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Strictly confidential

Noble Group Limited

(incorporated in Bermuda with limited liability)

US$400,000,000
6.750% Senior Notes due 2020
To be consolidated and form a single series with the US$850,000,000 6.750% Senior Notes due 2020 issued on October 29, 2009 (the "Original Notes")
Interest payable January 29 and July 29

The notes will mature on Janaury 29, 2020. Interest on the notes will be payable semi-annually and interest will accrue from January 29, 2010, and the first interest payment date will be July 29, 2010. The notes will be consolidated and form a single series with, and will rank *pari passu* with, the Original Notes, provided that notes represented by the Regulation S global note will be represented by interests in a temporary global note with a temporary CUSIP, ISIN and Common Code for 40 days after the closing date, at which time the interests in the temporary global note will be exchanged for interests in a permanent global note, at which point the notes will become fully consolidated and form a single series with the Original Notes. The total principal amount of the notes and the Original Notes now being issued is US$1,250,000,000.

At any time, we may at our option redeem all or any portion of the notes at 100% of the principal amount thereof plus the applicable premium as further described in this offering memorandum plus accrued and unpaid interest, if any, to the redemption date. We may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. Upon the occurrence of a Change of Control Triggering Event, as defined in the indenture governing the notes, we must make an offer to repurchase all notes outstanding at a purchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase.

The notes will be unsecured, rank equally with all our existing and future senior debt and senior to all our existing and future subordinated debt. The notes will be effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt and effectively subordinated to all existing and future debt of our subsidiaries.

For a more detailed description of the notes, see "Description of notes" beginning on page 102.

See "Risk factors" beginning on page 15 for a discussion of certain risks that you should consider in connection with an investment in the notes.

The notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, they are being offered and sold to non-U.S. persons in an offshore transaction in reliance on Regulation S under the Securities Act ("Regulation S") and within the United States only to qualified institutional buyers in reliance on Rule 144A under the Securities Act ("Rule 144A"). Prospective purchasers that are qualified institutional buyers as defined under Rule 144A are hereby notified that sellers of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the notes and distribution of this offering memorandum, see "Plan of distribution" and "Transfer restrictions".

Goldman Sachs International has proposed to offer the notes from time to time for sale in negotiated transactions, or otherwise, at varying prices to be determined at the time of each sale.

An application has been made for the listing of the notes on the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed contained herein. Approval in-principle for the listing of the notes, when received, is not to be taken as an indication of the merits of the notes, us or our subsidiaries.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company ("DTC") on or about February 9, 2010 (or such other time and date as we and the initial purchaser may agree), which is the fourth business day following the date of this offering memorandum (such settlement cycle being referred to as "T+4"). You should be advised that trading of the notes may be affected by the T+4 settlement. See "Plan of distribution".

Sole book running lead manager

Goldman Sachs International

February 3, 2010

In making your investment decision, you should rely only on the information contained in this offering memorandum. We and the initial purchaser have not authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it.

We and the initial purchaser are offering to sell the notes only in places where offers and sales are permitted.

You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front cover of this offering memorandum.

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Noble Group Limited is incorporated in Bermuda. Our principal executive offices are located at 18th Floor, MassMutual Tower, 38 Gloucester Road, Hong Kong and our telephone number at that address is +852-2861-3511. Our website is located at *www.thisisnoble.com*. The information on our website is not part of this offering memorandum.

In this offering memorandum, "Noble", "we", "us", "Company" and "our" refer to Noble Group Limited and, as the context may require, its predecessors and subsidiaries; the "Group" refers to Noble Group Limited and its subsidiaries; and the "initial purchaser" refers to the firm listed on the cover of this offering memorandum.

We accept responsibility for the information contained in this offering memorandum. We confirm that we have taken all reasonable care to ensure that this offering memorandum contains or incorporates all information which is material in the context of the notes, that all information contained in this offering memorandum is true and accurate in every material respect and is not misleading in any material respect, that the opinions and intentions expressed in this offering memorandum are honestly held by us and that, to the best of our knowledge and belief, there are no other facts the omission of which would make any statement in this offering memorandum or any of such information or the expression of any such opinions and intentions misleading in any material respect. We accept responsibility accordingly.

The initial purchaser has not separately verified the information contained herein. Accordingly, the initial purchaser named herein makes no representation or warranty, express or implied, as to the accuracy or completeness of such information, nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchaser, and no responsibility or liability is accepted by the initial purchaser as to the accuracy or completeness of the information contained in this offering memorandum or any other information provided by us in accordance with the notes, their distribution or the offering.

This offering memorandum is a confidential document that we are providing only to prospective purchasers of the notes. You should read this offering memorandum before making a decision whether to purchase any notes. You must not:

- use this offering memorandum for any other purpose;
- make copies of any part of this offering memorandum or give a copy of it to any other person; or
- disclose any information in this offering memorandum to any other person.

We have prepared this offering memorandum and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the notes. You may contact us if you need any additional information. By purchasing any notes, you will be deemed to have acknowledged that:

- you have reviewed this offering memorandum;
- you have had an opportunity to request any additional information that you need from us; and
- the initial purchaser is not responsible for, and is not making any representation to you concerning, our future performance or the accuracy or completeness of this offering memorandum.

We are not providing you with any legal, business, tax or other advice in this offering memorandum. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the notes.

This offering memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation.

You must comply with all laws that apply to you in any place in which you buy, offer or sell any notes or possess this offering memorandum. You must also obtain any consents or approvals that you need in order to purchase any notes. We and the initial purchaser are not responsible for your compliance with these legal requirements.

We are offering the notes in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering. The notes have not been recommended by any U.S. federal or state or any non-U.S. securities authorities, nor have any such authorities determined that this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

The notes are subject to restrictions on resale and transfer as described under "Transfer restrictions". By purchasing any notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in that section of this offering memorandum. You may be required to bear the financial risks of investing in the notes for an indefinite period of time.

IN CONNECTION WITH THIS ISSUE, GOLDMAN SACHS INTERNATIONAL (THE "STABILIZING MANAGER") (OR ANY PERSON(S) ACTING ON ITS BEHALF) MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, BUT IN DOING SO THE STABILIZING MANAGER SHALL ACT AS PRINCIPAL AND NOT AS AGENT OF THE COMPANY AND ANY LOSS RESULTING FROM OVER-ALLOTMENT OR STABILIZATION SHALL BE BORNE, AND ANY PROFIT ARISING THEREFORM SHALL BE BENEFICIALLY RETAINED, BY THE STABILIZING MANAGER. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR ANY PERSON(S) ACTING ON ITS BEHALF) WILL UNDERTAKE ANY STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES 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 CLOSING DATE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSON(S) ACTING ON ITS BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Notwithstanding any provision herein, with effect from the date of commencement of discussion concerning this offering of notes, each party hereto (and each employee, representative, or other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of this transaction and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except to the extent that any such disclosure could reasonably be expected to cause this offering not be in compliance with securities laws. In addition, no person may disclose the name of or identifying information with respect to any party identified herein or other non-public business or financial information that is unrelated to the tax treatment or tax structure of this transaction without our prior consent. For purposes of this paragraph, the tax treatment of this transaction is the purported or claimed US federal income tax treatment of this transaction, and the tax structure of this transaction is any fact that may be relevant to understanding the purported or claimed US federal income tax treatment of this transaction.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS

OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Market and industry data and forecasts

This offering memorandum includes market share and industry data and forecasts that we obtained from industry publications and surveys and internal company sources. Industry publications and surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. Statements as to our market position are based on market data currently available to us. While we are not aware of any misstatements regarding our industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk factors" in this offering memorandum.

Forward-looking statements

This offering memorandum includes statements that are, or may deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this offering memorandum and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we operate.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industries in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this offering memorandum. In addition, even if our results of operations, financial condition and liquidity and the development of the industries in which we operate are consistent with the forward-looking statements contained in this offering memorandum, those results or developments may not be indicative of results or developments in subsequent periods.

The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this offering memorandum.

The following list includes some, but not necessarily all, of the factors that may cause actual results to differ from those anticipated or predicted:

- the general condition of the industrial and agricultural raw materials and logistics sectors;
- the highly competitive nature of our business;
- social, political and economic situations in countries in which we operate;
- the possibility of war, other armed conflicts or terrorist attacks;

- the continued availability and retention of qualified personnel;
- changes in, or our failure to comply with, governmental regulations;
- our future capital needs;
- our ability to fund our future operations through borrowing or otherwise;
- our ability to service our existing and future indebtedness; and
- our ability to identify factors other than those discussed under the caption "Risk factors" and elsewhere in this offering memorandum.

You should read the factors described in the "Risk factors" section of this offering memorandum to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements.

Any forward-looking statements that we make in this offering memorandum speak only as of the date of such statements, and we undertake no obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, and should only be viewed as historical data.

Presentation of financial information

The accounting policies adopted in the preparation of the financial statements as of and for the years ended December 31, 2006, 2007 and 2008 have been prepared on a consistent basis. Our accounting policies are disclosed in our financial statements included elsewhere in this offering memorandum.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2008 and 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2008, except for the adoption of new Standards and interpretations as of January 1, 2009 as disclosed in Note 3 of the unaudited interim condensed consolidated financial statements included elsewhere in this offering memorandum.

Unless otherwise indicated, financial information in this offering memorandum has been prepared in accordance with international accounting standards adopted by the International Accounting Standards Board, as amended from time to time, commonly known as International Financial Reporting Standards ("IFRS", formerly the International Accounting Standards). IFRS differs in significant respects from the generally accepted accounting principles in the United States ("U.S. GAAP").

Certain conventions

Unless otherwise indicated or otherwise required by the context, all references in this offering memorandum to "A$" are to the lawful currency of Australia, references to "Hong Kong dollars", "HK dollars", and "HK$" are to the lawful currency of Hong Kong, references to "US dollars", "USD", "dollars", "US$" or "$" are to United States dollars, the lawful currency of the United States, references to "Singapore dollars" or "S$" are to the lawful currency of Singapore and references to "RMB" are to the lawful currency of the People's Republic of China (the "PRC"). All references to the "PRC" or "China" are to the People's Republic of China, excluding Taiwan and the special administrative regions of Hong Kong and Macau. All references to "ton" and "tonnage" are to "metric ton".

Rounding adjustments have been made in calculating some of the financial information included in this offering memorandum. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Non-GAAP financial measures

EBITDA as well as the related ratios presented in this offering memorandum are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, IFRS or U.S. GAAP. EBITDA is not a measurement of our financial performance or liquidity under IFRS or U.S. GAAP and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with IFRS or U.S. GAAP or as alternatives to cash flow from operating activities as a measure of our liquidity. In addition, EBITDA is not standardized terms, hence a direct comparison between companies using such terms may not be possible.

We believe that EBITDA facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortization of assets (affecting relative depreciation and amortization expense), extraordinary items and minority interests. We also present EBITDA because we believe that they are frequently used by securities analysts, investors and other interested parties in evaluating similar companies in our industry, many of whom present such non-GAAP financial measures when reporting their results. Finally, we present EBITDA as a supplemental measure of our ability to service our debt.

Nevertheless, EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of our financial condition or results of operations, as reported under IFRS. Because of these limitations, EBITDA should not be considered a measure of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our IFRS results and using EBITDA measures only supplementally. See "Selected consolidated financial information" and our consolidated financial statements.

Enforcement of civil liabilities

We are incorporated under the laws of Bermuda. In addition, certain of our subsidiaries are organized outside the United States. Certain of our directors named herein are resident outside the United States. A substantial portion of our assets and the assets of such individuals are located outside the United States. As a result, it may not be possible for investors to effect service of process upon us or upon such persons within the United States or to enforce against us or them in U.S. courts judgments obtained in U.S. courts predicated upon the civil liability provisions of the U.S. federal securities laws. There is doubt as to the enforceability in Bermuda, either in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated upon U.S. federal securities laws.

Available information

For so long as any of the notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act nor exempt from the reporting requirements of the Exchange Act under Rule 12g3-2(b) thereunder, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

We are not currently subject to the periodic reporting and other information requirements of the Exchange Act.

SUMMARY

This section contains a general summary of the more detailed information contained elsewhere in this offering memorandum. You should read carefully the entire offering memorandum to understand our business, the terms of the notes, and the tax and other considerations that are important to your decision to invest in the notes. You should pay special attention to the "Risk factors" section.

Our company

We are a global supply chain manager. Through our network of over 100 offices in more than 40 countries, we seek to provide a value-added service in the commodities supply chain by integrating the origination, processing, distribution and delivery of agricultural, industrial and energy commodities on a global basis. In certain bulk commodity sectors such as grain, coal and iron ore, we are building integrated supply chains, which we refer to as "pipelines", to enhance our control over every stage of the process that links producers and consumers. We believe our "pipeline" business model allows us to create additional value and capture margin across multiple points along the supply chain. In addition, we have made selective strategic investments in key infrastructure assets along the supply chain, such as port and warehouse facilities, processing plants and natural resource assets. We believe these investments generate additional sources of profit and enhance our long term competitiveness.

Our business comprises five business segments: Agriculture; Energy; Metals, Minerals and Ores ("MMO"); Logistics; and Corporate. The first three segments represent our commodity resource-based businesses. Our Logistics segment includes the Vessel Management division and the Vessel Chartering division, which provides transportation services to our other segments as well as services for third party merchants. Our Corporate segment includes our equity investments, as well as our corporate finance, structured finance, treasury departments and risk management business. Our Corporate segment also provides price risk management services to our customers and conducts our global foreign exchange management.

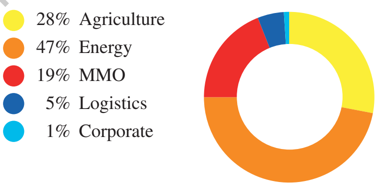
The following table sets forth each of our business segments and their component divisions:

AGRICULTURE	ENERGY	MMO	LOGISTICS	CORPORATE
• Grains	• Coal & Coke	• Iron Ore	• Vessel Chartering	• Equity Investments
• Coffee	• Oil & Gas	• Ferro Alloys	• Vessel Management	• Price Risk Management
• Cocoa	• Petrochemicals	• Alumina/Aluminum		• Vessel Ownership
• Cotton	• Carbon Credits	• Steel		• Structured Finance
• Sugar				• Corporate Finance
• Fertilizer				

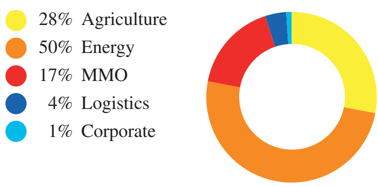
As a result of the global scope of our operations, more than half of our revenue in 2006, 2007, and 2008 and for the nine months ended September 30, 2009 on a discharge port basis was derived from activities outside of Asia. The following charts show our revenue and gross profit by business segment in 2007 and 2008 and for the nine months ended September 30, 2009, as well as the geographical distribution of our revenue on a discharge port basis for the same years and periods then ended.

Revenue by business segment (%)

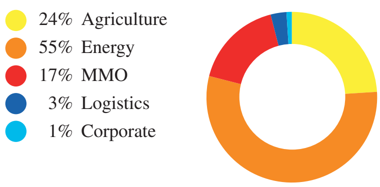
2007



2008



For the nine months ended September 30, 2009



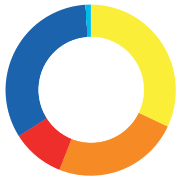
Gross profit by business segment (%)

2007

24% Agriculture
22% Energy
22% MMO
29% Logistics
3% Corporate

2008

32% Agriculture
24% Energy
10% MMO
33% Logistics
1% Corporate



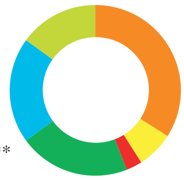
For the nine months ended September 30, 2009

37% Agriculture
31% Energy
10% MMO
15% Logistics
7% Corporate

Revenue by geographic segment (%)*

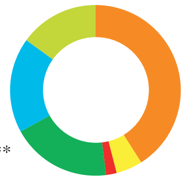
2007

34% North America
7% South America
3% Africa
21% Europe
20% PRC
15% Asia & Others**



2008

41% North America
5% South America
2% Africa
19% Europe
18% PRC
15% Asia & Others**



For the nine months ended September 30, 2009

49% North America
5% South America
2% Africa
13% Europe
16% PRC
15% Asia & Others**

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* Revenue by geographic segment has been calculated on a discharge port basis, *i.e.*, allocation is determined by the destination port of the goods.

** Including India and Australia, but excluding the PRC.

For the nine months ended September 30, 2009, we generated revenue and EBITDA of US$21,616.1 million and US$592.9 million, respectively. For the year ended December 31, 2008, we generated revenue and EBITDA of US$36,090 million and US$878 million, respectively.

We were incorporated in Bermuda with limited liability pursuant to the Companies Act 1981 of Bermuda on March 31, 1994. As of February 3, 2010, we had an equity market capitalization of S$11,378 million. Our shares have been listed on the SGX-ST since 1997.

Our competitive strengths

Diversity across business, geographies and customer base

We maintain a diverse portfolio of 24 business divisions in our five business segments. We believe our wide range of products and services, as well as our diversified sourcing and distribution networks across multiple geographic regions, mitigate the effects of supply and demand disruptions and allow us to take advantage of disparities in price, product quality and availability which improves our competitive position. Our diverse product line limits our dependency on a single product or commodity sector, thus creating an opportunity to build a broader revenue base.

Our diversified global business is demonstrated by each of our business segments contributing to our gross profit for the year ended December 31, 2008 and for the nine months ended September 30, 2009 as follows: Agriculture 32% and 37%, Energy 24% and 31%, MMO 10% and 10%, Logistics 33% and 15%, and Corporate 1% and 7%, respectively. We believe the diversity of our income base across our various divisions and segments allows us to mitigate single sector exposure and helps stabilize our profit levels despite changes in supply and demand, variable economic conditions and changes to the overall market environment.

This growth has been supported by our ability to expand across new markets as noted by the level of revenues generated across our global markets. In the year ended December 31, 2008 and the nine months ended September 30, 2009, we generated 46% and 54%, respectively, of our total revenue (on a discharge port basis) in North and South America; 21% and 15%, respectively, of our total revenue in Europe and Africa; and 33% and 31%, respectively, of our total revenue in Asia and Australia.

We have more than 4,000 clients across our various product divisions allowing us the ability to manage our business with greater flexibility. As our largest customer only accounted for 3.4% and 5.7% of revenue in 2008 and for the nine months ended September 30, 2009, respectively, we believe that we are not overly exposed to a single customer.

Demonstrated ability to expand business model supported by selective capital spending

We have successfully built a global network of over 100 offices in more than 40 countries. We believe our global footprint has enabled us to access new markets and expand our business profile to now include a wide range of industrial and agricultural commodities. As a result, our revenue increased from US$8.6 billion in fiscal year 2004 to US$36.1 billion in fiscal year 2008.

We have also leveraged our broad geographical presence, long-standing relationships with clients and ability to identify new business opportunities to enter into new markets. For example, our extensive relationships with farmers in Brazil, distributing fertilizers to them and purchasing their soybeans in return, allowed us to see a further opportunity to expand our cotton origination activities through these same farmer relationships.

We maintain a flexible business model where each individual business division has a broad range of decision making discretion enhanced by a "bottom to top" approach to decision making. When identifying and capitalizing on local market trends, our business culture affords us the ability to quickly identify market trends and opportunities across all business segments and to selectively invest in key supply chain assets. For example, in 2009, through our existing fuels trading business in North America our local teams were able to identify an opportunity to further integrate our operations with the acquisition of oil terminal and storage assets.

Our investment goal with respect to our asset-medium strategy is to maximize returns. We have invested US$1,694.9 million over the last three years at key points along the supply chain in low cost origination countries and high demand markets. Investments have included (i) mining assets, (ii) processing plants, (iii) port facilities and (iv) vessels. This has allowed us to further strengthen our supply chain and provides us with greater operational flexibility to improve our service to our clients.

Leading position in selected geographical markets

We target niche markets in which we believe we are most able to capture higher profit margins. We believe that we have leading market positions in a number of such niche markets, largely through our ability to link our long-standing customer relationships with our expertise in selected geographical markets. We also believe that our position as a leading market participant with a global network and diversified business platform provides us with economies of scale, helping to diversify some of our risks and strengthen our market knowledge and customer relationships.

As a result of our focus on niche markets we believe we have achieved leading market positions across several of our product divisions. We believe we are one of the leading suppliers of iron ore to the PRC and have developed long standing sourcing relationships with dozens of India based iron ore producers. We also believe that we are one of the largest soybean processors in the PRC with operating annual capacity of 3.7 million tons. We believe we are among the largest coal exporters in Indonesia, the world's largest coal producer. Our position as one of the largest bulk operators in Asia allows us to have access to unique knowledge across markets and products.

Strong brand with long-standing customer relationships

We believe that our focus on delivering first class client service is the key feature which distinguishes "Noble" as a valued brand in our markets. We believe that the "Noble" brand signifies timely delivery of high quality industrial and agricultural commodities to customers whose businesses depend on this reliability for their success. This reputation, coupled with the recruitment and retention of dedicated and experienced staff, has permitted us to develop long-standing customer relationships over our

22-year history. We believe that our brand value and reputation are our most important intangible asset, enabling us to gain access to new markets and to attract and retain our diverse customer base. Our brand value and reputation have also enabled us to expand into new product areas such as carbon credits and cotton as well as substantially increase our business activities in oil and gas.

Prudent and conservative financial profile

Noble has long maintained a conservative financial profile which we believe creates a strong competitive position, and makes us particularly during periods of economic weakness and market volatility a preferred counterparty.

Since the year ended December 31, 2006 our total debt to total capitalization has improved from 62% to 55% as of September 30, 2009. We have traditionally maintained a high level of cash and, during the recent market volatility further increased our cash levels to record levels in excess of US$1 billion in each of the quarters ended September 30 and December 31, 2008. As of September 30, 2009, our cash balance was US$767 million.

We have continued to expand the level of our committed debt facilities which now total in excess of US$4.0 billion, after successfully closing two committed revolving credit facilities totaling US$2.4 billion in October 2009. Our successful efforts to build long standing relationships with financial institutions have resulted in nearly US$8.7 billion in committed and uncommitted bank lines which gives us the necessary financial flexibility to run our business while ensuring ample liquidity.

We have established a diversified funding strategy which has enabled us to develop an extended maturity profile. As of September 30, 2009, we have maintained a sound leverage profile of 2.9x on a net debt (total debt less cash) to EBITDA basis.

We believe these factors contribute to our ability to maintain a competitive position as our customers, counterparties, and financial stakeholders prefer to work with Noble rather than less financially creditworthy competitors.

Entrepreneurial spirit encouraged by our experienced and incentivized management team

We encourage our managers to take an entrepreneurial approach in the management and development of each business division. To properly incentivize our employees we have established schemes for profit-sharing based on individual and group-wide performance. In addition we have fostered an ownership culture through the use of stock options to create a long term commitment reward opportunity. As of November 30, 2009, our directors, employees and other related parties owned approximately 34% of the outstanding common stock of the Company.

We have established over time an experienced management team led by our two founding leaders, Mr Richard Elman and Mr. Harindarpal Banga. Our ability to attract and retain key managers has allowed us to globally expand our operations, diversify into new markets, and make strategic investments in production and processing assets as well as infrastructure.

