs. The obligations of the Group to pay benefits upon retirement are provided for on an estimated annual basis. The estimates reflect assumptions as to future salary increases, employee turnover and mortality rates. The most significant retirement plans which require funding are in the United States.

19. RESERVE FOR CONTINGENCIES

At 30 June 2013 and 31 December 2012, reserve for contingencies consists of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Current reserve	$ 5,543	$ 1,830
Non-current reserve	84,494	107,578
	$ 90,037	**$ 109,408**

Changes in reserve for contingencies for 30 June 2013 and 31 December 2012 are as follows:

(in thousands of U.S. dollars)			30 June 2013			31 December 2012
Reserve for:	Tax and social risks	Litigations	Restructuring	Other	**Total**	**Total**
Balance at 1 January	**$ 60,739**	**$ 21,358**	**$ 20,047**	**$ 7,264**	**$ 109,408**	**$ 427,091**
Allowance	6,069	1,577	-	3,924	**11,570**	**14,721**
Reversal of used portion	(4,586)	(1,000)	(299)	(629)	**(6,514)**	**(6,461)**
Reversal of unused portion	(3,978)	(110)	(6,612)	(433)	**(11,133)**	**(14,175)**
Reclassification	(61)	-	(12,460)	-	**(12,521)**	**(1,149)**
Foreign currency translation adjustment	(605)	(5)	(5)	(158)	**(773)**	**290**
Change in list of consolidated companies	-	-	-	-	**-**	**18**
Adjustment on purchase price accounting[1]	-	-	-	-	**-**	**(15,176)**
Net flows related to Biosev[2]	-	-	-	-	**-**	**(295,751)**
Closing balance	**$ 57,578**	**$ 21,820**	**$ 671**	**$ 9,968**	**$ 90,037**	**$ 109,408**

1. During the year ended 31 December 2012, the Group adjusted the contingencies of Macrofertil for $15.2 million using the window period of one year to review its purchase price allocation.
2. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of reserve for contingencies therefore included Biosev operations until that date. That represented $50.1 million in allowance, $(3.6) million in reversal of used portion, $(32.5) million in reversal of unused portion, $(1.4) million in reclassification, and $(23.2) million in foreign currency translation adjustment. The closing balance amounted to $(285.1) million.

20. INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset the potential future equivalent of current tax assets and liabilities.

The deferred income tax asset (liability) at 30 June 2013 and 31 December 2012, is as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Deferred income tax assets	$ 301,975	$ 222,383
Deferred income tax liabilities	(307,121)	(259,642)
	$ (5,146)	**$ (37,259)**

The consolidated net deferred income tax asset (liability) recorded at 30 June 2013 and 31 December 2012 arises from:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Timing differences	$ (139,666)	$ (103,661)
Tax benefits from carry forward losses	190,657	163,191
Valuation allowance for deferred tax assets	(56,137)	(96,789)
	$ (5,146)	**$ (37,259)**

The 30 June 2013 valuation allowance is ascribed to available loss carry forwards for approximately $18 million against $18 million at 31 December 2012.

Changes in net deferred income tax asset (liability) are as follows:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Balance at 1 January	**$ (37,259)**	**$ (151,338)**
Deferred taxes recognized in income	30,318	(48,934)
Change in list of consolidated companies	258	(13,602)
Change in accounting policies[1]	-	21,134
Deferred taxes recognized in equity	2,705	(4,869)
Purchase price accounting adjustment	(2,996)	(28)
Exchange differences	1,828	(132)
Net flows related to Biosev[2]	-	160,510
Closing balance	**$ (5,146)**	**$ (37,259)**

1. Deferred tax asset related to IAS 19 amendment application with effect from 1 January 2012. Refer to Note 1 "Accounting Policies".
2. In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. 2012 LDC consolidated roll-forward of net deferred tax asset (liability) therefore included Biosev operations until that date. That represented $86.3 million in deferred taxes recognized in income – discontinued operations, $2.9 million in deferred taxes recognized in equity and $15.1 million in foreign currency translation adjustment. The closing balance amounted to $56.2 million.

The provision for income taxes differs from the computed "expected" income tax provision using the Netherlands statutory tax rate of 25% during the six-month periods ended 30 June 2013 and 30 June 2012 for the following reasons:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Theoretical tax on income from continuing operations	**$ 71,702**	**$ 139,254**
Differences in income tax rates	(34,109)	(37,950)
Difference between local currency and functional currency	10,278	16,015
Change in valuation provision on tax assets and net operating losses	(27,519)	(10,458)
Permanent differences on investments	(4,162)	(30,915)
Other permanent differences	12,178	9,631
Reported tax expense from continuing operations	**$ 28,368**	**$ 85,577**

21. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at 30 June 2013 and 31 December 2012, consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Trade payables	$ 2,187,422	$ 1,630,561
Accrued payables	1,239,320	1,083,486
Staff and tax payables	242,416	375,769
Margin deposits	44,829	110,734
Prepayments and advances received	412,638	323,743
Other payables	62,839	39,530
Deferred income	123,327	174,615
Payable on purchase of assets	32,716	28,867
	$ 4,345,507	**$ 3,767,305**

22. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities at 30 June 2013 and 31 December 2012, consist of the following:

(in thousands of U.S. dollars)	**30 June 2013**	31 December 2012
Non-current tax and social liabilities	$ 19,351	$ 7,226
Debts associated to business combinations and put options	58,552	64,218
Other non-current liabilities	15,298	15,940
	$ 93,201	**$ 87,384**

23. NET SALES

Net sales consist of the following:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Sales of goods	$ 28,966,113	$ 26,720,676
Income from services rendered	150,005	168,874
Other income	45,319	70,655
	$ 29,161,437	**$ 26,960,205**

24. FINANCE COSTS, NET

Finance costs, net in the income statement can be analyzed as follows:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Interest expense	$ (161,339)	$ (173,604)
Interest income	18,703	25,854
Foreign exchange	67,145	21,371
Net gain (loss) on derivatives	(48,114)	707
Other financial income and expense	20,026	9,185
	$ (103,579)	**$ (116,487)**

25. FOREIGN EXCHANGE

Foreign exchange result, excluding result from derivatives used for hedging foreign currency exposure, is allocated in the following lines of the income statement:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Net sales	$ (15,749)	$ (5,713)
Cost of sales	(10,129)	28,819
Commercial and administrative expenses	(2,402)	(3,996)
Finance costs, net	67,145	21,371
	$ 38,865	**$ 40,481**

26. LOSS ON SALE OF INVESTMENTS

Loss on sale of investments in the income statement can be analyzed as follows:

(in thousands of U.S. dollars)	**30 June 2013 6 months**	30 June 2012 6 months
Loss on available-for-sale financial assets	(1,280)	(17,688)
Others	260	(439)
	$ (1,020)	**$ (18,127)**

27. COMMITMENTS AND CONTINGENCIES

The Group leases facilities, warehouses, offices and equipment under operating leases, and vessels under time charters' agreements. Certain of the Group's leases include renewal options and most leases include provisions for rent escalation to reflect changes in construction indexes.

The Group has future minimum payments and rentals under non-cancellable operating leases, with initial or remaining terms of more than one year, that consist of the following at 30 June 2013 and 31 December 2012:

(in millions of U.S. dollars)	**30 June 2013**	31 December 2012
Leases and other commitments:		
< 1 year	$ 148	$ 142
Between 1 and 5 years	450	476
> 5 years	238	235
	$ 836	**$ 853**

The Group is contingently liable on open letters of credit as follows:

(in millions of U.S. dollars)	**30 June 2013**	31 December 2012
Letters of credit:		
Bid and performance bonds	$ 41	$ 107
Commodity trading	255	154
	$ 296	**$ 261**

At 30 June 2013, the Group has a commitment to purchase a minimum of 156 million boxes of oranges until 2027 (132 million boxes at 31 December 2012). The estimated annual commitment is ranging from $197 million in 2013 to $1 million in 2027.

At 30 June 2013, the Group has a commitment to purchase 459 thousand metric tons of sugar (424 thousand metric tons at 31 December 2012) for a total amount of $282 million until 2015 ($260 million at 31 December 2012). The Group has also a commitment to sell 235 thousand metric tons of refined sugar (200 thousand metric tons at 31 December 2012) for $161 million in 2014 ($160 million at 31 December 2012).

At 30 June 2013, the Group has a commitment to purchase fuel for future years until 31 December 2015 for 6 MMBtus "Million British Thermal Unit" (7 MMBtus at 31 December 2012) for an estimated amount of $23 million ($28 million at 31 December 2012).

At 30 June 2013, the Group has a commitment to sell 40 million gallons of biodiesel in 2013 (14 million gallons at 31 December 2012) for an estimated amount of $70 million ($24 million at 31 December 2012).

At 30 June 2013, the Group has an approximate $40 million of commitments mainly related to capital improvements to export terminal, to the construction of an oilseed refinery plant in Lampung (Indonesia) and to investments ($51 million at 31 December 2012).

At 30 June 2013, the Group still provides a letter of credit to Baja Mining Corp., a mining company, pursuant to a $35 million Equity Convertible Cost Overrun Facility. If drawn, this letter of credit converts automatically into common shares of the mining company. On 25 May 2012, the Group filed a Request for Arbitration with the London Court of International Arbitration against Baja Mining Corp. The Group is seeking, inter alia, to obtain a declaration that the $35 million Equity Cost Overrun Facility (COF) Agreement entered into between it and Baja Mining Corp on 28 September 2010 is terminated. The Group's position is that given circumstances and developments since the issuance of the letter of credit, the $35 million Equity Convertible Cost Overrun Facility is terminated and not capable of being drawn. It is also seeking damages. As part of the Arbitration Baja Mining Corp has subsequently issued a counterclaim in an unspecified amount with respect to an alleged breach of the COF by a Group company. The Group regards this counterclaim to be groundless and very unlikely to succeed.

At 30 June 2013, the Group also entered into off-take agreements for 70% of copper and cobalt that will be produced for a period of 10 years from the beginning of commercial production (or until defined amounts of copper (369,200 metric ton)/ cobalt (10,780 metric ton) have been delivered if later). Price per metric ton will be based upon London Metal Exchange ("LME") or Comex for Copper and on London Metal Bulletin ("LMB") or LME for Cobalt.

At 30 June 2013, the Group received $6 million of guarantees and collaterals ($8 million at 31 December 2012).

At 30 June 2013, the Group has provided a $7 million loan facility to a mining and exploration company against an off-take agreement. This facility is secured with an irrevocable corporate guarantee from the Group, a pledge over 80% of the shares in the subsidiary which owns the mining assets and a pledge over the moveable assets including the mining fleet purchased.

In addition, there are $328 million of other commitments at 30 June 2013 ($363 million at 31 December 2012), including $275 million guarantees at 30 June 2013 ($275 million at 31 December 2012).

There are various claims and ongoing regulatory investigations asserted against and by the Group which, in the opinion of counsels, based on a review of the present stages of such claims in the aggregate, should not have a material effect on the Group's financial position or future operating results.

28. SHARE-BASED PAYMENT

In December 2006, the terms of a stock-based compensation arrangement referred to as the Equity Participation Plan ("EPP"), which is sponsored by LDCH became operational and the arrangement was fully implemented in December 2007 with the issuance of the first shares relating to the awards. The EPP provides for the granting of securities and options to purchase securities in LDCH (collectively "Awards") to employees of the Group. EPP awards granted to employees of the Group generally vest on a graduated basis over a four year period. Additional awards have been granted to employees during each first semester starting in 2008, with the corresponding securities and options to purchase securities to be issued during the second semester of the same calendar year.

The Group accounts for the EPP as an equity-settled plan: the fair value of the awards granted, determined at attribution date, is recorded in the income statement ratably over the vesting period of the awards. The value of the awards granted is not revalued in subsequent periods.

The Group and LDCH have entered into reimbursement agreements under which certain subsidiaries of the Group will reimburse LDCH for the awards attributed to their employees. Depending on the reimbursement agreement, the Group is liable for vested awards at attribution or fair value. Amounts due under these reimbursement agreements are recorded by the Group as a distribution of equity to LDCH. Accordingly, amounts payable under the reimbursement agreements give rise to a reclassification from equity to liabilities up to the amount of stock compensation already recorded. Any excess of the amounts due under the reimbursement agreements over the attribution value of the awards is recorded as an additional debit to retained earnings. Certain reimbursement agreements provide for a payment anticipating the accounting vesting schedule and give rise to a prepaid asset. The Group paid $32 million in 2013 ($25 million in H1 2012) to LDCH relating to reimbursement agreements, and recorded a liability of $7 million at 30 June 2013 (a prepaid asset of $23 million at 31 December 2012).

Awards granted to employees during 2013 are of $119 million while awards forfeited by employees represent $3 million. During the H1 2013 transfer window period, LDCH purchased shares from employees corresponding to $40 million in attribution value bringing the attribution value of outstanding EPP awards granted to employees to $466 million.
At 31 December 2012, the attribution value of outstanding EPP awards granted to employees was $390 million, of which $110 million correspond to awards granted in 2012, and $5 million to awards forfeited by employees. During the 2012 transfer window period, LDCH purchased shares from employees corresponding to $132 million in attribution value.

At 1 July 2013, EPP awards fully vested represent $163 million and awards vesting ratably over periods ranging from 3 months to four years are of $303 million. At 31 December 2012, they were respectively of $129 million and $261 million vesting ratably over periods ranging from 3 months to four years.

During the first semester, compensation costs recognized in commercial and administrative expenses are of $61 million in 2013 and of $61 million in 2012.

Unrecognized compensation costs expected to be recognized from 2013 to 2017 are of $166 million at 30 June 2013 and of $110 million at 31 December 2012.

29. NUMBER OF EMPLOYEES AND PERSONNEL EXPENSES

For the six-month period ended 30 June 2013, personnel expenses reached $463 million for an average number of employees of 18,006. For the six-month period ended 30 June 2012, they were of $450 million for 17,177 employees.

The average number of employees is as follows:

	30 June 2013	30 June 2012
Managers and traders	1,505	1,297
Supervisors	1,125	1,016
Employees	4,320	4,008
Workers	8,306	8,245
Seasonal workers	2,750	2,611
	18,006	**17,177**

The increase in the average number of employees is mainly explained by external acquisitions and the expansion of trading and processing activities in Asia.

30. RELATED PARTIES TRANSACTIONS

Transactions with related parties are reflected as follows:

(in thousands of U.S. dollars)	30 June 2013 6 months	30 June 2012 6 months
Income Statement		
Sales[1]	$ 219,942	$ 163,636
Cost of goods sold[1]	(393,461)	(150,668)
Other income net of expenses	15,412	9,372
Finance costs, net	6,881	(1,298)
Balance sheet	**30 June 2013**	31 December 2012
Other investments, deposits & sundry[1]	$ 60,919	$ 72,152
Financial advances to related parties[1]	47,520	20,892
Trade and other receivables[1]	320,358	316,562
Margin deposit[1]	6,546	232
Derivatives[1]	33,647	61,866
Receivables	**$ 468,990**	**$ 471,704**
Other non-current liabilities	$ 1	$ 1
Financial advances from related parties[2]	738,093	900,325
Trade and other payables[1]	46,490	55,649
Derivatives[1]	25,045	18,459
Payables	**$ 809,629**	**$ 974,434**

1. Mainly correspond to transactions with affiliated companies carried at equity and/or with entities included in Biosev.
2. Include financing from LDCNH of $149 million at 30 June 2013 ($258 million at 31 December 2012) and financing from LDCH of $566 million at 30 June 2013 ($640 million at 31 December 2012), net of transactions relating to reimbursement agreements with LDCH of $(7) million at 30 June 2013 ($23 million at 31 December 2012 – Refer to note 28).

Biosev operations with LDC entities were considered as intercompany until December 2012. From that date, Biosev became a related party since it moved from being a subsidiary of LDC to a sister company of LDC.

31. SUBSEQUENT EVENTS

LDC completed on 30 July 2013 the issuance of an inaugural €400 million, 5-year, 3.875% unrated Eurobond. The Group expects to thereby strengthen its financial position by extending the maturity of the company's debt and diversifying sources of financing. This transaction represents the Group's first time access to the euro debt capital markets in order for the company to benefit from additional financing opportunities. The transaction follows LDC' successful entry into the debt capital markets in September 2012, with a US$350 million hybrid perpetual security listed on the Singapore Stock Exchange.

32. LIST OF MAIN SUBSIDIARIES

The main subsidiaries of LDC that are consolidated at 30 June 2013 and 31 December 2012 are the following:

	30 June 2013		31 December 2012	
Company	% of control	% of ownership	% of control	% of ownership
LDC Argentina S.A. (Argentina)	100.00	100.00	100.00	100.00
LD Commodities Australia Holdings Pty. Ltd. (Australia)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Australia Pty. Ltd. (Australia)	100.00	100.00	100.00	100.00
Coinbra Frutesp S.A. (Brazil)	100.00	100.00	100.00	100.00
Fertibrasil Logistica E Fertilizantes, Ltda. (Brazil)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Agroindustrial S.A. (Brazil)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Brasil S.A. (Brazil)	100.00	100.00	100.00	100.00
Macrofertil Industria E Comercio De Fertilizantes, Ltda. (Brazil)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Bulgaria Eood. (Bulgaria)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Canada Ltd. (Canada) *	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Yorkton Investments Inc. (Canada)	100.00	100.00	-	-
Louis Dreyfus Commodities Yorkton Trading LP (Canada) *	100.00	100.00	60.00	60.00
Louis Dreyfus Commodities (Bazhou) Feedstuff Protein Co. Ltd. (China)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities (Beijing) Trading Company Ltd. (China)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities (Fujian) Refined Sugar Co. Ltd. (China)	67.00	67.00	67.00	67.00
Shaanxi Sanchuan Juice Co. Ltd. (China)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Colombia, Ltda. (Colombia)	100.00	100.00	100.00	100.00
Louis Dreyfus Citrus S.A.S. (France)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Distribution France S.A.S. (France)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities France S.A.S. (France)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Services S.A.S. (France)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Silos S.A.S. (France)	61.12	100.00	61.12	100.00
SCPA Sivex International S.A.S. (France)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Wittenberg GmbH (Germany)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities India PVT Ltd. (India)	100.00	100.00	100.00	100.00
PT. Louis Dreyfus Commodities Indonesia PLC (Indonesia)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Italia S.P.A. (Italy)	100.00	100.00	100.00	100.00
Gulf Stream Investments Ltd. (Kenya)	100.00	99.33	100.00	99.33
Louis Dreyfus Commodities Kenya Ltd. (Kenya)	99.33	99.33	99.33	99.33
Comercializadora Profesional Mexicana S.A. (Mexico)	100.00	100.00	100.00	100.00
Ecoval Holding B.V. (Netherlands)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Metals B.V. (Netherlands)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Participations B.V. (Netherlands)	100.00	100.00	100.00	100.00
Nethgrain B.V. (Netherlands)	100.00	100.00	100.00	100.00
Coinbra International Trading N.V. (Netherlands Antilles)	100.00	100.00	100.00	100.00
LDC Paraguay S.A. (Paraguay)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Peru S.R.L (Peru)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Polska SP. z.o.o. (Poland)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Portugal Lda (Portugal)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Vostok LLC (Russian Federation)	100.00	100.00	100.00	100.00
GKE Metal Logistics Pte Ltd (Singapore)	51.00	51.00	51.00	51.00

	30 June 2013		31 December 2012	
Company	% of control	% of ownership	% of control	% of ownership
Louis Dreyfus Commodities Asia Pte Ltd. (Singapore)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Africa (Proprietary) Ltd. (South Africa)	100.00	100.00	100.00	100.00
Coffee Agency S.A. (Spain)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Espana S.A. (Spain)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Freight Suisse S.A. (Switzerland) **	-	-	100.00	100.00
Louis Dreyfus Commodities Juices Suisse S.A. (Switzerland) **	-	-	100.00	100.00
Louis Dreyfus Commodities Metals Suisse S.A. (Switzerland)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Suisse S.A. (Switzerland) **	100.00	100.00	100.00	100.00
Sungrain Holding S.A. (Switzerland)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Tanzania Ltd. (Tanzania)	100.00	100.00	100.00	100.00
LD Commodities Uganda Ltd. (Uganda)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Ukraine Ltd. (Ukraine)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities MEA Trading (United Arab Emirates)	100.00	100.00	100.00	100.00
Louis Dreyfus Financial Management Ltd. (United Kingdom)	100.00	100.00	100.00	100.00
Ruselco LLP (United Kingdom)	100.00	100.00	100.00	100.00
Elkhorn Valley Ethanol LLC (U.S.A.)	100.00	100.00	100.00	100.00
Imperial Sugar Company (U.S.A.)	100.00	100.00	100.00	100.00
LD Commodities Interior Elevators LLC (U.S.A)	100.00	100.00	-	-
LDC Holding Inc. (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Agricultural Industries LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Biofuels Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Citrus Inc. (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Claypool Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Investment Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Port Allen Export Elevator LLC (U.S.A.)	100.00	100.00	100.00	100.00
Louis Dreyfus Norfolk LLC (U.S.A.)	100.00	100.00	100.00	100.00
Term Commodities Inc. (U.S.A.)	100.00	100.00	100.00	100.00
LDC Uruguay S.A. (Uruguay)	100.00	100.00	100.00	100.00
Urugrain S.A. (Uruguay)	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Vietnam Company Ltd. (Vietnam)	100.00	100.00	100.00	100.00

* The following entities changed their legal name in 2013:
– Louis Dreyfus Commodities Canada Ltd. is the new name of Louis Dreyfus Canada Ltd.
– Louis Dreyfus Commodities Yorkton Trading LP is the new name of LDM Yorkton Trading LP

** Louis Dreyfus Commodities Freight Suisse S.A. and Louis Dreyfus Commodities Juices Suisse S.A. merged into Louis Dreyfus Commodities Suisse S.A. in June 2013.