Our commitment to maintaining a flat organization allows us to maintain a flexible and responsive decision making process enabling us to quickly identify and capitalize on market opportunities as well as manage more efficiently our sourcing and supply operations according to changes in the market.

Strong risk management systems

Risk management represents an important part of our business culture and reputation. Our risk management framework consists of four elements: robust risk governance, a strong risk infrastructure for the gathering of information, detailed analysis, measurement and reporting of risk and strong front line risk controls to manage our exposure.

Our risk governance policy sets forth the clear allocation of roles and responsibilities among our Board of Directors, Executive Board, Risk Committees and risk management functions. The Board has ultimate responsibility for oversight of risk management within the Group and sets limits on our tolerance for risk. The Executive Board is tasked with ensuring that our business divisions understand and conform their operations to approved risk policies and allocates risk capital within the organization as part of the business planning process. Our Risk Committees, which meet weekly, share responsibility for implementing risk policies, ensuring consistency across the Group and reallocating risk capital within certain limits. Finally, the risk management function is responsible for the day to day monitoring and reporting of risk across the Group and the monitoring of limits set by the Board of Directors, the Executive Board and the Risk Committees.

In recent years we have further strengthened our risk infrastructure. Our risk department now totals more than 40 credit, operational and market risk management professionals. The majority of our senior risk professionals are located outside of our headquarters and throughout our global network thus enabling a closer working relationship with our front line employees while maintaining a centralized analytical function that ensures consistency across the organization. This team is supported by a number of technology platforms which facilitate information flows and reporting capabilities.

We use a range of analytical tools to measure and manage our market and credit risk, including value at risk ("VaR"), stress testing, scenario analysis, loss given default and product and geographical concentration analysis. Management of credit and counterparty risk is enhanced by our diversified client base, limited single-customer exposure and strict credit approval procedures. We use irrevocable letters of credit, parent guarantees, netting agreements and credit insurance covers to reduce payment risk.

We seek to maintain a short asset-to-cash conversion cycle to limit our potential country, counter-party and freight risks through our non-recourse revolving trade receivable financing facility as well as by discounting accounts receivables.

Our policy is to hedge most of our commodities transactions to the extent that a hedge is available or appropriate. In limited circumstances, we may decide not to hedge or to only partially hedge our price risks to maximize our operating margins. As of December 31, 2008 and as at September 30, 2009, approximately 90% and 93%, respectively, of our inventory was either hedged or sold goods in transit. We purchase risk insurance, including political risk insurance, in order to mitigate risks relating to markets in which we operate.

We manage our operational risks through strong inventory controls and oversight checks, standardized processes and procedures and clear segregation of duties with key control points reporting through independent functional groups.

Our strategy

Focus on low cost origination into high growth markets

We will continue to focus on commodities that we are able to source from markets with low production costs and supply to markets with projected high long term economic growth rates where we believe opportunities for market penetration and expansion of our market share and client base exist. For example, we will continue to focus on expanding our businesses in Australia, Brazil, Indonesia and India, which will allow us to meet demand in high-growth markets, including the PRC, India and the Middle East. These high-growth markets are among our selected long term target markets, as we believe that they offer the best opportunities for growth and market penetration. We also believe that the combination of our experience in these geographic markets and the technical skills and knowledge of our staff enable us to identify and pursue new business opportunities. Further, we believe the combination of our presence in bulk commodities in these key geographical markets with our logistics and vessel chartering knowledge creates a unique understanding of market trends which enables us to maintain a competitive position. For example, our presence as a leading supplier of iron ore and oilseeds in the PRC is enhanced by our ability to see the impact of demand on vessel capacity and vessel chartering prices.

Pursue selective acquisitions and investments to build our "pipelines"

We will continue to focus on selective investments in production and processing assets, as well as infrastructure assets such as ports, warehouses and storage facilities. We believe our ability to build a more integrated supply chain allows us to enhance our control over the sourcing and distribution platform with our clients. Our ability to integrate and manage the supply chain, linking origination and processing services with delivery and distribution networks, essentially "pipelines", creates additional sources of profit and strengthens our competitive edge. For example, we have invested in port facilities as well as a new soybean crushing facility in Argentina. Together, these linked investments allow us to realize higher margins as we have the ability to improve operational control over our sourcing to shipment. We also believe that our income profile is broadened as our income will include asset based income which complements our existing fee based income sources and trade arbitrage income opportunities.

Our investments also include resource assets to increase our captive production and expand our access to low cost and competitive sourcing and origination capacity. In recent years, we have made investments in coal mines (through the acquisition of Gloucester Coal Ltd., an equity stake in Middlemount Coal Pty Ltd and investments in mines operated by Donaldson Coal Pty Limited, our majority owned subsidiary) and iron ore resources (through the acquisition of an equity stake in M.H.A.G — Servicos & Mineracao S/A and in Territory Resources Limited). We expect to continue to see attractive investment opportunities as a result of, among other factors, (i) privatization of natural resources producers in emerging markets, (ii) voluntary or involuntary spin-offs and realignment of asset portfolios of producers of natural resources and (iii) restructuring of natural resources industries.

Maintain conservative financial profile and investment grade rating

We intend to maintain a conservative financial position. Our ongoing commitment to a conservatively based growth profile is evidenced by the recent investment grade ratings from three leading rating agencies. We believe maintaining our investment grade rating will enhance our long term competitive position, enable us to access certain markets and customers as well as diversify and lower the cost of our overall funding requirements. We believe that these efforts create a stable yet flexible funding strategy which will complement our other primary funding sources, namely cash from operations and supplier financing.

Recent developments

Gloucester Offer and Middlemount Share Sale

On December 22, 2009 and January 29, 2010 we announced a proposed combination of transactions comprised of a disposal of our shares in Gloucester Coal Limited ("Gloucester") and Middlemount Coal Pty Ltd ("Middlemount") to Macarthur Coal Limited ("Macarthur"), and a contemporaneous acquisition of approximately 24% of the enlarged share capital of Macarthur by us (the "Transaction"). As part of the proposed Transaction, as noted in the December 22, 2009 announcement, we had initially also proposed to dispose of a majority interest of approximately 79.9% of Donaldson Coal Holdings Limited ("Donaldson") to Macarthur. However, it was subsequently decided, as noted in our January 29, 2010 announcement, that this part of the proposed Transaction would not proceed and that the Group would retain its current interest in Donaldson's shares.

The proposed Transaction is comprised of several separate but interdependent transactions. As set forth in our announcements, it is expected that Macarthur will make an off-market takeover offer to acquire all of the issued shares of Gloucester (of which we currently hold 87.7%) at 0.84 Macarthur shares for every Gloucester share. Macarthur will also make an all cash alternative available to Gloucester shareholders. We will not elect to receive the all-cash alternative if we choose to accept the takeover offer. The Group proposes under the Transaction to dispose of 71,902,868 shares in Gloucester and 81,450 shares in Middlemount. Assuming that (i) we dispose of these shareholdings in Gloucester and Middlemount, (ii) minority shareholders in Gloucester accept Macarthur shares as opposed to cash and (iii) the exercise of the various conversion options in respect of loans owed by Middlemount to the Group and certain call option and royalty arrangements, we will receive Macarthur shares equal to approximately 24% of the enlarged share capital of Macarthur.

In connection with the Transaction, we have entered into the following arrangements with Macarthur:

1. a Transaction Facilitation Deed, originally entered into on December 22, 2009 and subsequently amended on January 29, 2010, setting out the parties' agreement with respect to the acquisition of our shares in Gloucester by Macarthur; and

2. a share sale deed with respect to, among other things, the purchase by Custom Mining Pty Ltd ("Custom Mining"), a subsidiary of Macarthur, of all of the 25.34% shareholding of Middlemount currently held by Paway Limited ("Paway"), one of our wholly-owned subsidiaries.

We have also entered into other ancillary documentation relating to, amongst other things, royalty reductions, call option cancellations and loan set-offs as part of the Transaction.

The proposed transactions are interconditional and are subject to, among other conditions precedent, (i) the offer for the Gloucester shares being made and becoming unconditional, (ii) the approval of both the Macarthur shareholders and our shareholders, and (iii) approval from Australian Foreign Investment Review Board of the transactions described above. There can be no assurance that the Transaction will be consummated.

Donaldson

In November 2009, the Group entered into a sale and purchase agreement to acquire the remaining 31.5% non-controlling interest in Donaldson, increasing its equity interest to 100% at a cash consideration of A$60,000,000 (equivalent to approximately US$55,200,000) with a further cash consideration of A$30,000,000 (equivalent to approximately US$27,600,000) contingent on certain mine expansion approvals being received within six years.

Repurchase for cash of part of the senior notes due 2015

On November 19, 2009, pursuant to a tender offer, we repurchased for cash US$488,141,000 of the principal amount outstanding of our US$680 million 6.625% senior notes due 2015.

CIC investment

On November 5, 2009, we placed 438 million newly issued shares for a total consideration of US$656 million to CIC at a price of SGD2.1137 per share. Concurrently with this placing, 135 million of our shares held by trusts associated with the interests of Mr. Richard Elman were also placed by way of a secondary placement to CIC. As a result of these transactions, CIC owned 14.91% of our outstanding and issued equity shares as at November 5, 2009. In connection with the placements of shares, we entered into an Investment and Cooperation Agreement with CIC to jointly invest in infrastructure related assets and agriculture supply chain management businesses. On a pro forma basis, assuming our issued and paid-in capital has not changed since September 30, 2009, the CIC investment increased our paid-in capital to HK$957,646,204 comprising 3,830,584,814 shares.

CIC is a PRC state-owned investment firm established in 2007, that, according to its website, manages over US$200 billion of PRC exchange reserves. Recently, CIC has made investments in the natural resources, infrastructure, utilities, real estate and agricultural sectors.

Senior notes due 2020

On October 29, 2009, we issued 6.750% senior notes in the aggregate principal amount of US$850 million. We may redeem some or all of the senior notes at any time at the applicable redemption prices. In addition, we may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If we experience specific kinds of change of control, we must offer to repurchase the senior notes at 101% of their principal amount. The senior notes are unsecured, rank equally with all our existing and future senior debt (including the notes offered hereby) and senior to all our existing and future subordinated debt. So long as any senior note remains outstanding, we are not allowed to create any form of encumbrance or security interest on the whole or any part of our undertaking, assets or revenue to secure any "international investment securities" or any guarantee or indemnity with respect to such international investment securities unless we grant the same security equally and ratably to the senior noteholders. The senior notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt.

Extension of US$1.2 billion committed unsecured revolving loan facility and new US$645 million committed unsecured revolving loan facility

On October 23, 2009, we announced that we had successfully closed two committed revolving credit facilities totaling US$2.4 billion. The facilities are comprised of (i) an extension of our existing US$1.2 billion facility to a US$1.755 billion committed unsecured revolving credit facility, half of which has been extended for an additional one year and half of which has been extended for an additional two years and (ii) a new 364-day US$645 million committed unsecured revolving credit facility. Proceeds from the facilities will be used for general corporate purposes.

Investment grade credit rating

On September 18, 2009, S&P raised the long-term corporate credit rating on Noble Group Ltd. to 'BBB-' from 'BB+' with a stable outlook. At the same time, Fitch also raised the issue rating on Noble Group to 'BBB-' from 'BB+'.

On October 14, 2009, Moody's raised the corporate family rating and senior unsecured bond rating on Noble Group Ltd. to "Baa3" from "Ba1" with a stable outlook.

Senior management restructuring

Ricardo Leiman was appointed the Chief Executive Officer of the Company, effective from January 1, 2010, and Richard Samuel Elman, founder and former Chief Executive Officer, was appointed the Executive Chairman of the Company.

THE OFFERING

The following summary contains basic information about the notes. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete understanding of the notes, please refer to the section entitled "Description of notes" in this offering memorandum.

Issuer	Noble Group Limited.
Notes offered	US$400 million aggregate principal amount of 6.750% Senior Notes due 2020. The notes will be consolidated and form a single series with, and will rank *pari passu* with, the US$850,000,000 6.750% Senior Notes due 2020 issued on October 29, 2009 (the "Original Notes"), provided that notes represented by the Regulation S global note will be represented by interests in a temporary global note with a temporary CUSIP, ISIN and Common Code for 40 days after the closing date, at which time the interests in the temporary global note will be exchanged for interests in a permanent global note, at which point the notes will become fully consolidated and form a single series with the Original Notes.
Offering	The Initial Purchaser has proposed to offer the notes from time to time for sale in negotiated transactions, or otherwise, at varying prices to be determined at the time of each sale.
Maturity date	January 29, 2020.
Interest	6.750%.
Interest payment dates	January 29 and July 29, commencing on July 29, 2010.
Optional redemption	At any time, we may at our option redeem the notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date, as set forth in "Description of notes — Optional redemption".
Optional tax redemption	The notes will be redeemable at our option, in whole but not in part, at any time, at their principal amount, together with accrued and unpaid interest, if any, to the date of redemption, upon certain changes in the tax laws of any relevant tax jurisdiction becoming effective that would impose withholding taxes or other deductions on the payments on the notes. See "Description of notes — Optional tax redemption".
Additional amounts	Subject to the limitations described under "Description of notes — Payment of additional amounts", we will pay to each holder of a note such additional amounts as may be necessary in order that the net amounts paid to such holder, after any deduction or withholding of taxes imposed by a relevant tax jurisdiction, including deduction or withholding on the additional amounts, will be not less than the amount specified in such note to which such holder is entitled.

Repurchase of notes upon a change of control triggering event	Upon the occurrence of a change of control triggering event, we will make an offer to repurchase all outstanding notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to the repurchase date. See "Description of notes — Repurchase of Notes upon a Change of Control Triggering Event".
Ranking	The notes will: • be unsecured; • be effectively junior to our secured debt to the extent of the value of the assets securing such debt; • rank equally in right of payment with all of our existing and future unsecured unsubordinated debt; • rank senior in right of payment to all our existing and future subordinated debt; and • be effectively subordinated to all existing and future debt of our subsidiaries. As of September 30, 2009: • we had approximately US$3,036 million of total indebtedness; • we had approximately US$193 million of secured indebtedness, to which the notes would be effectively subordinated to the extent of the assets used to secure such indebtedness; and • our subsidiaries had approximately US$818 million of indebtedness, to which the notes would be effectively subordinated.
Covenants	We will issue the notes under an existing indenture with Deutsche Bank Trust Company Americas, as trustee. The indenture limits, among other things, our ability to: • create liens; and • enter into mergers or consolidations. These covenants are subject to a number of important exceptions and qualifications. For more details, see "Description of notes". The indenture does not contain any other covenants or other provisions designed to afford holders of the notes protection in the event of a highly leveraged transaction involving us that could adversely affect the holders.
Transfer restrictions	We have not registered the notes under the Securities Act or any other applicable securities laws and the notes are subject to restrictions on transferability and resale. For more information, see "Transfer restrictions".
Denomination	The notes will be issued only in fully registered form, without coupons, in denominations of US$100,000 and integral multiples of US$1,000 in excess thereof and will be initially represented by one or more global notes registered in the name of a nominee of The Depository Trust Company.

Listing and trading of the notes	The Original Notes are currently listed on the SGX-ST. The notes are a reopening of an existing issue of securities. An application has been made for the listing of the notes on the Official List of the SGX-ST. The Original Notes are traded on the SGX-ST in a minimum board lot size of US$200,000 for as long as such notes are listed on the SGX-ST. It is expected that the notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for as long as the notes are listed on the SGX-ST.
Book-entry only	The notes will be issued in book-entry form through the facilities of DTC for the accounts of its participants, including Euroclear Bank S.A/N.V. ("Euroclear") and Clearstream Banking, *société anonyme*. ("Clearstream"). For a description of certain factors relating to clearance and settlement, see "Description of the book-entry system, delivery and form".
Delivery of the notes	We expect to make delivery of the notes, against payment in same-day funds, on or about February 9, 2010, which we expect will be the fourth business day following the date of this offering memorandum, referred to as "T+4". You should note that the initial trading of the notes may be affected by the T+4 settlement. See "Plan of distribution".
Ratings	The Original Notes are currently rated BBB- by Standard and Poor's Rating Services, BBB- by Fitch and Baa3 by Moody's. We cannot assure investors that these ratings will not be adversely revised or withdrawn either before or after delivery of the notes.
Use of proceeds	We intend to use the net proceeds from the issue of the notes for general corporate purposes. See "Use of Proceeds".
Additional notes................................	We may issue an unlimited principal amount of additional notes having identical terms and conditions as the outstanding notes from time to time. We will only be permitted to issue such additional notes if, at the time of such issuance, we were in compliance with the covenants contained in the indenture. Any such additional notes will be part of the same issue as the notes that we are currently offering and the holders of such additional notes will vote on all matters with the holders of the outstanding notes.
Trustee, Registrar, Paying Agent and Transfer Agent	Deutsche Bank Trust Company Americas.
Governing law	The notes and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The summary consolidated income statement and balance sheet data as of December 31, 2006, 2007 and 2008 and for the years then ended have been extracted from our consolidated financial statements that have been audited by Ernst & Young and are included elsewhere in this offering memorandum. The summary unaudited interim consolidated income statement data for the nine months ended September 30, 2008 and 2009 and the summary unaudited interim consolidated balance sheet data as of September 30, 2008 and 2009 have been derived from our unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2008 and 2009 included elsewhere in this offering memorandum. The summary consolidated other financial data as of December 31, 2006, 2007 and 2008, and September 30, 2008 and 2009, and for the years and periods then ended have been derived from our accounting records.

The accounting policies adopted in the preparation of the financial statements as of and for the years ended December 31, 2006, 2007 and 2008 have been prepared on a consistent basis. Our accounting policies are disclosed in our financial statements included elsewhere in this offering memorandum.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2008 and 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2008, except for the adoption of new standards and interpretations as of January 1, 2009 as disclosed in Note 3 of the unaudited interim condensed consolidated financial statements included elsewhere in this offering memorandum. Results for any interim period are not necessarily indicative of results for the full year.

Our financial statements are prepared and presented in accordance with IFRS, which differ in certain material respects from U.S. GAAP. Investors should read the summary consolidated financial information below in conjunction with "Management's discussion and analysis of financial condition and results of operations" and our audited consolidated financial statements, our unaudited interim condensed consolidated financial statements and the accompanying notes included elsewhere in this offering memorandum.

	For the year ended December 31,			For the nine months ended September 30,	
	2006	2007	2008	2008	2009
	(US dollars in thousands)				
Consolidated income statement data:					
Revenue	13,765,433	23,497,142	36,090,161	29,298,537	21,616,056
Cost of sales and services	(13,277,906)	(22,673,457)	(34,742,563)	(28,145,261)	(20,810,620)
Gross profit	487,527	823,685	1,347,598	1,153,276	805,436
Other income and gains	14,043	20,939	103,856	66,903	180,431
Selling, administrative and operating expenses	(272,091)	(391,818)	(567,584)	(510,057)	(300,173)
Share of profits and losses (net of tax) of jointly controlled entities and associates	(3,319)	(3,567)	(15,807)	(9,405)	(18,486)
Finance income	17,345	24,646	42,988	22,565	9,652
Finance costs	(74,133)	(170,615)	(235,075)	(177,488)	(155,317)
Tax	(35,932)	(44,785)	(96,238)	(103,938)	(49,163)
Net profit	133,440	258,485	579,738	441,856	472,380
Attributable to:					
Equity holders of the parent	134,512	258,121	577,279	438,363	471,142
Minority interests	(1,072)	364	2,459	3,493	1,238
Net profit	133,440	258,485	579,738	441,856	472,380

	As of December 31,			As of September 30,
	2006	2007	2008	2009
	(US dollars in thousands)			
		(Restated)		
Consolidated balance sheet data:				
Cash and cash equivalents	599,144	670,591	1,318,249	766,900
Property, plant and equipment	230,464	566,310	1,003,818	1,417,225
Total assets	3,811,409	6,709,878	8,152,624	8,516,487
Total debt	1,570,230	2,544,059	2,556,125	3,035,841[1]
Total liabilities	2,847,792	5,152,100	6,291,756	5,942,730
Total equity	963,617	1,557,778	1,860,868	2,573,757

(1) Does not reflect the issuance of US$850 million principal amount of our 6.750% senior notes due in 2020 on October 29, 2009. See "Management's discussion and analysis of financial condition and results of operations — liquidity and capital resources — historical debt and receivable financing — senior notes due 2020". Does not reflect the repurchase for cash of US$488,141,000 principal amount of our 6.625% senior notes due 2015 on November 19, 2009. See "Management's discussion and analysis of financial condition and results of operations — liquidity and capital resources — historical debt and receivable financing — senior notes due 2015".

	For the year ended December 31,			For the nine months ended September 30,	
	2006	2007	2008	2008	2009
	(US dollars in thousands)				
Other financial data					
EBITDA[1]	273,946	472,831	877,952	721,479	592,948
Depreciation and amortization[2]	18,509	39,082	108,808	88,641	73,760
Net debt[3]	971,086	1,873,468	1,237,876	2,006,213	2,268,941
Adjusted net debt[4]	90,574	279,171	(358,364)	69,768	459,294
Finance income	17,345	24,646	42,988	22,565	9,652
Net interest expense[5]	56,788	145,969	192,087	154,923	145,665
Capital spending	260,004	732,065	702,793	460,957	675,889
Ratio of EBITDA to net interest expense	4.8x	3.2x	4.6x	4.7x	4.1x
Ratio of net debt to EBITDA	3.5x	4.0x	1.4x	2.1x	2.9x
Ratio of adjusted net debt to EBITDA	0.3x	0.6x	(0.4x)	0.1x	0.6x

(1) "EBITDA" is defined as net profit plus income tax expense, net interest expense, depreciation, amortization, provision for impairment of long term investments, fair value losses on short term investments, gain/loss on disposal of long term investments, excess over the cost of a business combination and revaluation of pre-existing interest in an acquired subsidiary to fair value. EBITDA is not a calculation required by or presented in accordance with IFRS or U.S. GAAP. EBITDA should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternative to operating cash flows as a measure of our liquidity. Moreover, you should be aware that EBITDA measures presented in this offering memorandum may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation. The following table reconciles EBITDA to net profit, which we believe is the most directly comparable IFRS financial measure.

(2) "Depreciation and amortization" is comprised of depreciation of property, plant and equipment and amortization of prepaid land leases, intangible assets and mine properties and is included in "Cost of sales and services" and "Selling, administrative and operating expenses".

(3) "Net debt" is Total debt less cash and cash equivalents.

(4) "Adjusted net debt" represents Net debt less Readily Marketable Inventory ("RMI"). RMI is comprised of inventories covered by forward/future sales and sold goods in transit.

(5) "Net interest expense" is comprised of total interest expense net of interest income.