INDEPENDENT AUDITOR'S REPORT

To: the Managing Directors of Louis Dreyfus Commodities B.V.

We have audited the accompanying consolidated financial statements of Louis Dreyfus Commodities B.V. and subsidiaries, which comprise the consolidated statements of financial position as of 31 December 2012, 2011 and 2010, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the three years then ended, and a summary of significant accounting policies and other explanatory information

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the financial position of Louis Dreyfus Commodities B.V. and subsidiaries as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw attention to Note 4 to the financial statements which describes the transaction and its accounting consequences by which Biosev, a formerly partially owned subsidiary of Louis Dreyfus Commodities B.V. was distributed to the shareholders of Louis Dreyfus Commodities B.V.

Neuilly-sur-Seine, France, 22 March 2013

DELOITTE & ASSOCIES

François-Xavier AMEYE

CONSOLIDATED STATEMENTS OF INCOME
Year Ended 31 December

(in thousands of U.S. dollars)	*Notes*	**2012**	2011	2010
Net sales	***24***	$ 57,140,195	$ 57,668,703	$ 44,666,886
Cost of sales		(54,819,022)	(55,536,249)	(42,767,931)
Gross Margin		**2,321,173**	**2,132,454**	**1,898,955**
Commercial and administrative expenses		(754,628)	(810,280)	(598,712)
Finance costs, net	***25***	(195,442)	(217,715)	(140,884)
Share of profit (loss) in affiliated companies carried at equity, net	***8***	(11,621)	11,180	4,143
Gain (loss) on sale of investments	***27***	(19,439)	4,473	8,915
Gain (loss) on sale of assets		(2,694)	12,233	1,580
Other gains and losses		2,875	(216)	(1,322)
Income before tax - continuing operations		**1,340,224**	**1,132,129**	**1,172,675**
Current taxes		(187,519)	(282,633)	(185,469)
Deferred taxes	***21***	(48,934)	29,155	(32,916)
Net income – continuing operations		**1,103,771**	**878,651**	**954,290**
Attributable to:				
Owners of the parent Stockholders		**1,096,325**	**875,470**	**962,432**
Non-controlling Interests		7,446	3,181	(8,142)
Net income – discontinued operations		(150,401)	(250,960)	159,489
Attributable to:				
Owners of the parent Stockholders		(92,980)	(140,458)	88,900
Non-controlling Interests		(57,421)	(110,502)	70,589
Net income		**$ 953,370**	**$ 627,691**	**$ 1,113,779**
Attributable to:				
Owners of the parent Stockholders		**1,003,345**	**735,012**	**1,051,332**
Non-controlling Interests		$ (49,975)	$ (107,321)	$ 62,447

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
Year Ended 31 December

(in thousands of U.S. dollars)	*Notes*	**2012**	2011	2010
Non-Current Assets				
Intangible assets	***5***	$ 158,155	$ 527,878	$ 408,939
Property, plant and equipment, net	***6***	2,923,678	4,591,590	4,516,952
Biological assets	***7***	288,232	963,376	1,036,870
Investments in affiliated companies carried at equity	***8***	337,915	455,419	117,373
Other investments, deposits and sundry	***9***	486,150	369,153	229,839
Deferred income tax	***21***	201,310	179,244	132,093
Total Non-Current Assets		**4,395,440**	**7,086,660**	**6,442,066**
Current Assets				
Inventories	***10***	5,976,676	6,125,123	7,360,315
Trade and other receivables	***12***	5,713,671	5,519,316	4,376,819
Derivative assets	***11***	1,390,029	1,684,471	3,125,564
Margin deposits	***11***	497,408	520,482	1,046,483
Current income tax assets		131,193	155,226	92,814
Financial advances to related parties	***31***	20,892	39,868	33,159
Available-for-sale financial assets	***13***	10,957	25,722	49,339
Other financial assets at fair value through profit & loss	***14***	255,614	244,255	209,378
Cash and cash equivalents	***15***	722,291	1,273,272	960,973
Total Current Assets		**14,718,731**	**15,587,735**	**17,254,844**
Held-for-sale non-current assets & group of assets		4,848	74,460	159,351
Total Assets		**$ 19,119,019**	**$ 22,748,855**	**$ 23,856,261**

(in thousands of U.S. dollars)	***Notes***	**2012**	2011	2010
Equity				
Issued capital and share premium		$ 1,586,858	$ 1,586,858	$ 1,586,858
Perpetual capital securities		345,079	-	-
Retained earnings		2,802,153	3,139,351	2,680,795
Other reserves		16,225	24,755	229,100
Equity attributable to owners of the parent		***4,750,315***	***4,750,964***	***4,496,753***
Equity attributable to non-controlling interests		*57,133*	*532,935*	*762,883*
Total Stockholders' Equity and Non-controlling Interests	***16***	**$ 4,807,448**	**$ 5,283,899**	**$ 5,259,636**
Non-Current Liabilities				
Long term debt	***17***	2,570,225	3,849,265	3,271,400
Retirement benefit obligations	***19***	143,065	19,914	18,585
Reserve for contingencies	***20***	107,578	424,835	392,760
Deferred income tax	***21***	259,703	330,582	456,943
Other non-current liabilities	***23***	87,384	164,036	124,812
Total Non-Current Liabilities		**3,167,955**	**4,788,632**	**4,264,500**
Current Liabilities				
Bank loans and acceptances	***18***	5,294,360	5,406,933	6,625,001
Commercial paper	***18***	-	1,055,328	1,015,733
Financial advances from related parties	***31***	900,325	387,187	39,850
Accounts payable and accrued expenses	***22***	3,767,305	4,282,089	3,288,942
Derivative liabilities	***11***	1,066,406	1,324,354	3,201,059
Reserve for contingencies	***20***	1,830	2,256	6,855
Current income tax liabilities		113,390	218,177	154,685
Total Current Liabilities		**11,143,616**	**12,676,324**	**14,332,125**
Total Liabilities		**14,311,571**	**17,464,956**	**18,596,625**
Total Equity & Liabilities		**$ 19,119,019**	**$ 22,748,855**	**$ 23,856,261**

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Year Ended 31 December

(in thousands of U.S. dollars)	**2012**			2011	2010
	Pre-tax	Tax	Net		
Fixed assets revaluation reserve – change in fair value taken to equity	$ (2,911)	$ 1,630	$ (1,281)	$ 636	$ (85)
Available-for-sale financial assets – change in fair value taken to equity	14,341	(1,580)	12,761	(6,641)	11,314
Cash flow hedges – change in fair value taken to equity	168,153	(54,027)	114,126	(106,040)	316
Exchange differences arising on translation of foreign operations	(125,760)	-	(125,760)	(184,766)	95,036
Share of other comprehensive income of associates	(24,146)	-	(24,146)	(10,596)	256
Net income directly taken into equity	**29,677**	**(53,977)**	**(24,300)**	**(307,407)**	**106,837**
Transfers from equity					
to profit and loss on cash flow hedges	(41,357)	14,061	(27,296)	(316)	(3,376)
to profit and loss on sale of available-for-sale investments	(7,158)	859	(6,299)	(1,059)	(10,681)
Transfer from equity to net income	**(48,515)**	**14,920**	**(33,595)**	**(1,375)**	**(14,057)**
Changes in Other Comprehensive Income	**(18,838)**	**(39,057)**	**(57,895)**	**(308,782)**	**92,780**
Profit for the year – continuing operations	**1,340,224**	**(236,453)**	**1,103,771**	**878,651**	**954,290**
Profit for the year – discontinued operations	**(235,318)**	**84,917**	**(150,401)**	**(250,960)**	**159,489**
Total recognized income for the year	**$ 1,086,068**	**$ (190,593)**	**$ 895,475**	**$ 318,909**	**$ 1,206,559**
Attributable to:					
Owners of the parent stockholders			**1,000,690**	**524,129**	**1,103,796**
Non-controlling interests			(105,215)	(205,220)	102,763

CONSOLIDATED STATEMENTS OF CASH FLOWS
Year Ended 31 December

(in thousands of U.S. dollars)	**2012**	2011	2010
Net Income	$ 953,370	$ 627,691	$ 1,113,779
Adjustments for items not affecting cash			
Depreciation, amortization and biological assets' change in fair value	192,333	121,984	123,677
Current taxes	187,519	282,633	185,465
Deferred taxes	48,934	(29,155)	32,916
Interests, net	220,911	282,958	215,840
Other provisions, net	(138,119)	(40,858)	(34,599)
Share of profit (loss) in affiliated companies carried at equity, net of dividends	30,023	(10,993)	(3,716)
Loss (gain) from sale of assets and investments, net	22,167	(14,719)	(10,341)
Net expense arising from share-based payments	100,459	94,362	65,940
Non-cash items from discontinued operations	150,400	250,962	(159,486)
	1,767,997	**1,564,865**	**1,529,475**
Changes in operating assets and liabilities			
Inventories	(329,587)	1,091,289	(2,522,220)
Derivatives	75,120	(452,527)	242,061
Margin deposit net of margin deposit liabilities	58,969	559,873	(323,339)
Trade and other receivables	(225,265)	(1,095,514)	(803,321)
Trade and other payables	(480,073)	824,786	554,018
Interest paid	(412,972)	(365,682)	(253,898)
Interest received	105,451	74,172	49,801
Income tax paid	(263,200)	(282,721)	(157,659)
Net changes in operating assets and liabilities of discontinued operations	110,747	186,027	3,801
Net cash from (used in) operating activities	**407,187**	**2,104,568**	**(1,681,281)**
INVESTING ACTIVITIES			
Purchase of fixed assets	(485,273)	(401,577)	(255,537)
Additional investment, net of cash acquired	(166,440)	(291,227)	(107,246)
Change in short-term securities	(13,408)	4,109	(38,712)
Proceeds from sale of fixed assets	30,858	21,993	8,632
Proceeds from sale of investments, net	14,066	45,725	29,525
Change in loans and advances made	(120,497)	(52,314)	(52,675)
Net cash used in investing activities by discontinued operations	(579,495)	(459,574)	(212,983)
Net cash used in investing activities	**(1,320,189)**	**(1,132,865)**	**(628,996)**
FINANCING ACTIVITIES			
Increase (decrease) in bank loans, acceptances, commercial paper and related parties advances	43,939	(1,302,565)	2,100,833
Increase in long term debt	1,321,760	916,889	1,096,090
Repayment of long term debt	(906,130)	(498,280)	(497,389)
Proceeds from issuance of perpetual capital securities	343,438	-	-
Dividends paid to equity owners of the parent	(388,500)	(249,000)	(334,500)
Dividends paid to non-controlling interests	(1,447)	(1,322)	(2,233)
Increase in capital financed by non-controlling interests	1,436	4,174	-
Net cash from (used in) financing activities by discontinued operations	(52,049)	473,521	99,680
Net cash from (used in) financing activities	**362,447**	**(656,583)**	**2,462,481**
Exchange difference on cash	(426)	(2,821)	(2,585)
Increase (decrease) in cash and cash equivalents	**(550,981)**	**312,299**	**149,619**
Cash and cash equivalents, at beginning of year	1,273,272	960,973	**811,354**
Cash and cash equivalents, at end of the year	**$ 722,291**	**$ 1,273,272**	**$ 960,973**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Year Ended 31 December

(in thousands of U.S. dollars)	Issued Capital and Share Premium	Perpetual Capital Securities	Retained Earnings	Other Reserves	Equity attributable to Owners of the Parent	Equity attributable to Non-Controlling Interests	Total Equity
Balance at 1 January 2010	**$ 1,586,858**	**$ -**	**$ 1,982,334**	**$ 182,154**	**$ 3,751,346**	**$ 690,976**	**$ 4,442,322**
Net income			1,051,332		**1,051,332**	62,447	**1,113,779**
Dividends			(334,500)		**(334,500)**	(2,356)	**(336,856)**
Available-for-sale financial assets - change in fair value net of tax				626	**626**	7	**633**
Cash flow hedges - change in fair value, net of tax				983	**983**	(4,043)	**(3,060)**
Fixed assets revaluation reserve - change in fair value, net of tax				(85)	**(85)**	-	**(85)**
Deferred compensation plan, net of tax			(19,851)	(3,971)	**(23,822)**	-	**(23,822)**
Foreign currency translation adjustment				50,283	**50,283**	44,753	**95,036**
Transactions with non-controlling interests			1,480	(890)	**590**	(28,901)	**(28,311)**
Balance at 31 December 2010	**$ 1,586,858**	**$ -**	**$ 2,680,795**	**$ 229,100**	**$ 4,496,753**	**$ 762,883**	**$ 5,259,636**
Net income			735,012		**735,012**	(107,321)	**627,691**
Dividends			(249,000)		**(249,000)**	(1,322)	**(250,322)**
Capital increase - cash					**-**	4,174	**4,174**
Available-for-sale financial assets - change in fair value net of tax				(7,700)	**(7,700)**	-	**(7,700)**
Cash flow hedges - change in fair value, net of tax				(80,562)	**(80,562)**	(25,795)	**(106,357)**
Fixed assets revaluation reserve - change in fair value, net of tax				697	**697**	(61)	**636**
Deferred compensation plan, net of tax			(27,456)	6,910	**(20,546)**	-	**(20,546)**
Foreign currency translation adjustment				(123,690)	**(123,690)**	(71,672)	**(195,362)**
Transactions with non-controlling interests						(27,951)	**(27,951)**
Balance at 31 December 2011	**$ 1,586,858**	**$ -**	**$ 3,139,351**	**$ 24,755**	**$ 4,750,964**	**$ 532,935**	**$ 5,283,899**
Net income			1,003,345		**1,003,345**	(49,975)	**953,370**
Dividends			(388,500)		**(388,500)**	(1,398)	**(389,898)**
Dividends in kind			(926,236)	52,857	**(873,379)**		**(873,379)**
Issue of perpetual capital securities, less costs net of tax		345,079			**345,079**		**345,079**
Accrued capital securities distribution, net of tax			(6,646)		**(6,646)**		**(6,646)**
Capital increase - cash					**-**	1,436	**1,436**
Available-for-sale financial assets - change in fair value net of tax				6,462	**6,462**		**6,462**
Cash flow hedges - change in fair value, net of tax				13,856	**13,856**	(5,602)	**8,254**
Fixed assets revaluation reserve - change in fair value, net of tax				(1,240)	**(1,240)**	(41)	**(1,281)**
Deferred compensation plan, net of			(21,037)	(5,874)	**(26,911)**		**(26,911)**
Foreign currency translation adjustment				(83,313)	**(83,313)**	(32,024)	**(115,337)**
Change in list of consolidated companies			1,876	8,722	**10,598**	(388,198)	**(377,600)**
Balance at 31 December 2012	**$ 1,586,858**	**$ 345,079**	**$ 2,802,153**	**$ 16,225**	**$ 4,750,315**	**$ 57,133**	**$ 4,807,448**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Louis Dreyfus Commodities B.V. ("LDC") is a privately owned company incorporated in the Netherlands on 28 December 2004. The address of its registered office is Westblaak 92, 3012 KM Rotterdam – Netherlands. It is an indirect subsidiary of Louis Dreyfus Holding B.V. ("LDH"), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

At 31 December 2011, LDC was a direct subsidiary of Louis Dreyfus Commodities Holdings B.V. ("LDCH"), a company incorporated in the Netherlands. Effective 4 December 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company Louis Dreyfus Commodities Netherlands Holding B.V. ("LDCNH") to which LDC distributed by way of a dividend in kind, all its shares and voting rights in Biosev S.A.'s holding company ("Biosev"). In the 31 December 2012 consolidated financial statements of LDC, the Biosev group was presented as a discontinued operation. Subsequent to such internal reorganization, LDCH remains the indirect shareholder of both LDC and Biosev.

Since December 2007, a non-controlling share of LDCH was taken by employees in the execution of the equity participation plan described in note 29.

In September 2012, the Group priced an inaugural US$ 350 million, 8.25% coupon hybrid capital securities transaction. The structure of the perpetual hybrid capital securities qualifies the instrument to be classified as equity under IFRS. The securities are perpetual, but the Group has the right to redeem them in certain circumstances. They are not rated, and are listed in the Official List of the Singapore Exchange.

LDC and its subsidiaries (the "Group") trade and market commodities, including grains, oilseeds, rice, sugar, ethanol, coffee and cotton on an international basis. The Group's involvement in commodities also includes processing of citrus and apple fruits, oilseeds, sugar cane and corn. The Group has become active in the biofuels industry. The Group also trades ocean freight, metals, dairy, fertilizers and financial instruments.

1. ACCOUNTING POLICIES

The consolidated financial statements of LDC are prepared in the functional currency of LDC, which is the U.S. Dollar.

The 3-year consolidated financial statements ended December 31, 2012, have been established by the Board of Directors of LDC on 22 March 2013.

The 31 December 2012 consolidated financial statements of LDC have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted by the European Union at December 31, 2012. The Group has not adopted IAS 33 "Earnings per Share". This standard is not mandatory for companies whose ordinary shares are not publicly traded.

The accounting policies used to prepare these financial statements are the same as those used to prepare the consolidated financial statements at and for the years ended 31 December 2011 and 31 December 2010, except for the application of IFRS 8 "Operating Segments" and the adoption of new amendments, standards and interpretations at 1 January 2012 detailed below.

New and amended accounting standards and interpretations in effect starting from 2012

- Amendment to IAS 1 "Presentation of Financial Statements". This amendment improves the consistency and clarity of the presentation of items of other comprehensive income (OCI). It requires to present the items that have to be reclassified to profit and loss separately. When items of OCI are presented before tax, tax effects must be split on the same basis. The Group's consolidated financial statements at 31 December 2012 reflect these amended disclosure requirements.

- Amendment to IFRS 7 “Disclosures-Transfers of Financial Assets”. This amendment increases the required disclosures on the risk exposures relating to transfers of financial assets and the effect of those risks on an entity’s financial position. This amendment which should be applied for annual periods beginning on or after 1 July 2011 had no effect on the financial position nor performance of the Group.

- Amendment to IAS 12 “Deferred Tax: Recovery of Underlying Assets”. This amendment introduces a presumption that recovery of the carrying amount will, normally, be through sale when the asset is measured using the fair value model in IAS 40 Investment Property. This amendment which should be applied for annual periods beginning on or after 1 January 2012 is not applicable to the Group and therefore had no effect on the financial position nor performance of the Group.

- Amendment to IFRS 1 “Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters”. This amendment provides relief for first-time adopters of IFRSs from having to reconstruct transactions that occurred before their date of transition to IFRSs and provides guidance for entities emerging from severe hyperinflation either to resume presenting IFRS financial statements or to present IFRS financial statements for the first time. This amendment which should be applied for annual periods beginning on or after 1 January 2012 is not applicable to the Group and therefore had no effect on the financial position nor performance of the Group.

The other improvements to IFRS and amendments to IFRS effective 1 January 2012 had no effect on the financial position nor performance of the Group.

The Group has not early adopted any other standard, interpretation or amendment, which were issued but are not yet effective.

New and amended accounting standards and interpretations approved by the European Union with effect in future periods

- Amendment to IAS 19 “Employee Benefits”. This amendment eliminates the option to defer the recognition of actuarial gains and losses, known as the “corridor method” and requires their recognition in OCI as they occur, replaces the rate of expected returns on plan assets with the discount rate applied to the net defined benefit liability, requires the immediate recognition of all past service costs, updates the presentation of changes in assets and liabilities arising from defined benefit plans, and increases the disclosure requirements for defined benefit plans. The application of this amendment will be mandatory for annual periods beginning on or after 1 January 2013.

The main impacts on the Group’s consolidated balance sheets at 1 January 2012 and 31 December 2012 correspond to the recognition of actuarial gains and losses and past service costs that were previously not recognised. A preliminary estimation of the impacts on the Group’s consolidated balance sheets at 1 January 2012 and 31 December 2012 is as follows:

– An increase in liabilities related to retirement benefit obligations estimated at $42 million at 1 January 2012 and $55 million at 31 December 2012,

– A decrease in assets recognised in balance sheet estimated at $2 million at 1 January 2012 and $2 million at 31 December 2012,

– A decrease in consolidated equity, net of tax, estimated at $27 million at 1 January 2012 and $37 million at 31 December 2012.

A detailed analysis of the impact of the amended version of IAS 19 on the 2012 consolidated financial statements is underway.

- IFRS 10 “Consolidated Financial Statements”. The standard provides a single consolidation model that identifies control as the basis for consolidation for all types of entities. IFRS 10 supersedes IAS 27

"Consolidated and Separate Financial Statements" and SIC-12 "Consolidation-Special Purpose Entities".

- IFRS 11 "Joint Arrangements". The standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities that meet definition of a joint venture. IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities-Non-Monetary Contributions by Ventures".

- IFRS 12 "Disclosures of Interests in Other Entities". The standard combines, enhances and replaces the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

Following the issuance of IFRS 10, IFRS 11, and IFRS 12, IAS 27 and IAS 28 have been revised:
– IAS 27 "Separate Financial Statements" now only includes requirements for separate financial statements and is thus no longer applicable to LDC, and
– IAS 28 "Investments in Associates and Joint Ventures" prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

The application of these new standards (IFRS 10, IFRS 11 and IFRS 12) and the amended versions of IAS 27 and IAS 28 will be mandatory for annual periods beginning on or after 1 January 2014. Even if earlier application is permitted, the Group does not intend to apply these new standards and revised standards early.