	For the year ended December 31,			For the nine months ended September 30,	
	2006	**2007**	**2008**	**2008**	**2009**
	(US dollars in thousands)				
Net profit attributable to equity holders of the parent	134,512	258,121	577,279	438,363	471,142
Income tax expense[(A)]	36,040	45,795	95,903	103,938	49,163
Net interest expense	56,788	145,969	192,087	154,923	145,665
Depreciation and amortization	18,509	39,082	108,808	88,641	73,760
Provision for impairment of long term investments	31,888	—	29,634	2,004	2,271
Fair value losses on short term investments	—	—	13,768	—	—
Loss/(gain) on disposal of long term investments	(3,791)	(16,136)	(139,527)	(66,390)	4,947
Excess over the cost of a business combination	—	—	—	—	(141,419)
Revaluation of pre-existing interest in an acquired subsidiary to fair value	—	—	—	—	(12,581)
EBITDA	273,946	472,831	877,952	721,479	592,948

(A) Income tax expense includes tax of jointly-controlled entities and associates.

Investing in the notes involves substantial risks. In evaluating an investment in the notes, you should carefully consider, along with the other information provided to you in this offering memorandum, the specific factors set forth below. In addition to the risks described below, there may be additional risks and uncertainties not currently known to us or that we currently deem to be immaterial that may become material risks. Any of these risks could materially affect our business, financial condition or results of operations. In such case, you may lose all or part of your original investment.

Risks relating to our business

We are susceptible to a variety of operational and infrastructure risks

Our diverse business operations are exposed to a variety of operational risks. In addition, our migration from an asset-light to an asset-medium business model in recent years has resulted in an increased exposure to risks associated with our ownership of certain infrastructure assets. The risks associated with our expanded operations may not be able to be fully mitigated and include transport disruption, port congestion, extreme weather conditions and natural disasters such as hurricanes and flooding which could result in delayed delivery, crop failure or reduced harvests. Additionally, unexpected maintenance problems at production facilities, collapse or damage to mines, and unexpected geological variations could affect mine output levels. Furthermore, crushing, refining, processing and mining operations depend heavily on key inputs, such as labor, fuel, and electricity. These factors affecting our operations in general and the operation of our infrastructure assets may have a significant adverse impact on our financial conditions and results of operations.

Commodity price and freight rate fluctuations may negatively impact our financial condition and results of operations

The prices of commodities are volatile, cyclical and market-driven and are therefore largely determined by changes in the supply and demand of agricultural and industrial commodities and raw materials that are caused by market fluctuations outside of our control. These include global and regional economic conditions, developments in international trade, supply and demand for commodities, weather patterns and crop yields, among other factors. In some instances, and for some periods, the price of commodities could be affected by factors other than supply and demand, such as exchange rate fluctuations or government policies. Changes in the prices of the commodities may affect our profit margin. We are generally able to confirm orders with suppliers upon receiving confirmed orders from our customers and prices for purchases are confirmed shortly after the sale price has been determined. However, no assurance can be given that we can always close purchase and sale contracts at the same time or that we will always be able to mitigate our exposure to commodities price fluctuations at all times. As such, we may be exposed to fluctuations in prices, which may affect our financial position and results of operations.

Freight rate fluctuation may also materially impact our financial condition and results of operations. Our cargo transportation and charter rates are based in part on supply and demand. They are the most variable element of expense in relation to a particular shipment and are relevant to our results of operations to the extent that they affect the pricing and profit margin of the services provided by our business. Changes in commodity transportation and charter rates affect the shipping industry as a whole and we normally mitigate this effect by hedging and passing on a portion of such changes to our customers. However, it may not always be possible for us to immediately offset a contract of affreightment with a corresponding charterparty and during this period, depending on market conditions, prevailing rates may be subject to change. If charter rates, or the efficiency with which we operate the vessels we have chartered, were to decrease significantly, our earnings in our chartering and vessel ownership businesses could be adversely impacted. If charter rates were to decrease, we could find ourselves with contracts to charter vessels at above-market rates as the pricing continues to decline.

Our customers may default on their obligations under our contracts with them

As we operate in a highly fragmented market, our customer base is large and diverse. A significant portion of our business is in the emerging markets and a key part of our strategy involves expanding our business further in these emerging markets, including the PRC, South America, Indonesia and India. Although we try to ensure that we do business with customers with a good credit history, there is no assurance that all our businesses will be transacted with such customers or that we will be able to mitigate our risk with adequate security. Furthermore, although we request all potential counterparties to be subject to our internal credit approval process, in some instances, there may be limited financial information available about our counterparties. As a result, counterparty risk is largely assessed on and reviewed by our credit committee, using both qualitative and quantitative credit methodologies. There can be no assurance that any of our customers will be able or willing to fulfill their obligations under the contracts we enter into with them. In addition to non-payment for the commodities we trade or freight, the potential risks that are associated with a defaulting counterparty include the cost of bringing the cargo to the destination if the cargo is already loaded on board of our vessel at the time of the default. If a vessel is chartered out on time-charter, additional costs such as port expenses and stevedoring costs may be incurred.

We are exposed to credit risk arising from financing activities

We undertake a number of financing activities in the ordinary course of our business. These activities include providing trade credit to our customers, extending financing to suppliers in the form of advance payments, extending financing to producers through the arrangement of conversion contracts and entering into structured finance and hedging transactions. There are inherent credit risks associated with these financing activities, such as suppliers failing to supply the goods after we have provided advance payments or material quality problems from products supplied. To minimize credit risks, all potential counterparties to our financing activities are also subject to our credit approval process. Nonetheless, credit risks arising from financing activities may have an adverse impact on our financial condition and results of operations.

We may not hedge or adequately hedge risks associated with our businesses

We use derivative financial instruments to hedge against commodity price fluctuations. However, we may not hedge or adequately hedge against all commodity price fluctuations, and there is no assurance that any derivative financial instruments used by us will be sufficient in hedging such risk. We may also incur certain basis risk and/or credit risk in connection with those hedging arrangements. In addition, prices of certain commodities that we handle, such as steel and iron ore, are not capable of being hedged by derivative financial instruments and can only be hedged by other, less effective mechanisms.

In certain circumstances, we may decide to take certain risks that we believe are reasonable and choose to only partially hedge price risks in order to maximize our operating margins. Further, no assurance can be given that we can always close purchase and sale contracts at the same time. Consequently, we may be temporarily exposed to fluctuations in prices, against which we may not be sufficiently hedged, and which may affect our financial position and results of operations. Any price risk that we choose only to partially hedge or not to hedge, could not hedge or improperly hedge, could materially adversely affect our margins and profitability and may have a material adverse effect on our business, financial position and results of operations. In the event of material disruptions in the commodity exchanges on which we engage in hedging transactions or in the event of price movements against open positions in a commodity in which we are not fully hedged, our results of operations may be adversely impacted.

We may not be able to expand our business effectively through acquisitions, investments, joint ventures and new lines of business

A principal focus of our strategy is to create a long term sustainable business. This may include expanding or changing our geographic focus or the composition of our business, opportunistically acquiring new businesses, entering into new strategic alliances and joint ventures, investing in infrastructure and mining assets or entering into new lines of businesses. Our ability to benefit from such acquisitions, investments, alliances and joint ventures will depend upon a number of factors, some of which are beyond our control. These factors include, but are not limited to, our ability to maintain, expand or develop our customer relationships, identify businesses for acquisition, investments, joint-ventures or alliances, successfully integrate any business we acquire, identify additional new markets, successfully work with our joint venture partners or other shareholders and train and retain qualified personnel to manage and operate our growing business and any new businesses. In addition, such expansion will require us to continuously upgrade and improve our risk management systems and controls and ensure that all members of staff are adequately trained in our risk management policies. The failure to manage any of these factors effectively, including our ability to identify, purchase, develop, integrate and manage any new businesses, may have a material adverse affect on our business, financial position and results of operations.

Integrating new businesses into our operations framework and ensuring their proper management may also involve unanticipated delays, costs and operational problems, in particular with respect to businesses with which we have not had extensive experience in the past. We may encounter unexpected problems or have disagreements or conflicting interests with one of our joint ventures or alliance partners or the other shareholders of our acquisitions. Further, with respect to some joint ventures or our equity investments in which we only hold a minority share, we may not have any board representation or veto power. In case of disagreement with our partners or other shareholders, other parties may breach or terminate our previously negotiated offtake agreements and our senior management may be required to divert attention away from other aspects of our businesses to address these problems. Acquisitions also pose the risk that we may be exposed to successor liability relating to actions by an acquired company and its management before and after the acquisition. The due diligence we conduct in connection with an acquisition, and any contractual guarantees or indemnities that we receive from the sellers of acquired companies, may not be sufficient to protect us from, or compensate us for, actual liabilities. A material liability associated with an acquisition could adversely affect our reputation and could reduce the benefits of the acquisition and may have a material adverse effect on our business, financial position and results of operations.

We are dependent on access to external sources of funding to finance our future growth and to acquire and maintain the inventory, facilities and equipment necessary to run our business

Our future funding requirements depend, in large part, on our working capital requirements and the size of our capital expenditures. We may require significant financing to purchase, process and market our commodities inventories as well as to fund any future investments or acquisitions. An interruption of our access to the credit markets or a significant increase in our cost of credit could materially increase our interest expense and impair our ability to compete effectively in our business.

We operate an extensive network of storage facilities, port facilities and transportation assets as part of our business. We are required to make capital expenditures to maintain, upgrade and expand these assets to keep pace with competitive developments, technological advances and changing safety standards in our industry. Further, the availability of financing from banks and the financial community as well as trade suppliers is necessary for us to fund organic growth, introduce new business lines, expand our "pipelines" vertically or make new acquisitions and investments. Such financing may not be available in the future or at a reasonable cost, which would have a significant impact on our business activities. Although we have committed bank and trade finance facilities and supplier financing, there is no assurance these will continue to exist in the future or on attractive terms. Any failure to secure financing on reasonable terms could materially affect our success in pursuing our business strategy and adversely affect our financial position and results of operations.

We operate in highly competitive industries

The businesses in which we are engaged are highly competitive and we have competitors in each of our major business operations on a local, regional, national and international level. Although barriers to entry are high in a number of our businesses due to the costs associated with sourcing commodities and managing their transportation, we face additional competition from new entrants and from our existing customers who are becoming more involved in sourcing and transporting to satisfy their own supply requirements. Increased competition may reduce the growth in our customer base, reduce the profit margins and the market share that we currently enjoy, and result in higher selling and promotional expenses. If we fail to sustain our competitive advantages, our business, results of operations and financial position may be materially and adversely affected. In addition, we face significant competitive challenges in our various business segments as outlined below.

Agriculture, Energy, and MMO. The markets for our agriculture, energy and MMO products are price competitive and sensitive to product availability. Although we have expanded vertically along the supply chain and have developed new lines of businesses, in some of our commodities divisions, our competitors have greater economies of scale, with a longer operating track record in certain countries and are also more vertically integrated, and generally not only act as commodities merchants but also as processors, which allows them to make a higher profit margin. Competition with these and other suppliers, processors and distributors is based on price, quality of service, geographic location and transportation services. These competitors may be able to devote greater resources to the development, promotion and employment of their businesses than we can. There can be no assurance that we will be able to continue to compete successfully and the competitive environment may have a material adverse effect on our business, financial position and results of operations.

Logistics. Although the logistics industry is highly fragmented, with many shippers, owners and operators of vessels and is characterized by intense competition, there is a trend towards consolidation in the industry, which is creating an increasing number of global enterprises capable of competing in multiple markets and for a wide range of cargos. These competitors may be able to devote greater resources to the development, promotion and employment of their businesses than we can. There can be no assurance that we will be able to continue to compete successfully and the competitive environment may have a material adverse effect on our business, financial position and results of operations.

We rely on key executives and personnel

Our performance depends in part on the continued services and performance of our senior management and other executive personnel. Our performance also depends on our ability to attract, retain and motivate our officers and key employees (including experienced traders who have established relationships with the key customers and other logistics professionals). Without sufficient numbers of skilled employees, our operations may suffer, resulting in an adverse effect on our business performance. As such, if we are unable to attract, retain and motivate our key personnel, our business, results of operations and financial position may be materially and adversely affected.

We may not have sufficient insurance and may be unable to maintain existing insurance coverage

Risks associated with the transportation and delivery of our customers' goods include property damage, loss in transportation, delays, accidents and other mishaps, all of which may result in liability to us and claims by our customers and/or other third parties. The operation of our vessels has an inherent risk of marine disasters, mechanical failure, collision, fire, war, terrorism, piracy and other events. To the extent practicable, we have insured against certain of these risks. However, there can be no assurance that all risks are adequately insured against, and that we in fact maintain or will continue to maintain sufficient insurance coverage for all risks at commercially reasonable rates.

We are indemnified for legal liabilities incurred while operating our owned fleet and chartered fleet through membership in Protection and Indemnity Associations ("P&I Associations"), or fixed premium Protection and Indemnity insurers, and we procure that the owners of our managed fleet and chartered fleet similarly insure themselves through memberships in P&I Associations. Some P&I Associations are mutual insurance associations whose owner members must make contributions to cover losses sustained by other association members. The objective of a P&I Association is to provide mutual insurance based on the aggregate tonnage of the members' vessels entered into the association. Claims are paid through the aggregate premiums of all members of the association, although members remain subject to calls for additional funds if the aggregate premiums are insufficient to cover claims submitted to the association. Claims submitted to the association may include those incurred by members of the association, as well as claims submitted to the association from other P&I Associations where the association has entered into interclub agreements. There is a risk that the P&I Associations with which our owned vessels are registered will call for additional funding from its members and any such funding calls may have a material adverse effect on our business, financial condition and results of operations.

In November 2002, the United States passed the Terrorism Risk Insurance Act of 2002 which was principally designed to cover real estate risk and did not take into account directly the specifics of the marine insurance market. Under this Act, P&I Associations are required to offer liability insurance coverage of up to US$4.5 billion in respect of terrorism risks to all U.S. flagged ships and to all ships trading to the United States. While it is a requirement that insurers offer this coverage, it is not a requirement that the consumer (in this case the ship owner) take out this coverage. As the premium for this coverage is prohibitively high, we, in accordance with industry practice, have not subscribed for this additional insurance coverage for owned vessels. By declining such additional coverage, our current insurance coverage in respect of terrorism risks continues, and is limited to US$750 million per vessel per incident. As such, in the event of an act of terrorism on one of our vessels in the United States, any claims in excess of our insured coverage would be uninsured, which may have a material adverse effect on our business, financial condition and results of operations.

We are exposed to currency risk and interest rate risk

We have a broad operating base around the world and accordingly, we are exposed to foreign exchange risks arising from various currency positions, primarily with respect to the US dollar. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As the vast majority of our purchases and sales are denominated in US dollars, but some of the costs, expenses and capital expenditures are incurred in other currencies, exchange rate fluctuations could adversely affect our result of operations. We use derivative financial instruments such as foreign exchange forward and option contracts to hedge our risk associated with foreign currency fluctuation, but there can be no assurance that such foreign exchange contracts are sufficient in hedging such risk.

We are exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on our assets, liabilities and cash flows. Currently, we only have a minimal amount of debt that bears interest at floating rates but to the extent we increase our exposure to floating rate debt, we will be subject to the risk that interest expenses may increase if interest rates increase, which would adversely affect our results of operations.

We operate in highly regulated industries

We operate in the industrial, agricultural and energy commodities industries and maritime transportation, all of which are regulated and some of which are highly regulated.

Agricultural production, commodities such as steel and trade flows are significantly affected by government policies and regulations. Government policies affecting the agricultural and steel industries and other commodities, such as taxes, tariffs, duties, subsidies, import and export restrictions and food safety and hygiene can influence industry profitability. Future government policies, for example, if the PRC government imposes a cap on soybean crushing capacity, or if the Brazil government restricts development of new sugar mills, or if the PRC government continues to raise the export tax on steel to address the PRC's trade surplus, may adversely affect the supply and demand for, and prices of, our products and restrict our ability to do business in our existing and target markets which could have a material adverse effect on our business, financial position and results of operations.

Our operations are also affected by extensive and changing environmental protection laws and other regulations, compliance with which may entail significant expenses for any of our businesses segments. Additional laws and regulations may be adopted which could limit our ability to do business and which could have a material adverse effect on our business, financial position and results of operations. An overview of the regulatory environment we operate in is described in the section headed "Business — Regulatory overview".

The vessels we own, charter or manage have to operate within the rules, international conventions and regulations adopted by the International Maritime Organization ("IMO"), an agency of the United Nations, as well as the environmental protection laws, health and safety regulations and other marine protection laws in each of the jurisdictions in which our vessels operate. In complying with IMO regulations and other regulations that may be adopted, we may be required to incur additional costs in meeting new maintenance and inspection requirements, in developing contingency arrangements for potential contamination by vessels and in obtaining insurance coverage.

Compliance with environmental requirements may be very costly and we may be exposed to liability as a result of our handling of hazardous materials and commodities

Our Agriculture, MMO, Energy and Logistics segments, like other similar operations, may discharge pollutants into the environment. Our business also involves the handling and use of hazardous materials, particularly in our Energy and Logistics segments. We are subject to government and local government environmental protection and safety at work laws and regulations in the countries where we operate, including those governing the labelling, use, storage, discharge and disposal of hazardous materials. These laws and regulations require us to implement procedures for the handling of hazardous materials and for operating in hazardous conditions, and they impose liability on us for the clean up of any environmental contamination and the remedy of any safety at work violations. Fines are imposed for violations of environmental laws, regulations or decrees and sometimes allow the relevant government or local authority to stop any operation which fails to comply with orders requiring it to cease or cure certain activities causing environmental damage.

We have implemented measures to control pollution and hazardous conditions caused by our operations. However, environment laws and regulations are subject to change at any time. These changes may result in significant increases in the cost of complying with such regulations. Further incidents or heightened fears of international terrorism, for example, may result in more stringent inspection regimes or greater administration procedures that may increase compliance costs significantly. Although we believe we have adequate insurance cover to protect against the risk of handling hazardous materials, we may have to bear increased costs as a result of changes in environmental legislation. Changes in environmental requirements, unanticipated significant adverse environmental events or accidents resulting from those hazardous substances may nevertheless have a material adverse effect on our business, financial position and results of operations.

We could lose customers and incur liability if we fail to properly label or separate products that contain genetically modified organisms from those that do not

The use of genetically modified organisms ("GMOs") in food and in animal feed has been met with varying degrees of acceptance in the different markets in which we operate. 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 origination process. However, adverse publicity about genetically modified food has led to government regulations that limit or prevent sales of GMO products in some of the markets in which we sell our 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 our products or that our customers will decide to purchase lower levels of GMO products or not to buy GMO products at all.

In general, we do not test our agricultural commodities inventory for the presence of GMOs. It is possible that we may inadvertently deliver products that contain GMOs to those customers that request GMO-free products. As a result, we could lose customers and may incur liability. If our current testing and crop segregation procedures are not effective, we may incur significant expenses related to upgrading our procedures and facilities. Recent events have also illustrated how GMO products that have not received regulatory approval may enter the food chain. If we encounter incidents of this type they can be costly and time-consuming to rectify, may damage our reputation and may subject us 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 our products, we could lose customers and could be prohibited from selling our products in some countries.

The shipping industry is highly cyclical and subject to fluctuations in the price of ship fuel oil

Our Logistics segment is focused on the ownership, operation, employment and management of vessels. The shipping industry is highly cyclical and subject to seasonal fluctuations. Changes in the supply of and demand for shipping capacity can lead to volatility in charter rates and vessel values, which may adversely affect the results of operations of our Logistics segment. Commodity transportation and charter rates, in particular for the transportation of dry bulk commodities, are influenced by global and regional economic conditions, trading volumes, developments in international trade, changes in seaborne and other transportation patterns, supply of vessels, lengthy quarantines, weather patterns, crop yields, alternative sources of supply for those commodities, foreign exchange fluctuations, armed conflicts, canal closures, embargoes and strikes, among other factors.

The results of operations of our Logistics segment may be particularly affected by the volatility in the price of ship fuel oil, although such volatility affects all our business segments to some extent. A significant increase in ship fuel oil prices may have an adverse impact on our freight cost and hence our profit margin, as it is not possible to predict the future price of ship fuel oil when fixing forward freight contracts for an extended period.

By using our insight and market knowledge of the commodities markets in which we operate, we seek to anticipate supply and demand patterns in order to ensure that we have available capacity in our owned and chartered vessels to meet the needs of those commodities markets. Contracts of affreightment require us to provide shipping services in the future at pre-determined prices. If our fleet decreases below the number of vessels needed to meet those commitments, or the cost of chartering in vessels increases above the pre-determined prices, we may suffer losses. In attempting to anticipate these needs, we may decide to take certain risks that we believe are calculated. The factors influencing the supply and demand for vessel capacity are outside our control and the nature, timing and degree of changes in industry conditions are unpredictable and may have a material adverse effect on our business, financial position and results of operations.

Maritime claimants could arrest our chartered and owned vessels, which could interrupt our cash flow

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against that vessel (and, in some jurisdictions, any vessel owned or controlled by the same owner) for unsatisfied debts, claims or damages. In many jurisdictions a maritime lienholder may enforce its lien by arresting a vessel and commencing foreclosure proceedings. The arrest or attachment of one or more of our vessels (whether owned or chartered) could require us to pay a substantial sum of money, cause delays in loading and unloading of cargo, and make us incur additional costs such as port expenses, which in each case may have a material adverse effect on our business, financial position and results of operations.

Governments could requisition one or more of our vessels, or vessels chartered by us, during a period of war or emergency, resulting in loss of earnings

A government could requisition for title or seize our vessels or vessels chartered by us. Requisition for title occurs when a government takes control of a vessel and becomes the owner. Also, a government could requisition one or more of our vessels for hire. Requisition for hire occurs when a government takes control of a vessel and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency. It is uncertain if and when we would receive compensation for any requisition and how much that compensation may be. Government requisition of one or more of our vessels could result in a loss of earnings and may have a material adverse effect on our business, financial position and results of operations.

The costs of maintaining our vessels and keeping them in good repair may be unpredictable

As our vessels age, the costs to operate and maintain them in operation increase. Further, any hidden problems or latent defects, when detected, may be expensive to repair and if not detected, may result in accidents or other incidents for which we may become liable to third parties. Further, if our vessels suffer damage, they may need to be repaired at a drydocking facility and our vessels could have higher than normal off-hire days due to an unexpected drydocking. The costs of drydock repairs are unpredictable and can be substantial. We may have to pay drydocking costs that our insurance does not cover. This would decrease earnings and may have a material adverse effect on our business, financial position and results of operation.

We are also exposed to risks arising from global economic and financial conditions

The success and profitability of our activities depend, in part, on global economic growth and trading volumes. Trading volume within a country and between countries will be affected by changes or developments in global economic and financial conditions (including currency rate movements), which are beyond our control. Other extraneous factors, such as the imposition of trade tariffs, sanctions, boycotts, trade and labor disputes and work stoppages, particularly in the transportation services industry, and acts of war or hostilities, which are beyond our control, could adversely affect trading volumes and lead to a material decline in the demand for the services offered by us.

We are exposed to risks associated with emerging markets

A significant percentage of our revenue is derived from our business in the Asia Pacific region and a key part of our strategy involves expanding our business in several other emerging markets, including South America, Indonesia and India. In recent years, these markets have been among the world's fastest growing economies in terms of gross domestic product growth. However, there is no assurance that such growth will be sustained or that these countries will not experience negative growth in the future.