The Group is currently assessing the impact of these standards. The final assessment is not yet complete and may impact the Group's financial statements.

- IFRS 13 "Fair Value Measurement". The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other IFRSs. The application of this standard will be mandatory for annual periods beginning on or after 1 January 2013.

- Amendment to IFRS 7 "Disclosures-Offsetting Financial Assets and Financial Liabilities". This amendment increases disclosures requirements to improve comparability with US GAAP with regard to the set-off of financial instruments. The application of this amendment will be mandatory for annual periods beginning on or after 1 January 2013.

- Amendment to IAS 32 "Offsetting Financial Assets and Financial Liabilities". This amendment clarifies the requirement for offsetting financial instruments. The application of this amendment will be mandatory for annual periods beginning on or after 1 January 2014.

- Amendment to IFRS 1 "Government Loans for First-time Adopters". This amendment, dealing with loans received from governments at a below market rate of interest, gives first-time adopters of IFRSs relief from full retrospective application of IFRSs when accounting for these loans on transition. It provides the same relief to first-time adopters as is granted to existing preparers of IFRS financial statements when applying IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance". The amendment which will be effective for annual periods beginning on or after 1 January 2013 is not applicable to the Group and therefore would not impact the Group's financial statements.

- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine". The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The Interpretation which will be effective for annual periods beginning on or after 1 January 2013 is not applicable to the Group and therefore would not impact the Group's financial statements.

Accounting standards and interpretations issued by IASB but not yet approved by the European Union

The following standards and interpretations issued by IASB are not yet approved by the European Union. Their potential impact is currently under review by the Group:

- IFRS 9 "Financial instruments". The standard aims at replacing IAS 39 "Financial instruments – Recognition and Measurement". It is a 3-phase project where only phase 1, "Classification and Measurement" was issued. Phase 2,"Impairment Methodology", and phase 3 "Hedge Accounting", have not been issued yet. The endorsement process by the European Union has been placed on hold, pending the completion of the whole project by the IASB.

- Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date and Transition Disclosures". These amendments postpone the mandatory application date of IFRS to annual periods beginning on or after 1 January 2015 and modify the requirements on transition disclosures.

- Amendments to IFRS 10, IFRS 11 and IFRS 12 "Transition Guidance". These amendments give additional transition relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

- Amendments to IFRS 10, IAS 27 and IFRS 12 "investment entities". These amendments define an investment entity, provide an exception to the consolidation requirement in IFRS 10 "Consolidated Financial Statements" for investment entities and require that an investment entity should not consolidate investments in entities that it controls, but measure those investments at fair value, with changes in fair value recognised in profit or loss. Furthermore, the amendment requires an investment entity to provide additional disclosures for IFRS about entities that it controls when it measures investments in those entities at fair value.

In addition, in 2012, IASB issued Annual Improvement to IFRSs (2009-2011 Cycle), applicable for annual periods beginning on or after 1 January 2013, including:

- Amendment to IFRS 1, permitting the repeated application of IFRS 1 for entities that stopped applying IFRS and resuming the application of IFRS and clarifying for first-time adopters the accounting for the borrowing costs relating to qualifying assets for which the commencement date for capitalization was before the date of transition to IFRS,

- Amendment to IAS 1, clarifying the requirements for comparative information,

- Amendment to IAS 16, clarifying the classification of servicing equipment,

- Amendment to IAS 32, clarifying the accounting for the tax effect of distributions to holders of equity instruments,

- Amendment to IAS 34, clarifying the requirement for segment information on total assets and liabilities in interim financial reporting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements of LDC include all the accounts of subsidiaries in which LDC has a percentage of control of more than 50% and entities in which LDC is deemed to have exclusive control.

Companies in which LDC has a direct or indirect, non-exclusive, control of 20% to 50%, are included under the equity method.

All consolidated subsidiaries and companies carried at equity prepared their accounts at 31 December 2012, in accordance with the accounting policies and methods applied by the Group.

Intercompany transactions and balances are eliminated in consolidation.

A change to the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. In the event that the Group loses control over a subsidiary, the Group:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Derecognizes the foreign currency translation recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any benefit or deficit in profit or loss; and
- Reclassifies components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

Use of Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Group engages in price risk management activities, principally for trading purposes. Activities for trading purposes are accounted for using the mark-to-market method. The market prices used to value these transactions reflect management's best estimate considering various factors including the closing exchange and over-the-counter quotations, parity differentials, time value and price volatility underlying the commitments. The values are adjusted to reflect the potential impact of liquidating the Group's positions in an orderly manner over a reasonable period of time under present market conditions.

Goodwill is tested annually for impairment in accordance with the valuation methodology described below. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

Cash generating units are defined at the lowest level of independent cash flows generated by the corresponding assets measured. Applying this methodology, the Group identified thirteen main independent cash generating units corresponding to its commodity platforms. The value-in-use calculations are based on pre-tax cash flow projections set on business plans approved by the management covering a five-year period. Cash flows beyond this five-year period, are extrapolated using a steady 1% per annum growth rate. The management estimates that these growth rates are reasonable, compared with the expected long-term average growth rate for the businesses in which the cash generating units operate. Discount rate used is based on the weighted average cost of capital of the Group before tax, which was established at 9.3% at 31 December 2012. No impairment was consequently recognized at year end. Reasonable changes in any of the above key assumptions would not cause the carrying value of any cash generating unit to exceed its recoverable amount.

Biological assets are carried at fair value, estimated using discounted expected future cash flows, less costs to sell. This computation includes estimates of productivity, quality, market price, labour costs, and interest rates evolutions. Market prices are derived from prices available on quoted active markets for products related to the biological assets valued. Biological assets are grouped by location to better integrate significant attributes like maturity, quality, labor costs needs and yield, in the determination of the fair value. Comparisons are made on an ongoing basis to adjust estimates from past harvests and changes in market prices. The projections are made in U.S. Dollars with a finite projection period, based on the remaining useful life of each group of biological assets identified.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Foreign Currencies

Financial statements of foreign operations are translated from the functional currency into U.S. Dollar using exchange rates in effect at period end for assets and liabilities, and average exchange rates during the period for results of operations and cash flows. However, for certain material transactions, a specific rate of exchange is used when considered relevant. Related translation adjustments are reported as a separate component of equity. A proportionate share of translation adjustments relating to a foreign investment is recognized in income when this investment is sold fully or partially.

When the functional currency is not the local currency, the local statements are first converted using historical rates of exchange for inventories, properties, and depreciation, and related translation adjustments are included in current year's operations.

Exchange differences arising on monetary items which form an integral part of the net investment in foreign subsidiaries are recognized in equity, under "Translation adjustments", for their net-of-tax amount.

Exchange differences on receivables and payables denominated in a foreign currency are recorded in the income for the year.

On a regular basis, the Group reviews the functional currencies used in measuring foreign operations to assess the impact of recent evolutions of its activities and the environment in which it operates.

Statement of income

Income and expenses are analyzed by function in the consolidated statement of income. Cost of sales includes depreciation and employment costs relating to processing plants. It also includes the net unrealized gain or loss on open contracts of the commodity and freight trading activity as well as the change in fair value of biological assets. Commercial and administrative expenses include the cost of traders and administrative employees, the depreciation of office buildings and equipment, as well as the charge resulting from the fair value of shares and stock options granted to employees.

Statement of financial position

Assets and liabilities are presented separately between current and non-current assets, and current and non-current liabilities. This classification is based for each asset and liability on the expected recoverability or settlement, before or after twelve months from the balance sheet date.

Intangible Assets

Goodwill
The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

For transactions concluded prior to 31 December 2009 goodwill was determined as the excess cost of acquisition over the fair value of net assets acquired at date of purchase. When the Group acquired an additional interest in a company already controlled, the excess cost of acquisition over the historical value of net assets acquired, was also recorded as goodwill. When non-controlling interests were granted put option agreements exercisable without constraint from the Group, the excess share of equity over the fair value of these agreements was also recorded as goodwill.

For transactions concluded since 1 January 2010, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred, measured at fair value at acquisition date, and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Non-controlling interests' put options rights exercisable without constraint for the Group are recorded as liabilities at the present value of their contractual exercise price. The impact of the share of net income attributable to the underlying non-controlling interests as well as the changes in the value of the liabilities are recorded directly through equity (owners of the parent share).

Goodwill is not amortized. Goodwill is tested for impairment, when circumstances indicate that the carrying value may be impaired, and at the minimum, annually. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying amount an impairment loss is recognized.

Goodwill relating to the acquisition of shares in an equity investment is presented in investments in affiliated companies carried at equity.

Other Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Finite lived intangible assets are amortized over periods ranging from one to ten years.

The useful life of acquired trademarks is assessed to be qualified as finite or indefinite. Trademarks with an indefinite useful life are not amortized but reviewed for impairment annually by comparing their recoverable amount with their carrying amount.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, incurred during the construction period, are capitalized as part of the cost of that asset. When relevant, property, plant and equipment cost includes initial estimate of decommissioning and site restoration costs. Depreciation is calculated based on the carrying amount, net of residual value, principally using the straight-line method over the estimated useful lives of the assets, as follows: Buildings, 15 to 40 years; Machinery and Equipment, 5 to 25 years; and Other Tangible Assets, 1 to 20 years.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment is recognized when a decrease in value is noticed. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Biological assets

At 31 December 2012 biological assets mainly consist of orange groves in Brazil. In application of IAS41 – "Agriculture", they are carried at fair value less estimated costs to sell, generally based on discounted expected future cash flows from these assets. Changes in fair value are recognized in the statement of income.

Investments in affiliated companies carried at equity

Affiliated companies are all entities over which the Group has significant influence but not control, generally accompanying a shareholding from 20% to 50% of the voting rights.

Investments in affiliated companies are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in affiliated companies includes goodwill identified on acquisition date, net of any accumulated impairment loss. Jointly-controlled entities are accounted for under the equity method.

Inventories and derivatives

Trading inventories
Trading inventories are valued at fair value less costs to sell. The "mark-to-market" valuation policy, which is accepted as a commodity industry practice, presents a fair reflection of the Group's trading activities.

Other inventories
The other inventories are valued at the lower of cost or net realizable value, especially for certain entities for which the trading model is not applicable.

Derivatives
The Group invests in futures and option contracts mostly to hedge trading inventories and open commitments in commodities and securities. Futures and option contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized in income. Undelivered commodities purchase and sale commitments and swap / supply arrangements are recognized at fair value, and the resulting unrealized gain or loss is recognized in income. Foreign exchange hedge contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized in the statement of income in "Finance costs, net" for the foreign exchange exposure on funding and in "Cost of sales", for the foreign exchange gains and losses related to working capital. Expected costs associated to the execution of contracts are accrued.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment; or
- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment; or
- hedges of a net investment in a foreign operation.

The Group carries out assessments of hedging operations that qualify for hedge accounting, based on documentation of hedging relationships. This documentation includes the identification of the hedging instrument, hedged item, risk being hedged and effectiveness of the hedge, at inception of the hedge and throughout financial reporting periods for which the hedge was designated.

Fair value hedges
The change in the fair value of a hedging derivative is recognized in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognized in profit or loss.

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognized directly in other reserves, while any ineffective portion is recognized immediately in profit or loss. Amounts taken to equity are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs.

Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. When there is objective evidence that the initial economic benefits will not flow to the Group, a provision for impairment is accounted. Significant financial difficulties of the debtor, default or delinquency in payments (more than three months overdue) are considered indicators that the trade receivable has to be impaired.

Available-for-sale financial assets

Available-for-sale financial assets mainly consist of shares of non-consolidated companies for which the Group does not exercise significant influence or control. Listed shares are valued at fair value corresponding to the listed price. Other shares are generally carried at cost, which is deemed to approximate fair value. Any change in fair value of shares after initial recognition is recorded through other comprehensive income and subsequently recognized in income on disposal of the shares or when the investment is deemed to be impaired.

Other financial assets at fair value through profit and loss

Other financial assets at fair value through profit and loss include short-term securities with an original maturity greater than three months acquired with the purpose of selling or repurchasing, and bonds relating to the financial trading activity as well as other financial assets designated upon recognition at fair value through profit and loss.

Margin deposits

Margin deposits consist in cash with brokers and exchanges, to meet initial and variation margin requirements in respect of futures positions on commodities exchanges.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less at the time of the purchase. Treasury bills, money market funds, commercial paper, bank certificates of deposit and marketable securities having insignificant risk of change in value, qualify under that definition.

Any difference between the carrying amount of the cash equivalents and its fair value is recognized through profit and loss.

The statement of cash flows presents the change in cash and cash equivalents. Changes in bank overdrafts that form part of the financing activities are presented in increase (decrease) in bank loans, acceptances and commercial paper.

Perpetual capital securities

The structure of the perpetual hybrid capital securities qualifies the instrument to be classified as equity under IFRS. The perpetual capital securities instrument is recorded at nominal value less costs net of tax and classified as a component of equity in the consolidated balance sheet. The distribution on the perpetual capital securities is recorded net of tax and classified as a separate allocation of retained earnings within the equity section of the consolidated balance sheet.

Reserve for contingencies

Provisions for environmental restoration and decommissioning, restructuring costs and legal claims are recognized when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made.

Employee Benefits Plans

Pensions and post-retirement benefits
Defined contribution plans are funded by contributions paid by employees and Group companies to the organizations responsible for managing the plans. The Group's obligations are limited to the payment of such contributions.

Defined benefit plans consist of either funded or unfunded plans. Obligations under these plans are generally determined by independent actuaries using the projected unit credit method. The Group measures and recognizes post-employment benefits in accordance with IAS 19:
- contributions to defined contribution plans are recognized as an expense;
- defined benefit plans are measured using actuarial valuations.

The Group uses the projected unit credit method as the actuarial method for measuring its post-employment benefit obligations, on the basis of the national or company-wide collective agreements effective within each entity.

Factors used in calculating the obligation include length of service, life expectancy, salary inflation, staff turnover, and macro-economic assumptions specific to countries in which the Group operates (such as inflation rate, rate of return on plan assets and discount rate).

Cumulative actuarial gains and losses representing more than 10% of the greater of, the gross amount of the obligation or, the fair value of plan assets, are amortized over the average residual working life of active employees (the "corridor" method).

The liability recognized in the balance sheet represents the obligation net of externally held plan assets and of items (primarily actuarial gains and losses) that are amortizable and consequently are not recognized.

If the value of plan assets exceeds the obligation under the plan, the net amount is recognized as a non-current asset. Overfunded plans are recognized as assets only if they represent future economic benefits that will be available to the Group. Where the calculation of the net obligation results in an asset for the Group, the amount recognized for this asset may not exceed the net total of any unrecognized actuarial losses and past service costs and the present value of any currently available future refunds from the plan or reductions in future contributions to the plan.

The expense recognized in the statement of income mainly comprises:
- rights vesting during the period;
- movements arising from the discounting of vested rights;
- the actual return on externally-held plan assets;
- the impact of plan amendments in prior periods or new plans;
- the amortization of actuarial gains and losses.

Share-based payment transactions
Share plans and stock-option plans are measured at fair value, corresponding to the value of the benefit granted to the employee on the grant date. The transactions are recognized in commercial and administrative expenses in the statement of income on a straight-line basis over the vesting period, with a corresponding increase in other reserves in equity when the plan is deemed as equity plan.

Deferred Income Taxes

Deferred taxes arise from temporary differences between the carrying amounts of certain assets and liabilities and their tax basis. The Group accounts for deferred income taxes in accordance with the balance sheet liability method using the most recent established tax rates at year end. The Group gives recognition to future tax benefits to the extent that the realization of such benefits is probable. The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are offset when the deferred taxes relate to income taxes levied by the same taxation authority.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement for all periods presented.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Finance leases

Leases that transfer substantially all the risks and rewards incidental to ownership are qualified as finance leases. When a tangible asset is held under a finance lease, it is recorded as an asset at fair value or, if lower, at the present value of the minimum lease payments determined at inception of the lease, and the corresponding lease obligation is recorded as a financial liability. The capital lease assets are depreciated over their expected useful life in accordance with Group policy net of the residual value.

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue arises from sale of goods, services rendered and use by others of entity assets, yielding interest, royalties and dividends.

Sale of goods
The group recognizes revenue when the amount of revenue can be reliably measured, significant risks and rewards of ownership of the goods are transferred to the buyer and it is probable that future economic benefits will flow to the entity. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Physical purchases and sales of products are reflected as cost of goods sold and sales, respectively, in the accompanying consolidated statement of income at the time such products are shipped and title and risk of loss pass to the customer. Costs for shipping of inventories are included in cost of goods sold in the accompanying consolidated statement of income.

Revenue is presented net of returns, rebates and discounts and after eliminating sales within the group.

Services rendered
When the outcome of services rendered can be estimated reliably, revenue associated is recognized by reference to the stage of completion of the transaction at the balance sheet date.

Financial income
Interest income and expenses are recognized on a time-proportion basis using the effective interest method. Dividend income is recognized when the right to receive payment is established.

3. SEGMENT INFORMATION

At 31 December 2012, the Group operates worldwide its business under three segments: Proteins, Tropicals and Other Products, organized around products that have similar economic characteristics. Following the indirect upstreaming of LDC's shareholding in Biosev from LDC BV to LDCH BV in December 2012, Biosev is presented as a discontinued business segment.

Each reportable segment is responsible for the farming, origination, processing, refining, storage, transport and distribution of the products (where applicable).

The Proteins segment includes commodities which feed both humans and animals (soybeans, soymeal, soyoil, palm oil, wheat, feedgrains, rice). Demand is therefore linked to both population growth and food consumption habits. Proteins also include the Freight and Finance platforms, which support the Group's commodities platforms.

The Tropicals segment includes those commodities for which demand is linked to population growth and GDP growth, such as cotton, coffee (including arabica and robusta coffee beans), sugar (including raw, refined sugar and sugar ethanol) and fruit juices (including orange, lime, grapefruit and apple juices and their oils and by-products).

The Other Products business segment focuses on the following main platforms: fertilizers, metals, dairy and others.

The financial performance of the segments is principally evaluated with reference to the Segment Operating Results, which is the net sales, less cost of sales plus share of profit (loss) in affiliated companies carried at equity.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Inter-segment sales and transfers where applicable are generally valued at market.

Segment information at and for the year ended 31 December 2012, is as follows:

(in thousands of U.S. dollars)	2012			
	Proteins	**Tropicals**	**Other Products**	**Total**
Net Sales	**$ 35,940,863**	**$ 13,643,932**	**$ 7,555,400**	**$ 57,140,195**
Depreciation	(76,084)	(66,422)	(4,521)	(147,027)
Share of loss in affiliated companies carried at equity	(6,995)	(511)	(4,115)	(11,621)
Segment Operating Results	**$ 1,309,385**	**$ 843,919**	**$ 156,248**	**$ 2,309,552**
Commercial and administrative expenses				(754,628)
Finance costs, net				(195,442)
Others				(19,258)
Income taxes				(236,453)
Non-controlling interests				(7,446)
Net income attributable to equity owners of the parent Stockholders - Continuing operations				**$ 1,096,325**

(in thousands of U.S. dollars)	2012			
	Proteins	**Tropicals**	**Other Products**	**Total**
Segment Assets	**$ 8,638,941**	**$ 6,577,466**	**$ 2,095,098**	**$ 17,311,505**
Segment Liabilities	**(3,008,749)**	**(1,343,371)**	**(481,592)**	**(4,833,712)**
Other Assets *(1)*				1,807,514
Other Liabilities *(2)*				(9,477,859)
Total Net Assets	**$ 5,630,192**	**$ 5,234,095**	**$ 1,613,506**	**$ 4,807,448**
Additions to Fixed Assets *(3)*	**$ 331,297**	**$ 272,771**	**$ 47,645**	**$ 651,713**

(1) Other Assets include other investments, deposits & sundry, deferred and current income tax assets, available-for-sale financial assets, other financial assets at fair value through profit & loss, cash and cash equivalents;
(2) Other Liabilities include non-current liabilities, bank loans and acceptances, commercial paper, financial advances from related parties, reserve from contingencies, current income tax liabilities;
(3) Additions to Fixed Assets include purchase of fixed assets and additional investments net of cash acquired.

Segment information at and for the year ended 31 December 2011, is as follows:

(in thousands of U.S. dollars)			**2011**	
	Proteins	**Tropicals**	**Other Products**	**Total**
Net Sales	**$ 35,203,343**	**$ 16,472,526**	**$ 5,992,834**	**$ 57,668,703**
Depreciation	(65,875)	(49,667)	(3,220)	(118,762)
Share of profit in affiliated companies carried at equity	5,972	3,055	2,153	11,180
Segment Operating Results	**$ 1,091,462**	**$ 914,557**	**$ 137,615**	**$ 2,143,634**
Commercial and administrative expenses				(810,280)
Finance costs, net				(217,715)
Others				16,490
Income taxes				(253,478)
Non-controlling interests				(3,181)
Net income attributable to equity owners of the parent Stockholders – Continuing operations				**$ 875,470**

(in thousands of U.S. dollars)			**2011**	
	Proteins	**Tropicals**	**Other Products**	**Total**
Segment Assets	**$ 8,145,186**	**$ 6,160,827**	**$ 1,898,593**	**$ 16,204,606**
Segment Liabilities	**(3,103,139)**	**(1,550,505)**	**(497,655)**	**(5,151,299)**
Other Assets *(1)*				2,246,872
Other Liabilities *(2)*				(11,858,513)
Biosev Segment Assets net of Liabilities				3,842,233
Total Net Assets	**$ 5,042,047**	**$ 4,610,322**	**$ 1,400,938**	**$ 5,283,899**
Additions to Fixed Assets *(3)*	**$ 498,368**	**$ 116,506**	**$ 77,930**	**$ 692,804**

(1) Other Assets include other investments, deposits & sundry, deferred and current income tax assets, available-for-sale financial assets, other financial assets at fair value through profit & loss, cash and cash equivalents;
(2) Other Liabilities include non-current liabilities, bank loans and acceptances, commercial paper, financial advances from related parties, reserve from contingencies, current income tax liabilities;
(3) Additions to Fixed Assets include purchase of fixed assets and additional investments net of cash acquired.