A deterioration in the economies of emerging markets, a national, regional or global recession, any slowdown in the economies of the United States and the European Union, a devaluation of the currencies of emerging markets or a significant decrease in demand for imports to, and exports from, such emerging markets may adversely affect economic growth in these emerging markets and elsewhere and may have a material adverse effect on our business, financial position and results of operations.

Our growth in recent years depended in part upon the growth of our operations in the PRC. The risks associated with the PRC economic, political and legal climate as well as the economies in the surrounding region may have a material adverse impact on our financial condition and results of operations. Although we believe continuation of the current reforms adopted by the PRC government will have a positive effect on our business in this country, changes in policy (including the tightening measures introduced by the government to combat potential inflation or any significant reduction in the stimulus package to further domestic growth) or any failure to implement such policies successfully may have an adverse effect on the PRC economy and consequently on our business and results of operation. In addition, we have to comply with certain laws and regulations in the PRC and have to obtain certain permits and authorizations from the relevant PRC regulatory authorities. Any change in the existing legal and regulatory environment in the PRC may increase costs and have a material adverse effect on our financial condition and results of operations.

Acts of God, acts of war, terrorist attacks, epidemics and other events could adversely affect our business

Acts of war, terrorist attacks and responses to terrorist attacks cause political instability and volatility in the world's financial, energy and commodities markets. Our geographic presence in Asia may make us vulnerable in the event of increased tension or hostilities in many countries including China, Taiwan or North Korea. In addition, our geographic presence in potentially volatile countries such as the Ivory Coast, where we source coffee and cocoa, makes certain of our businesses vulnerable to tension or hostilities in these countries. Any such events may cause damage or disruption to our business, employees, facilities, markets and our customers, any of which could materially impact our revenue, costs of operations, overall results and financial condition.

In addition, many of our ships, or those we charter, sail through the Straits of Malacca and off the east coast of Africa, amongst other routes, which are prone to terrorism and piracy. Piracy and terrorist attacks conducted against the vessels we own, charter and operate may have a material adverse effect on our business, financial condition and results of operations.

During the first half of 2003, many countries in Asia encountered an outbreak of Severe Acute Respiratory Syndrome ("SARS"), a highly contagious and potentially deadly disease. No assurance can be given that there will not be a recurrence of the outbreak of SARS. The SARS outbreak caused an adverse effect on the economies of the affected countries, including Hong Kong and the PRC. Other epidemics that may have an adverse effect on our operations include the H1N1 virus which causes swine flu. There can be no assurance that our business and financial condition would not be adversely affected if another outbreak of SARS, a worsening of the swine flu epidemic, or another highly contagious disease or virus occurs, whether in Asia or anywhere else in the world.

Risks related to the notes

We are a holding company with no revenue generating operations of our own

We are a holding company. Substantially all of our business operations are conducted through our wholly or partly-owned subsidiaries and associates. Payments on the notes are structurally subordinated to all existing and future liabilities and obligations of each of our subsidiaries and associates. Claims of creditors of such companies will have priority as to the assets of such companies over us and our creditors, including holders of the notes. As a result, all of the existing and future liabilities of our subsidiaries, including any claims of trade creditors and preferred stockholders, will be effectively senior to the notes. The total balance sheet consolidated liabilities of our subsidiaries, excluding total liabilities of the holding company, were US$2,779 million as of September 30, 2009. Our obligation to make payments on the notes is solely our obligation and will not be guaranteed by any of our subsidiaries or associates.

In addition, as a result of the holding company structure described above, our ability to make payments depends upon the receipt of dividends, distributions or advances from our subsidiaries and associates. The ability of our subsidiaries and associates to pay dividends or such other amounts to us may be subject to their profitability, to applicable laws and regulations and to restrictions on making payment to us contained in financing or other agreements. Furthermore, our interest in our subsidiaries and associates could be reduced in the future.

The notes are unsecured obligations

As the notes are unsecured obligations, their repayment may be compromised if:

- we enter into bankruptcy, liquidation, reorganization or other winding-up proceedings;

- there is a default in payment under our future secured indebtedness or other unsecured indebtedness; or

- there is an acceleration of any of our indebtedness.

If any of these events occur, our assets may not be sufficient to pay amounts due on the notes.

The notes do not contain restrictive financial or operating covenants

The indenture governing the notes will contain various covenants intended to benefit the interests of the noteholders that limit our ability to, among other things:

- incur liens; and
- consolidate or merge with or into, or sell substantially all of our assets to, another person.

These covenants are subject to a number of important exceptions and qualifications. For more details, see "Description of notes". The indenture governing the notes, however, does not contain restrictive financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us. In addition, the indenture does not contain any other covenants or provisions designed to afford holders of the notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating or the rating of the notes as the result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders. Subject to the terms of our existing corporate debt and other credit facilities, we may incur substantial additional indebtedness in the future.

The notes will be structurally subordinated to all of our secured debt and if a default occurs, we may not have sufficient funds to fulfill our obligations under the notes

The notes are general senior unsecured obligations that rank equally in right of payment with all of our existing and future unsecured and unsubordinated indebtedness, including our US$250 million zero coupon convertible bonds due 2014, US$500 million 8.5% senior notes due 2013, US$680 million 6.625% senior notes due 2015 (US$488,141,000 principal amount of which we repurchased for cash pursuant to a tender offer conducted by the Company in November 2009) and US$850 million 6.750% senior notes due 2020. The notes will be structurally subordinated to all our secured indebtedness and other obligations to the extent of the value of the assets securing that indebtedness and other obligations. As of September 30, 2009, we had approximately US$193 million of secured indebtedness. In addition, the indenture governing the notes will, subject to some limitations, permit us to incur additional secured indebtedness and your notes will be effectively junior to any additional secured indebtedness we may incur.

In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure our secured indebtedness will be available to pay obligations on the notes only after all secured indebtedness, together with accrued interest, has been repaid in full from our assets. If we are unable to repay our secured indebtedness, the lenders could foreclose on substantially all of our assets which serve as collateral. In this event, our secured lenders would be entitled to be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including holders of the notes. Holders of the notes will participate in the proceeds of the liquidation of our remaining assets ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all the notes then outstanding.

We may not be able to repurchase the notes upon a change of control triggering event

Upon the occurrence of a change of control triggering event, we will be required to offer to repurchase all outstanding notes at 101% of the principal amount plus accrued and unpaid interest. We may not be able to repurchase the notes upon a change of control triggering event because we may not have sufficient funds. Further, we may be contractually restricted under the terms of our other senior indebtedness from repurchasing all of the notes tendered by holders upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase your notes unless we are able to refinance or obtain waivers under our credit facilities. Our failure to repurchase the notes upon a change of control triggering event would cause a default under the indenture. The agreements governing our credit facilities may provide that a change of control will be a default that permits lenders to accelerate the maturity of borrowings thereunder and, if such debt is not paid, to enforce security interests in the collateral securing such debt, thereby limiting our ability to raise cash to purchase the notes, and reducing the practical benefit of the change of control provisions to the holders of the notes.

In addition, the change of control provisions in the indenture may not protect you from certain important corporate events, such as a leveraged recapitalization (which would increase the level of our indebtedness), reorganization, restructuring, merger or other similar transaction, unless such transaction constitutes a "Change of Control Triggering Event" under the indenture. Such a transaction may not involve a change in voting power or beneficial ownership or, even if it does, may not involve a change that constitutes a "Change of Control Triggering Event" as defined in the indenture that would trigger our obligation to repurchase the notes. Therefore, if an event occurs that does not constitute a "Change of Control Triggering Event" as defined in the indenture, we will not be required to make an offer to repurchase the notes and you may be required to continue to hold your notes despite the event. See "Description of notes — Repurchase of notes upon a Change of Control Triggering Event".

The ratings assigned to the Original Notes may be downgraded by rating agencies in the future

The Original Notes are currently assigned a rating of BBB- by Fitch, BBB- by Standard and Poor's and Baa3 by Moody's. These ratings may be reviewed and changed at any time by one or more of these agencies. The ratings address our ability to perform our obligations under the terms of the notes and credit risks in determining the likelihood that payments will be made when due under the notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We cannot assure you that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. Any change leading to a downgrade would have a negative impact on the market trading prices of the notes. We are under no obligation to inform the holders of the notes of any such revision, downgrade or withdrawal. In addition, any ratings downgrade could adversely affect our ability to access the debt capital markets in the future and may subject us to higher costs of funding in respect of our credit facilities. This may have a material adverse effect on our financial condition and results of operations.

You may not be able to recover in civil proceedings for U.S. securities laws violations

We are a public company listed on the SGX-ST, registered under the laws of Bermuda, with our headquarters located in Hong Kong. A substantial portion of our assets are located outside of the United States. There is doubt as to the enforceability in Bermuda and Hong Kong, in original actions or in actions for the enforcement of judgments of U.S. courts, of civil liabilities predicated solely upon the federal securities laws of the United States.

The courts of Bermuda would recognize as a valid judgment, a final and conclusive judgment in personam obtained in the state or federal courts in the State of New York against the Company based upon the Indenture under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) and would give a judgment based thereon *provided* that (a) such courts had proper jurisdiction over the parties subject to such judgment; (b) such courts did not contravene the rules of natural justice of Bermuda; (c) such judgment was not obtained by fraud; (d) the enforcement of the judgment would not be contrary to the public policy of Bermuda; (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of Bermuda; and (f) there is due compliance with the correct procedures under the laws of Bermuda.

There are restrictions on your ability to transfer or resell the notes without registration under applicable securities laws

The notes are being offered and sold pursuant to an exemption from registration under United States and applicable state securities laws. Therefore, you may transfer or resell the notes in the United States only in a transaction registered under or exempt from the registration requirements of the United States and applicable state securities laws, and you may be required to bear the risk of your investment for an indefinite period of time. See "Transfer restrictions".

There is no assurance that any active trading market will develop for the notes

An application has been made for the listing of the notes on the Official List of the SGX-ST. However, no assurance can be given that the listing of the notes on the SGX-ST will be obtained or that an active trading market for the notes will develop or as to the liquidity or sustainability of any such market, the ability of holders to sell their notes or the price at which holders will be able to sell their notes. The initial purchaser may, to the extent permitted by and in accordance with applicable laws, make a market for the notes, but it is not obliged to do so and any such market making, if commenced, may be discontinued at any time at the sole discretion of the initial purchaser. Therefore, we cannot assure you that you will be able to sell your notes at a particular time or the price that you receive when you sell will be favorable.

USE OF PROCEEDS

We expect the net proceeds from the issue of the notes will be between US$412 million and US$415 million, after deducting expenses incurred in connection with the issue of the notes. The net proceeds will be used for general corporate purposes.

CAPITALIZATION

The following table sets forth as of September 30, 2009, our short term debt, long term debt and shareholders' equity, and adjustments to give effect to the capitalization events as detailed in notes 5, 6 and 7 below and the issuance of the senior notes described herein. The historical information has been derived from our unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2009 included elsewhere in this offering memorandum. The information set forth below should be read in conjunction with "Business — Recent Developments", "Management's discussion and analysis of financial condition and results of operations", "Description of notes" and our financial statements and the related notes included elsewhere in this offering memorandum.

	As of September 30, 2009		
	Actual	**Adjustments**	**As Adjusted**
	(US dollars in thousands)		
Short term bank facilities[(1)]	770,154	—	770,154
Current portion of long term debt	71,597	—	71,597
Long term debt:			
Long term bank facilities[(2)] (excluding current portion)	757,014	—	757,014
6.625% Senior notes due 2015	668,231	(479,887)[(5)]	188,344
8.500% Senior notes due 2013	493,588	—	493,588
6.750% Senior notes due 2020	—	835,968[(6)]	835,968
Senior notes offered hereby	—	412,270	412,270
Zero Coupon convertible notes due 2014	275,257	—	275,257
	2,194,090	768,351	2,962,441
Total long term debt[(3)]	2,265,687	768,351	3,034,038
Total shareholders' equity	2,488,457	617,597[(7)]	3,106,054
Total capitalization[(4)]	5,524,298	1,385,948	6,910,246

(1) As of September 30, 2009, US$29 million of our short term bank facilities were secured and US$565 million constituted indebtedness of our subsidiaries.

(2) In July 2007, we entered into a US$1.2 billion aggregate principal amount revolving loan facility. As of September 30, 2009, we had drawndown US$550 million under this revolving credit facility. See "Management's discussion and analysis of financial condition and results of operations — liquidity and capital resources — historical debt and receivable financing — US$1.2 billion revolving credit facility".

(3) As of September 30, 2009, US$164 million of our long term debt was secured and US$253 million constituted indebtedness of our subsidiaries.

(4) Total capitalization consists of total shareholders' equity, short term and long term debt.

(5) Represented the repurchase for cash of US$488,141,000 principal amount of our 6.625% senior notes due 2015. See "Management's discussion and analysis of financial condition and results of operations — liquidity and capital resources — historical debt and receivable financing — senior notes due 2015".

(6) Represented the issuance of US$850 million principal amount of our 6.750% senior notes due 2020. See "Management's discussion and analysis of financial condition and results of operations — liquidity and capital resources — historical debt and receivable financing — senior notes due 2020".

(7) Represented the issuance of common shares to CIC or application of proceeds thereof (see "Business — Recent developments — CIC investment") and the premium payable upon the repurchase of our 6.625% senior notes due 2015 (see note (6) above).

For a discussion of our contingent liabilities, see "Management's discussion and analysis of financial condition and results of operations — Other matters — Contingent liabilities".

Except as disclosed above and in "Business — Recent developments", there have been no other material changes to our capitalization since September 30, 2009.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected consolidated income statement and balance sheet data as of December 31, 2004, 2005, 2006, 2007 and 2008 and for the years then ended have been derived from our consolidated financial statements that have been audited by Ernst & Young. The consolidated financial statements as of and for the years ended December 31, 2006, 2007 and 2008 are included elsewhere in this offering memorandum. Subsequent to the year ended December 31, 2005, we amended certain of our accounting policies to comply with new accounting standards introduced by the International Accounting Standards Board. Our accounting policies are disclosed in our financial statements included elsewhere in this offering memorandum and the financial statements for the years ended December 31, 2004, 2005, 2006, 2007 and 2008 have been prepared on a consistent basis.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2008 and 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2008, except for the adoption of new Standards and Interpretations as of January 1, 2009 as disclosed in Note 3 of the unaudited interim condensed consolidated financial statements included elsewhere in this offering memorandum. Results for any interim period are not necessarily indicative of results for the full year.

Our financial statements are prepared and presented in accordance with IFRS, which differ in certain material respects from U.S. GAAP. Investors should read the summary consolidated financial information below in conjunction with "Management's discussion and analysis of financial condition and results of operations" and our audited consolidated financial statements, our unaudited interim condensed consolidated financial statements and the accompanying notes included elsewhere in this offering memorandum.

	For the year ended December 31,					For the nine months ended September 30,	
	2004	2005	2006	2007	2008	2008	2009
	(US dollars in thousands)						
	(Restated)	(Restated)					
Consolidated income statement data:							
Revenue	8,622,253	11,690,929	13,765,433	23,497,142	36,090,161	29,298,537	21,616,056
Cost of sales and services	(8,089,177)	(11,243,206)	(13,277,906)	(22,673,457)	(34,742,563)	(28,145,261)	(20,810,620)
Gross profit	533,076	447,723	487,527	823,685	1,347,598	1,153,276	805,436
Other income and gains	37	81,767	14,043	20,939	103,856	66,903	180,431
Selling, administrative and operating expenses	(206,197)	(232,472)	(272,091)	(391,818)	(567,584)	(510,057)	(300,173)
Share of profits and losses of jointly controlled entities and associates	8,307	10,544	(3,319)	(3,567)	(15,807)	(9,405)	(18,486)
Finance income	3,266	17,247	17,345	24,646	42,988	22,565	9,652
Finance costs	(15,463)	(60,639)	(74,133)	(170,615)	(235,075)	(177,488)	(155,317)
Tax	(30,061)	(24,174)	(35,932)	(44,785)	(96,238)	(103,938)	(49,163)
Net Profit	292,965	239,996	133,440	258,485	579,738	441,856	472,380
Attributable to:							
Equity holders of the parent	289,007	231,883	134,512	258,121	577,279	438,363	471,142
Minority interests	3,958	8,113	(1,072)	364	2,459	3,493	1,238
Net profit	292,965	239,996	133,440	258,485	579,738	441,856	472,380

	As of December 31,					As of September 30,
	2004	2005	2006	2007	2008	2009
	(US dollars in thousands)					
	(Restated)	(Restated)		(Restated)		
Consolidated balance sheet data:						
Cash and cash equivalents	397,767	757,775	599,144	670,591	1,318,249	766,900
Property, plant and equipment	67,113	78,361	230,464	566,310	1,003,818	1,417,225
Total assets	2,011,061	2,847,824	3,811,409	6,709,878	8,152,624	8,516,487
Total debt	566,024	1,017,289	1,570,230	2,544,059	2,556,125	3,035,841
Total liabilities	1,342,831	1,992,118	2,847,792	5,152,100	6,291,756	5,942,730
Total equity	668,230	855,706	963,617	1,557,778	1,860,868	2,573,757

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is based on information derived from our consolidated financial statements. Our consolidated financial statements have been prepared in accordance with IFRS, which differs in certain significant respects from U.S. GAAP. In addition, this discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under "Risk factors" and elsewhere in this document. You should read the following discussion together with our audited consolidated financial statements and the related notes for the years ended December 31, 2006, 2007 and 2008 and our unaudited interim condensed consolidated financial statements and the related notes for the nine months ended September 30, 2008 and 2009.

Overview

We are a global supply chain manager. Through our network of over 100 offices in more than 40 countries, we seek to provide a value-added service in the commodities supply chain by integrating the origination, processing, distribution and delivery of agricultural, industrial and resource commodities on a global basis. In certain bulk commodity sectors such as grain, coal and iron ore, we are building integrated supply chains, which we refer to as "pipelines", to enhance our control over every stage of the process that links producers and consumers. We believe our "pipeline" business model allows us to create additional value and capture margin throughout the supply chain. In addition, we have made selective strategic investments in key infrastructure assets along the supply chain, such as mines, port and warehouse facilities, processing plants and logistic assets. We believe these investments generate additional sources of profit and enhance our long term competitiveness.

Our business comprises five business segments: Agriculture; Energy; MMO; Logistics; and Corporate. The first three segments represent our commodity resource business. Our Logistics segment includes the Vessel Chartering division, which provides transportation services to our other segments, as well as third parties. Our Corporate segment includes our equity investments, as well as our corporate finance, structured finance and treasury departments. Our Corporate segment also provides price risk management services to our customers.

The results of our operations in 2008 and in the first nine months of 2009 were generally affected by the recent global economic downturn as a result of:

- reduced demand for bulk commodities,
- lower commodity and freight prices,
- the global crisis in the credit markets,
- spikes in commodity prices until the third quarter of 2008 and a sudden collapse in the fourth quarter of 2008, and
- general increase in market volatility.

Although global economic conditions have generally been improving, additional volatility or renewed weakness in global economic conditions could adversely affect our results of operations. As the global economy recovers and normalizes, we believe that we will be more favorably positioned to benefit in the geographic sectors in which we operate.

Key factors affecting our results of operations

Supply and demand

The volume of commodities purchased and marketed by us during any period will, in large part, result from market demand during the period and the availability of supply for these products. Therefore, our revenue and profit will be directly affected by worldwide levels of production and consumption. As a result, increases or decreases in demand for such products, which give rise to increases or decreases in volumes handled by us and the prices of such products, is likely to impact our results of operations. The supply of, and demand for, many commodities is also affected by weather conditions, governmental trade policies and, in respect of agricultural products, growing patterns, substitution by farmers of other agricultural commodities.

The decrease in demand for bulk commodities since the onset of the global economic downturn beginning in the second half of 2007 and continuing through 2008, particularly affecting Europe and the United States, has had an adverse effect on the prices for many of our products beginning in the second half of 2008. Demand for many of the commodities that we originate, process, distribute and deliver through our Agriculture, Energy, and MMO segments was also significantly affected by the global economic downturn. As a result, the decrease in tonnage volumes decreased demand for vessels, particularly with respect to bulk cargos. In 2009, although a modest recovery began to be evident in some key markets, overall economic growth remained weak, continuing to reflect a weak demand environment.

In certain circumstances, we may, by virtue of the global scope of our operations, be able to take advantage of periodic demand and supply imbalances for commodities which exist within a specific market or geographic region. In these circumstances, we may be able to obtain higher premiums from consumers for timely delivery of such commodities which we may source from different origins. Similarly, in certain markets or geographic regions, the supply of raw or processed materials may exceed local industrial demand. In such circumstances, we may be the only, or one of only a few, purchasers of commodities with the necessary global scope of operations and customer base to be able to take advantage of the price opportunities offered by local producers.

Commodity and freight prices

Commodity price levels may, from time to time, have an impact on our revenue and, accordingly, may have an impact on our profitability. For example, in a market environment where prices for a particular commodity or group of commodities are increasing due to greater supply constraints, our margins will generally be higher as buyers will tend to increase forward purchases, allowing us greater flexibility to optimize our origination and freight requirements. Conversely, in a market environment where prices for a commodity or group of commodities are decreasing on average, buyers will tend to postpone purchasing decisions in expectation of lower prices. Such an environment limits our ability to optimize our sourcing and freight operations. We believe that, in periods where prices for a particular commodity or group of commodities display relative volatility and, therefore, uncertainty, the level of trade activities in those commodities tends to increase.

Our results of operations are also impacted by the availability and cost of shipping and logistics services. We believe that our success in creating supply pipelines that control the supply chain from end to end, as well as our expertise and ability to overcome inefficiencies in the logistics and handling of physical shipments, is a key element of our business. These pipelines create cost and competitive advantages and have a direct impact on our results of operations. Freight costs are based in part on supply and demand factors and may be the most variable cost element of some of our transaction volumes. Changes in freight costs affect the shipping industry as a whole and we normally seek to mitigate this effect by hedging or passing on such changes to our customers.

Working capital management

The frequency of our inventory turnover as well as the speed of collection of our accounts receivable has an important effect on our results of operations as it may allow us to reduce the use of debt financing. In addition, our ability to access supplier financing provides an alternative to the use of bank debt and, accordingly, can reduce our financing costs. We have a policy of accelerating cash collection and reducing interest costs associated with financing working capital assets through non-recourse discounting of accounts receivable. As a result of these and other similar efforts, we have been able to maintain a relatively stable working capital to sales ratio.

Selected strategic investments

In recent years we have made selective strategic investments which create opportunities to further integrate our supply chain management, expand capacity of our processing facilities, increase our resource reserves and production output and add to our existing shipping fleet. These investments create several strategic benefits as they allow us to establish additional sources of profit, improve our operating efficiencies, expand our production, widen our product range and create further synergies between our freight and logistics services and our commodity product divisions. These investments have also increased our capital expenditure, required additional debt financing and have also increased depreciation and amortization during the periods under review.

Risk management

Effective risk management is a fundamental aspect of our business. We have a clearly articulated risk governance framework with clear and consistent parameters established by the Board of Directors. We engage in various hedging activities to manage the risks associated with our business, which include the risk of price fluctuations of commodities, foreign exchange risk, freight exposure and counterparty credit and performance risk. We utilize organized futures markets as well as over-the-counter markets to manage commodity price risk among our metals, agricultural, energy and various other products, as well as in respect of our freight exposure. We maintain internal policies to monitor and limit these commodity hedging practices. We also engage in foreign currency hedging to manage our foreign exchange risk related to certain products as well as in respect of our operating expenses. In connection with our recent expansions into new trading businesses, we have hired 10 additional risk management personnel in 2009 to replicate and implement consistent risk management standards consistently and globally implemented across all of our offices. For a discussion of the activities of our Risk Committee, see "Business — Risk management".

Significant accounting policies, judgments and estimates

Our financial statements have been prepared in accordance with IFRS. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosure of contingent assets and liabilities. Notes 2.4 and 2.5 to our audited consolidated financial statements and Notes 3 and 4 to our unaudited interim condensed consolidated financial statements included elsewhere in this offering memorandum describes the significant accounting policies, judgments and estimates we use in preparing those statements. We believe the most complex and sensitive judgments, because of their significance to our financial statements, result primarily from the need to make estimates about the effects of matters that are inherently uncertain. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which enable the fair presentation of our financial position and results of operations. Actual results in these areas could differ from our estimates. The most significant areas involving our management judgments and estimates are described below.

Impairment assessment

Assets

The Group has to exercise judgment in determining whether an asset is impaired or an event previously causing an asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management when assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value determined by the impairment test.

Long term investments

The Group determines that long term investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is a significant or prolonged decline requires judgment. In making this judgment, the Group evaluates, among other factors, the normal market price volatility in respect of the relevant long term investments. In addition, impairment may be appropriate when there is evidence of a deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

Valuation of the financial instruments, derivative financial instruments and commodity forward and option contracts

The Group values certain of its financial instruments, derivative financial instruments and commodity forward and option contracts, at fair value. Estimating the value of these financial instruments requires the Group to make certain estimates and assumptions, and hence the values are judgmental.

Valuation of mine properties

In accounting for the acquisition of Gloucester, the Group has made estimates of the fair value of the identifiable tangible and intangible assets, which are primarily mine properties. The estimated fair value has involved assumptions with respect to future coal prices, operating costs and capital expenditure requirements, as well as estimates of recoverable reserves. Changes in these assumptions could affect fair value estimates and could materially affect the initial accounting treatment of the acquisition of Gloucester. See "Business — Recent developments — Gloucester Offer and Middlemount Share Sale".

Results of operations

The following table sets forth our revenue and gross profit by business segment for the periods indicated. The table also sets forth the historical tonnage volume sourced by our Agriculture, Energy, MMO and Logistics segments. The tonnage volume of commodities shipped by our Logistics segment included both commodities sold by our own business segments as well as commodities shipped for other merchants.

In the table below, revenue from our Logistics segment excludes revenue from intersegment sales. However, in the period-on-period and year-on-year comparisons appearing below the table, which include discussions regarding the financial performance of our Logistics segment, revenue from our Logistics segment includes revenue from intersegment sales, because we believe it presents more fairly the operating scale of that segment.

	For the year ended December 31,			For the nine months ended September 30,	
	2006	**2007**	**2008**	**2008**	**2009**
Tonnage (in million tons)					
Agriculture	11.2	16.0	16.7	12.4	11.6
Energy	30.4	48.6	60.0	46.7	54.4
MMO	16.4	19.5	20.1	15.2	19.9
Logistics	35.7	44.2	44.7	33.9	47.5
Total tonnage	**93.7**	**128.3**	**141.5**	**108.2**	**133.4**
Revenue (US dollars in millions)					
Agriculture	4,047.6	6,470.9	9,905.4	7,808.8	5,214.1
Energy	6,232.3	10,949.2	18,160.3	14,577.1	12,010.1
MMO	2,847.6	4,552.7	6,183.3	5,372.7	3,654.4
Logistics[(1)]	510.7	1,264.6	1,599.8	1,372.4	590.4
Corporate	127.2	259.7	241.4	167.5	147.1
Total revenue	**13,765.4**	**23,497.1**	**36,090.2**	**29,298.5**	**21,616.1**
Gross profit (US dollars in millions)					
Agriculture	120.5	200.3	435.6	389.3	300.6
Energy	256.8	184.6	325.7	320.5	245.0
MMO	57.9	179.4	128.2	152.3	77.4
Logistics	46.9	240.9	440.7	284.7	123.3
Corporate	5.4	18.5	17.4	6.5	59.1
Total gross profit	**487.5**	**823.7**	**1,347.6**	**1,153.3**	**805.4**

(1) Revenue from intersegment sales has been eliminated from Logistics.

The following table sets forth our revenue by geographic area for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,	
	2006	**2007**	**2008**	**2008**	**2009**
			(US dollars in millions)		
Revenue[(1)]					
North America	5,176.0	7,959.4	14,602.0	11,635.2	10,576.1
South America	446.0	1,701.7	1,853.1	1,438.2	1,141.6
Africa	336.3	600.2	682.6	490.2	534.4
Europe	2,762.4	4,967.5	6,890.2	5,868.2	2,729.3
PRC	2,477.3	4,736.8	6,546.5	5,629.2	3,356.5
Asia & others[(2)]	2,567.4	3,531.5	5,515.8	4,237.5	3,278.2
Total revenue	**13,765.4**	**23,497.1**	**36,090.2**	**29,298.5**	**21,616.1**

(1) Revenue by geographic area has been calculated on a discharge port basis, *i.e.*, by the destination port of the goods.

(2) Including India and Australia, but excluding the PRC.

Nine months ended September 30, 2009 compared to nine months ended September 30, 2008

Revenue

We recorded revenue of US$21.6 billion in the nine months ended September 30, 2009 compared to US$29.3 billion in the corresponding period in 2008. Although revenue declined 26.2% mainly as a result of a decline in price levels across our product segments, tonnage volume rose 23.3% to a record 133.4 million metric tons in the nine months ended September 30, 2009 compared to 108.2 million metric tons in the corresponding period in 2008. Seven of our leading divisions, including Oil & Gas, Coal & Coke, Aluminum, Sugar, Iron Ore, Chartering and Carbon Credits, reported record tonnage levels in the nine months ended September 30, 2009.

The following table sets forth the revenue from each of our business segments and tonnage volumes of commodities shipped by our three commodity segments and Logistics segment for the periods indicated, as well as revenue and tonnage as a percentage of total revenue or tonnage, as the case may be.

	For the nine months ended September 30,				
	2008		2009		
		As a percentage of Total Revenue/ Tonnage		As a percentage of Total Revenue/ Tonnage	% change
Revenue (US dollars in millions)					
Agriculture	7,808.8	26.7%	5,214.1	24.1%	(33.2%)
Energy	14,577.1	49.8%	12,010.1	55.6%	(17.6%)
MMO	5,372.7	18.3%	3,654.4	16.9%	(32.0%)
Logistics[1]	1,372.4	4.7%	590.4	2.7%	(57.0%)
Corporate	167.5	0.5%	147.1	0.7%	(12.2%)
Total revenue	**29,298.5**	**100%**	**21,616.1**	**100%**	**(26.2%)**
Cost of sales and services	28,145.2	96.1%	20,810.7	96.3%	(26.1%)
Gross profit	**1,153.3**	**3.9%**	**805.4**	**3.7%**	**(30.2%)**
Tonnage (in million tons)					
Agriculture	12.4	11.5%	11.6	8.7%	(6.5%)
Energy	46.7	43.2%	54.4	40.8%	16.5%
MMO	15.2	14.0%	19.9	14.9%	30.9%
Logistics	33.9	31.3%	47.5	35.6%	40.1%
Total tonnage	**108.2**	**100%**	**133.4**	**100%**	**23.3%**

(1) Revenue from intersegment sales has been eliminated from Logistics.

Agriculture

Revenue from our Agriculture segment in the nine months ended September 30, 2009 decreased to US$5,214.1 million as compared to US$7,808.8 million in the corresponding period in 2008. The decrease in revenue was primarily attributable to lower prices for most of the segment's agricultural products particularly in the Grains and Coffee divisions. Segment tonnage volume for the nine months ended September 30, 2009 decreased slightly to 11.6 million metric tons from 12.4 million metric tons for the nine months ended September 30, 2008.

The Agriculture segment continued its capital spending efforts with a focus on completing several key projects. During the nine-month period ended September 30, 2009 we doubled our sugar cane crushing capacity at our Brazilian operations from 2 million metric tons to 4 million metric tons. We also neared completion of our first South American based soybean crushing plant located in Timbues, Argentina, which we expect to begin operations in early 2010 which will double Noble's crushing capacity to more than 7 million metric tons per annum. We also concluded a project finance loan agreement for US$40 million with the International Finance Corporation to finance the construction of the plant which will complement a loan from the Inter-American Development Bank and commercial lenders for a total financing of US$160 million. The segment also continues work on completing a new port facility in Santos, Brazil and constructing a terminal and tank farm capacity for edible oils in Rotterdam. These infrastructure and logistic asset investments are expected to further integrate our pipeline enabling the Group to access new markets in a cost effective manner while providing operational flexibility.

Our Grains division revenue fell 34.2% for the nine months ended September 30, 2009 as compared to the corresponding period in 2008, due primarily to lower commodity prices for grains and oilseeds. Tonnage volume declined 6.5% for the nine months ended September 30, 2009 as compared to the corresponding period in 2008. The decline was due to lower sourcing volumes in Argentina and Paraguay as a result of the poor crop conditions which limited our origination volume. We also recorded lower tonnage volume in key markets - PRC and Europe- which was partially offset by our strategy to expand our distribution into new and growing markets. As a result, we recorded a strong increase in tonnage volumes in several new markets particularly Japan, Africa and the Gulf region. Our Japan activities benefited from the synergies of working with Noble's ethanol team as they shared market research information which created business opportunities. Our Gulf region operations were enhanced by improved distribution and storage capacity complemented by a land based logistics and distribution capability in Saudi Arabia, thus creating a more efficient and integrated operation which supported increased tonnage volume. Our South African office has been encharged with overseeing the expansion of our agricultural activities in Africa.

Our Sugar division recorded a 46.1% increase in revenue in the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008 attributable to higher sugar prices and an 18.1% increase in tonnage volume. The growth of our sugar activities is mainly due to the full year contribution from our Brazilian sugar cane crushing operation and, to a lesser extent, our expansion into new distribution markets like India.

Our Cocoa division reported comparable results in the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008.

Our Coffee and Cotton divisions recorded declines in revenues due to a combination of lower tonnage volumes as well as reduction in prices in the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008.

Energy

Our Energy segment, our largest segment by revenue and tonnage, recorded revenue of US$12,010.1 million in the nine months ended September 30, 2009 compared to US$14,577.1 million in the nine months ended September 30, 2008. The 17.6% decline in revenue was primarily attributable to lower price levels for several key products - thermal coal, carbon products (coking coal and coke) and carbon credits. Segment tonnage increased to 54.4 million metric tons in the nine months ended September 30, 2009, the highest tonnage volume in any nine month period, representing a 16.6% increase as compared to 46.7 million metric tons in the nine months ended September 30, 2008. The volume growth reflects the expansion in our Oil & Gas division (formerly known as the Clean Fuels division) as well as our Coal & Coke and Carbon Credits divisions.

The Energy segment also expanded its tonnage volumes through investments in coal mines to increase production as well as through the acquisition of Gloucester Coal and will continue to expand its production platform in Australia and Indonesia as well as in new markets.

Our Coal & Coke division continues to be our largest commodity division by tonnage reflecting both strategic efforts to expand our product mix as well as increased mine production levels in Indonesia and Australia. While revenues for our Coal & Coke division fell 33.8% for the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008, tonnage volume improved. We believe that this was, in part, the result of industrial clients seeking to strengthen their sourcing operations by turning to more reliable and creditworthy suppliers.

The Oil & Gas division's tonnage volume increased by 65.4% in the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008. In 2009, we added commercial and operating staff in key energy markets (London, the US and Singapore) to expand our natural gas and clean fuels trading. In August 2009, we acquired oil terminal and storage assets from a US energy company, SemFuel LP, which had been put up for auction following their bankruptcy filing. The acquisition reflects our effort to integrate our oil and gas businesses so that we can generate income from storage rental, earn trading income from access to nearby oil pipelines and obtain information on supply/demand conditions in the US energy markets.

Our Carbon Credit division also reported an increase in tonnage volume in the nine months ended September 30, 2009 primarily driven by our strategy to reduce our inventory position due to market instability.

Metals, Minerals and Ores

Revenues from our Metals, Minerals and Ores segment decreased by 32.0% to US$3,654.4 million in the nine months ended September 30, 2009 as compared to US$5,372.7 million in the nine months ended September 30, 2008, mainly as a result of a decrease in price levels. Despite the lower revenue level, segment tonnage volume rose 30.6% to a record 19.9 million metric tons in the nine months ended September 30, 2009 as compared to 15.2 million metric tons in the nine months ended September 30, 2008. The higher tonnage levels reflect a substantial increase in our Iron Ore and Aluminum divisions offset by lower volumes in our Steel and Ferro Alloys divisions.

Revenues from our Iron Ore division decreased in the nine months ended September 30, 2009 due to lower prices for fines and lump. Tonnage volume increased 34.4% to a record level for the division due to higher sales to the PRC steel sector which we believe were aided by the stimulus package initiated by the PRC Government and a resulting increase in steel production and higher iron ore imports.

Revenues from our Aluminum division slightly decreased by 3.2% in the nine months ended September 30, 2009 due to lower prices. However, tonnage volume increased 50.3% for the nine months ended September 30 as compared to the nine months ended September 30, 2008. The combination of excess inventory levels attributable to a slowdown in key consumption markets and lower price levels resulted in substantial production cutbacks. In the PRC, however, we believe the impact of the government's stimulus package and substantial purchases by state-owned reserve authorities to support the ailing domestic sector created a supply shortfall. We were able to take advantage of the price disparities between the PRC and the international markets and increase our tonnage volumes sold into the PRC.

Our Ferro Alloys division maintained similar tonnage volume in the nine months ended September 30, 2009 compared to the nine months ended September 30, 2008, while revenue decreased by 60.7% as price levels fell by more than half compared to the previous year.

Logistics

Revenues from our Logistics segment decreased to US$890.8 million in the nine months ended September 30, 2009 (including revenue derived from intersegment sales) as compared to US$1,928.4 million in the nine months ended September 30, 2008, reflecting a sharp retrenchment in price levels in the bulk freight markets.

The Chartering division's tonnage volume increased by 40.2% to 47.5 million metric tons in the nine months ended September 30, 2009, the highest in the division's history, as compared to 33.9 million metric tons in the nine months ended September 30, 2008. We believe that increased client sensitivity to counterparty performance concerns were a significant factor in shipper selection and contributed to higher tonnage volume.

Our Fleet Management division reported stable results with 218 vessels under management as of September 30, 2009, compared to 204 vessels under management as of September 30, 2008.

Corporate

Our Corporate segment includes our acquired subsidiaries Gloucester Coal Ltd which is engaged in thermal coal mining and Donaldson Coal Pty Limited which is engaged in coal mining. See "Recent developments — Gloucester Offer and Middlemount Share Sale". The revenue of our Corporate segment was US$147.1 million in the nine months ended September 30, 2009 as compared to US$167.5 million in the nine months ended September 30, 2008. The 12.2% decrease was primarily due to the decline in commodity prices.

Cost of sales and services

Cost of sales and services decreased by 26.1% in the nine months ended September 30, 2009 as compared to the nine months ended September 30, 2008, which is in line with the decrease in revenue over the same period. Cost of sales and services accounted for 96.3% and 96.1% of our total revenue in the nine months ended September 30, 2009 and the nine months ended September 30, 2008, respectively.

Gross profit

Our Group gross profit was US$805.4 million in the nine months ended September 30, 2009 as compared to US$1,153.3 million in the nine months ended September 30, 2008. The Group's gross profit margin remained stable between 3.7% to 3.9%.

Gross profit in our Agriculture segment was US$300.6 million in the nine months ended September 30, 2009, as compared to US$389.3 million in the nine months ended September 30, 2008. The decline was due in part to lower origination volume attributable to the drought in Argentina and lower capacity utilization at our PRC crushing plants due to narrower crushing margins. This decline in crushing margins was in turn due to excessive imports by PRC based crushing companies in an oversupplied market. Our Sugar division reported improved results for the third quarter of 2009 due to the expansion of our sugar cane crushing activities in Brazil which when combined with our trading activities have together resulted in improved profitability. We also recorded better results in our Coffee and Cocoa divisions which helped the segment improve its gross profit margin to 5.8% for the nine months ended September 30, 2009, as compared to the 5.0% level for the corresponding period in 2008.

Gross profit in our Energy segment was US$245.0 million in the nine months ended September 30, 2009 as compared to US$320.5 million in the nine months ended September 30, 2008. Lower gross profits were primarily attributable to results of our Coal & Coke division, which were affected by substantially lower coal price levels. Segment profitability was significantly aided by the Oil & Gas division which had a substantial improvement in profitability associated with higher tonnage volume and our expansion into new energy products. Results of our Carbon Credits division were consistent with those of the nine months ended September 30, 2008. The segment gross profit margin fell slightly to 2.0% in the nine months ended September 30, 2009 compared to 2.2% in the nine months ended September 30, 2008.

Gross profit in our MMO segment was US$77.4 million in the nine months ended September 30, 2009 as compared to US$152.3 million in the nine months ended September 30, 2008. Lower gross profits were attributable to the impact of losses in our Ferro Alloys division, caused by falling prices, as well as lower contribution from our Iron Ore division, partially offset by higher profitability in our Aluminum division. The combined impact lowered the segment's gross profit margin to 2.1% in the nine months ended September 30, as compared to 2.8% in the nine months ended September 30, 2008.

Gross profit in our Logistics segment was US$123.3 million in the nine months ended September 30, 2009 compared to US$284.7 million in the nine months ended September 30, 2008. The segment's gross profit margin was stable at 20.9% in the nine months ended September 30, 2009 as compared to 20.7% in the nine months ended September 30, 2008. We continue to maintain a conservative position relative to the depressed freight market but the sector weakness has impacted margins. The solid contribution from our Fleet Management division also supported segment results.

Gross profit in our Corporate segment was US$59.1 million in the nine month ended September 30, 2009 compared to US$6.5 million in the nine months ended September 30, 2008. The increase was primarily due to the profit contributed by Donaldson and the inclusion of Gloucester results since late June 2009.

Other Income and Gains

Other income and gains amounted to US$180.4 million in the nine months ended September 30, 2009 as compared to US$66.9 million in the nine months ended September 30, 2008. Other income and gains primarily represent a one-off gain of US$154.0 million related to the revaluation of the recently acquired subsidiary, Gloucester Coal, in the second quarter 2009. There were also one-off gains of US$66.4 million on the sale of our long term equity investments in Consolidated Minerals Limited in the first quarter 2008 and Midwest Corporation in the third quarter 2008.

Selling, administrative and operating expenses ("SA&O")

SA&O consists primarily of staff compensation costs, premises and communication expenses, and depreciation/allowances which totaled US$300.2 million in the nine months ended September 30, 2009 as compared to US$510.0 million in the nine months ended September 30, 2008. The reduction in SA&O costs was primarily due to adjustments in discretionary provisions for staff compensation, lower professional fees and reduced travel and entertainment expenses which reflected management's efforts to reduce costs given the weaker economic environment. SA&O as a percentage of revenue declined to 1.4% in the nine months ended September 30, 2009, as compared to 1.7% in the nine months ended September 30, 2008.

Finance costs

Group interest and funding related costs and expenses declined 12.5% to US$155.3 million in the nine months ended September 30, 2009 compared to US$177.5 million in the nine months ended September 30, 2008. Lower Group finance costs were mainly attributable to lower US dollar interest rates.

Profit before tax

Profit before tax decreased by 4.4% to US$521.5 million in the nine months ended September 30, 2009 as compared to US$545.8 million in the nine months ended September 30, 2008, as a result of the factors noted above.

Tax

As a Bermuda exempted company, we are not subject to income taxes in our jurisdiction of incorporation. However, our subsidiaries which operate in multiple tax jurisdictions are subject to income taxes at various statutory rates. Provisions for tax expenses were US$49.2 million in the nine months ended September 30, 2009 compared to US$103.9 million in the nine months ended September 30, 2008. The higher tax provision in the nine months ended September 30, 2008 was mainly attributed to the higher level of taxable profit in countries with a high tax rate.

Year ended December 31, 2008 compared to year ended December 31, 2007

Revenue

Our revenue increased by 53.6% to US$36.1 million in 2008 as compared to US$23.5 million in 2007. All business segments recorded significant increases in revenue, reflecting a combination of continuing strong product demand in our served markets and higher average selling prices.

Tonnage volume rose 10.3% to 141.5 million metric tons in 2008 as compared to 128.3 million metric tons in 2007. The increase was most significant in the Energy segment, which rose 23.3% due to increases in our Energy segment's Coal & Coke and Oil & Gas divisions, as well as slight increases in the other three business segments.

The following table sets forth revenue from each of our business segments and tonnage volumes of commodities shipped by our three commodity segments and Logistics segment for the periods indicated, as well as revenue and tonnage as a percentage of total revenue or tonnage (as the case may be).

	Year ended December 31,				
	2007		2008		
		As a percentage of Total Revenue/ Tonnage		As a percentage of Total Revenue/ Tonnage	% change
Revenue (US dollars in millions)					
Agriculture	6,470.9	27.5%	9,905.4	27.5%	53.1%
Energy	10,949.2	46.6%	18,160.3	50.3%	65.9%
MMO	4,552.7	19.4%	6,183.3	17.1%	35.8%
Logistics(1)	1,264.6	5.4%	1,599.8	4.4%	26.5%
Corporate	259.7	1.1%	241.4	0.7%	(7.0)%
Total revenue	**23,497.1**	**100%**	**36,090.2**	**100%**	**53.6%**
Cost of sales and services	22,673.4	96.5%	34,742.6	96.3%	53.2%
Gross profit	**823.7**	**3.5%**	**1,347.6**	**3.7%**	**63.6%**
Tonnage (in million tons)					
Agriculture	16.0	12.5%	16.7	11.8%	4.4%
Energy	48.6	37.9%	60.0	42.4%	23.5%
MMO	19.5	15.2%	20.1	14.2%	3.1%
Logistics	44.2	34.4%	44.7	31.6%	1.1%
Total tonnage	**128.3**	**100%**	**141.5**	**100%**	**10.3%**

(1) Revenue from intersegment sales has been eliminated from Logistics.

Agriculture

Revenue from our Agriculture segment increased by 53.1% to US$9,905.4 million in 2008 from US$6,470.9 million in 2007, which was supported by a 4.6% increase in tonnage volume. This increase in revenue was primarily attributable to the near record high prices for our soft commodities, the continuing expansion and integration of our grain supply pipeline, and business growth in new destination markets. Higher segment revenue was reported by almost all divisions, in particular by our Grain and Coffee divisions.

Revenue from our Grains division increased by 58.4% in 2008 as compared to 2007, primarily attributable to a 54.0% increase in average soybean selling prices. This growth was also attributable to the expansion of sales in overseas markets, particularly in our key destination markets, the PRC and Europe, which account for nearly two-thirds of our total grain revenue, as well as in the Middle East. In the PRC, our largest destination market, revenue nearly doubled, which was supported by our domestic crushing operations. Our European based revenue also nearly doubled due in part to an expansion of our European marketing operations into new demand markets like the southern Mediterranean region.