Segment information at and for the year ended 31 December 2010, is as follows:

		2010		
(in thousands of U.S. dollars)	**Proteins**	**Tropicals**	**Other Products**	**Total**
Net Sales	**$ 28,048,648**	**$ 11,473,043**	**$ 5,145,195**	**$ 44,666,886**
Depreciation	(68,822)	(29,911)	-	(98,733)
Share of profit (loss) in affiliated companies carried at equity	13,249	(5,270)	(3,836)	4,143
Segment Operating Results	**$ 962,879**	**$ 864,610**	**$ 75,609**	**$ 1,903,098**
Commercial and administrative expenses				(598,712)
Finance costs, net				(140,884)
Others				9,173
Income taxes				(218,385)
Non-controlling interests				8,142
Net income attributable to equity owners of the parent Stockholders – Continuing operations				**$ 962,432**

		2010		
(in thousands of U.S. dollars)	**Proteins**	**Tropicals**	**Other Products**	**Total**
Segment Assets	**$ 8,177,680**	**$ 7,499,434**	**$ 1,503,877**	**$ 17,180,991**
Segment Liabilities	**(2,777,896)**	**(2,682,913)**	**(520,767)**	**(5,981,576)**
Other Assets *(1)*				1,674,436
Other Liabilities *(2)*				(12,106,624)
Biosev Segment Assets net of Liabilities				4,492,409
Total Net Assets	**$ 5,399,784**	**$ 4,816,521**	**$ 983,110**	**$ 11,199,415**
Additions to Fixed Assets *(3)*	**$ 184,986**	**$ 133,512**	**$ 44,285**	**$ 362,783**

(1) Other Assets include other investments, deposits & sundry, deferred and current income tax assets, available-for-sale financial assets, other financial assets at fair value through profit & loss, cash and cash equivalents;
(2) Other Liabilities include non-current liabilities, bank loans and acceptances, commercial paper, financial advances from related parties, reserve from contingencies, current income tax liabilities;
(3) Additions to Fixed Assets include purchase of fixed assets and additional investments net of cash acquired.

Net sales by geographical destination, based on the country of incorporation of the counterparty, consist of the following for the years ended 31 December 2012, 2011 and 2010, respectively:

(in thousands of U.S. dollars)	**2012**	2011	2010
Asia	$ 22,626,175	$ 19,901,627	$ 14,313,829
North Latin America	4,313,136	4,404,043	2,523,400
South Latin America	4,478,317	2,494,572	1,311,005
Middle East & Africa	6,338,003	6,893,247	7,700,228
Europe & Black Sea	11,470,378	12,700,266	10,027,389
North America	7,914,186	11,274,948	8,791,035
	$ 57,140,195	**$ 57,668,703**	**$ 44,666,886**

The Group's fixed assets (intangible assets, property plant & equipment and biological assets) are located in the following geographical areas at 31 December 2012, 2011 and 2010, respectively:

(in thousands of U.S. dollars)	**2012**	2011	2010
Asia	$ 195,146	$ 147,233	$ 134,424
North Latin America *(1)*	1,113,568	4,357,782	4,496,702
South Latin America	500,113	469,966	390,305
Middle East & Africa	27,177	23,937	1,921
Europe & Black Sea	358,822	337,541	206,832
North America	1,175,239	746,385	732,577
	$ 3,370,065	**$ 6,082,844**	**$ 5,962,761**

(1) At 31 December 2011, fixed assets included $3,354.2 million held by Biosev. At 31 December 2010, fixed assets included $3,727.5 million held by Biosev.

4. CHANGE IN LIST OF CONSOLIDATED COMPANIES

In June 2012, the Group acquired Imperial Sugar Company, one of the largest processors and marketers of refined sugar in the United States to food manufacturers, retail grocers and foodservice distributors, for a consideration of $79.2 million.

The non-recurring contribution of this acquisition in the statement of income is $125 million.

The preliminary purchase price allocation is as follows:

(in thousands of U.S. dollars)	**Book value at date of acquisition under local GAAP**	**Preliminary fair value under IFRS**
Intangible assets	$ 305	$ 21,107
Property, plant & equipment	249,655	303,213
Investments in affiliated companies carried at equity	364	-
Non-current assets	$ 250,324	$ 324,320
Current assets	$ 142,004	$ 161,890
Total Assets	**$ 392,328**	**$ 486,210**
Retirement benefit obligations	$ 113,386	$ 126,363
Deferred income tax	2,031	15,411
Other non-current liabilities	7,859	1,300
Non-current liabilities	$ 123,276	$ 143,074
Current liabilities	$ 111,693	$ 117,626
Total Liabilities	**$ 234,969**	**$ 260,700**
Net equity	**$ 157,359**	**$ 225,510**
Consideration transferred		**$ 79,235**
Gain from bargain purchase (1)		**$ (146,275)**

(1) The gain from bargain purchase was recognized as a profit of the period in the statement of income against the line cost of sales.

In April 2012, the Group acquired a new business in Brazil, comprised of a citrus processing plant in the Parana region, for $44 million, of which $22 million still remain unpaid at 31 December 2012. The Group recorded a preliminary goodwill of $7.7 million. The contribution of this acquisition in the statement of income is not material.

In June 2012, the Group acquired 51% interest in GKE Metal Logistics Private Limited ("GKE Metal"), a metal warehouse and logistics operator in Singapore and Shanghai for a consideration of $6.3 million. The Group recorded a preliminary goodwill of $3.2 million. The contribution of this acquisition in the statement of income is not material.

In October 2012, the Group acquired Ecoval Holding B.V., a privately-held leading international dairy trading company with presence in the international trade flows of a broad variety of dairy products and derivatives for a consideration of $30.6 million. The contribution of this acquisition in the statement of income is not material.

The preliminary purchase price allocation is as follows:

(in thousands of U.S. dollars)	**Book value at date of acquisition under local GAAP**	**Fair value under IFRS**
Property, plant & equipment	$ 2,140	$ 2,502
Deferred income tax	4,569	3,524
Other non-current assets	200	200
Non-current assets	$ 6,909	$ 6,226
Current assets	$ 106,740	$ 108,699
Total Assets	**$ 113,649**	**$ 114,925**
Retirement benefit obligations	$ -	$ 1,927
Deferred income tax	1,944	775
Other non-current liabilities	265	265
Non-current liabilities	$ 2,209	$ 2,967
Current liabilities	$ 81,756	$ 88,193
Total Liabilities	**$ 83,965**	**$ 91,160**
Net equity	**$ 29,684**	**$ 23,765**
Consideration transferred		**$ 30,558**
Goodwill		**$ 6,793**

In June 2011, the Group acquired Macrofértil Indústria e Comércio de Fertilizantes Ltda ("Macrofertil") and its subsidiary, Fertibrasil Logística e Fertilizantes Ltda, a fertilizer producer and distributor located in Brazil.

The combined balance sheet and the definitive purchase price allocation are as follows:

(in thousands of U.S. dollars)	**Book value at date of acquisition under local GAAP**	**Fair value under IFRS**
Intangible assets	$ 1,436	$ 23,866
Property, plant & equipment	22,557	36,779
Other investments, deposits and sundry	16,134	1,294
Deferred income tax	16,659	12,331
Non-current assets	$ 56,786	$ 74,270
Current assets	$ 97,587	$ 103,859
Non-current assets held-for-sale	1,381	1,381
Total Assets	**$ 155,754**	**$ 179,510**
Reserve for contingencies	$ -	$ 1,844
Deferred income tax	-	17,035
Other non-current liabilities	11	34
Non-current liabilities	$ 11	$ 18,913
Current liabilities	$ 140,785	$ 142,994
Total Liabilities	**$ 140,796**	**$ 161,907**
Net equity	**$ 14,958**	**$ 17,603**
Consideration transferred		**$ 25,966**
Goodwill		**$ 8,363**

On 26 October 2009, the Group established a contract with the controlling shareholders of Santelisa Vale S.A. ("SEV"), one of the largest sugar and ethanol producers in the world based in Brazil, whereby the share capital in SEV would be increased and subscribed by the Group by the contribution of its shares in Biosev S.A. (formerly LDC Bio EnergiaS.A.), the Group's Brazilian subsidiary in the sugar mill industry. As a result of this transaction, the Group had a 50.62% interest in Biosev, the newly constituted group.

Biosev has presented as non-current assets held-for-sale, the fair value of lands and investments in companies held through the acquisition of SEV for which the disposal is highly probable. Upon disposal of these assets, the proceeds will be used by Biosev to repurchase certain non-controlling shareholders of Biosev S.A. or Biosev Bioenergia S.A., a direct subsidiary of Biosev.

Biosev partly disposed of the non-current assets held-for-sale and repurchased certain non-controlling shareholders of Biosev Bioenergia S.A., in 2012 and 2011 totaling $5 million and $73 million respectively.

In relation to this transaction, the Group entered into several put option agreements with non-controlling shareholders of Biosev providing them the right to sell their shares to the Group in the event an initial public offering ("IPO") by Biosev of its Equity Securities does not occur within a certain period. Additional put option agreements were signed, under which the Group has the obligation to repurchase certain non-controlling interests in Biosev, which led to the recognition of a $94 million liability and an additional goodwill of $25 million corresponding to the excess liability over the share of these non-controlling interests in the net assets at 31 December 2010. In January and February 2011, these put option agreements were exercized for the debt recognized at 31 December 2010.

On 11 May 2012, the Group purchased an additional 9.7% interest in Biosev from LDCH.

Discontinued operations

Effective 4 December 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company LDCNH to which LDC distributed, by way of a dividend in kind, all its shares and voting rights (65.9%) in Biosev.
As a result of this reorganization, Biosev moved from being a subsidiary of LDC to a sister company of LDC.

This transaction between entities under common control was made at 30 September 2012 book value and generated no result on sale of consolidated companies. The consolidated statement of income has been re-presented as if the Biosev group had been discontinued from the start of the comparative year. The discontinued operations excluded from the results of continuing operations are the following:

(in thousands of U.S. dollars)	**2012**	**2011**	**2010**
Net sales	$ 1,132,044	$ 1,893,621	$ 1,451,627
Depreciation	(111,008)	(174,516)	(165,999)
Share of equity in affiliated companies carried at equity, net	(2,880)	-	-
Segment Operating Result	**$ 59,830**	**$ 41,112**	**$ 346,121**
Commercial and administrative expenses	$ (56,914)	$ (79,132)	$ (60,383)
Finance costs, net	(226,383)	(346,999)	(129,022)
Others	(11,851)	(2,763)	(7,724)
Taxes	84,917	136,822	10,497
Non-controlling interests	57,421	110,502	(70,589)
Net income attributable to Equity Owners of the Parent Stockholders - discontinued operations	**$ (92,980)**	**$ (140,458)**	**$ 88,900**

The contribution of discontinued operations between 1 October 2012 and 4 December 2012 in the statement of income is not material.

5. INTANGIBLE ASSETS

At 31 December 2012, 2011 and 2010, respectively, intangible assets consist of the following:

(in thousands of U.S. dollars)	**2012**			2011			2010		
	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Goodwill	$ 86,737	(35,072)	$ 51,665	$ 431,226	(22,950)	$ 408,276	$ 328,900	(23,069)	$ 305,831
Other intangible assets	189,878	(83,388)	106,490	207,899	(88,297)	119,602	147,109	(44,001)	103,108
	$ 276,615	**(118,460)**	**$ 158,155**	**$ 639,125**	**(111,247)**	**$ 527,878**	**$ 476,009**	**(67,070)**	**$ 408,939**

Accumulated depreciation of goodwill corresponds essentially to the depreciation recorded prior to the adoption of IFRS. In 2012, the Group capitalized internally generated software expenses for $1.6 million ($6.5 million in 2011 and $8.3 million in 2010).

Changes in net value of intangible assets, for the years ended 31 December 2012, 2011 and 2010, respectively, are as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Net value at 1 January	**$ 527,878**	**$ 408,939**	**$ 359,957**
Acquisitions and additions *(1)*	26,554	28,575	19,741
Disposals	(285)	(308)	(29)
Depreciation of the year	(29,810)	(31,063)	(18,421)
Goodwill recognized through business combinations *(2)*	54,363	107,532	26,803
Other intangible assets acquired through business combinations *(3)*	26,128	24,843	14,740
Change in list of consolidated companies *(4)*	(445,480)	(7,847)	-
Foreign currency translation adjustment	(10,516)	(7,415)	3,988
Reclassification	9,323	4,622	2,160
Net value at 31 December	**$ 158,155**	**$ 527,878**	**$ 408,939**

(1) During the year ended 31 December 2010, the Group acquired a terminal concession license in Brazil for $3.4 million in addition to capitalized internally generated software expenses.

(2) During the year ended 31 December 2012, in accordance with IFRS 3 revised – Business combinations, the Group recognized a preliminary goodwill of $7.7 million through the acquisition of a citrus processing plant in Brazil, $6.8 million through the acquisition of Ecoval and $3.2 million through the acquisition of a majority stake in GKE Metal. In March 2012, the Group purchased an additional 9.7% interest in Biosev from LDCH with the corresponding goodwill of $48.9 million. In addition, the Group repurchased certain minority interests in Biosev according to the initial October 2009 contracts and recognized a $1.6 million goodwill ($22.5 million in 2011) in accordance with IFRS 3 - Business combinations. The Group also recorded an adjustment of $(18.2) million on the goodwill recognized in December 2011 through the acquisition of Macrofertil and an adjustment of $0.5 million on the goodwill recognized in December 2011 through the acquisition of Crystalsev.
In 2011, in accordance with IFRS 3 revised - Business combinations, the Group recognized a preliminary goodwill of $54 million through the acquisition of Crystalsev and $26.6 million through the acquisition of Macrofertil.
In 2010, in accordance with IFRS 3 - Business combinations, the Group recorded an adjustment of $26.8 million of the goodwill recognized through the acquisition of Santelisa Vale S.A. and the constitution of the new group Biosev.

(3) During the year ended 31 December 2012, the Group recognized separately from the goodwill, customer relationships, favorable lease and licenses through the acquisition of a majority stake in GKE Metal for $5 million and trademarks and non-compete agreements through the acquisition of Imperial Sugar for $21 million.
In 2011, the Group recognized separately from the goodwill trademarks, customer relationships and licenses through the acquisition of Macrofertil for $24 million.
In 2010, in accordance with IFRS 3 revised – Business combinations, the Group recognized separately from the goodwill identified trademarks, non-compete agreements and technologies through the acquisition of businesses from Dunavant Enterprises Inc ("DEI") for $11 million.

(4) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $445.5 million decrease in intangible, including $403.7 million in goodwill and $18 million in identified brands.
In 2011, the Group contributed its Asian palm oil activities to acquire a 50% stake in a new joint venture, Green Eagle Plantations Pte Ltd.

6. PROPERTY, PLANT AND EQUIPMENT

At 31 December 2012, 2011 and 2010, respectively, the consolidated property, plant and equipment, consist of the following:

(in thousands of U.S. dollars)	**2012**			2011			2010		
	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Land	$ 209,099	-	$ 209,099	$ 179,614	-	$ 179,614	$ 138,586	-	$ 138,586
Buildings	1,178,310	(296,863)	881,447	1,544,351	(396,357)	1,147,994	1,355,800	(293,812)	1,061,988
Machinery and equipment	2,125,820	(649,793)	1,476,027	4,044,973	(1,132,440)	2,912,533	4,049,405	(935,480)	3,113,925
Other tangible assets	121,931	(75,638)	46,293	173,099	(113,797)	59,302	190,758	(132,752)	58,006
Tangible assets in process	311,762	(950)	310,812	292,147	-	292,147	144,467	(20)	144,447
	$ 3,946,222	**(1,023,244)**	**$ 2,923,678**	**$ 6,234,184**	**(1,642,594)**	**$ 4,591,590**	**$ 5,879,016**	**(1,362,064)**	**$ 4,516,952**

Changes in net value of property, plant and equipment, for the years ended 31 December 2012, 2011 and 2010, respectively, are as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Net value at 1 January	**$ 4,591,590**	**$ 4,516,952**	**$ 4,385,411**
Acquisitions *(1)* and additions	591,412	547,750	272,151
Disposals	(12,699)	(18,984)	(13,024)
Depreciation of the year	(293,096)	(338,146)	(297,964)
Change directly accounted through Other Reserves	(593)	(628)	(608)
Acquisitions through business combinations *(2)*	349,294	205,915	69,075
Change in list of consolidated companies *(3)*	(2,129,030)	(2,660)	(14,529)
Foreign currency translation adjustment	(163,877)	(313,987)	118,600
Reclassification	(9,323)	(4,622)	(2,160)
Net value at 31 December	**$ 2,923,678**	**$ 4,591,590**	**$ 4,516,952**

(1) Acquisitions of new property, plant and equipment are of $428 million during the year ended 31 December 2012, of $369 million during the year ended 31 December 2011, and of $160 million during the year ended 31 December 2010. In 2012, main acquisitions include the investment plan for Port Allen, an export elevation complex in Louisiana that will benefit the Oilseeds and Grain platforms' exports from the USA, the construction of two cogeneration plants in Passa Tempo and Lagoa da Prata (Brazil), the finalization of a Biodiesel plant in Rosario (Argentina) and new refineries in China and India.

(2) In accordance with IFRS 3 revised – Business combinations, the Group recorded during the year ended 31 December 2012 the preliminary fair value of sugar refinery and warehouses through the acquisition of Imperial Sugar for $303 million; the preliminary fair value of land, machinery, equipment and buildings related to a processing plant in Brazil for $36 million; and the preliminary fair value of building related to Ecoval for $2.4 million. During the year ended 31 December 2011, the Group recorded the fair value of fertilizer warehouses and blenders, through the acquisition of SSI for $13 million and Macrofertil for $37 million.
In 2010, the Group recorded the fair value of cotton warehouses, through the acquisition of businesses from DEI for $39 million, as well as the fair value of an apple juice plant in China and a deep sea port in Indonesia for $30 million.

(3) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $2,120 million decrease in property, plant and equipment.
During the year ended 31 December 2010, the Group entered into a joint venture involved in the soybeans and corn origination businesses, by the contribution of warehouses located in Brazil for $14.5 million.

Additions in property, plant and equipment include capitalized borrowing costs of $17.5 million in 2012 ($14.7 million in 2011 and $11.2 million in 2010).

7. BIOLOGICAL ASSETS

The Group owns biological assets located in Brazil. They consist at 31 December 2012 in 45 orange groves of which 39 are mature. Mature orange groves sustain 15 to 18 years of production.

Changes in biological assets, for the years ended 31 December 2012, 2011 and 2010, respectively, are as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Net value at 1 January	**$ 963,376**	**$ 1,036,870**	**$ 895,983**
Acquisitions *(1)* and additions	138,234	198,739	128,050
Disposals	(2,482)	(1,243)	(207)
Change in fair value	(9,460)	(152,809)	(19,887)
Change in list of consolidated companies *(2)*	(734,928)	(21,599)	-
Foreign currency translation adjustment	(66,508)	(96,582)	32,931
Net value at 31 December	**$ 288,232**	**$ 963,376**	**$ 1,036,870**

(1) Acquisitions of new biological assets consist in $3.6 million of sugar cane plantations, $19 million of orange groves during the year ended 31 December 2012. During the year ended 31 December 2011, the Group acquired $3.3 million of sugar cane plantations, $27.5 million of orange groves and $7 million of palm oil plantations. During the year ended 31 December 2010, the Group acquired $11 million of sugar cane plantations, $24 million of orange groves and $7.5 million of palm oil plantations.

(2) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $735 million decrease in biological assets, consisting in 13 sugar cane plantations.
During the year ended 31 December 2011, the Group contributed its Asian palm oil activities to acquire a 50% stake in a new joint venture, Green Eagle Plantations Pte Ltd.

8. INVESTMENTS IN AFFILIATED COMPANIES CARRIED AT EQUITY

Changes in investments in affiliated companies carried at equity, for the years ended 31 December 2012, 2011 and 2010, respectively, are as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Balance at 1 January	**$ 455,419**	**$ 117,373**	**$ 83,331**
Acquisitions and additional investments in affiliates carried at equity *(1)*	49,967	351,690	12,110
Disposals of affiliates *(2)*	(17,512)	(4,066)	-
Share of income – continuing operations	(11,621)	11,180	4,143
Share of income – discontinued operations	(2,880)	-	-
Dividends	(888)	(15,187)	(427)
Changes in Other Reserves *(3)*	(24,440)	(4,798)	569
Changes in consolidation method *(4)*	(110,130)	(773)	17,647
Balance at 31 December	**$ 337,915**	**$ 455,419**	**$ 117,373**

(1) In 2012, the Group funded some of its equity investments through capital injections. During the second quarter of 2011, the Group contributed its Asian palm oil activities and paid $182 million to acquire a 50% stake in a new joint venture, Green Eagle Plantations Pte Ltd. Following the investment made at the end of year 2011, the Group fully consolidated Crystalsev and its subsidiaries, among which Terminal de Exportação de Açúcar do Guarujá LTDA (TEAG) fair valued at $127 million. In 2010, the Group funded some of its equity investments through capital injections.