Revenue from our Coffee division, the second largest division in the Agriculture segment, increased by 28.4% in 2008, mainly attributable to a 11.4% increase in tonnage in 2008 as compared to 2007. The revenue growth was led by the continuing expansion in the United States where revenue nearly doubled while the revenue from our European region, the division's largest market, increased by 28.8%.

Our Cotton division which commenced business in early 2007 continued to expand and is now the third largest revenue contributor to segment revenue. The division is focused on building sourcing capability from key producing markets (the United States, India, South America, West Africa, and Central Asia) for physical delivery into the leading consumer markets (led by the PRC, the Indian sub-continent, Indonesia and Turkey). Revenue growth was also attributable to market consolidation and higher price levels.

Revenue from our Cocoa division increased by 8.1%, mainly attributable to a 40.9% increase in average selling prices despite a 23.3% decline in tonnage in 2008 as compared to 2007. Tonnage volume declined as a result of our counterparty risk management measures and a deliberate shift to higher quality suppliers and consumers. Our increasing sourcing capability enabled us to increase our market share in Europe and North America.

Our Sugar division maintained similar revenue and tonnage levels for both 2008 and 2007, and Europe and Asia continued to be our key markets.

Energy

The Energy segment is our largest segment by revenue and tonnage, accounting for 46.6% and 50.3% of our total revenue in 2007 and 2008, respectively. Revenue from this segment increased to US$18,160.3 million as compared to US$10,949.3 million in 2007, reflecting strong revenue growth across our three key divisions: Coal & Coke, Oil & Gas and Carbon Credits. Segment tonnage rose 23.5% to 60.0 million tons in 2008 as compared to 48.6 million tons in 2007. Energy revenue accounted for 50.3% of our total revenue and 42.4% of our total tonnage.

Revenue from our Coal & Coke division more than doubled in 2008 as compared to 2007, mainly due to a 34.8% increase in tonnage volume and higher prices across our coal products. The substantial increase in tonnage volume reflects our efforts to broaden our product mix beyond energy coal (thermal coal) to include carbon products (coking coal and coke). Higher demand for utility and steel making coal and higher selling prices in the first six months of 2008 for both energy coal and carbon coal also contributed to higher revenue levels.

Utilizing our coking coal mining operations in Indonesia and Australia as well as a diversified low cost sourcing operation in the PRC, our coking coal team has established customer relationships with leading steel producers. In addition, we expanded our coke business origination activities in the PRC and India which contributed to strong revenue growth particularly in sales to European steel producers.

Revenue from our Oil & Gas division, our largest division by revenue, increased 66.9% supported by a 41.5% increase in tonnage in 2008 as compared to 2007. The division continued to expand its trading operations and with a newly established European operation is expected to leverage its knowledge and experience in component trading (ethanol, oxygenates, and gasoline blendstocks). Revenue was also strengthened by an expanded product base to include naptha, heating oil, cumene and sabinate.

Revenue and tonnage volume of our Carbon Credits division was maintained at similar levels for both 2008 and 2007. We continued to develop new carbon credits markets in Europe as new suppliers and new sourcing volume came on stream. In addition, due to the comprehensive United Nations registration and verification process, an improving degree of market integrity and transparency has favorably impacted our Certified Emission Reduction ("CER") sourcing volume.

MMO

Revenue from our MMO segment increased 35.8% to US$6,183.3 million in 2008 as compared to US$4,552.7 million in 2007. Higher segment revenue was mainly attributable to higher commodity price levels across all divisional products, and to a lesser extent, a 3.2% increase in tonnage volume.

Revenue from our Iron Ore division increased by 42.5%, which was supported by an 7.8% increase in tonnage volume, driven by increased product demand from PRC steel producers in 2008 compared to 2007.

Revenue from our Alumina/Aluminum division increased by 40.1% in 2008 as compared to 2007 due to higher product prices and to a lesser extent, a slight increase in tonnage volume. In the first six months of 2008, we recorded growth in our North American operations with lower tonnage volume in our European activities. In the second half of 2008, aluminum, like other metals, saw fundamentals deteriorate with demand falling sharply, market surplus increasing, and stocks rising sharply. Many producers are now producing below cash cost, resulting in an expectation of significant production cutbacks. As the availability of counterparty credit insurance declined in our North American and European market, we assumed a more cautious approach and reduced business activity.

Revenue from our Steel division increased by 40.6% in 2008 as compared to 2007, supported by higher average selling prices in 2008, particularly in the first nine months. Tonnage volume fell 14.2% in 2008 as compared to 2007 as steel demand was affected by a combination of excess production levels, weaker economic conditions, and reduced demand in key industry sectors like construction.

Logistics

Revenue from our Logistics segment increased to US$2,256.6 million in 2008 (including revenue derived from intersegment sales) as compared to US$1,749.9 million in 2007. The higher revenue levels reflected the substantial increase of dry bulk freight charter rates in the first six months of 2008 and a slight increase in tonnage to 44.7 million metric tons from 44.2 million metric tons in 2007.

Our Fleet Management division expanded its portfolio of vessels under management to 211 vessels as of December 31, 2008 as compared to 204 vessels as of December 31, 2007.

Corporate

Revenue from our Corporate segment decreased to US$241.4 million in 2008 as compared to US$259.7 million in 2007. Our investments in sugar refinery and alcohol (ethanol) facilities complement our offtake activities and have substantially increased our captive sugar cane milling capacity.

Cost of sales and services

Cost of sales and services increased by 53.2% in 2008 as compared to 2007, which is in line with the increase in revenue over the same period. Cost of sales and services accounted for 96.3% and 96.5% of our total revenue in 2008 and 2007, respectively.

Gross profit

Our 2008 gross profit increased 63.6%, representing an increase of US$523.9 million to US$1,347.6 million as compared to US$823.7 million in 2007. Our gross profit was supported by contributions from each of our business segments and the 2008 results represented record gross profit levels for two of our business segments - Agriculture and Logistics. The diversity of our earnings base also contributed to the continuing improvement in our margins. Our gross profit margin increased to 3.7% for 2008 as compared to 3.5% in 2007.

Gross profit in our Energy segment increased to US$325.7 million in 2008 as compared to US$184.6 million in 2007. These results were primarily driven by the Coal & Coke division, which saw an almost three fold increase in gross profit in 2008 compared to 2007, increased origination volume and higher captive production. Higher price levels widened operating margins at our mines in Australia and Indonesia. In addition, the division's new product line, coking coal and coke, contributed to the segment results. Gross profit in our Oil & Gas division increased more than three fold due to higher tonnage volume in our gasoline and component activities. However, the downturn and volatility of oil and agricultural product prices created a difficult hedging environment for our ethanol investments and we have taken provisions for several of these investments under Other Expenses in our income statement. Gross profit in our Carbon Credits division was lower due to reduced tonnage and the downturn in CER prices.

Gross profit in our Agriculture segment more than doubled to US$435.6 million in 2008 as compared to US$200.3 million in 2007 due to a combination of increased origination volume, higher throughput of our crushing plants and improved origination and crushing margins. Gross profit in our Sugar and Cotton divisions also increased significantly as we increased our sourcing/processing capacity and expanded our operations to high-demand consumer markets.

Gross profit in our MMO segment decreased to US$128.2 million in 2008 from US$179.4 million in 2007. The decrease primarily related to a deteriorating economic environment in the second half of 2008 and an expected prolonged downturn in key sectors like construction and steel. While tonnage volume remained flat compared to 2007, our Steel, Ferro Alloys and Alumina/Aluminum divisions were adversely affected and incurred additional costs to reduce inventory and contractual positions. Our Alumina/Aluminum division's gross profit was adversely affected by the rapid decline in aluminum prices, the divergence of cash and futures markets and the deterioration in basis premium. In addition, due to the declining availability of counterparty credit insurance, we reduced business activity which contributed to a reduction in segment gross profit. The weaker full year results were partly offset by the increase in the Iron Ore division's gross profit which rose by 50% in 2008 over 2007 due to our continuing strong sales to the PRC steel sector.

Gross profit in our Logistics segment increased 82.9% to US$440.7 million for 2008 as compared to US$240.9 million in 2007. The improved results were primarily contributed by our Chartering division which continues to leverage our presence across key demand markets, bulk commodities and the bulk freight market to manage the volatile freight markets. In a year where capesize vessel charter price contracts rose to all time highs and subsequently fell to near record lows, our Chartering division was able to manage freight exposure by reducing our period charters to nearly zero thus allowing us to book our freight requirements on the spot freight market and enabling us to report a positive second half gross profit.

Other income and gains

Other income and gains net of Other expenses increased to US$103.9 million in 2008 compared to US$20.9 million in 2007. The substantial increase related to one-off gains of US$139.5 million associated with the disposal of equity stakes in Australian listed mining companies: Consolidated Minerals Limited for US$47.8 million, Midwest Corporation for US$18.6 million and Portman Limited for US$73.1 million.

Selling, administrative and operating expenses

SA&O representing primarily employee compensation costs, rose to US$567.6 million in 2008 as compared to US$391.8 million in 2007. SA&O cost as a percentage of revenue was 1.57% in 2008, comparable with the previous year's level of 1.67%.

Finance costs

Finance costs rose to US$235.1 million in 2008 from US$170.6 million in 2007. The higher financing costs were attributable to higher debt levels associated with rising commodity prices as well as transaction costs associated with the issuance of our US$500 million senior notes due 2013. Continuing a trend first noted in the third quarter 2008, falling commodity prices and improved profitability have reduced debt levels and combined with declining interest rates have reduced interest costs relative to previous periods.

Profit before tax

Profit before tax increased by 122.9% to US$676.0 million in 2008 as compared to US$303.3 million in 2007, as a result of the factors noted above.

Tax

We are not subject to income taxes in our jurisdiction of incorporation. However, our subsidiaries which operate in multiple tax jurisdictions are subject to income taxes at various statutory rates. Provisions for tax expenses amounted to US$96.2 million in 2008. The effective tax rate remained at 14% for both 2008 and 2007.

Year ended December 31, 2007 compared to year ended December 31, 2006

Revenue

Our revenue increased by US$9,731.7 million or 70.7% to US$23,497.1 million in 2007 as compared to US$13,765.4 million in 2006. Our tonnage volume increased by 36.9% to 128.3 million tons in 2007 as compared to 93.7 million tons in 2006. This increase in both revenue and tonnage volumes was led by our three commodities business segments and was attributable to strong demand across our product base, increased throughput capacity created by our infrastructure assets, and the success of our integrated pipeline strategy in capturing new incremental trade flows. In particular, revenue (including revenue derived from intersegment sales) and tonnage volume of our Logistics segment increased by 147.6% and 23.8%, respectively, in 2007 as compared to 2006. These increases reflected both increased business activity and increased demand for commodities, particularly bulk commodities worldwide.

The following table sets forth the revenue from each of our business segments and tonnage volumes of commodities shipped by our three commodity segments and Logistics segment for the periods indicated, as well as revenue and tonnage as a percentage of total revenue or tonnage (as the case may be).

	Year ended December 31,				
	2006		2007		
		As a percentage of Total Revenue/ Tonnage		As a percentage of Total Revenue/ Tonnage	% change
Revenue (US dollars in millions)					
Agriculture	4,047.6	29.4%	6,470.9	27.5%	59.9%
Energy	6,232.3	45.3%	10,949.2	46.6%	75.7%
MMO	2,847.6	20.7%	4,552.7	19.4%	59.9%
Logistics(1)	510.7	3.7%	1,264.6	5.4%	147.6%
Corporate	127.2	0.9%	259.7	1.1%	104.2%
Total revenue	**13,765.4**	**100%**	**23,497.1**	**100%**	**70.7%**
Cost of sales and services	(13,277.9)	96.5%	(22,673.4)	96.5%	70.8%
Gross profit	**487.5**	**3.5%**	**823.7**	**3.5%**	**69.0%**
Tonnage (in million tons)					
Agriculture	11.2	12.0%	16.0	12.5%	43.0%
Energy	30.4	32.4%	48.6	37.9%	60.1%
MMO	16.4	17.5%	19.5	15.2%	18.6%
Logistics	35.7	38.1%	44.2	34.4%	23.8%
Total tonnage	**93.7**	**100%**	**128.3**	**100%**	**36.9%**

(1) Revenue from intersegment sales has been eliminated from Logistics.

Agriculture

Revenue from our Agriculture segment accounted for 29.4% and 27.5% of our total revenue in 2006 and 2007, respectively. Our Agriculture segment continued to demonstrate strong growth reflecting the build-out of our agricultural "pipeline" supply chains, particularly our South American sourced grain and oilseed products.

Revenue from our Agriculture segment increased by 59.9% to US$6,470.9 million in 2007 as compared to US$4,047.6 million in 2006. This increase was primarily due to a 43.0% increase in tonnage in 2007 as compared to 2006 led by strong growth in key markets, such as the PRC, other Asian countries and Europe. In addition, this segment's overall growth was broadly supported by the revenue growth in each of our product divisions.

Revenue and tonnage from our Grains division increased by 85.4% and 46.3%, respectively, in 2007 as compared to 2006. These increases were primarily due to price increases of all grains, particularly soybeans. In addition, these increases were also attributable to a combination of the increase in demand in high growth markets, such as the PRC and India, and our increased ability to source and supply grain as a result of our investments in this area. For example, we distributed soybean in the PRC where we operate four soybean crushing plants. Our soybean crushing plants in the PRC, which also comprise oil refining and storage capacity, act as outlets for our soybeans, and allowed us to expand our South American sourcing operations.

Revenue from our Coffee division increased by 41.8% in 2007 as compared to 2006. This improvement was attributable to the continued growth in our origination strategy and diversified sourcing operations in Indonesia, Vietnam and Brazil. As a result, tonnage volume increased 9.9% in 2007 as compared to 2006. The division was also able to achieve significant incremental market share growth in Europe, the division's largest distribution market, where revenue increased 51.4% on a year on year basis.

Revenue from our Cocoa division increased by 26.1% in 2007 as compared to 2006, primarily due to a 10.6% increase in tonnage during the year. The increase in tonnage of this division reflected our increased sourcing activities in the Ivory Coast, which were partially offset by the reduced origination activities in Nigeria. The division continued to grow market share in key markets such as Europe, particularly in the higher quality bean sector, and Asia, which accounted for a 72.8% growth in revenue of this division.

Revenue from our Sugar division decreased by 21.8% in 2007 as compared to 2006, primarily due to a substantial reduction in sugar prices. Sugar prices decreased sharply from their highs in 2006 primarily due to a surge in sugar production in key producing countries. These price decreases were partially offset by an increase in our tonnage volumes of 43.9% from 2006 to 2007, in part due to the acquisition of Usina Noroeste Paulista Ltda ("UNP"), a sugar refinery and ethanol processing facility in Votuporanga, Sao Paulo, Brazil.

Our recently established Cotton division reported strong revenue growth in its first year of operation and expanded its sourcing and distribution operations across our network. This division leverages off our existing client base, infrastructure assets and sourcing and origination strengths to build a global business operation.

Energy

Revenue from our Energy segment increased by 75.7% to US$10,949.2 million in 2007 as compared to US$6,232.3 million in 2006. This increase was primarily attributable to a 60.1% increase in tonnage to 48.6 million tons in 2007 as compared to 30.4 million tons in 2006, which was led by the continuing growth in our Carbon Credits, Oil & Gas and Coal & Coke divisions. Tonnage volume growth in the Oil & Gas, Coal & Coke and Carbon Credits divisions in 2007 accounted for 53.3% of our aggregate growth in tonnage volumes of 34.6 million tons for all our business segments.

Revenue and tonnage of our Oil & Gas division, our largest division by revenue, increased by 100.0% and 79.5%, respectively, in 2007 as compared to 2006. These increases were primarily due to the continuing expansion of our gasoline component and blendstocking activities, including ethanol. Our ethanol activities expanded as a result of an increase in offtake agreements, as well as with the growth of our ethanol exports to the United States where we believe we are one of the largest offshore suppliers of ethanol. Our strong presence in the United States reflects a combination of our trading operations with our investments in ethanol producing facilities to create a more integrated presence. We substantially increased our revenue base in South America with the establishment of an ethanol marketing and trading operation linked to our UNP sugar refinery and ethanol processing facility in Brazil.

Our Coal & Coke division is our largest division by tonnage volume. Tonnage volume of this division increased by 13.5% from 2006 to 2007. This growth in 2007 was partially due to the small tonnage volume in 2006, which resulted from the delayed shipment schedules caused by difficult weather conditions in Indonesia and port congestion problems in Australia. As a result of rising demand in Asia and Europe for thermal coal, thermal coal prices increased, and our average selling price of thermal coal was 37.4% higher in 2007 as compared to 2006. The combination of higher tonnage volume and higher prices contributed to a 56.0% increase in revenue from this division in 2007 as compared to 2006. Revenue was also supported by efforts to further expand our origination volumes through acquisitions, greenfield projects and expansion of owned or managed assets. In 2007, we expanded our coal production in Donaldson Coal, acquired a 21.0% equity interest in Middlemount, a coal mining facility in Australia, and increased our investment in Gloucester Coal Limited ("Gloucester Coal"). See "Business — Our business segments — Coal & Coke".

Our Petrochemicals division reported an 11.3% decrease in revenue and a 16.0% decrease in tonnage in 2007 as compared to 2006. These decreases were primarily due to a more conservative approach to the business in consideration of increased price volatility.

Our Carbon Credits division reported a 292.1% increase in revenue in 2007 as compared to 2006, primarily due to the fact that this division became fully operational in 2007 while in 2006 this division had just begun operations. The increase in revenue was also attributable to an expanded marketing team who sought to derive business from both new and existing customers.

MMO

Revenue from our MMO segment accounted for 20.7% and 19.4% of our total revenue in 2006 and 2007, respectively. Revenue from this segment increased by 59.9% to US$4,552.7 million in 2007 as compared to US$2,847.6 million in 2006. This growth was primarily due to a combination of increased prices in most of our product divisions in this segment, and in particular, our Iron Ore division, and increased tonnage volume. Tonnage volume for this segment increased by 18.6% to 19.5 million tons in 2007 as compared to 16.4 million tons in 2006. The increase in tonnage volume in 2007 partly reflects our decision in 2006 to reduce iron ore sales in that year in the PRC, our largest customer market, due to lower risk adjusted returns compared to previous periods.

Our Iron Ore division reported a 93.0% increase in revenue and a 15.6% increase in tonnage volume in 2007 as compared to 2006. The higher revenue and tonnage levels were attributable to increased demand by the PRC steel sector as well as higher prices for the product. The increase in iron ore prices was caused by a global increase in freight prices, which in turn caused an increase in the landed cost of iron ore from Brazil. As a result, iron ore sourced from India became more competitive with Brazilian iron ore, which led to an increase in the demand for Indian iron ore. Approximately 75% of the division's iron ore was sourced from India in 2007. Higher revenue growth also reflected our enhanced origination activities associated with our investments in Territory Resources, an Australian iron ore producer with whom we have a long term offtake agreement, and in Mhag, a Brazilian iron ore producer.

Our Alumina/Aluminum division reported a 63.7% increase in revenue and a 85.6% increase in tonnage volume in 2007 as compared to 2006. The growth in revenue was led by a resumption of our normal business activities in Europe as well as higher tonnage volume in our North America operations.

Our Steel division reported a 48.3% increase in revenue and a 11.4% increase in tonnage volume in 2007 as compared to 2006. This was primarily due to an increase in steel prices and diversification of our product mix to higher value added products such as galvanized steel and plates.

Revenue from our Ferro Alloy division increased by 128.0% in 2007 as compared to 2006. This increase was primarily due to an increase in average realized prices, a 25.7% increase in tonnage volume of this division, and an expansion in our sourcing and origination activities. In 2007, we were appointed by PSC VSMPO-AVISMA Corporation to be their exclusive distributor of ferro titanium worldwide (excluding Russia).

Logistics

Revenue from our Logistics segment (including revenue derived from intersegment sales) increased by 147.6% to US$1,749.9 million in 2007 from US$706.8 million in 2006. This increase was primarily attributed to a significant increase in freight prices for bulk vessels. In addition, the increase in our revenue from this segment was also related to a 23.8% increase in tonnage volumes of our Vessel Chartering division in 2007 as compared to 2006, which was primarily due to strong bulk freight demand associated with our commodity products, particularly iron ore and coal, as well as third party demand for our freight services. In 2007, we reorganized our vessel chartering activities and created a single business desk to handle all internal logistics requirements. We believe this reorganized structure has created improved market data sharing among our three commodities segments and our Logistics segment, as well as strengthening our freight risk management.

The increase in revenue of this segment was also due to an increase in revenue from our Vessel Management division. Our Vessel Management division continued to expand its vessel portfolio in 2007 and the total number of vessels under management increased to 190 vessels as of December 31, 2007, up from 152 vessels as of December 31, 2006.

Corporate

Revenue from our Corporate segment included revenue generated from our directly and indirectly acquired subsidiaries and our in-house vessel fleet and structured finance activities. This segment reported a 104.2% increase in revenue to US$259.7 million in 2007 from US$127.2 million in 2006, primarily due to substantial growth at several of our acquired subsidiaries.

Cost of sales and services

Cost of sales and services increased by 70.8% to US$22,673.4 million in 2007 as compared to US$13,277.9 million in 2006, which principally reflected the growth of our business activities during the year. Cost of sales accounted for 96.5% of our total revenue in both 2006 and 2007.

Gross profit

Our gross profit increased by 69.0% to US$823.7 million in 2007 from US$487.5 million in 2006. The improved gross profit reflected higher tonnage volumes in our Logistics and Agriculture segments, improved results from our MMO segment, as well as the establishment of several supply pipelines that created incremental sources of profits, such as our soybean crushing operations in the PRC, and an expansion of cost competitive production assets. Our gross profit margin was 3.5% in 2007 which remained consistent as compared to 2006 as the reduction in gross profit of our Energy segment was offset by the improved profit margins of our Agriculture, MMO and Logistics segments.

Our Agriculture segment reported gross profit of US$200.3 million in 2007, representing 24.3% of our total gross profit as compared to US$120.5 million in 2006, which was driven by our Grain, Coffee and Cotton divisions. The improvement of our Grains division was attributed to our integrated pipeline strategy, the increased tonnage and related operating efficiencies, as well as the realization of arbitrage opportunities in the physical and futures markets.

Our Energy segment reported gross profit of US$184.6 million in 2007, representing 22.4% of our total gross profit for that year, as compared to US$257.0 million in 2006. The decrease was attributed to reduced contributions from our Oil & Gas and Carbon Credits divisions, which was partially offset by improved results of our Coal & Coke division. The gross profit of our Oil & Gas division was affected by a combination of market factors including increased price volatility and price decreases for ethanol. In addition, our ethanol marketing activities were affected by overproduction of ethanol in U.S. market, delayed project start-up, and higher corn prices which reduced our margins. Furthermore, the resignation of several members of senior management personnel from our Oil & Gas division also resulted in a slowdown in business activities. The decreased gross profit of our Carbon Credits division was primarily due to volatility in carbon credit prices which adversely affected our selling price.