(2) During the second quarter of 2012, CLD Pacific Grain, LLC has been liquidated.

(3) The variation in Other Reserves for the year ended 31 December 2012 is mainly due to the depreciation of the Brazilian real and Indonesian rupiah.

(4) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $115 million decrease in the investment in the affiliated company Terminal de Exportação de Açúcar do Guarujá LTDA (TEAG) carried at equity. In 2010, the Group entered into a new joint venture involved in the soybeans and corn origination business, by the contribution of warehouses located in Brazil for a net share of $7 million. During the last quarter of 2010, the Group recorded Finatrade Holdings Limited, a company involved in commodity business, as an equity investment.

The most significant equity investments are as follows:

Investment	**Activity**	**Ownership**		
		2012	2011	2010
All Asian Countertrade, Inc (Philippines)	Sugar trading	17%	18%	18%
Amaggi & LD Commodities S.A. (Brazil)	Grain and Soya storage and processing	50%	50%	50%
Amaggi & LD Com. Terminais Portuarios S.A. (Brazil)	Facilities	50%	-	-
Calyx Agro Ltd (Cayman Islands)	Land fund	29%	29%	29%
CLD Pacific Grain, LLC (United States)	Grain trading	-	50%	50%
Complejo Agro Industrial Angostura S.A. (Paraguay)	Soybean crushing plant and facilities	33%	33%	100%
Elevator OJSC (Russian Federation)	Grain storage and processing	30%	30%	30%
Green Eagle Plantations Pte. Ltd. (Singapore)	Palm oil plantations	50%	50%	-
Henan Huiyida Agribusiness Co., Ltd. (China)	Feed mill plants	33%	33%	-
Kencana LDC Pte. Ltd. (Singapore)	Facilities	50%	50%	50%
LN Metals International Limited (United Kingdom)	Metal trading	-	-	33%
Louis Dreyfus Commodities - Gearbulk Terminais Portuários e Participações Ltda (Brazil)	Facilities	50%	50%	50%
Pallasovsky elevator OJSC (Russian Federation)	Grain storage and processing	36%	36%	36%
PT Andalan Furnindo (Indonesia)	Sugar refinery	25%	25%	-
Sangamon Transportation Group Cayman Islands Venture I (Cayman Islands)	Freight services	50%	50%	50%
TEAG - Terminal de Exportação de Açúcar do Guarujá Ltda. (Brazil)	Facilities	-	50%	-
TEG - Terminal Exportador Do Guarujá Ltda (Brazil)	Facilities	40%	40%	40%

A summary of Green Eagle Plantations' financial information, the Group's most significant affiliate carried at equity, at and for the years ended 31 December 2012 and 31 December 2011 is as follows *(in thousands of U.S. dollars)*:

Balance sheet data	**2012**	2011
Non-current assets	$ 578,571	$ 522,357
Current assets	58,681	54,521
Total Assets	**637,252**	**576,878**
Non-current liabilities	207,564	157,420
Current liabilities	96,828	70,878
Total Liabilities	**304,392**	**228,298**
Net Equity	**332,860**	**348,580**
Equity - Group's Share	**$ 166,430**	**$ 174,290**

Income statement data	**2012**	2011

Revenue	$ 153,557	$ 61,138
Net income	6,947	171
Group's share in income	**$ 3,474**	**$ 86**

A summary of the financial information of the other companies listed above at and for the years ended 31 December 2012, 2011 and 2010, respectively, is as follows *(in thousands of U.S. dollars)*:

Balance sheet data	**2012**	2011	2010
Non-current assets	$ 621,978	$ 727,184	$ 357,613
Current assets	517,906	456,486	567,421
Total Assets	**1,139,884**	**1,183,670**	**925,034**
Non-current liabilities	205,025	149,485	160,426
Current liabilities	518,424	411,230	455,895
Total Liabilities	**723,449**	**560,715**	**616,321**
Net Equity	**416,435**	**622,955**	**308,713**
Equity - Group's Share	**$ 139,842**	**$ 252,020**	**$ 109,841**

Income statement data	**2012**	2011	2010
Revenue	$ 1,025,297	$ 1,774,674	$ 1,575,375
Net income	(38,219)	21,117	21,535
Group's share in income	**$ (17,555)**	**$ 6,001**	**$ 10,426**

At and for the years ended 31 December 2012, 2011 and 2010, respectively, investments in affiliated companies carried at equity can be summarized as follows *(in thousands of U.S. dollars):*

Balance sheet data	**2012**	2011	2010
Entities as listed above	$ 306,272	$ 426,310	$ 109,841
Other entities	31,643	29,109	7,532
Investments in affiliated companies carried at equity *(1)*	**$ 337,915**	**$ 455,419**	**$ 117,373**

(1) The investments in affiliated companies carried at equity included a goodwill of $13.8 million at 31 December 2012.

Income statement data	**2012**	2011	2010
Entities as listed above	$ (14,081)	$ 6,087	$ 10,426
Others	2,460	5,093	(6,283)
Share of income in affiliated companies carried at equity – continuing operations	**$ (11,621)**	**$ 11,180**	**$ 4,143**
Share of income in affiliated companies carried at equity – discontinued operations	**$ (2,880)**	**$ -**	**$ -**

9. OTHER INVESTMENTS, DEPOSITS AND SUNDRY

At 31 December 2012, 2011 and 2010, respectively, other investments consist of the following:

(in thousands of U.S. dollars)	**2012**	2011	2010
Long-term loans to affiliated companies carried at equity	$ 72,152	$ 56,500	$ 18,375
Long-term loans to commercial partners	191,935	87,334	20,686
Long-term deposits and advances *(1)*	209,354	204,001	159,935
Others	12,709	21,318	30,843
	$ 486,150	**$ 369,153**	**$ 229,839**

(1) Long-term deposits include judicial deposits (Refer to Note 20 - Reserve for contingencies - tax and social risks), for $52 million at 31 December 2012 ($101 million at 31 December 2011 and $94 million at 31 December 2010).

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $116.7 million decrease in other investments, deposits and sundry.

10. INVENTORIES

At 31 December 2012, 2011 and 2010, respectively, inventories consist of the following:

(in thousands of U.S. dollars)	**2012**	2011	2010
Trading inventories	$ 5,293,739	$ 5,100,000	$ 7,117,699
Finished goods	465,334	909,107	169,754
Raw materials	224,623	117,859	73,863
Inventories (gross value)	**$ 5,983,696**	**$ 6,126,966**	**$ 7,361,316**
Depreciation of non-trading inventories	(7,020)	(1,843)	(1,001)
Inventories (net value)	**$ 5,976,676**	**$ 6,125,123**	**$ 7,360,315**

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $463.7 million decrease in inventories.

Cost of goods sold and cost of derivatives held for trading purpose are presented in cost of sales. The breakdown of this information is not meaningful due to the activity of the Group.

11. FINANCIAL INSTRUMENTS

Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a strong monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. At each financial period end, the Group has a policy of accruing its receivables and unrealized gains with counterparties that are deemed at risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by the Group including financial instruments, physical commodities, industrial and biological assets will fluctuate due to changes in market variables such as spot and forward commodity prices, relative price spreads and volatilities and foreign exchange rates.

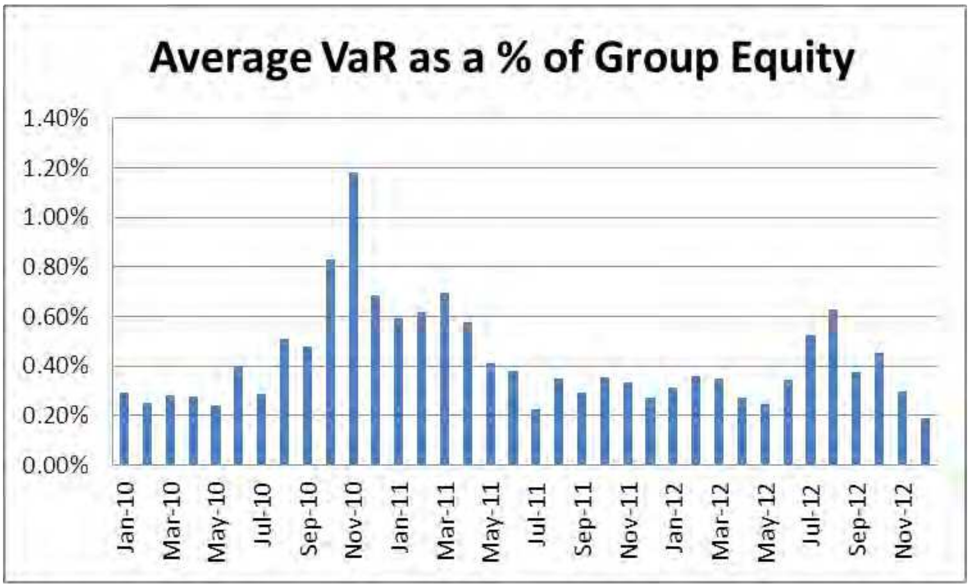
The Group classifies exposures to market risk into either trading or non-trading activities. The Group manages market risk for trading activities by diversifying exposures, controlling position natures, sizes and maturities, performing stress testing, monitoring risk limits under the supervision of Macro and Risk Committees. Limits are established for the level of acceptable risk at corporate level and are allocated at platform and profit center levels. The compliance with the limits is reported to Risk Committee daily.

Limits are based on a daily measure of market risk exposure referred to as value at risk (VAR). The VAR that the Group measures is a model-based estimate grounded upon various assumptions such as: the returns of risk factors affecting the market environment follow a lognormal distribution, parameters are calculated by using exponentially weighted historical data in order to put more emphasis on the latest market information.

The VAR computed hence represents an estimate, with a confidence level of 95%, of the potential loss that is not expected to be exceeded should the current market risk position remain unchanged for one day. The use of 95% confidence level means that, within a one day horizon, losses exceeding the VAR figure are not expected to occur statistically more than once every twenty (trading) days.

The VAR may be under or over-estimated due to the assumptions placed on risk factors and historical correlations and volatilities in market prices, and the probability of large market moves may be underestimated per the normal distribution.

The monthly average of VAR as percentage of Group Equity corresponds to the average over a month of the VAR computed daily as percentage of Group Equity at the beginning of each quarter. The used Group Equity includes the Biosev contribution until September 2012. It consists of the following:



During the years ended 31 December 2012, 2011 and 2010, respectively, the Group VAR for trading activities has been less than 1.20% of Stockholders' equity.

Foreign Currency Risk

The Group operates internationally and is therefore exposed to changes in foreign currency exchange for its assets and liabilities denominated in a currency different from the functional currency of each entity. Each entity within the Group enters into foreign exchange derivative contracts to hedge its exposures back to its own functional currency.

The operating current assets and liabilities are denominated in the following currencies at 31 December 2012:

(in millions of U.S. dollars)			**2012**		
	U.S. Dollar	Brazilian Real	Euro	Other currencies	**Total**
Inventories - gross value	$ 5,200	$ 1	$ 399	$ 384	$ 5,984
Trade and other receivables - gross value	4,732	254	410	584	5,980
Derivative assets - gross value	1,316	125	10	41	1,492
Margin deposits	330	-	9	158	497
Current income tax assets	106	-	9	16	131
Assets	**$ 11,684**	**$ 380**	**$ 837**	**$ 1,183**	**$ 14,084**
Accounts payable and accrued expenses	2,850	274	128	515	3,767
Derivative liabilities	937	82	17	30	1,066
Current income tax liabilities	99	-	3	11	113
Liabilities	**$ 3,886**	**$ 356**	**$ 148**	**$ 556**	**$ 4,946**
Net Current Assets and Liabilities	**$ 7,798**	**$ 24**	**$ 689**	**$ 627**	**$ 9,138**

The operating current assets and liabilities are denominated in the following currencies at 31 December 2011:

(in millions of U.S. dollars)	2011				
	U.S. Dollar	Brazilian Real	Euro	Other currencies	**Total**
Inventories - gross value	$ 5,130	$ 382	$ 292	$ 323	$ 6,127
Trade and other receivables - gross value	4,083	646	396	669	5,794
Derivative assets - gross value	1,821	74	14	64	1,973
Margin deposits	294	-	16	210	520
Current income tax assets	126	15	2	12	155
Assets	**$ 11,454**	**$ 1,117**	**$ 720**	**$ 1,278**	**$ 14,569**
Accounts payable and accrued expenses	3,036	584	116	546	4,282
Derivative liabilities	1,071	160	16	77	1,324
Current income tax liabilities	198	-	6	14	218
Liabilities	**$ 4,305**	**$ 744**	**$ 138**	**$ 637**	**$ 5,824**
Net current Assets and Liabilities	**$ 7,149**	**$ 373**	**$ 582**	**$ 641**	**$ 8,745**

The operating current assets and liabilities are denominated in the following currencies at 31 December 2010:

(in millions of U.S. dollars)	2010				
	U.S. Dollar	Brazilian Real	Euro	Other currencies	**Total**
Inventories - gross value	$ 5,435	$ 518	$ 415	$ 993	$ 7,361
Trade and other receivables - gross value	3,136	865	273	366	4,640
Derivative assets - gross value	2,498	189	193	365	3,245
Margin deposits	912	-	9	125	1,046
Current income tax assets	68	9	2	14	93
Assets	**$ 12,049**	**$ 1,581**	**$ 892**	**$ 1,863**	**$ 16,385**
Accounts payable and accrued expenses	1,922	806	144	417	3,289
Derivative liabilities	2,979	5	106	111	3,201
Current income tax liabilities	147	-	6	2	155
Liabilities	**$ 5,048**	**$ 811**	**$ 256**	**$ 530**	**$ 6,645**
Net current Assets and Liabilities	**$ 7,001**	**$ 770**	**$ 636**	**$ 1,333**	**$ 9,740**

Counterparty Risk

The Group is engaged in the business of trading diversified commodities and commodity related products. Accordingly, a substantial portion of the Group's trade receivables is with other commodity trading companies. Margin deposits generally consist of U.S. treasury bills and are on deposit with commodity exchanges and brokers which hold such deposits in a custodial capacity. The Group's counterparty risk exposure from derivative financial instruments held for trading purposes is limited to the current fair value of contracts with a positive fair value.

Performance risk on an open contract measures the risk of non-performance by the counterpart and is composed of:

- the mark-to-market exposure to date (if any) reflecting the cost to the Group if the contract is not fulfilled and has to be replaced in the open market under prevailing market conditions, and;
- the potential future mark-to-market exposure reflecting the fact that the market price can move from the day of exposure calculation to the delivery date/payment date versus the current market price.

The Group has implemented risk management procedures to monitor its exposures and to minimize counterparty risk. These procedures include initial credit and limit approvals, margin requirements, master netting arrangements, letters of credit and other guarantees.
The Group's trade receivables include debtors with a carrying amount of $363 million which are past due at 31 December 2012. The credit quality of financial assets that are neither past due nor impaired is assessed by reference to credit ratings or to historical information about counterparty default rates.

(in thousands of U.S. dollars)		**2012**			2011			2010	
	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	$ 4,434,468	$ (303)	**$ 4,434,165**	$ 3,909,050	$ (1,689)	**$ 3,907,361**	$ 3,484,395	$ (3,180)	**$ 3,481,215**
Due since 0-3 months	360,767	(67,282)	**293,485**	596,752	(47,499)	**549,253**	644,024	(7,418)	**636,606**
Due since 3-6 months	33,586	(9,895)	**23,691**	98,959	(34,853)	**64,106**	47,043	(11,438)	**35,605**
Due since 6 months-1 year	49,461	(28,495)	**20,966**	29,350	(20,598)	**8,752**	30,320	(15,640)	**14,680**
Due since > 1 year	151,921	(127,008)	**24,913**	105,193	(92,923)	**12,270**	150,809	(137,262)	**13,547**
Balance at 31 December	**$ 5,030,203**	**$ (232,983)**	**$ 4,797,220**	**$ 4,739,304**	**$ (197,562)**	**$ 4,541,742**	**$ 4,356,591**	**$ (174,938)**	**$ 4,181,653**
Including:									
Trade receivables	*$ 3,294,630*	*$ (215,897)*	***$ 3,078,733***	*$ 3,215,963*	*$ (148,438)*	***$ 3,067,525***	*$ 2,728,518*	*$ (97,505)*	***$ 2,631,013***
Prepayments and advances to suppliers	*1,099,497*	*(6,131)*	***1,093,366***	*767,551*	*(42,318)*	***725,233***	*425,982*	*(71,532)*	***354,450***
Receivables on sale of assets	-	-	**-**	*8,000*	-	***8,000***	-	-	**-**
Other receivables	*116,124*	*(9,303)*	***106,821***	*185,788*	*(5,154)*	***180,634***	*121,271*	*(4,723)*	***116,548***
Margin deposits	*497,408*	-	***497,408***	*520,482*	-	***520,482***	*1,046,483*	-	***1,046,483***
Financial advances to related parties	*22,544*	*(1,652)*	***20,892***	*41,520*	*(1,652)*	***39,868***	*34,337*	*(1,178)*	***33,159***

Political and Country Risk

In its cross-border operations, the Group is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situations. The Group does not seek to retain country risk and it is the trade finance, insurance and credit risk departments' duty to seek to mitigate political and country risk by transferring or covering them with major financial institutions or insurance.

Liquidity Risk

Liquidity risk arises in the general funding of the Group's commodity trading activities and in the management of positions. It includes both the risk of being unable to fund the Group's portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

Management of the liquidity profile is designed to ensure that the Group has access to the funds necessary to cover maturing liabilities. Sources of funds include interest-bearing and non-interest-bearing deposits, commercial papers, bank notes, trading account liabilities, repurchase agreements, long term debt, and borrowing arrangements.

The Group holds derivative contracts for the sale of physical commodities and derivative assets that are expected to generate cash inflows that will be available to meet cash outflows on purchases and liabilities. In the trading business, settling commodity contracts and liquidating trading inventories, by exchanging the commodity for cash before the contractual maturity term is a usual practice. The liquidity risk is consequently measured by allocating liabilities to the earliest estimated period on which the counterparty can require repayment, and assets to the earliest estimated period on which the Group can realize in cash these assets without any significant discount from market value. This measurement takes into consideration the market depth and price sensitivity to significant transaction volumes. The inclusion of information on non-financial items is necessary to understand the Group's liquidity risk management, as the liquidity is managed on a net asset and liability basis. The table below summarizes the maturity profile of the Group's financial liabilities and assets at December 31, 2012. 2011 and 2010, respectively:

(in millions of U.S. dollars)	**2012**				2011				2010			
	Under 3 months	3 to 6 months	Over 6 months	**Total**	Under 3 months	3 to 6 months	Over 6 months	**Total**	Under 3 months	3 to 6 months	Over 6 months	**Total**
Trading inventories	$ 4,936	$ 228	$ 130	**$ 5,294**	$ 4,657	$ 409	$ 34	**$ 5,100**	$ 6,361	$ 639	$ 118	**$ 7,118**
Derivative assets	1,145	87	158	**1,390**	1,431	151	102	**1,684**	2,035	695	396	**3,126**
Trade and other receivables	5,099	484	131	**5,714**	4,856	395	268	**5,519**	3,956	254	167	**4,377**
Derivative liabilities	(757)	(82)	(227)	**(1,066)**	(922)	(193)	(209)	**(1,324)**	(2,373)	(513)	(315)	**(3,201)**
Trade and other payables	(3,411)	(240)	(116)	**(3,767)**	(3,552)	(553)	(177)	**(4,282)**	(2,816)	(262)	(211)	**(3,289)**
Total Assets net of Liabilities	**$ 7,012**	**$ 477**	**$ 76**	**$ 7,565**	**$ 6,470**	**$ 209**	**$ 18**	**$ 6,697**	**$ 7,163**	**$ 813**	**$ 155**	**$ 8,131**

The schedule below analyses the Group's financial interests which will be settled on future periods based on the financial debt at 31 December 2012, 2011 and 2010, excluding Biosev respectively. These interests are grouped into maturity based on the contractual maturity date of the interests.

(in thousands of U.S. dollars)	**2012**	2011	2010
Maturity < 1 year	$ 161,482	$ 157,234	$ 174,196
Maturity between 1-2 years	83,055	104,970	61,745
Maturity between 2-3 years	53,597	54,959	58,471
Maturity between 3-4 years	32,611	35,189	25,621
Maturity between 4-5 years	20,823	11,014	22,601
Maturity > 5 years	22,023	2,566	2,246
Interests future cash outflows related to financial debt existing at closing date	**$ 373,591**	**$ 365,932**	**344,880**
Of which:			
Floating rate	157,818	144,625	180,508
Fixed rate	215,773	221,307	164,372

Interest Rate Risk

At 31 December 2012, 2011 and 2010, respectively, the allocation of Group financing between fixed and floating interest rates, is as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Floating rate	$ 5,698,127	$ 8,007,766	$ 9,357,270
Fixed rate	2,166,458	2,303,760	1,554,864
Total short and long term financing	**$ 7,864,585**	**$ 10,311,526**	**$ 10,912,134**

(For further details, refer to notes 17 and 18)

The Group considers as floating rate any short term debt which initial contractual maturity is below six months.