Our Metal, Minerals and Ores segment reported gross profit of US$179.4 million in 2007, representing 21.8% of our total gross profit, as compared to US$57.9 million in 2006. This increase reflected the improved results of our Iron Ore division as a result of strong demand for iron ore products in the PRC, driven by steel in industry demand and higher freight prices. The increase was also attributed to improved performance of our Alumina/Aluminum division.

Our Logistics segment reported gross profit of US$240.9 million in 2007, representing 29.3% of our total gross profit, as compared to US$46.9 million in 2006. This increase was attributed to increased tonnage in our Vessel Chartering division, higher freight prices for bulk vessels and improved operational management efficiencies assisted by the reorganization of our chartering activities by, for example, allowing us to maximize fleet efficiency and minimize the ballast leg.

Other income and gains

Other income and gains increased by 49.1% to US$20.9 million in 2007 as compared to US$14.0 million in 2006. Other income and gains in 2007 mainly included the gains on disposal of long term investments and subsidiaries of US$18.7 million and dividend income of US$2.3 million from the companies in which we have invested.

Selling, administrative and operating expenses

SA&O expenses increased by 44.0% to US$391.8 million in 2007 as compared to US$272.1 million in 2006. The increase was primarily due to the increased salaries paid to our staff. SA&O expenses as a percentage of total revenue decreased to 1.7% in 2007 from 2.0% in 2006.

Finance costs

Finance costs increased by 130.1% to US$170.6 million in 2007 as compared to US$74.1 million in 2006. This increase primarily reflected increased interest expenses as a result of an increase in bank debt associated with higher working capital requirements.

Profit before tax

Profit before tax increased by 79.1% to US$303.3 million in 2007 as compared to US$169.4 million in 2006, as a result of the factors noted above.

Tax

Our tax expenses increased to US$44.8 million in 2007 from US$35.9 million in 2006. Our effective tax rate decreased to 14.6% in 2007 from 20.8% in 2006, primarily due to lower taxable income in the Energy segment, which is primarily subject to tax in the United States.

Liquidity and capital resources

Our primary financial objective is to maintain sufficient liquidity through a combination of cash, high quality current assets (as evidenced by the liquidity of our inventory and the strong credit quality of trade receivables), the availability of both committed and uncommitted bank facilities, and access to a diversified array of debt and equity capital market products.

Holding company structure

We are a holding company. Our sole assets are our direct and indirect equity interests in our operating subsidiaries and associates. We do not conduct any substantial operations. As of September 30, 2009, we (excluding our subsidiaries) had approximately US$2,218 million of outstanding indebtedness. We anticipate that we will repay our remaining indebtedness, as well as other obligations that may arise from time to time, with dividends and other distributions that we receive from our operating subsidiaries and associates as we are dependent on these operating subsidiaries and associates for cash to meet our obligations. See "Risk factors — Risks related to the notes — We are a holding company with no revenue generating operations of our own".

The following key financial measurements reflect our financial position and capital resources as of the periods indicated:

	As of December 31,			As of September 30,	
	2006	2007	2008	2008	2009
	(US dollars in millions)				
Cash and cash equivalents	599.1	670.6	1,318.2	1,100.9	766.9
Adjusted working capital[(1)]	1,180.4	1,815.3	1,503.6	2,176.0	1,889.3
Total debt	1,570.2	2,544.1	2,556.1	3,107.1	3,035.8
Capital employed[(2)]	2,527.7	4,093.6	4,407.2	5,006.2	5,524.3
Debt as a percentage of capital employed	62.1%	62.1%	58.0%	62.1%	55.0%

(1) Adjusted working capital includes trade receivables, prepayments, deposits and other receivables and inventories less trade and other payables and accrued liabilities net of unrealized fair value gains and losses on commodity forward contracts and derivative financial instruments.

(2) Capital employed includes total debt and total equity (excluding minority interests).

Sources and uses of funds

The discussion set forth below relates to our sources and uses of funds on a consolidated basis.

We have relied primarily on cash generated from operations, bank debt and other borrowings, trade credit from our suppliers and proceeds from the offering of our convertible bonds and senior notes. Our principal uses of funds have been to fund our working capital requirements as our business continues to grow, capital expenditures to purchase and maintain our vessels and other investments, and to service our debt and other long term liabilities.

Based on our current and anticipated levels of operations and conditions in our markets and industry, we believe that our cash on hand, cash flow from operations, availability under our credit facilities, access to the debt and equity capital markets and trade credit from our suppliers will enable us to meet our working capital, capital expenditure, debt service and other funding requirements for the foreseeable future. However, our ability to fund our working capital needs, debt payments and other obligations, and to comply with the financial covenants under our debt agreements, depends on our future operating performance and cash flow, which are in turn subject to prevailing economic conditions, the level of spending in our customers' industries in the regions in which we operate and other factors, many of which are beyond our control. Any future significant acquisitions may require additional capital and there can be no assurance that any such capital will be available to us on acceptable terms, if at all.

Historical cash flow

Our statements of cash flows for the periods indicated are summarized below:

	For the year ended December 31,			For the nine months ended September 30,	
	2006	2007	2008	2008	2009
	(US dollars in millions)				
Operating profit before working capital changes	267.4	532.9	958.1	762.4	624.3
Net cash generated from/(used in) operating and short term financing activities	(2.3)	(217.1)	1,089.4	626.0	210.6
Net cash used in investing activities	(160.9)	(573.4)	(584.4)	(443.1)	(724.4)
Net cash from long term financing activities	27.8	682.6	204.1	350.9	(14.7)

Operating profit before working capital changes

Operating profit before working capital changes mainly consists of profit generated during a year, net of interest income, interest expenses, depreciation and amortization and impairment of long term investments and before the effects of changes in working capital.

Operating profit before working capital changes was US$624.3 million in the nine months ended September 30, 2009, compared to US$762.4 million in the nine months ended September 30, 2008, and consisted mainly of profit generated during the nine month period, net of interest income, interest expenses, depreciation and amortization.

Operating profit before working capital changes increased to US$958.1 million in 2008 from US$532.9 million in 2007. The increase was attributable to our net profit of US$577.3 million as compared to the previous year's net profit of US$258.1 million. Some of the increase was as a result of one-off gains related to our disposal of equity stakes in strategic equity investments, namely, Consolidated Minerals, Midwest Corporation, and Portman Limited.

Operating profit before working capital changes increased to US$532.9 million in 2007 from US$267.4 million in 2006, which was primarily due to an increase in profit before tax.

Net cash generated from/(used in) operating and short term financing activities

The net cash inflow from operating and short term financing activities was US$210.6 million in the nine months ended September 30, 2009 versus US$626.0 million in the nine months ended September 30, 2008 due to the increase in working capital requirements associated with the expansion of our Oil & Gas division's business activities. Net addition of short term financing increased to US$313.1 million in the nine months ended September 30, 2009 from US$112.0 million in the nine months ended September 30, 2008, which was primarily due to the increase in short term bank borrowing in line with the increase in working capital requirements.

Net cash generated in operating and short term financing activities increased to US$1,089.4 million in 2008 as compared to US$217.1 million of net cash used in 2007. Due to the impact of declining commodity prices, net working capital became a source of funds in 2008. For 2008, our net working capital inflow was US$512.3 million as compared to 2007 when net working capital represented an outflow of US$892.2 million. The improvement represented lower working capital requirements associated with our reduced inventory and receivables' level due to lower commodity prices as well as a reduction in cash deposited with brokers.

Net cash used in operating and short term financing activities increased to US$217.1 million in 2007 compared to US$2.3 million in 2006. This increase was primarily due to the increase in working capital as a result of our continued business expansion. The increase in working capital requirements in 2007 was US$866.5 million as compared to an increase of US$587.6 million in 2006, Net addition of short term financing decreased to US$142.1 million in 2007 from US$317.8 million in 2006. Short term financing in 2007 was primarily related to the additional cash balances placed with brokers. Short term financing in 2006 was primarily related to the increase in short term bank borrowing.

Net cash used in investing activities

Our net cash used in investing activities of US$724.4 million in the nine months ended September 30, 2009 was primarily due to the net cash paid for acquisition of Gloucester Coal of US$264.8 million and capital expenditures related to our sugar and ethanol facilities, soybean crushing operations, port and infrastructure projects as well as the expansion of our mining operations totaling US$399.0 million. Our net cash used in investing activities of US$443.1 million in the nine months ended September 30, 2008 mainly related to the expenditure for the Brazilian sugar mills expansion; deposit payments for the acquisition of bulk vessels; investments in Gloucester Coal, Monto Coal 2 (an Australian coal mine) and Windimurra (an Australian based ferro vanadium mine).

Net cash used in investing activities increased marginally to US$584.4 million in 2008 from US$573.4 million in 2007 as we maintained our strategy of building our supply chain assets with expenditures relating to the expansion of our Brazilian sugar mill and ethanol operations, investments in panamax and capsize vessels, and investments in several mine assets in Australia and Indonesia.

Net cash used in investing activities increased to US$573.4 million in 2007 from US$160.9 million in 2006. This increase was primarily due to our investments in infrastructure, fixed assets and resource assets.

Net cash from long term financing activities

Our net cash outflow from long term financing activities was US$14.7 million for the nine months ended September 30, 2009 and reflects 310.0 of proceeds from additional long term bank debts and share placement proceeds of US$86.3 million and repayments of long term debt financing of US$201.9 million, long term loan interest payments of US$100.5 million and dividend payments of 109.3 million.

Net cash from long term financing activities for 2008 was US$204.1 million compared to US$682.6 million for 2007. Related cash proceeds for 2008 comprised primarily US$148.7 million related to a share placement and the issuance of US$500 million in senior notes to repay commercial bank debt.

Net cash from long term financing activities substantially increased to US$682.6 million in 2007 from US$27.8 million in 2006, which was primarily due to the increase in bank debt and proceeds from the issuance of US$250 million of convertible bonds in 2007.

Historical debt and receivable financing

As of September 30, 2009, our outstanding total indebtedness was approximately US$3.0 billion, of which approximately US$192.8 million was secured.

Our long term debt for the periods indicated below is as follows:

	As of December 31,			As of September 30,	
	2006	**2007**	**2008**	**2008**	**2009**
	(US dollars in millions)				
0.9% convertible bonds due 2009	108.9	—	—	—	—
6.625% senior notes due 2015	682.3	684.3	666.7	685.8	668.2
8.5% senior notes due 2013	—	—	492.3	491.9	493.6
Zero coupon convertible bonds due 2014	—	243.9	261.4	256.9	275.3
Bank debt	231.3	875.6	723.6	761.0	828.6
Total long term debt	1,022.5	1,803.8	2,144.0	2,195.6	2,265.7
Less: Current portion of long term debt	(11.9)	(40.0)	(94.1)	(17.3)	(71.6)
Total long term debt (excluding current portion)	1,010.6	1,763.8	2,049.9	2,178.3	2,194.1

0.9% convertible bonds due 2009

In April 2004, we issued 0.9% convertible bonds due 2009 in an aggregate principal amount of US$200 million. By the end of the first six months of 2007, all then outstanding convertible bonds had been either converted into newly issued equity shares or redeemed.

Zero coupon convertible bonds due 2014

On June 13, 2007, we issued zero coupon convertible bonds in the aggregate principal amount of US$250 million. The convertible bonds mature on June 13, 2014. The convertible bonds do not bear any interest. The convertible bonds are convertible into our shares at an initial conversion price of US$2.779 per share. Holders may exercise their conversion rights up to May 13, 2014. At any time on or after December 13, 2009 but not less than seven business days prior to the maturity date, we have the option to redeem the convertible bonds at the applicable early redemption amount in whole or in part if the closing price of our shares for any 20 trading days within a consecutive 30 trading-day period is 125% of the applicable early redemption amount divided by the conversion ratio. We also have the option to redeem all outstanding bonds if the aggregate principal amount of bonds outstanding is less than 10% of the aggregate principal amount originally issued. We will, at the option of the holder of any convertible bond, redeem the convertible bonds of a bondholder in whole or in part on June 13, 2011 at 126.186% of the principal amount. Unless previously redeemed, the convertible bonds will be redeemed on June 13, 2014 at 150.234% of their principal amount. So long as any convertible bond remains outstanding, we are not allowed to create any form of encumbrance or security interest on the whole or any part of our undertaking, assets or revenue to secure any "international investment securities" or any guarantee or indemnity with respect to such international investment securities unless we grant the same security equally and ratably to the convertible bondholders. As of September 30, 2009, there was US$250 million principal amount of zero coupon convertible bonds outstanding.

Senior notes due 2015

On March 17, 2005, we issued 6.625% senior notes in the aggregate principal amount of US$700 million. We may redeem some or all of the senior notes at any time on or after March 17, 2010 at the applicable redemption prices. In addition, we may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If we experience specific kinds of change of control, we must offer to repurchase the senior notes at 101% of their principal amount. The senior notes are unsecured, rank equally with all our existing and future senior debt (including the notes offered hereby) and senior to all our existing and future subordinated debt. The senior notes contain prohibitions on the creation or incurrence of any lien other than permitted liens, which include (among others) liens securing any indebtedness of the Group not exceeding 15% of consolidated net tangible assets and liens on current assets securing long term indebtedness not exceeding 25% of consolidated current assets of the Group. The senior notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt. As of September 30, 2009, there was US$680 million principal amount of senior notes outstanding. On November 19, 2009, we repurchased for cash US$488,141,000 of the principal amount outstanding of the US$680 million 6.625% senior notes due 2015.

Senior notes due 2013

On May 22, 2008, we issued 8.5% senior notes in the aggregate principal amount of US$500 million. We may redeem some or all of the senior notes at any time on or after May 30, 2011 at the applicable redemption prices. In addition, we may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If we experience specific kinds of change of control, we must offer to repurchase the senior notes at 101% of their principal amount. At any time prior to May 30, 2011, we may at our option redeem up to a maximum of 35% of the outstanding notes, with the proceeds of certain equity offerings, at 108.5% of the principal amount thereof plus accrued and unpaid interest, if any, to the redemption date. The senior notes are unsecured, rank equally with all our existing and future senior debt (including the notes offered hereby) and senior to all our existing and future subordinated debt. The senior notes contain prohibitions on the creation or incurrence of any lien other than permitted liens, which include (among others) liens securing any indebtedness of the Group not exceeding 15% of consolidated net tangible assets and liens on current assets securing long term indebtedness not exceeding 25% of consolidated current assets of the Group. The senior notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt. As of September 30, 2009, there was US$500 million principal amount of senior notes outstanding.

Senior notes due 2020

On October 29, 2009, we issued 6.750% senior notes in the aggregate principal amount of US$850 million. We may redeem some or all of the senior notes at any time at the applicable redemption prices. In addition, we may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If we experience specific kinds of change of control, we must offer to repurchase the senior notes at 101% of their principal amount. The senior notes are unsecured, rank equally with all our existing and future senior debt (including the notes offered hereby) and senior to all our existing and future subordinated debt. So long as any senior note remains outstanding, we are not allowed to create any form of encumbrance or security interest on the whole or any part of our undertaking, assets or revenue to secure any "international investment securities" or any guarantee or indemnity with respect to such international investment securities unless we grant the same security equally and ratably to the senior noteholders. The senior notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt.

US$1.2 billion revolving credit facility

Pursuant to a revolving credit facility dated July 18, 2007, 34 international financial institutions granted us a dual currency revolving credit facility of US$1.2 billion for the purposes of refinancing our existing US$500 million revolving credit facility and financing our general working capital requirements. The principal amount outstanding under the revolving credit facility bears interest at a floating rate calculated by reference to LIBOR (in the case of any loan denominated in US dollars) or EURIBOR (in the case of any loan denominated in Euro) plus a margin which is determined by reference to our last published credit rating prior to the relevant interest period. As of December 31, 2008 and September 30, 2009, the effective interest rate was 4.5% and 3.9%, respectively in respect of US dollars denominated loans. The revolving credit facility is unsecured and not guaranteed by any of our subsidiaries. Under the revolving credit facility, we are subject to various financial covenants including a covenant to maintain a ratio of consolidated EBITDA to consolidated net interest expense of greater than 2.2x. This facility also contains events of default including cross default. As of September 30, 2009, US$550 million has been drawn down and US$650 million is available and undrawn under the revolving credit facility.

On October 23, 2009, we announced that we had successfully closed two committed revolving credit facilities totalling US$2.4 billion. The facilities comprise (1) an extension of our existing US$1.2 billion facility to a US$1.755 billion committed unsecured revolving credit facility, half of which for an additional one year and half of which for an additional two years and (2) a new 364-day US$645 million committed unsecured revolving credit facility. Proceeds from the facilities will be used for general corporate purposes.

Lines of credit

We and certain of our subsidiaries have entered into uncommitted lines of credit with approximately 50 financial institutions around the world. The lines of credit entered into by our subsidiaries are typically guaranteed by us. These lines of credit are available for a variety of purposes, including for the issuance of letters of credit, bid and performance bonds, bank guarantees and short term debt.

The principal amounts outstanding under these lines of credit generally bear interest at floating rates calculated by reference to the relevant bank's benchmark interest rate per annum. Floating interest rates generally are subject to review by the lending bank at the end of each interest period.

Under the lines of credit, some of our subsidiary borrowers have agreed, among other things, that they would not, without first obtaining the relevant lenders' consent, grant security over any of their material assets to secure third party indebtedness, or dispose of their material assets in any way unless proceeds are used to repay the indebtedness or grant a guarantee in relation to any third party indebtedness to the extent that it may adversely affect their ability to repay their loans.

The overdrafts are repayable on demand. The non-current bank loan facilities not repayable on demand contain certain customary events of default, including insolvency, breaches of the terms of the loan agreements and cross-default.

Trade receivable financing facility

In June 2008, we increased our previous US$200 million revolving trade receivable financing facility to US$300 million. Under this facility, we have the right to offer to sell certain receivables under sales contracts on a non-recourse basis, although we may, in circumstances other than non-recourse events, be required to repurchase the receivables.

Guarantee and security

We, together with certain of our subsidiaries, have granted security in favor of certain banks. As of September 30, 2009, certain short term bank loans and overdrafts of an aggregate amount of US$29 million, were secured by certain of our trade receivables and inventories. As of September 30, 2009, certain long term bank loans of an aggregate amount of US$164 million, were secured by certain of our vessel, land and buildings.

Capital expenditure requirements

For the nine months ended September 30, 2009, our overall capital spending amounted to approximately US$675.9 million, including (i) US$264.8 million for the acquisition of Gloucester Coal Limited, (ii) US$149.5 million related to the continued expansion of our Brazilian sugar mill and ethanol facilities, as well as port infrastructure projects, (iii) approximately US$52.8 million for the ongoing construction of our oilseed crushing plant in Timbues, Argentina, (iv) approximately US$108.7 million for coal mining equipment and (v) approximately US$38.9 million for vessel deposits. Maintenance-related capital expenditures were US$18.3 million.

In 2008, our overall capital spending was approximately US$702.8 million; including (i) US$246.1 million to acquire sugar mill and ethanol facilities in Brazil, (ii) approximately US$59.5 million for the expansion of capacity at our oilseed crushing facilities in China and the work-in-progress in Argentina, (iii) approximately US$30.1 million for the acquisition of coal properties to expand our access to coal production via both ownership and long-term offtake agreements, and (iv) approximately US$119.4 million for various port and logistics capacity expansions with the aim of further increasing our integrated supply chain operations. Maintenance-related capital expenditures were approximately US$43.8 million.

In 2007, our overall capital spending was approximately US$732.1 million, including (i) US$709.1 million to acquire three new vessels, the fourth soybean crushing plant, mine property and listed and unlisted equity securities which were often associated with long term offtake agreements, and (ii) US$23.0 million for capital maintenance of the acquisition of property, plant and equipment.

In 2006, our overall capital spending was approximately US$260.0 million, including (i) approximately US$231.0 million to acquire a new vessel, three soybean crushing plants in the PRC, investments in several U.S. based ethanol companies and a stake in an Australian vanadium producer, as well as port facility in Argentina, and (ii) US$29.0 million for capital maintenance relating to the acquisition of property, plant and equipment.

Other matters

Contingent liabilities

As of December 31, 2006, 2007, 2008 and September 30, 2009, certain banking facilities for our subsidiaries were subject to Noble Group Ltd.'s guarantees of US$3,113.2 million, US$3,874.9 million, US$5,915.2 million and US$7,052.0 million, respectively. As of December 31, 2006, 2007, 2008 and September 30, 2009, these facilities were utilized to the extent of US$704.7 million, US$672.1 million, US$440.2 million and US$1,074.3 million, respectively. As of December 31, 2006, 2007 and 2008 and September 30, 2009, we also granted guarantees of US$480.5 million, US$1,510.1 million, US$1,948.5 million and US$2,000.9 million, respectively, to certain physical trade and swap counterparties of our subsidiaries, which were utilized to the extent of US$84.4 million, US$170.9 million, US$304.4 million and US$144.0 million, respectively.

In May 2009, we renewed and increased our existing US$700 million committed revolving standby letter of credit and guarantee facility to US$800 million for the year ended 2010 and US$770 million for the following year. The facility provides additional credit capacity to accommodate our increased business activity and further extends the facility maturity to May 2011.

Off balance sheet arrangements. We do not currently have any material off balance sheet arrangements.

Tabular disclosure of contractual obligations

The following table summarizes our scheduled contractual obligations and their expected maturities as of September 30, 2009.

	As of September 30, 2009			
	Total	Within 1 year	1-5 years	After 5 years
	(US dollars in thousands)			
Contractual obligations				
Long term debt	2,265,686	71,597	1,525,121	668,968
Non-cancellable lease obligations	163,839	89,691	62,809	11,339
Total contractual obligations	2,429,525	161,288	1,587,930	680,307

Quantitative and qualitative disclosures about market risk

Overview

As a result of our global operating and financing activities, we are exposed to changes in commodity prices, interest rates and foreign currency exchange rates which may affect our results of operations and our financial position. We are also exposed to counterparty and country risk. We engage in the ordinary course of business in commodity price, interest rate, foreign currency rate, counterparty and country risk management activities for the purpose of hedging and managing our exposure to these risks. Our commodity business segments are responsible for covering, controlling and monitoring commodity price exposure and some limited foreign currency exposure. Our Finance Department is responsible for financing purchases of commodities and all other related financing activities, and monitoring foreign exchange exposure. Our Risk Department is responsible for monitoring market price, counterparty and country risk exposure.

Commodities risk

As futures markets exist for the vast majority of our commodities products, transactions are normally hedged. Unhedgeable products are normally netted on a back-to-back basis, pre-sold, or secured by upfront collateral or security.

We manage a portion of our exposure to commodity price risk through futures and options transactions on global exchanges or in over-the-counter markets, to the extent available. While these hedging instruments are subject to fluctuations in value, these fluctuations are generally offset by the value of the underlying exposures related to the physical transactions being hedged. Our commodity hedge counterparties are primarily commodity exchanges, and to a lesser extent major financial institutions.

As a merchant of basic raw materials, we must maintain certain levels of inventory to allow us to respond quickly to our customers, even under difficult market conditions. As of December 31, 2008 and September 30, 2009, approximately 90.9% and 92.7%, respectively, of our inventory were either hedged or sold goods in transit.