Categories of Financial Instruments

At 31 December 2012, the different categories of financial instruments are as follows:

(in thousands of U.S. dollars)	Loans and receivables	Assets at fair value through profit & loss	Derivatives used for hedging	Available-for-sale	**Total**
Other investments, deposits and sundry	$ 486,150	$ -	$ -	$ -	$ 486,150
Total Non-Current Assets	**$ 486,150**	**$ -**	**$ -**	**$ -**	**$ 486,150**
Financial advances to related parties	20,892	-	-	-	20,892
Trade and other receivables	5,713,671	-	-	-	5,713,671
Margin deposits	497,408	-	-	-	497,408
Derivative assets *(1)*	-	1,387,968	2,061	-	1,390,029
Available-for-sale financial assets	-	-	-	10,957	10,957
Other financial assets at fair value through profit & loss	-	255,614	-	-	255,614
Cash and cash equivalent	447,936	274,355	-	-	722,291
Total Current Assets	**$ 6,679,907**	**$ 1,917,937**	**$ 2,061**	**$ 10,957**	**$ 8,610,862**
Total Financial Instruments Assets	**$ 7,166,057**	**$ 1,917,937**	**$ 2,061**	**$ 10,957**	**$ 9,097,012**

(1) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $3.5 million decrease in derivative assets.

Loans and receivables and unlisted available-for-sale financial assets (for which the net book value is deemed to correspond to the fair value) are measured at cost. Assets at fair value through profit & loss, derivatives and listed available-for-sale financial assets are measured at fair value.

(in thousands of U.S. dollars)	Liabilities at fair value through profit & loss	Derivatives used for hedging	Other financial liabilities	**Total**
Long term debt	$ -	$ -	$ 2,570,225	$ 2,570,225
Other non-current liabilities	-	-	87,384	87,384
Total Non-Current Liabilities	**$ -**	**$ -**	**$ 2,657,609**	**$ 2,657,609**
Bank loans and acceptances	-	-	5,294,360	5,294,360
Financial advances from related parties	-	-	900,325	900,325
Accounts payables and accrued expenses	-	-	3,656,571	3,656,571
Derivative liabilities *(1)*	1,034,181	32,225	-	1,066,406
Margin deposit liabilities	-	-	110,734	110,734
Total Current Liabilities	**$ 1,034,181**	**$ 32,225**	**$ 9,961,990**	**$ 11,028,396**
Total Financial Instruments Liabilities	**$ 1,034,181**	**$ 32,225**	**$ 12,619,599**	**$ 13,686,005**

(1) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $35.8 million decrease in derivative liabilities.

Other financial liabilities are measured at cost. Liabilities at fair value through profit & loss and derivatives are measured at fair value.

At 31 December 2011, the different categories of financial instruments were as follows:

(in thousands of U.S. dollars)	Loans and receivables	Assets at fair value through profit & loss	Derivatives used for hedging	Available- for- sale	**Total**
Other investments, deposits and sundry	$ 369,153	$ -	$ -	$ -	$ 369,153
Total Non-Current Assets	**$ 369,153**	**$ -**	**$ -**	**$ -**	**$ 369,153**
Financial advances to related parties	39,868	-	-	-	39,868
Trade and other receivables	5,519,316	-	-	-	5,519,316
Margin deposits	520,482	-	-	-	520,482
Derivative assets	-	1,684,283	188	-	1,684,471
Available-for-sale financial assets	-	-	-	25,722	25,722
Other financial assets at fair value through profit & loss	-	244,255	-	-	244,255
Cash and cash equivalents	608,262	665,010	-	-	1,273,272
Total Current Assets	**$ 6,687,928**	**$ 2,593,548**	**$ 188**	**$ 25,722**	**$ 9,307,386**
Total Financial Instruments Assets	**$ 7,057,081**	**$ 2,593,548**	**$ 188**	**$ 25,722**	**$ 9,676,539**

(in thousands of U.S. dollars)	Liabilities at fair value through profit & loss	Derivatives used for hedging	Other financial liabilities	**Total**
Long term debt	$ -	$ -	$ 3,849,265	$ 3,849,265
Other non-current liabilities	-	-	164,036	164,036
Total Non-Current Liabilities	**$ -**	**$ -**	**$ 4,013,301**	**$ 4,013,301**
Bank loans and acceptances	-	-	5,406,933	5,406,933
Commercial paper	-	-	1,055,328	1,055,328
Financial advances from related parties	-	-	387,187	387,187
Accounts payables and accrued expenses	-	-	4,198,534	4,198,534
Derivative liabilities	1,233,478	90,876	-	1,324,354
Margin deposit liabilities	-	-	83,555	83,555
Total Current Liabilities	**$ 1,233,478**	**$ 90,876**	**$ 11,131,537**	**$ 12,455,891**
Total Financial Instruments Liabilities	**$ 1,233,478**	**$ 90,876**	**$ 15,144,838**	**$ 16,469,192**

At 31 December 2010, the different categories of financial instruments were as follows:

(in thousands of U.S. dollars)	Loans and receivables	Assets at fair value through profit & loss	Derivatives used for hedging	Available-for-sale	**Total**
Other investments, deposits and sundry	$ 229,839	$ -	$ -	$ -	$ 229,839
Total Non-Current Assets	**$ 229,839**	**$ -**	**$ -**	**$ -**	**$ 229,839**
Financial advances to related parties	33,159	-	-	-	33,159
Trade and other receivables	4,376,819	-	-	-	4,376,819
Margin deposits	1,046,483	-	-	-	1,046,483
Derivative assets	-	3,108,027	17,537	-	3,125,564
Available-for-sale financial assets	-	-	-	49,339	49,339
Other financial assets at fair value through profit & loss	-	209,378	-	-	209,378
Cash and cash equivalents	406,863	554,110	-	-	960,973
Total Current Assets	**$ 5,863,324**	**$ 3,871,515**	**$ 17,537**	**$ 49,339**	**$ 9,801,715**
Total Financial Instruments Assets	**$ 6,093,163**	**$ 3,871,515**	**$ 17,537**	**$ 49,339**	**$ 10,031,554**

(in thousands of U.S. dollars)	Liabilities at fair value through profit & loss	Derivatives used for hedging	Other financial liabilities	**Total**
Long term debt	$ -	$ -	$ 3,271,400	$ 3,271,400
Other non-current liabilities	-	-	124,812	124,812
Total Non-Current Liabilities	**$ -**	**$ -**	**$ 3,396,212**	**$ 3,396,212**
Bank loans and acceptances	-	-	6,625,001	6,625,001
Commercial paper	-	-	1,015,733	1,015,733
Financial advances from related parties	-	-	39,850	39,850
Accounts payables and accrued expenses	-	-	3,234,324	3,234,324
Derivative liabilities	3,187,888	13,171	-	3,201,059
Margin deposit liabilities	-	-	54,618	54,618
Total Current Liabilities	**$ 3,187,888**	**$ 13,171**	**$ 10,969,526**	**$ 14,170,585**
Total Financial Instruments Liabilities	**$ 3,187,888**	**$ 13,171**	**$ 14,365,738**	**$ 17,566,797**

Derivative Financial Instruments Held for Trading Purposes

In the normal course of operations, the Group enters into various derivative financial instruments involving future settlement. These transactions include futures, forward purchase and sale agreements, and option contracts which are executed either on regulated exchanges or in the over-the-counter market ("OTC").

Futures contracts are exchange-traded contractual commitments either to receive or deliver a standard amount or value of a commodity or financial instrument at a specified future date and price. Futures exchanges typically require the parties to provide as security "initial margins" and additional cash deposits for "variation margins", based upon market value fluctuations. OTC contracts, which may or may not require the payment of initial margins or variation margins, involve parties who have agreed either to exchange cash payments or deliver/receive the underlying commodity or financial instrument. Option contracts are contractual agreements that give the purchaser the right, but not the obligation, to purchase or sell a financial instrument or commodity, at a predetermined price. Most of the Group's held for trading derivative financial instruments are used as hedges of trading positions.

At 31 December 2012, 2011 and 2010, respectively, derivatives held for trading purpose are as follows:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Swaps	$ 16,412	$ 14,793	$ 1,050	$ 6,137	$ -	$ 10,511
Forward purchase and sale agreements	920,560	727,804	1,297,625	761,421	2,712,232	2,372,289
Futures	244,085	58,757	352,951	148,320	164,032	578,766
Options	43,500	10,129	55,548	7,288	90,270	31,380
Gross value of derivative assets	**$ 1,224,557**	**$ 811,483**	**$ 1,707,174**	**$ 923,166**	**$ 2,966,534**	**$ 2,992,946**
Provisions on derivative assets	(101,084)	-	(288,273)	-	(119,213)	-
Derivatives held for trading purposes	**$ 1,123,473**	**$ 811,483**	**$ 1,418,901**	**$ 923,166**	**$ 2,847,321**	**$ 2,992,946**

At 31 December 2012, the Group recognized a provision of $101 million on performance risk to offset unrealized gains on counterparties identified as being at risk by the credit management. At 31 December 2011, this provision was of $288 million and at 31 December 2010, this provision was of $119 million.

Derivative Financial Instruments Held for Purposes Other than Trading

Derivatives held for purposes other than trading relate to hedges associated with the management of short-term and long-term asset and liability objectives.

Since 2008, the Group has entered into interest-rate swap contracts to hedge against fluctuations in international interest rates (Libor) on the floating rate exposure of part of the long term debt. These operations of a $24 million nominal value at 31 December 2012 are effective until 27 March 2014. The Libor rate for six-month deposits was fixed at an average of 3.05% per year.

Since 2008, the Group has utilized Non-Deliverable Forwards in order to hedge its exposure to fluctuations in future capital expenditure and employee expenses in Brazilian Real. These operations represent at 31 December 2012 a total $2.255 million nominal value and are effective until March 2019 with an average fixed exchange rate of 2.114 Brazilian Real to U.S. Dollar.

At 31 December 2012, 2011 and 2010, respectively, derivatives held for other than trading purposes consist of the following:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	$ 262,965	$ 220,342	$ 264,202	$ 283,724	$ 260,706	$ 132,394
Interest rate swaps	1,530	2,356	-	26,588	-	8,017
Swaps (except interest rate swaps)	-	-	1,180	-	-	54,531
Fair value hedges	**$ 264,495**	**$ 222,698**	**$ 265,382**	**$ 310,312**	**$ 260,706**	**$ 194,942**
Interest rate swaps	$ -	$ 25,860	$ -	$ 50,736	$ -	$ 8,855
Swaps (except interest rate swaps)	-	-	-	-	2,199	4,316
Forward foreign exchange contracts	2,061	6,365	188	40,140	15,338	-
Cash flow hedges (change in fair value recognized through equity)	**$ 2,061**	**$ 32,225**	**$ 188**	**$ 90,876**	**$ 17,537**	**$ 13,171**
Derivatives held for other than trading purposes	**$ 266,556**	**$ 254,923**	**$ 265,570**	**$ 401,188**	**$ 278,243**	**$ 208,113**

Fair value hierarchy

Effective 1 January 2009, the Group adopted the amendment to IFRS 7 – "Improving Disclosures about Financial Instruments", for financial instruments that are measured in the statement of financial position at fair value. The amendments were issued to enhance fair value and liquidity disclosures. With respect to fair value, the amendments require disclosure of a three-level fair value hierarchy, by class, for all financial instruments recognized at fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy at 31 December 2012, 2011 and 2010, respectively:

(in millions of U.S. dollars)	**2012**				2011				2010			
	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	$ 169	$ 4,704	$ 421	$ 5,294	$ 122	$ 4,682	$ 296	$ 5,100	$ 94	$ 6,895	$ 129	$ 7,118
Derivative assets	350	1,016	24	1,390	470	1,201	13	1,684	415	2,679	32	3,126
Available-for-sale financial assets	7	-	4	11	20	6	-	26	49	-	-	49
Other financial assets at fair value through profit and loss	198	-	58	256	197	11	36	244	23	107	79	209
Cash and cash equivalents	722	-	-	722	1,273	-	-	1,273	961	-	-	961
Total assets	**$ 1,446**	**$ 5,720**	**$ 507**	**$ 7,673**	**$ 2,082**	**$ 5,900**	**$ 345**	**$ 8,327**	**$ 1,542**	**$ 9,681**	**$ 240**	**$ 11,463**
Derivative liabilities	$ 154	$ 907	$ 5	$ 1,066	211	1,094	19	1,324	733	2,459	9	3,201
Total liabilities	**$ 154**	**$ 907**	**$ 5**	**$ 1,066**	**$ 211**	**$ 1,094**	**$ 19**	**$ 1,324**	**$ 733**	**$ 2,459**	**$ 9**	**$ 3,201**

12. TRADE AND OTHER RECEIVABLES

At 31 December 2012, 2011 and 2010, respectively, trade and other receivables consist of the following:

(in thousands of U.S. dollars)	**2012**			2011			2010		
	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	$ 3,294,630	$ (215,897)	$ 3,078,733	$ 3,215,963	$ (148,438)	$ 3,067,525	$ 2,728,518	$ (97,505)	$ 2,631,013
Staff and tax receivables	488,118	(35,153)	452,965	650,254	(78,613)	571,641	574,017	(89,828)	484,189
Prepayments and advances to suppliers	1,099,497	(6,131)	1,093,366	767,551	(42,318)	725,233	425,982	(71,532)	354,450
Prepaid expenses	137,334	-	137,334	68,110	-	68,110	49,159	-	49,159
Receivables on sale of assets	-	-	-	8,000	-	8,000	-	-	-
Accrued receivables	844,452	-	844,452	898,173	-	898,173	741,460	-	741,460
Other receivables	116,124	(9,303)	106,821	185,788	(5,154)	180,634	121,271	(4,723)	116,548
	$ 5,980,155	**$ (266,484)**	**$ 5,713,671**	**$ 5,793,839**	**$ (274,523)**	**$ 5,519,316**	**$ 4,640,407**	**$ (263,588)**	**$ 4,376,819**

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $331.6 million decrease in trade and other receivables.

At 31 December 2012, the amount of the provision for trade and other receivables is $266 million ($275 million at 31 December 2011 and $264 million at 31 December 2010). The changes in the depreciations on trade and other receivables are as follows:

(in thousands of U.S. dollars)	**2012**	2011	2010
Balance at January 1	**$ (274,523)**	**$ (263,588)**	**$ (198,943)**
Change in list of consolidated companies	(5,309)	(28,715)	38
Increase in provision *(1)*	(100,630)	(101,107)	(70,048)
Reversal of provision *(2)*	113,625	114,582	71,327
Reclassification *(3)*	-	-	(62,089)
Foreign currency translation adjustment	353	4,305	(3,873)
Balance at 31 December	**$ (266,484)**	**$ (274,523)**	**$ (263,588)**

(1) During the year ended 31 December 2012, the increase in provision mainly corresponded to default risk on customers for $84 million for their estimated non recoverable portions ($73 million at 31 December 2011 and $26 million at 31 December 2010). It also corresponded to tax credits that the Group did not expect to recover for $16 million at 31 December 2011 and for $28 million at 31 December 2010.

(2) During the year ended 31 December 2012, the reversal of provision mainly corresponded to provisions for receivables reversed for $39 million and provisions on advances to suppliers reversed for $33 million. During the year ended 31 December 2011, the reversal of provision mainly corresponded to provisions for receivables reversed for $52 million and provisions on advances to suppliers reversed for $53 million. During the year ended 31 December 2010, the reversal of provision mainly corresponded to provisions for receivables reversed for $26 million and provisions on tax credits recovered for $26 million.

(3) During the year ended 31 December 2010, existing provisions related to advances to suppliers incoming through the acquisition of SEV were trued up.

13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

At 31 December 2012, 2011 and 2010, respectively, the consolidated available-for-sale financial assets consist of the following:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Ownership	Balance	Ownership	Balance	Ownership	Balance
Baja Mining, Corp., publicly traded in Canada	5.3%	$ 1,873	5.3%	$ 13,914	10%	$ 37,751
InterContinental Exchange, Inc., publicly traded in the United States	less than 1%	3,170	less than 1%	2,683	less than 1%	2,652
Amyris, Inc., publicly traded in the United States	-	-	less than 1%	2,184	less than 1%	1,018
CME Group, Inc., publicly traded in the United States	less than 1%	1,520	less than 1%	1,462	less than 1%	2,896
Listed Available-For-Sale Financial Assets		**$ 6,563**		**$ 20,243**		**$ 44,317**
Cempa Investments Ltd	-	-	18.3%	2,043	18.3%	3,030
Equiplan Participaçoes S/A	10%	2,179	-	-	-	-
Others		2,215		3,436		1,992
Unlisted Available-For-Sale Financial Assets		**$ 4,394**		**$ 5,479**		**$ 5,022**
		$ 10,957		**$ 25,722**		**$ 49,339**

In February 2012, the Group sold its investment in Cempa Investments Ltd. At 31 December 2012, an impairment of $17.6 million on Baja Mining Corp. was recognized due to the share price drop. The investment in Amyris was held by Biosev, by consequence it was distributed with Biosev.

During the first semester of 2011, the Group sold 4.66% of its investment in Baja Mining Corp. and during the last quarter of 2011, the Group increased its investment in Amyris, Inc., through the consolidation of Crystalsev.

In November 2010, the Group entered in the capital of Baja Mining Corp., a publicly traded company engaged in the development of Boleo, Mexico's largest copper and cobalt deposit. The Group also entered in the capital of Amyris, Inc., a publicly traded company developing technology to increase the yield of sugar cane. During the third quarter, the Group sold all its investment in Kencana Agri Limited.

14. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

At 31 December 2012, 2011 and 2010, respectively, other financial assets consist of the following:

(in thousands of U.S. dollars)	**2012**	2011	2010
Financial assets held for trading purpose	$ 124,566	$ 114,795	$ 87,779
Short term securities (maturity > 3 months) *(1)*	121,993	95,982	110,311
Reverse repurchase agreement loan	9,055	33,478	11,288
	$ 255,614	**$ 244,255**	**$ 209,378**

(1) Including $18 million at 31 December 2012 of securities pledged as collaterals for exchange ($32 million at 31 December 2011 and $31 million at 31 December 2010).

Short-term securities are instruments with a maturity greater than three months acquired with the purpose of selling or repurchasing.

In December 2012, Biosev moved from a being subsidiary of LDC to a sister company of LDC, leading to a $33.6 million decrease in other financial assets at fair value through profit and loss.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows at 31 December 2012, 2011 and 2010, respectively:

(in thousands of U.S. dollars)	**2012**	2011	2010
Short term securities (maturity < 3 months) *(1)*	$ 274,355	$ 665,010	$ 578,721
Cash	447,936	608,262	382,252
	$ 722,291	**$ 1,273,272**	**$ 960,973**

(1) Including $23 million at 31 December 2012 of securities pledged as collaterals for exchange ($37 million at 31 December 2011 and $25 million at 31 December 2010).

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $93.1 million decrease in cash and cash equivalents.

At 31 December 2012, 2011 and 2010, respectively, there is no material difference between the historical value of cash and cash equivalents and the fair value.

16. EQUITY

(in thousands of U.S. dollars)	**2012**	2011	2010
Issued capital	$ 1,438	$ 1,438	$ 1,438
Share premium	1,585,420	1,585,420	1,585,420
Perpetual capital securities, less costs net of tax	345,079	-	-
Retained earnings	2,802,153	3,139,351	2,680,795
Other reserves	16,225	24,755	229,100
Equity attributable to Owners of the Parent	**$ 4,750,315**	**$ 4,750,964**	**$ 4,496,753**
Non-Controlling interests	57,133	532,935	762,883
Total Equity	**$ 4,807,448**	**$ 5,283,899**	**$ 5,259,636**

The stockholder's equity and non-controlling interests disclosed in the financial statements correspond to the equity used by the management when assessing performance.

Capital

At 31 December 2012, 2011 and 2010, respectively, the capital of the Company is composed of 100,000,000 shares, with a 0.01 euro nominal value each, that are issued and fully paid. During the year ended 31 December 2012, LDC distributed $130.5 million as dividends to LDCH and $258 million to LDCNH. During the years ended 31 December 2011 and 31 December 2010, LDC distributed $249 million and $334.5 million as dividends to LDCH, respectively.

Effective 4 December 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company LDCNH to which LDC distributed by way of a dividend in kind amounting to $873.4 million, all its shares and voting rights in Biosev. As a result of this reorganization, Biosev moved from being a subsidiary of LDC to a sister company of LDC.

In September 2012, the Group priced an inaugural $350 million ($345 million, less costs net of tax), 8.25% coupon hybrid capital securities transaction. The securities are perpetual but the Group has the right to redeem them in certain circumstances. The perpetual capital securities are not rated and are listed in the Official List of the Singapore Exchange. At 31 December 2012, accrued interests amount to $6.6 million.

Other Reserves

Other Reserves for 31 December 2012, 2011 and 2010, respectively relate to:

	2012			**2011**			2010		
(in thousands of U.S. dollars)	Other compre-hensive income	Deferred compen-sation	**Other reserves**	Other compre-hensive income	Deferred compen-sation	**Other reserves**	Other compre-hensive income	Deferred compen-sation	**Other reserves**
Pre-tax	$ (33,058)	$ 35,793	**$ 2,735**	$ (14,218)	$ 41,668	$ 27,450	$ 349,685	$ 34,758	$ 384,443
Tax	10,851	-	**10,851**	49,907	-	49,907	(4,843)	-	(4,843)
Non-controlling share	(2,639)	-	**(2,639)**	52,602	-	52,602	150,500	-	150,500
Owners of the Parent Share	**$ (19,568)**	**$ 35,793**	**$ 16,225**	**$ (16,913)**	**$ 41,668**	**$ 24,755**	**$ 194,342**	**$ 34,758**	**$ 229,100**

Other Comprehensive income

Changes in other comprehensive income, for years ended 31 December 2012, 2011 and 2010, respectively, are as follows:

	Available-for-sale financial assets	**Cash-flow hedges*(1)***	**Fixed assets revaluation reserve**	**Foreign Currency translation adjustment**	**Total**
Balance at 1 January 2012 - Group Share	**$ (6,706)**	**$ (78,883)**	**$ 8,659**	**$ 60,017**	**$ (16,913)**
of which :					
Pre-tax	(7,628)	(157,214)	12,138	138,486	**(14,218)**
Tax	922	51,174	(2,189)	-	**49,907**
Non-controlling share	-	(27,157)	1,290	78,469	**52,602**
Current period gains (losses)	12,761	77,655	-	(67,550)	**22,866**
Reclassification to profit or loss	(6,299)	(17,982)	-	-	**(24,281)**
Other	-	-	(1,240)	-	**(1,240)**
Other comprehensive income for the period – Group Share	**$ 6,462**	**$ 59,673**	**$ (1,240)**	**$ (67,550)**	**$ (2,655)**
of which :					
Pre-tax	7,183	126,796	(2,912)	(149,907)	**(18,840)**
Tax	(721)	(39,966)	1,631	-	**(39,056)**
Non-controlling share	-	27,157	(41)	(82,357)	**(55,241)**
Balance at 31 December 2012 - Group Share	**$ (244)**	**(19,210)**	**7,419**	**(7,533)**	**$ (19,568)**
of which :					
Pre-tax	(445)	(30,418)	9,226	(11,421)	**$ (33,058)**
Tax	201	11,208	(558)	-	**$ 10,851**
Non-controlling share	-	-	1,249	(3,888)	**$ (2,639)**

	Available-for-sale financial assets	**Cash-flow hedges*(1)***	**Fixed assets revaluation reserve**	**Foreign Currency translation adjustment**	**Total**
Balance at 1 January 2011 - Group Share	**$ 994**	**$ 1,679**	**$ 7,962**	**$ 183,707**	**$ 194,342**
of which :					
Pre-tax	1,100	2,735	11,631	334,219	**349,685**
Tax	(106)	(2,419)	(2,318)	-	**(4,843)**
Non-controlling share	-	(1,363)	1,351	150,512	**150,500**
Current period losses	(6,641)	(78,883)	-	(123,690)	**(209,214)**
Reclassification to profit or loss	(1,059)	(1,679)	-	-	**(2,738)**
Other	-	-	697	-	**697**
Other comprehensive income for the period – Group Share	**$ (7,700)**	**$ (80,562)**	**$ 697**	**$ (123,690)**	**$ (211,255)**
of which :					
Pre-tax	(8,728)	(159,949)	507	(195,732)	**(363,902)**
Tax	1,028	53,593	129	-	**54,750**
Non-controlling share	-	(25,794)	(61)	(72,042)	**(97,897)**
Balance at 31 December 2011 - Group Share	**$ (6,706)**	**$ (78,883)**	**$ 8,659**	**$ 60,017**	**$ (16,913)**
of which :					
Pre-tax	(7,628)	(157,214)	12,138	138,486	**$ (14,218)**
Tax	922	51,174	(2,189)	-	**49,907**
Non-controlling share	-	(27,157)	1,290	78,469	**52,602**

	Available-for-sale financial assets	Cash-flow hedges*(1)*	Fixed assets revaluation reserve	Foreign Currency translation adjustment	Total
Balance at 1 January 2010 - Group Share	**$ 368**	**$ 740**	**$ 8,027**	**$ 134,290**	**$ 143,425**
of which :					
Pre-tax	617	6,602	11,744	240,474	**259,437**
Tax	(256)	(3,226)	(2,346)	-	**(5,828)**
Non-controlling share	(7)	2,636	1,371	106,184	**110,184**
Current period gains (losses)	626	1,679	(85)	48,414	**50,634**
Reclassification to profit or loss	-	(740)	-	-	**(740)**
Other	-	-	20	1,003	**1,023**
Other comprehensive income for the period – Group Share	**$ 626**	**$ 939**	**$ (65)**	**$ 49,417**	**$ 50,917**
of which :					
Pre-tax	483	(3,867)	(113)	93,745	**90,248**
Tax	150	807	28	-	**985**
Non-controlling share	7	(3,999)	(20)	44,328	**40,316**
Balance at 31 December 2010 - Group Share	**$ 994**	**$ 1,679**	**$ 7,962**	**$ 183,707**	**$ 194,342**
of which :					
Pre-tax	1,100	2,735	11,631	334,219	**349,685**
Tax	(106)	(2,419)	(2,318)	-	**(4,843)**
Non-controlling share	-	(1,363)	1,351	150,512	**150,500**

(1) In 2012, 2011 and 2010 the Group entered into swap agreements to hedge its interest rate risk on identified loans. These transactions were recorded as cash flow hedges.

17. LONG TERM FINANCING

The Group's long term financing includes senior debts, bank loans and financial lease commitments. The maturity of the long term financing can be analyzed as follows at 31 December 2012, 2011 and 2010:

(in thousands of U.S. dollars)	**2012**	2011	2010
Maturity between 1-2 years	$ 988,914	$ 945,212	$ 661,709
Maturity between 2-3 years	664,352	1,073,107	997,380
Maturity between 3-4 years	226,254	715,634	315,501
Maturity between 4-5 years	300,088	403,604	514,581
Maturity > 5 years	390,617	711,708	782,229
Non-Current portion of long term financing	**$ 2,570,225**	**$ 3,849,265**	**$ 3,271,400**
Maturity < 1 year	$ 648,498	$ 786,210	$ 710,781
Current portion of long term financing *(presented in bank loans and acceptances)*	**$ 648,498**	**$ 786,210**	**$ 710,781**
Total Long Term Financing (including current portion)	**$ 3,218,723**	**$ 4,635,475**	**$ 3,982,181**
Of which:			
Fixed rate	$ 1,311,486	$ 2,044,051	$ 971,220
Floating rate	$ 1,907,237	$ 2,591,424	$ 3,010,961

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $1,878 million decrease in long term financing, out of which $542.8 million correspond to the current portion.

Certain portions of this debt, aggregating $46 million in 2012, $276 million in 2011 ($60 million excluding Biosev) and $383 million in 2010 ($181 million excluding Biosev), are secured by mortgages on assets.

Certain Senior Debt and bank loans contain covenants which require maintenance of levels of working capital, net worth, ratios of debt to equity, dividend restrictions and limit of indebtedness.

The debt outstanding is comprised of loans in the following currencies at 31 December 2012, 2011 and 2010, respectively:

(in thousands of U.S. dollars)	**2012**	2011	2010
U.S. Dollar	$ 3,125,504	$ 3,553,913	$ 3,073,235
Brazilian Real	-	996,679	832,116
Euro	56,722	80,602	56,460
Other currencies	36,497	4,281	20,370
Total Long Term Financing (including current portion)	**$ 3,218,723**	**$ 4,635,475**	**$ 3,982,181**

The following is a comparative summary of long-term debt outstanding, current and non-current portion:

(in thousands of U.S. dollars)	**2012**	2011	2010
Senior notes, from 6.61% to 8.72% fixed rate, due through 2013	$ 115,000	$ 125,000	$ 210,000
Bank loans, from 1.50% to 5.40% over LIBOR due through 2013	1,252	283,021	621,911
Bank loans, from 1.50% to 5.40% over LIBOR due through 2014	662,401	899,750	688,135
Bank loans, from 1.95% to 4.90% over LIBOR due through 2015	563,546	5,216	172,402
Bank loans, from 1.72% to 3.70% over LIBOR due through 2024	463,319	357,444	370,431
Bank loans, from 1.60% to 12.40% over TJLP due through 2024	45,370	352,323	391,654
Bank loans, from 0% to 5.50% over CDI due through 2024	104,629	562,245	560,827
Other variable rates through 2024	66,720	131,425	102,474
Fixed rate through 2024	1,196,486	1,919,051	864,347
	$ 3,218,723	**$ 4,635,475**	**$ 3,982,181**

At 31 December 2012, there is no significant difference between the historical value of long term financing and its fair value at year end.

18. BANK LOANS, ACCEPTANCES AND COMMERCIAL PAPER

The Group finances most of its short-term requirements with bank loans, acceptances and commercial paper. The Group's commercial paper is guaranteed by standby letters of credit. The underlying agreements require certain companies to maintain minimum levels of net worth and to meet various liquidity tests.

At 31 December 2012, 2011 and 2010, respectively, bank loans, acceptances and commercial paper consist of the following:

(in thousands of U.S. dollars)	**2012**	2011	2010
Bank loans	$ 3,493,201	$ 3,736,360	$ 5,215,169
Commercial paper	-	1,055,328	1,015,733
Bank loans secured on LDC Metals Suisse SA inventories and trade receivables	662,222	551,452	550,000
Bank overdrafts	384,299	204,582	98,402
Repurchase agreements	97,116	93,904	38,735
Securities short positions	9,024	34,425	11,914
Total Short Term Financing	**$ 4,645,862**	**$ 5,676,051**	**$ 6,929,953**
Current portion of long term financing	648,498	786,210	710,781
Total Bank loans, Acceptances and Commercial Paper	**$ 5,294,360**	**$ 6,462,261**	**$ 7,640,734**
Of which:			
Fixed rate	$ 1,253,923	$ 578,085	$ 851,123
Floating rate	$ 4,040,437	$ 5,884,176	$ 6,789,611

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $978.7 million decrease in bank loans, acceptances and commercial paper.

At 31 December 2012, 2011 and 2010, there is no significant difference between the historical value of bank loans, acceptances and commercial paper and their fair value at year end.

The debt outstanding is comprised of loans in the following currencies at 31 December 2012, 2011 and 2010, respectively:

(in thousands of U.S. dollars)	**2012**	2011	2010
U.S. Dollar	$ 4,373,754	$ 5,440,198	$ 6,587,627
Brazilian Real	116,522	236,856	214,812
Euro	203,433	192,466	431,546
Other currencies	600,651	592,741	406,749
Total Bank Loans, Acceptances and Commercial Paper	**$ 5,294,360**	**$ 6,462,261**	**$ 7,640,734**

The Group enters into repurchase agreements which are arrangements involving the sale of securities at a specified price with an irrevocable commitment to repurchase the same or similar securities at a fixed price, on a specified future date or with an open maturity.

19. RETIREMENT BENEFIT OBLIGATIONS

At 31 December 2012, 2011 and 2010, respectively, retirement benefit obligations consist of the following:

(in thousands of U.S.dollars)	**2012**	2011	2010
Long-term pension benefit	$ 108,502	$ 5,245	$ 3,703
Post-retirement benefit	27,342	14,669	14,882
Other long-term employee benefits	7,221	-	-
Retirement benefit obligations	**$ 143,065**	**$ 19,914**	**$ 18,585**
Current pension benefit *(1)*	$ 336	$ 336	$ 1,148
Net plan asset *(2)*	**$ (2,043)**	**$ (1,749)**	**$ (1,664)**

(1) Included in "Accounts payable and accrued expenses".
(2) Included in "Trade and other receivables"

The Group maintains pension plans in various countries as prescribed by local laws and customs. The obligations of the Group to pay benefits upon retirement are provided for on an estimated annual basis. The estimates reflect assumptions as to future salary increases, employee turnover and mortality rates. The most significant retirement plans which require funding are in the United States.

	2012				
(in thousands of U.S. dollars)	United States	Canada	Netherlands	Other	**Total**
Long-term pension benefit	$ 103,050	$ -	$ 2,048	$ 3,404	**$ 108,502**
Post-retirement benefit	23,122	4,220	-	-	**27,342**
Other long-term employee benefits	7,221	-	-	-	**7,221**
Retirement benefit obligations	**$ 133,393**	**$ 4,220**	**$ 2,048**	**$ 3,404**	**$ 143,065**
Current pension benefit	-	-	-	316	**316**
Net plan asset	$ -	$ (2,043)	$ -	$ -	**$ (2,043)**

(in thousands of U.S. dollars)	2011 United States	Canada	Netherlands	Other	**Total**
Long-term pension benefit	$ 1,767	$ -	$ -	$ 3,478	**$ 5,245**
Post-retirement benefit	11,191	3,478	-	-	**14,669**
Retirement benefit obligations	**$ 12,958**	**$ 3,478**	**$ -**	**$ 3,478**	**$ 19,914**
Current pension benefit	-	-	-	336	**336**
Net plan asset	**$ -**	**$ (1,749)**	**$ -**	**$ -**	**$ (1,749)**

(in thousands of U.S. dollars)	2010 United States	Canada	Belgium	Other	**Total**
Long-term pension benefit	$ 855	$ (30)	$ -	$ 2,878	**$ 3,703**
Post-retirement benefit	11,191	3,691	-	-	**14,882**
Retirement benefit obligations	**$ 12,046**	**$ 3,661**	**$ -**	**$ 2,878**	**$ 18,585**
Current pension benefit	-	-	1,148	-	**1,148**
Net plan asset	**$ -**	**$ (1,664)**	**$ -**	**$ -**	**$ (1,664)**

United States

The Group has various defined benefit pension plans in the United States covering substantially all employees which provide benefits based on years of service and compensation during defined years of employment. The funding policy is to contribute amounts sufficient to meet the minimum funding requirements. The Group had also unfunded post-retirement plans in North America that covered substantially all salaried employees. These plans provided medical, dental and life insurance benefits.

Certain of the Imperial Sugar Company’s current and former employees are covered by retirement plans. Retirement benefits are primarily a function of years of service and the employee's compensation for a defined period of employment. In 2003, the Company froze the benefits under the salaried pension plan resulting in reductions in future pension obligations. The Company funds pension costs at an actuarially determined amount based on normal cost and the amortization of prior service costs, gains and losses over the remaining service periods. Additionally, the Company previously provided a supplemental non-qualified, unfunded pension plan for certain management members as well as a non-qualified retirement plan for former non-employee directors, which provided benefits based upon years of service as a director and the retainer in effect at the date of a director's retirement. Certain of the Company's employees who meet the applicable eligibility requirements are covered by benefit plans that provide post-retirement health care and life insurance benefits to employees.

Pension and post-retirement benefits liabilities recognized in the balance sheet are as follows at 31 December:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit
Present value of funded obligations	$ 358,420	$ -	$ 104,132	$ -	$ 86,735	$ -
Fair value of plan assets	(226,789)	-	(71,405)	-	(72,983)	-
	131,631	-	**32,727**	-	**13,752**	-
Present value of unfunded obligations	12,956	33,401	626	20,291	626	17,637
Unrecognized actuarial gains/(losses)	(41,537)	(12,215)	(31,586)	(11,786)	(13,523)	(9,882)
Unrecognized past service cost	-	1,936	-	2,686	-	3,436
	$ 103,050	**$ 23,122**	**$ 1,767**	**$ 11,191**	**$ 855**	**$ 11,191**

The amounts recognized in the income statement for pension and post-retirement obligations are as follows:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit
Service cost	$ 649	$ 206	$ 22	$ 162	$ 28	$ 184
Expected return on plan assets	(9,444)	-	(4,443)	-	(4,092)	-
Interest costs	9,521	1,026	4,828	865	4,701	919
Prior service costs recognized this year	-	(750)	-	(750)	626	(750)
Net actuarial losses of the year	2,297	592	505	858	600	890
	$ 3,023	**$ 1,074**	**$ 912**	**$ 1,135**	**$ 1,863**	**$ 1,243**

The changes in the pension and post-retirement liabilities (assets) are as follows:

(in thousands of U.S. dollars)	**2012**		2011		2010	
	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit
Balance at 1 January	**$ 1,767**	**$ 11,191**	**$ 855**	**$ 11,191**	**$ (968)**	**$ 11,154**
Liabilities acquired in a business combination	106,598	12,582	-	-	-	-
Expenses charged in the income statement	3,023	1,074	912	1,135	1,863	1,243
Contributions	(8,338)	(1,725)	-	(1,135)	(40)	(1,206)
Balance at 31 December	**$ 103,050**	**$ 23,122**	**$ 1,767**	**$ 11,191**	**$ 855**	**$ 11,191**

The following are the assumptions used at 31 December 2012, 2011 and 2010, respectively:

	2012	2011	2010
Discount rate	3.68%	4.20%	5.10%
Expected return on plan assets	7.00%	6.25%	6.25%
Future salary increase	0.00%	0.00%	4.00%

20. RESERVE FOR CONTINGENCIES

At 31 December 2012, 2011 and 2010, respectively, reserve for contingencies consists of the following:

(in thousands of U.S.dollars)	**2012**	2011	2010
Current reserve	$ 1,830	$ 2,256	$ 6,855
Non-current reserve	107,578	424,835	392,760

	$ 109,408	**$ 427,091**	**$ 399,615**

Changes in reserve for contingencies for 31 December, 2012, 2011 and 2010, respectively, are as follows*:*

(in thousands of U.S. dollars)			**2012**			2011	2010
Reserve for:	Tax and social risks	Litigations	Restruc-turing	Other	**Total**	**Total**	**Total**
At 1 January	**$ 332,515**	**$ 59,364**	**$ 19,962**	**$ 15,250**	**$ 427,091**	**$ 399,615**	**$ 468,851**
Allowance	57,705	4,061	406	2,692	**64,864**	100,909	121,069
Reversal of used portion	(7,985)	(520)	(336)	(1,239)	**(10,080)**	(66,000)	(45,104)
Reversal of unused portion *(1)*	(37,758)	(8,596)	-	(366)	**(46,720)**	(37,015)	(121,382)
Reclassification *(1)*	(2,528)	(14)	-	-	**(2,542)**	(5,075)	(99,314)
Foreign currency translation adjustment	(19,939)	(2,488)	15	(535)	**(22,947)**	(32,994)	11,235
Change in list of consolidated companies *(2)*	(246,095)	(30,449)	-	(8,538)	**(285,082)**	67,651	-
Adjustment on purchase price accounting *(3)*	(15,176)	-	-	-	**(15,176)**	-	64,260
At 31 December	**$ 60,739**	**$ 21,358**	**$ 20,047**	**$ 7,264**	**$ 109,408**	**$ 427,091**	**$ 399,615**

(1) During the years ended 31 December 2012, 2011 and 2010, the Group elected to apply to the Brazilian law #11.941/09 which extended the benefit of the instalment payment process to all debts managed by the Internal Revenue Service. As a consequence the Group reclassified $1.4 million of provisions to tax payables during the year ended 31 December 2012 and $5.8 million during the year ended 31 December 2011. The Group had also reversed $49 million of provisions and reclassified $69 million of provisions to tax payables during the year ended 31 December 2010.

(2) In December 2012, Biosev became a sister company of LDC, leading to a $285.1 million decrease in reserve for contingencies. In 2011, the consolidation of Crystalsev and Macrofertil resulted in an increase of reserve for contingencies of respectively $47.8 million and $17 million.

(3) During the year ended 31 December 2012, the Group adjusted the contingencies of Macrofertil for $15.2 million using the window period of one year to review its purchase price allocation. In 2010, the Group adjusted the contingencies of Biosev for $64 million using the window period of one year to review its purchase price allocation.

21. INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset the potential future equivalent of current tax assets and liabilities.

The deferred income tax assets (liabilities) at 31 December 2012, 2011 and 2010, respectively, are as follows:

(in thousands of U.S.dollars)	**2012**	2011	2010
Deferred income tax assets	$ 201,310	$ 179,244	$ 132,093
Deferred income tax liabilities	(259,703)	(330,582)	(456,943)
	$ (58,393)	**$ (151,338)**	**$ (324,850)**

The consolidated net deferred income tax assets (liabilities) recorded at 31 December 2012, 2011 and 2010, respectively, arise from:

(in thousands of U.S.dollars)	**2012**	2011	2010
Timing differences	$ (124,795)	$ (428,879)	$ (698,710)
Tax benefits from carry forward losses	163,191	451,765	488,979
Valuation allowance for deferred tax assets	(96,789)	(174,224)	(115,119)
	$ (58,393)	**$ (151,338)**	**$ (324,850)**

The 31 December 2012 valuation allowance is ascribed to available loss carry forwards for approximately $18 million against $95 million in 2011 ($20 million in 2011 excluding Biosev) and $113 million in 2010 ($23 million in 2010 excluding Biosev).

Changes in net deferred income tax assets (liabilities) are as follows:

(in thousands of U.S.dollars)	**2012**	2011	2010
Net deferred tax assets (liabilities) at 1 January	**$ (151,338)**	**$ (324,850)**	**$ (275,990)**
Deferred taxes recognized in income – continuing operations	(48,934)	29,155	(32,916)
Deferred taxes recognized in income – discontinued operations	86,308	136,361	12,306
Change in list of consolidated companies *(1)*	42,604	(72,477)	(2,869)
Deferred tax assets used in Brazilian law #11.941/09	-	(2,003)	(34,077)
Deferred taxes recognized in equity	(1,973)	55,485	696
Purchase price accounting adjustment	(28)	-	27,277
Exchange differences	14,968	26,991	(19,277)
Net deferred tax assets (liabilities) at 31 December	**$ (58,393)**	**$ (151,338)**	**$ (324,850)**

(1) In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $56.2 million increase in net deferred taxes.

The provision for income taxes differs from the computed "expected" income tax provision using the Netherlands statutory tax rate of 25% during the years ended 31 December 2012 and 31 December 2011 and 25.5% during the year ended 31 December 2010, for the following reasons:

(in thousands of U.S.dollars)	**2012**	2011	2010
Theoretical tax on income from continuing operations	**$ 335,056**	**$ 283,032**	**$ 299,032**
Differences in income tax rates	(76,412)	(45,020)	(55,905)
Differences between local currency and functional currency	16,834	17,976	(30,335)
Change in valuation provision on tax assets and net operating losses	(11,788)	(2,896)	(4,959)
Permanent differences on investments	(49,856)	(5,917)	76
Other permanent differences	22,619	6,303	10,476
Reported tax expense	**$ 236,453**	**$ 253,478**	**$ 218,385**

22. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at 31 December 2012, 2011 and 2010, respectively, consist of the following:

(in thousands of U.S.dollars)	**2012**	2011	2010
Trade payables	$ 1,630,561	$ 1,982,825	$ 1,405,144
Accrued payables	1,083,486	1,064,670	1,037,193
Staff and tax payables	375,769	533,738	396,128
Margin deposits	110,734	83,555	54,618
Prepayments and advances received	323,743	450,141	213,525
Other payables	39,530	53,838	76,856
Deferred income	174,615	104,562	965
Payables on purchase of assets	28,867	8,760	104,513

	$ 3,767,305	**$ 4,282,089**	**$ 3,288,942**

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $657.6 million decrease in accounts payable and accrued expenses.

23. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities at 31 December 2012, 2011 and 2010, respectively consist of the following:

(in thousands of U.S.dollars)	**2012**	2011	2010
Non-current tax and social liabilities	$ 7,226	$ 28,646	$ 47,641
Debts associated with non-controlling interests on share purchase and put options	64,218	108,961	57,477
Other non-current liabilities	15,940	26,429	19,694
	$ 87,384	**$ 164,036**	**$ 124,812**

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC, leading to a $71.1 million decrease in non-current liabilities.

24. NET SALES

Net sales consist of the following:

(in thousands of U.S.dollars)	**2012**	2011	2010
Sales of goods	$ 56,692,597	$ 57,310,549	$ 44,338,927
Income from services rendered	329,094	293,906	211,568
Other income	118,504	64,248	116,391
	$ 57,140,195	**$ 57,668,703**	**$ 44,666,886**

25. FINANCE COSTS, NET

Finance costs, net, can be analyzed as follows:

(in thousands of U.S.dollars)	**2012**	2011	2010
Interest expense	$ (346,158)	$ (301,629)	$ (220,611)
Interest income	51,199	47,905	30,888
Foreign exchange	49,885	17,883	(16,798)
Net gain (loss) on derivatives	(5,486)	17,293	22,517
Other financial income and expense	55,118	833	43,120
	$ (195,442)	**$ (217,715)**	**$ (140,884)**

26. FOREIGN EXCHANGE

Foreign exchange result, excluding result from derivatives used for hedging foreign currency exposure, is allocated in the following lines of the statement of income*:*

(in thousands of U.S.dollars)	**2012**	2011	2010
Net sales	$ 10,100	$ (21,052)	$ 8,014
Cost of sales	14,372	(24,598)	88,235
Commercial and administrative expenses	(6,167)	2,790	2,504
Finance costs, net	49,885	17,883	(16,798)

	$ 68,190	**$ (24,977)**	**$ 81,955**

27. GAIN (LOSS) ON SALE OF INVESTMENTS

Gain (loss) on sale of investments in the statement of income can be analyzed as follows:

(in thousands of U.S.dollars)	**2012**	2011	2010
Dilution gain and gain on sale of consolidated companies	$ 358	$ 2,893	$ 90
Gain (loss) on available-for-sale financial assets	(19,393)	1,181	8,655
Others	(404)	399	170
	$ (19,439)	**$ 4,473**	**$ 8,915**

28. COMMITMENTS AND CONTINGENCIES

The Group leases facilities, warehouses, offices and equipment under operating leases, and vessels under time charters' agreements. Certain of the Group's leases include renewal options and most leases include provisions for rent escalation to reflect changes in construction indexes.

The Group has future minimum payments and rentals under non-cancellable operating leases, with initial or remaining terms of more than one year, and as follows at 31 December 2012, 2011 and 2010, respectively *(in millions of U.S. dollars):*

Leases and other commitments:	**2012**	2011	2010
< 1 year	$ 142	$ 178	$ 103
Between 1 and 5 years	476	674	441
> 5 years	235	599	347
	$ 853	**$ 1,451**	**$ 891**

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. Biosev accounted for $579 million of leases and other commitments at 31 December 2011 and $95 million of leases and other commitments at 31 December 2010.

The Group is contingently liable on open letters of credit as follows *(in millions of U.S. dollars)*:

Letters of credit:	**2012**	2011	2010
Bid and performance bonds	$ 107	$ 51	$ 35
Commodity trading	154	138	194
	$ 261	**$ 189**	**$ 229**

At 31 December 2012, the Group has a commitment to purchase a minimum of 132 million boxes of oranges until 2027 (128 million boxes at 31 December 2011 and 74 million boxes at 31 December 2010). The estimated annual commitment is ranging from $190 million in 2013 to $1 million in 2027.

At 31 December 2012, in connection with the acquisition of Imperial Sugar, the Group has a commitment to purchase 424 thousand metric tons of raw sugar for a total amount of $260 million until 2016. The Group has also a commitment to sell 200 thousand metric tons of refined sugar for $160 million in 2013.
Biosev had a commitment to purchase 28 million metric tons of raw sugar at 31 December 2011 and 15 million metric tons of raw sugar at 31 December 2010.

At 31 December 2012, the Group has a commitment to purchase fuel for future years until 31 December 2015 for 7 MMBtus "Million British Thermal Unit" (5 MMBtus at 31 December 2011 and 7 MMBtus at 31 December 2010) for an estimated amount of $28 million ($25 million at 31 December 2011 and $40 million at 31 December 2010).

At 31 December 2012, the Group has a commitment to sell 14 million gallons of biodiesel in 2013 (17 million gallons at 31 December 2011 and 2 million gallons at 31 December 2010) for an estimated amount of $24 million ($42 million at 31 December 2011 and $7 million at 31 December 2010).

At 31 December 2012, the Group has an approximate $51 million of commitments mainly related to capital improvements to export terminal and mills maintenance and investments ($211 million at 31 December 2011 and $108 million excluding Biosev; $33 million at 31 December 2010 and $12 million excluding Biosev).

At 31 December 2012, the Group still provides a letter of credit to Baja Mining Corp., a mining company, pursuant to a $35 million Equity Convertible Cost Overrun Facility. If drawn, this letter of credit converts automatically into common shares of the mining company. On 25 May 2012, the Group filed a Request for Arbitration with the London Court of International Arbitration against Baja Mining Corp. The Group is seeking, inter alia, to obtain a declaration that the $35 million Equity Cost Overrun Facility (COF) Agreement entered into between it and Baja Mining Corp on 28 September 2010 is terminated. The Group's position is that given circumstances and developments since the issuance of the letter of credit, the $35 million Equity Convertible Cost Overrun Facility is terminated and not capable of being drawn. It is also seeking damages.

At 31 December 2012, the Group still participates into off-take agreements for 70% of copper and cobalt that will be produced for a period of 10 years from the beginning of commercial production (or until defined amounts of copper (369,200 metric ton) / cobalt (10,780 metric ton) have been delivered if later). Price per metric ton will be based upon London Metal Exchange (“LME”) or Comex for Copper and on London Metal Bulletin (“LMB”) or LME for Cobalt.

At 31 December 2012, the Group received $8 million of guarantees and collaterals ($5 million at 31 December 2011 and $7 million at 31 December 2010).

At 31 December 2012, the Group has provided a $7 million loan facility to a mining and exploration company against an off-take agreement. This facility is secured with an irrevocable corporate guarantee from the Group, a pledge over 80% of the shares in the subsidiary which owns the mining assets and a pledge over the moveable assets including the mining fleet purchased.

In addition, there are $363 million of other commitments at 31 December 2012 ($267 million at 31 December 2011 and $280 million at 31 December 2010), including $275 million guarantees at 31 December 2012 ($244 million at 31 December 2011 and $260 million at 31 December 2010).

There are various claims and ongoing regulatory investigations asserted against and by the Group which, in the opinion of counsels, based on a review of the present stages of such claims in the aggregate, should not have a material effect on the Group’s financial position or future operating results.

29. SHARE-BASED PAYMENT

In December 2006, the terms of a stock-based compensation arrangement referred to as the Equity Participation Plan ("EPP"), which is sponsored by LDCH became operational and the arrangement was fully implemented in December 2007 with the issuance of the first shares relating to the awards. The EPP provides for the granting of securities and options to purchase securities in LDCH (collectively "Awards") to employees of the Group. EPP awards granted to employees of the Group generally vest on a graduated basis over a four year period. Additional awards have been granted to employees during each first semester starting in 2008, with the corresponding securities and options to purchase securities to be issued during the second semester of the same calendar year.

The Group accounts for the EPP as an equity-settled plan: the fair value of the awards granted, determined at attribution date, is recorded in the statement of income ratably over the vesting period of the awards. The value of the awards granted is not revalued in subsequent periods.

The Group and LDCH have entered into reimbursement agreements under which certain subsidiaries of the Group will reimburse LDCH for the awards attributed to their employees. Depending on the reimbursement agreement, the

Group is liable for vested awards at attribution or fair value. Amounts due under these reimbursement agreements are recorded by the Group as a distribution of equity to LDCH. Accordingly, amounts payable under the reimbursement agreements give rise to a reclassification from equity to liabilities up to the amount of stock compensation already recorded. Any excess of the amounts due under the reimbursement agreements over the attribution value of the awards is recorded as an additional debit to retained earnings. Certain reimbursement agreements provide for a payment anticipating the accounting vesting schedule and give rise to a prepaid asset. The Group paid $109 million in 2012 ($98 million in 2011 and $118 million in 2010) to LDCH relating to reimbursement agreements, and recorded a prepaid asset of $23 million at December 31, 2012 ($37 million at December 31, 2011 and $27 million in 2010).

Awards granted to employees during 2012 are of $110 million while awards forfeited by employees represent $5 million. During the 2012 transfer window period, LDCH purchased shares from employees corresponding to $132 million in attribution value bringing the attribution value of outstanding EPP awards granted to employees to $390 million. At 31 December 2011 the attribution value of outstanding EPP awards granted to employees was $417 million, of which $112 million correspond to awards granted in 2011, and $3 million to awards forfeited by employees. During the 2011 transfer window period, LDCH purchased shares from employees corresponding to $33 million in attribution value. At 31 December 2010 the attribution value of outstanding EPP awards granted to employees was $341 million, of which $84 million correspond to awards granted in 2010, and $6 million to awards forfeited by employees. During the 2010 transfer window period, LDCH purchased shares from employees corresponding to $52 million in attribution value.

At 31 December 2012, EPP awards fully vested represent $129 million and awards vesting ratably over periods ranging from 3 months to four years are of $261 million. At 31 December 2011, they were respectively of $180 million and $237 million vesting ratably over periods ranging from 3 months to four years. At 31 December 2010, they were respectively of $140 million and $201 million vesting ratably over periods ranging from 3 months to four years.

Compensation costs recognized in commercial and administrative expenses are of $100 million in 2012, of $94 million in 2011 and of $66 million in 2010.

Unrecognized compensation costs expected to be recognized from 2013 to 2016 are of $110 million at 31 December 2012, of $105 million at 31 December 2011, and of $91 million at December 31, 2010.

30. NUMBER OF EMPLOYEES AND PERSONNEL EXPENSES

For the year ended 31 December 2012, personnel expenses reached $913 million for an average number of employees of 18,634. For the year ended 31 December 2011, they were of $921 million for 16,523 employees. For the year ended 31 December 2010, they were of $675 million for 13,391 employees.

The average number of employees is as follows:

	2012	2011	2010
Managers and traders	1,394	1,245	1,094
Supervisors	1,049	930	771
Employees	4,043	3,626	2,896
Workers	8,480	7,512	6,557
Seasonal workers	3,668	3,210	2,073
	18,634	**16,523**	**13,391**

In 2012 and in 2011, the increase in the average number of employees is mainly explained by record volumes on harvest in Brazil and external acquisitions.

31. RELATED PARTIES TRANSACTIONS

Transactions with related parties are reflected as follows (*in thousands of U.S. dollars*):

Income Statement	**2012**	2011	2010
Sales *(1)*	$ 305,451	$ 415,708	$ 373,380
Cost of goods sold *(1)*	(422,469)	(267,331)	(117,307)
Other income net of expenses	13,543	4,025	(704)
Finance costs, net	14,985	4,598	6,402

Balance sheet	**2012**	2011	2010
Other investments, deposits & sundry *(1)*	$ 72,152	$ 56,500	$ 8,532
Financial advances to related parties *(1)*	20,892	39,868	33,159
Trade and other receivables *(1)*	316,562	83,979	141,415
Margin deposit *(1)*	232	11,450	-
Derivatives *(1)*	61,866	31,640	31,324
Receivables	**$ 471,704**	**$ 223,437**	**$ 214,430**
Other non-current liabilities	$ 1	$ 946	$ 1,185
Financial advances from related parties *(2)*	900,325	387,187	39,850
Trade and other payables *(1)*	55,649	11,574	11,176
Derivatives	18,459	17,633	1,428
Payables	**$ 974,434**	**$ 417,340**	**$ 53,639**

(1) Mainly correspond to transactions with affiliated companies carried at equity.
(2) Include dividend payable to LDCNH of $258 million at 31 December 2012 and financing from LDCH of $640 million at 31 December 2012 ($387.2 million at 31 December 2011 and $38.2 million at 31 December 2010), net of transactions relating to reimbursement agreements with LDCH of $23 million at 31 December 2012 ($37 million at 31 December 2011 and $26.9 million at 31 December 2010 - Refer to note 29).

In December 2012, Biosev moved from being a subsidiary of LDC to a sister company of LDC. As a consequence, Biosev has become a related party at that date.

32. SUBSEQUENT EVENTS

In January 2013, the Group signed an agreement to establish a joint venture with Namoi Cotton Ltd, an Australian company, whereby the Group will acquire a non-controlling stake (49%) in the cotton marketing and commodities packing assets for $32 million. The implementation of the joint venture is subject to a number of closing conditions.

On 31 January 2013, the Group acquired a minority stake (1.13%) for $30 million in Chinalco Mining Corporation International (CMC), subsequent to their successful listing of CMC on the Hong Kong Stock Exchange. CMC is owned by Chinalco, a leading metals and mining conglomerate based in China, and acts as Chinalco's platform for the acquisition, investment, development and operation of non-ferrous and non-aluminum mineral resources and projects overseas. CMC is currently focusing on developing the "Toromocho" Project which is located in central Peru in the core of the Morococha Mining district. The transaction involves both a strategic cornerstone investment in the Initial Public Offering and an off-take agreement pursuant to which the Group will buy a share of the annual production of copper concentrates of the Toromocho Project for a period of five years.

On 28 February 2013, the Group acquired a frozen juice packaging plant and related inventories in Toronto, Canada for $7.1 million. The acquisition complements the Group's retail strategy in North America by providing access to the Canadian market.

33. LIST OF MAIN SUBSIDIARIES

The main subsidiaries of LDC that are consolidated at 31 December are the following:

Company	**2012** % of control	**2012** % of ownership	2011 % of control	2011 % of ownership	2010 % of control	2010 % of ownership
LDC Argentina S.A. (Argentina)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Australia Holdings Pty. Ltd. (Australia)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Australia Pty. Ltd. (Australia)	100.00	100.00	100.00	100.00	100.00	100.00
Biosev Bioenergia S.A. (Brazil) *	-	-	91.15	55.89	86.29	50.62
Biosev S.A. (Brazil) *	-	-	57.82	55.89	53.35	50.62
Biosev Terminais Portuários e Participações, Ltda. (Brazil) *	-	-	100.00	55.89	-	-
Coinbra Frutesp S.A. (Brazil)	100.00	100.00	100.00	100.00	100.00	100.00
Crystalsev Comercio E Representãçao, Ltda. (Brazil)	-	-	90.45	50.55	-	-
Fertibrasil Logistica E Fertilizantes, Ltda. (Brazil)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Commodities Agroindustrial S.A. (Brazil)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Brasil S.A. (Brazil)	100.00	100.00	100.00	100.00	100.00	100.00
Macrofertil Industria E Comercio De Fertilizantes, Ltda. (Brazil)	100.00	100.00	100.00	100.00	-	-
Sociedade Operadora Portuario de São Paulo, Ltda. (Brazil)	-	-	100.00	51.35	-	-
Louis Dreyfus Commodities Bulgaria Eood. (Bulgaria)	100.00	100.00	100.00	100.00	100.00	100.00
LDM Yorkton Trading LP (Canada)	60.00	60.00	60.00	60.00	60.00	60.00
Louis Dreyfus Canada Ltd. (Canada)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities (Bazhou) Feedstuff Protein Co. Ltd. (China)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities (Beijing) Trading Company Ltd. (China)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities (Fujian) Refined Sugar Co. Ltd. (China)	67.00	67.00	67.00	67.00	-	-
Shaanxi Sanchuan Juice Co. Ltd. (China)	100.00	100.00	75.00	75.00	75.00	75.00
Louis Dreyfus Commodities Colombia, Ltda. (Colombia)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Citrus S.A.S. (France)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Distribution France S.A.S. (France)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities France S.A.S. (France)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Services S.A.S. (France)	100.00	100.00	-	-	-	-
Louis Dreyfus Commodities Silos S.A.S. (France)	61.12	100.00	61.12	100.00	61.12	100.00
SCPA Sivex International S.A.S. (France)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Commodities Wittenberg GmbH (Germany)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities India PVT Ltd. (India)	100.00	100.00	100.00	100.00	100.00	100.00
PT. Arrtu Plantation (Indonesia)	-	-	-	-	95.00	95.00
PT. Louis Dreyfus Commodities Indonesia PLC (Indonesia)	100.00	100.00	100.00	100.00	100.00	100.00

Company	2012		2011		2010	
	% of control	% of ownership	% of control	% of ownership	% of control	% of ownership
Louis Dreyfus Commodities Italia S.P.A. (Italy)	100.00	100.00	100.00	100.00	100.00	100.00
Gulf Stream Investments Ltd. (Kenya)	100.00	99.33	100.00	99.33	-	-
Louis Dreyfus Commodities Kenya Ltd. (Kenya)	99.33	99.33	99.33	99.33	99.33	99.33
Comercializadora Profesional Mexicana S.A. (Mexico)	100.00	100.00	100.00	100.00	100.00	100.00
Ecoval Holding B.V. (Netherlands)	100.00	100.00	-	-	-	-
Louis Dreyfus Commodities Metals B.V. (Netherlands)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Participations B.V. (Netherlands)	100.00	100.00	100.00	100.00	100.00	100.00
Nethgrain B.V. (Netherlands)	100.00	100.00	100.00	100.00	100.00	100.00
Coinbra International Trading N.V. (Netherlands Antilles)	100.00	100.00	100.00	100.00	100.00	100.00
LDC Paraguay S.A. (Paraguay)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Peru S.R.L (Peru)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Polska SP. z.o.o. (Poland)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Citrus Trading Lda (Portugal)	-	-	-	-	100.00	100.00
Louis Dreyfus Commodities Portugal Lda (Portugal)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Vostok LLC (Russian Federation)	100.00	100.00	100.00	100.00	100.00	100.00
GKE Metal Logistics Pte Ltd (Singapore)	51.00	51.00	-	-	-	-
Louis Dreyfus Commodities Asia Pte Ltd. (Singapore)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Africa (Proprietary) Ltd. (South Africa)	100.00	100.00	100.00	100.00	100.00	100.00
Coffee Agency S.A. (Spain)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Espana S.A. (Spain)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Freight Suisse S.A. (Switzerland)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Juices Suisse S.A. (Switzerland)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Commodities Metals Suisse S.A. (Switzerland)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Suisse S.A. (Switzerland)	100.00	100.00	100.00	100.00	100.00	100.00
Sungrain Holding S.A. (Switzerland)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Tanzania Ltd. (Tanzania)	100.00	100.00	100.00	100.00	100.00	100.00
LD Commodities Uganda Ltd. (Uganda)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Ukraine Ltd. (Ukraine)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities MEA Trading (United Arab Emirates)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Financial Management Ltd. (United Kingdom)	100.00	100.00	100.00	100.00	100.00	100.00
Ruselco LLP (United Kingdom)	100.00	100.00	100.00	100.00	100.00	100.00
Elkhorn Valley Ethanol LLC (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Imperial Sugar Company (U.S.A.)	100.00	100.00	-	-	-	-
LDC Holding Inc. (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Agricultural Industries LLC (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00

Company	2012		2011		2010	
	% of control	% of ownership	% of control	% of ownership	% of control	% of ownership
Louis Dreyfus Biofuels Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Citrus Inc. (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Claypool Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Investment Holdings LLC (U.S.A.)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Commodities LLC (U.S.A.)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Commodities Port Allen Export Elevator LLC (U.S.A.)	100.00	100.00	100.00	100.00	-	-
Louis Dreyfus Corporation (U.S.A)**	-	-	-	-	100.00	100.00
Louis Dreyfus Norfolk LLC (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
Term Commodities Inc. (U.S.A.)	100.00	100.00	100.00	100.00	100.00	100.00
LDC Uruguay S.A. (Uruguay)	100.00	100.00	100.00	100.00	100.00	100.00
Urugrain S.A. (Uruguay)	100.00	100.00	100.00	100.00	100.00	100.00
Louis Dreyfus Commodities Vietnam Company Ltd. (Viet Nam)	100.00	100.00	100.00	100.00	100.00	100.00

** The following entities changed their legal name in 2012:*
- Biosev S.A. is the new name of LDC BioEnergia S.A.
- Biosev Bioenergia S.A. is the new name of LDC-SEV BioEnergia S.A.
- Biosev Terminais Portuários e Participações, Ltda. is the new name of LDC-SEV Terminais Portuarios E Participãçoes, Lt.
*** Louis Dreyfus Corporation was replaced by Louis Dreyfus Commodities LLC the new top operating company in North America.*

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