Under our risk management policies all commodity products have market risk limits which have been approved by the Risk Committee and are administered by the Risk Department. These limits are reviewed periodically by the Risk Department and the Risk Committee to take into account changing market conditions, changes in volatility, and other factors.

Our positions in relation to all commodities are reported internally on a daily basis to members of the Management Committee and the Risk Department, along with Finance Department staff. Where exchange markets exist and we are engaged in hedging, control procedures are in place to ensure that hedge positions are accurately and timely reported. Front and back office functions and duties are separated and are carried out by different individuals. The front office is responsible for executing the hedging transactions. Our commodity hedging is always conducted through registered brokers and major financial institutions and is confirmed simultaneously to the back office of the department of the relevant commodity. Daily hedge position reports are sent by the clearing houses and brokers to allow us to monitor and reconcile positions and margins regularly. These reports are sent directly to the Risk Department to ensure independent verification.

We typically obtain credit lines from our clearing houses and brokers and other hedging counterparties. We issue parent company guarantees in support of such credit lines and all guarantees are centrally issued by our Finance and Legal departments in Hong Kong. All cash payments of initial and variation margin or letters of credit, as the case may be, and payment settlements are approved by Finance Department staff and payments above US$5 million are subject to more stringent approval requirements. We review the creditworthiness of our brokers and the relevant exchange to ensure satisfactory financial soundness and operating controls.

We use a sensitivity analysis to estimate our daily exposure to market risk on our hedged commodity positions. The daily net commodity position consists of inventory, related purchase and sales, and exchange-traded contracts. The fair value of that position is the summation of the fair values calculated for each commodity by valuing each net position at quoted average futures prices for the period. The sensitivity analysis is based on an estimation of the potential loss in fair value resulting in a hypothetical 10% adverse change in prices.

Interest rate risk

We benefit from a natural interest rate hedge because of the composition and tenor of our current assets and current liabilities. As of September 30, 2009, excluding cash, 63.0% of our assets comprise short term assets (inventories, trade receivables and prepayments) related to our physical commodity marketing activities. Interest charged on trade receivables, trade advances and inventories is primarily based on US dollar LIBOR.

We manage our exposure to interest rate risk by using a combination of fixed and floating rate debt as well as interest rate swaps in consideration of the Group's overall interest rate exposure from time to time as well as the current and forecast interest rate environment. As of December 31, 2008 and September 30, 2009, the effective average interest rate of bank loans and overdraft denominated in US dollars is 4.8% and 3.9% per annum, respectively. The floating interest rates applicable to the principal portion of our debt are based on US dollar LIBOR. The typical duration of our short term borrowings is one month. The duration of our short term debt closely matches the maturity profile of our current assets.

Foreign currency risk

Typically, almost all of our total purchase and sales transactions are denominated in US dollars. For transactions denominated in currencies other than US dollars, the specific future commitment (receivable or payable) is generally hedged through a forward exchange contract. We enter into foreign currency hedging transactions only with major financial institutions.

All of our debt payments (both principal and interest) are denominated in US dollars. The majority of our operating expenses are incurred in US dollars, with the remainder being incurred in a mix of currencies, being the Euro, the Swiss Franc, the Chinese Renminbi and the Brazilian Real. Typically, we will enter into foreign exchange hedges in respect of our non-US dollar operating expenses.

Counterparty risk and credit management

Credit decisions related to routine transactions (in terms of term, nature and size of risk exposure) are based on our experience with the counterparty, the counterparty's track record in the market (including credit quality, reputation, general industry and market conditions and credit ratings) and other financial information, as well as frequent personal contacts. We use a judgmental credit review process, and credit approval is largely centralized at the Credit Committee located in Hong Kong. Credit approval authority outside the Hong Kong office is assigned only to our Lausanne, Singapore, Sao Paulo and Stamford offices. All offices are required to report approvals to the Credit Committee on a weekly basis. Most counterparty credit decisions are approved by the Credit Committee with more substantial exposures or exposures outside the ordinary course of business approved by the Executive Committee. Open account payable terms are offered only to buyers with a satisfactory credit standing. New buyers are usually requested to open letters of credit or provide another acceptable form of payment security. We monitor total counterparty exposure across commodity departments.

Country risk

As part of our risk management operations, we monitor and manage our exposure to political and country risk, by selling such risks to or otherwise limiting risks with major international banks and the political risk insurance market. Typically, we are required to retain a small portion of the risk on our books. In addition we have a structured finance team which structures value added transactions and utilizes the insurance and banking markets to lay off risk.

This section and other sections of this offering memorandum contain information relating to market share and industry data in the agriculture, energy and logistics sectors. The information has been derived from various publications of governmental agencies and industry publications. While we and the initial purchaser have taken reasonable care in the compilation and reproduction of the information derived from governmental sources and industry publications, we cannot assure you as to the accuracy or completeness of such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Neither we nor any of our respective affiliates or advisers, nor the initial purchaser nor any of its respective affiliates or advisers, has prepared or independently verified the accuracy or completeness of such information directly or indirectly derived from governmental sources or industry publications, and such information may not be consistent with that available from other sources and should not be unduly relied upon.

Agriculture

Growth in the agribusiness and food industry is driven in large part by income and population growth in developing regions such as Asia, Latin America, Eastern Europe and North Africa. According to the U.N. Food and Agriculture Organization, global population growth and improvements in income will require the world to double production of food by 2050. Overall global demand for food and animal feeds increases as populations raise their standard of living, expand their diets and shift from starch-based foods to diets with higher protein content, particularly meat.

The expected increases in global demand for meat protein will require significant corresponding growth in the grain volumes required in animal feed since several pounds of feed are necessary to produce one pound of meat. Consequently, as meat consumption rises and livestock and poultry production becomes more commercialized, demand for commercial feed like soybeans, corn, wheat and rice is expected to grow as well.

Developing countries such as China and India are expected to contribute significantly towards overall market demand growth. Continued population growth and economic expansion have caused China to move rapidly from a net exporter to a net importer of maize and wheat, while India has ceased exporting wheat and rice for the same reasons. Both countries are the largest importers of edible oil in the world and the Indian sub-continent is the largest importer of pulses. Consistent increases in meat consumption in Asian countries have resulted in high demand for feed grains in the region. Higher demand for grains is being met by increased production from Eastern Europe and South America of coarse grains, wheat and oilseeds. South America is now the most diversified supplier of agricultural commodities in the world, although Asia remains the largest exporter of rice with demand for rice increasing in Africa and the Middle East.

Grains, which are seasonal and harvested annually, can broadly be categorized into wheat, coarse grains, oilseeds and pulses. Major types of oilseeds include soybean, rapeseed, sunflower seed, peanut and cottonseed, and soybeans represent the largest group of oilseed. Typically, soybean oilseeds, the principal raw material for soybean meal and soybean oil, are crushed to produce crude oils which are then refined for consumption. These refined oils are generally used as cooking oils. In addition, oilseed meal, a residue from the crushing of oilseeds, contains high protein content and serves as a key ingredient in animal feeds.

The United States, Brazil and Argentina are among the world's largest producers of soybeans. According to a report published on January 13, 2010 by the United States Department of Agriculture, in 2009 the United States accounted for 36% of global soybean production, with Brazil and Argentina producing 26% and 21% of soybean exports, respectively.

Counterbalancing this supply is China, which remains the largest importer of soybeans globally as domestic production is insufficient to meet China's growing domestic demand. China imported 42.6 million tons of soybeans in 2009, representing a rise of 13.7% from 2008. The primary factors for China's net import position are diminishing cropland and limited water supplies, which have led to expanded Chinese imports of soybeans from Brazil and Argentina.

Soybean oil is the most widely consumed vegetable oil in China, accounting for over 40% of China's vegetable oil consumption in 2008. China's consumption of vegetable oils at 24.3 million tons in 2008 is the world's largest, compared to the 11.2 million tons consumed in the United States. Soybean meal is the largest oilseed meal used in China's pork, poultry and aquaculture industries. China's demand for soybean meal is among the fastest growing, rising from 20.2 million tons in 2003 to 30.8 million tons in 2008, representing a CAGR of 8.8%. Soybean meal is the world's predominant protein source.

Sugar is another important agricultural commodity expected to be impacted by long-term demand and supply fundamentals. Sugar comes in beet and cane varieties, and both produce white sugar. According to industry estimates, world sugar production for the 2009/10 marketing year is forecast at 159.9 million tons, up 11.2 million from an earlier 2008/09 estimate. Consumption is forecast at 159 million tons. Exports are forecast at 51.3 million tons, and ending stocks are forecast at 31.2 million tons.

Brazil is the world's largest sugar producer and consumer, and also uses sugar cane to produce ethanol, which is used as fuel. In 2009, Brazil accounted for 23% of the world's sugar production. As a result, global sugar prices are increasingly dependent on Brazil as it continues to be the major global producer and exporter of sugar.

Cotton is the single most important textile fiber in the world. Cotton production is mainly governed by demand for cotton as a cash crop, which can generally be higher than current supply from cotton producers. Exports of cotton are growing, owing to overproduction in smaller nations and higher demand in countries with comparatively low production volumes. As yield-enhancing technology reduces the cost of producing cotton, rising petroleum prices have shifted relative fiber prices to favor cotton versus polyester. Given higher yield prospects, farmers around the world have been more willing to devote more incremental acreage to cotton production, further enhancing the ability of the global cotton sector to meet growing world demand for textiles.

Robust global economic growth, particularly in developing Asian markets, combined with a steadier cotton market share in world fiber use, has increased cotton mill usage. Increases in cotton production volume are partly attributable to enhanced output from Australia, Pakistan and China. China, the United States and India are reported to be the largest cotton producers, contributing an estimated 57% of global cotton production volume in 2008. China consumes more cotton than it grows domestically and Chinese consumption is expected to increase rapidly compared to its production growth, which is expected to lead to higher imports of cotton from other markets.

Growing global income levels and changing tastes and preferences are also contributing to increasing demand for coffee and chocolate and, as a result, trade in coffee and cocoa beans. The coffee market consists of two key types of coffee: Robusta, accounting for approximately one-third of all worldwide coffee produced, and Arabica, which accounts for the remaining two-thirds. Vietnam is the largest Robusta coffee exporter in the world while South America is a major source of Arabica, or mild, coffee. Ivory Coast is the world's largest producer of cocoa, accounting for approximately one-third of world cocoa production. Indonesia, Nigeria, Ghana and Latin America are also significant producers of cocoa. Major sales regions for these commodities include the United States and Europe, where consumption of cocoa peaks annually during the Easter and Christmas holidays.

Energy

Coal

Coal is a relatively common and widely distributed carbon-based energy natural resource, mined by both open-cut and underground mining methods. The world's proven global coal reserves amounted to approximately 826 billion tons as of the end of 2008 and nearly 80% of the world's proven reserves are reportedly in North America, Russia, Indonesia, China, Australia and India.

There are two main types of coal produced for export, namely coking coal and thermal coal. The markets for coking and thermal coal operate relatively independently of each other. Coal prices have increased significantly in recent years as a result of the rising cost of many alternative energy sources and increasing overall demand, particularly from the emerging economies.

Coking coal (also commonly referred to as metallurgical coal) is used to produce coke, which is used as a reductant in the manufacturing of iron and steel, as well as the casting and smelting of base metals. The market for high quality hard coking coal has remained concentrated for years with relatively few suppliers and limited reserves. As the world's largest coking coal producer, China currently uses most of its production domestically, but is expected to become a growing net importer based on factors including continued economic growth, strong domestic demand and infrastructure conditions and intensive urbanization. Conversely, countries such as Japan, India and Brazil import the majority of their coking coal needs to meet the requirements of their domestic steel industries.

Thermal coal (also referred to as steaming coal) lacks the chemical and physical properties suitable for steel making and is primarily used as an energy source in the generation of electricity. Thermal coal is one of the most important sources of energy, fuelling an estimated 40% of electricity worldwide. Reliance on thermal coal for electricity is also estimated to be higher in some countries: South Africa 90%, China 81%, Australia 76% and India 68%. Led by China and India, the long-term importance of coal for electricity generation is expected to continue, with coal expected to generate 44% of global electricity in 2030 according to the World Coal Institute.

The majority of world coal production is consumed domestically and exports represent a relatively small amount of world coal production. The majority of coal produced in the United States and China, the two largest coal producers in the world, is consumed domestically. By contrast, some coal producers depend heavily on the seaborne export trade. Indonesia was the largest exporter of thermal coal in 2008, with total coal exports estimated at 178.2 million tons, accounting for approximately 26% of estimated global thermal coal export trade in 2008. Other significant thermal coal exporting countries include Australia, Colombia, Russia, South Africa, China and the United States.

Oil & Gas

Recent global financial market turmoil and economic growth concerns have eased the imbalance between supply and demand for crude oil and there is less pressure on OPEC to increase crude oil production. Longer term, however, the global oil demand and supply balance is expected to continue tightening. Key developing countries such as China and India are projected to continue to increase oil demand based on continued urbanization, infrastructure development and industrialization. According to Internationl Energy Association forecasts, China's net imports of crude oil are expected to increase annually over the next 7 years.

On the supply side, even with recent high oil prices and associated strong exploration and production activity, there is still pressure on overall reserve replacement and concerns regarding the relative lack of easily-accessible oil. There is also limited evidence suggesting that non-OPEC supply growth can be sustained, all of which is expected to result in structurally tighter market conditions and increased demand for OPEC crude over the longer term.

Potential oil price scenarios over the long term reflect a number of inter-related factors including the demand for oil and oil products, the supply potential from OPEC and non-OPEC nations, geopolitical concerns over energy security, changing fiscal terms, real and perceived threats to supply and the impact of financial players trading in the oil markets. An important dynamic will be the outlook for oil prices as perceived by the national oil companies ("NOCs") and major international oil companies ("IOCs"). The NOCs/IOCs are reported to continue to have a positive outlook on oil prices, and to continue to base their investment decisions and growth targets accordingly, leading to:

- Well capitalized NOCs/IOCs continuing to embark on ambitious, long-term projects, such as those in deepwater; and

- NOCs/IOCs being expected to continue to maintain capital investment levels, consistent with the long-term nature of many of their projects.

If it continues, these expectations of leading NOCs/IOCs may provide important support for upstream activity and oil prices.

Distillates

Crude oil is processed to produce a mix of more valuable petroleum products to meet demand from end customers. Although various petroleum products can have very different end uses, market conditions are primarily driven by similar overriding macroeconomic factors that determine the demand for crude oil. Generally, the petroleum products can be categorized into the following groups:

- Light distillates: LPG, gasoline;
- Middle distillates: jet fuel, kerosene, diesel; and
- Heavy distillates: fuel oil.

LPG is widely used in fuelling motor engines, heating appliances, and increasingly to replace chlorofluorocarbons as an aerosol propellant and a refrigerant to reduce damage to the ozone layer. It has a higher calorific value than natural gas.

Gasoline is primarily used as fuel for motor engines. There is increasing demand for gasoline products with high octane and low benzene components.

Jet fuel is a type of aviation fuel specifically designed for use in aircraft powered by gas-turbine engines. It is lighter, purer and with higher energy levels than other diesel products.

Kerosene is commonly used for heating and other industrial applications, and is also a key component to make jet fuel for jet engines and rockets.

Diesel is also widely used for motor engines. Compared to gasoline, it has higher energy content and a more efficient combustion process, but produces more pollution.

Fuel oil is a heavy commercial fuel usually used for power plants and large ships. It needs to be heated before use and contains relatively high amounts of pollutants.

Ethanol

Ethanol is one of the main biofuels (accounting for an estimated 93% of global biofuel production) produced from corn and sugar cane. Ethanol contains a lower percentage of carbon compared to hydrogen and therefore has less harmful emissions.

The Food and Agriculture Organization of the United Nations forecasts that demand for ethanol will grow at an average growth rate of 10.6% per year for the next 10 years with production mainly derived from the US and Brazil. These demand estimates are based on factors including increasing green fuel mandates legislated by governments, energy security considerations, and rising concerns over environmental pollution. Recent biofuel government mandates and developments include:

- US: In October 2008, the US government extended $1/gallon biofuel tax subsidies to ethanol producers and $0.51/gallon tax incentive to fuel marketers that blend ethanol into gasoline. In December 2008, the Environmental Protection Agency (EPA) revised its renewable fuels standard for 2009 to require the use of 40 billion litres of ethanol in 2009. The 2007 U.S. Energy Independence & Security Act also mandates that corn-based ethanol production should reach 57 billion litres per year by 2012. More broadly, by 2030 ethanol is expected to constitute a larger portion of US gasoline consumption.

- Canada: In late June 2008, the Canadian government legislated that all Canadian gasoline must contain 5% renewable fuel by 2010. In January 2007, Ontario mandated that an average of 5% of its gasoline pool must contain ethanol. In April 2008, Manitoba implemented a similar mandate of 8.5% ethanol in gasoline.

- Australia: In September 2007, a 2% ethanol mandate was implemented in New South Wales. Queensland is also expected to introduce a 5% ethanol mandate.

- China: In 2004, China announced a mandate to increase the use of renewable fuels to 15% of total energy consumption by 2020. Currently, nine Chinese provinces mandate 10% blending of ethanol for gasoline sold.

Carbon Credits

The reduction of greenhouse gas (GHG) emissions into the atmosphere is an important challenge. Global efforts to protect the planet began in 1992 with the establishment of the United Nations Framework Convention on Climate Change (UNFCCC). The Kyoto Protocol ("KP"), which was agreed in 1997, provided for legally binding obligations for developed countries to reduce GHG emissions, while establishing certain mechanisms which provide economic incentives for developing countries to voluntarily reduce their own GHG emissions. These mechanisms are governed by the UNFCCC and are known as the Clean Development Mechanism (CDM) and Joint Implementation (JI). By using the CDM and JI mechanisms, developing nations can receive Certified Emission Reductions (CERs) or Emission Reduction Units (ERUs) - often called carbon credits - from the UN for their own GHG reduction projects.

Global trading in carbon credits and allowances was estimated at US$126 billion in 2008, an increase from US$63 billion in 2007. The global market in carbon credits is currently based largely on two regimes: The European Union Emissions Trading Scheme ("ETS") created in 2003 for compliance in phases 2005-2007, 2009-2012 and 2013-2020, and the KP, which came into force in February 2005 with a commitment period of 2008-2012.

The KP established binding limitations on the emission of six greenhouse gases by 37 countries (and the EU as a collective entity). Reductions can be achieved by domestic measures and so-called flexible mechanisms: project-based activities (producing tradable credits) and trading in national units:

- Certified Emissions Reductions (CERs) are credits created in KP signatory countries that do not have emissions limitations. These can be used in the ETS, subject to a cap.

- Emission Reduction Units (ERUs) are credits created in KP signatory countries that do have emissions limitations. These can also be used in the ETS, subject to a cap.

- Assigned Amount Units (AAUs) are units given to the signatory countries with targets and are the units to be presented for compliance with the targets. They can be traded between countries to achieve compliance, but they cannot be used within the ETS.

There is also a global market for Verified Emission Reductions ("VERs") that come from project activities that do not or choose not to meet the requirements of the KP.

Trading in EUAs and issued CERs (so-called Secondary CERs) occurs on a variety of platforms (regulated exchanges and non-exchange trading platforms) and over-the-counter, for both forward and spot delivery. Prices of carbon credits are influenced by the following factors: electricity demand and industrial activity, estimates of economic growth, the difference between price of coal and natural gas (representing the marginal cost of abatement), expectations of future CER supply, expectations of AAU supply (as AAUs can be used as substitutes for KP compliance but not in the ETS), and expectations of the regimes after 2012.

MMO

The global steel market produced an estimated 1,327 million tons of crude steel in 2008. China represents the largest market with an estimated 426 million tons of domestic finished steel consumption in 2008, followed by the United States (98 million tons) and Japan (76 million tons). As a leading producer, China has demonstrated strong growth momentum by increasing crude steel production from 127 million tons in 2000 to 502 million tons in 2008, representing a compounded annual growth rate of 18.7%. In contrast to other commodities, steel production and consumption are fragmented, with the largest producer accounting for 103 million tons, or approximately 7.8% of global crude steel production. The global steel market is also impacted by political policies such as trade barriers including anti-dumping duties and quotas, which are often imposed or removed at short notice, impacting pricing and trade flows.

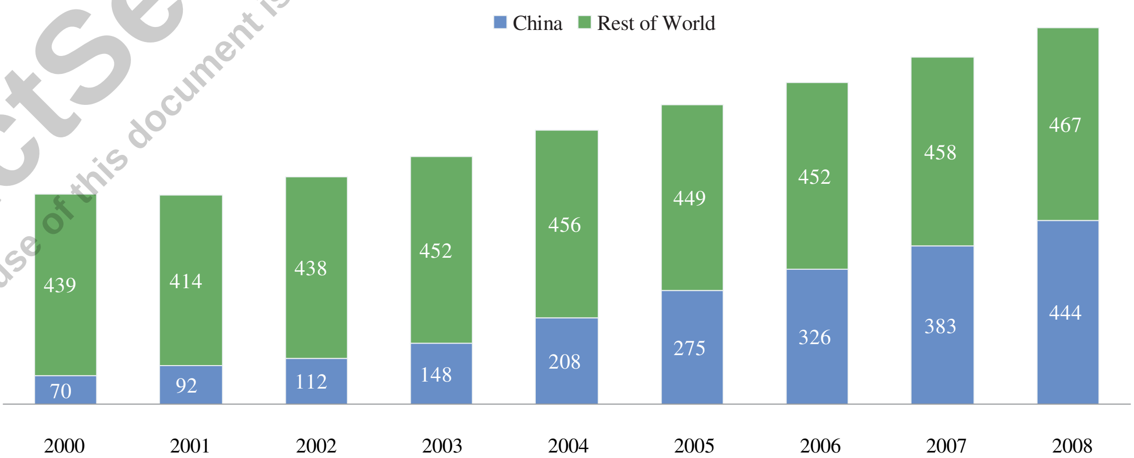
The growth in steel capacity and production in China is increasing its dry bulk demand for raw materials, particularly iron ore. Among all types of iron ore, hematite and magnetite are the major iron compounds used for steelmaking. Hematite is the main ore of iron and typically grades at much higher iron content than magnetite. Compared to the lower-grade magnetite ore, hematite ore typically sells at a higher price and is more economic to be transported over long distances as it is simpler and less expensive to beneficiate due to higher iron content.

The seaborne iron ore market (iron ore that is transported by ocean bulk vessels) represented more than 40% of the global iron ore market in 2008 according to industry estimates. The seaborne market consists only of traded iron ore, and does not include ore that is produced by fully integrated (from mine to metal) steel companies, or ore produced for captive customers. Given the freight costs associated with transporting iron ore from producing regions to consuming regions, most seaborne iron ore has relatively high iron content and transporting lower grade ores is not usually competitive. The seaborne iron ore market in 2008 was estimated to be 911 million tons.

China has become the major importer in the seaborne iron ore market in recent years due to its increasing steel production demand. In 2008, according to industry reports China imported approximately 50% of the total seaborne iron ore market, compared to 14% in 2000. From 2000 to 2008, seaborne iron ore trade grew at a compounded annual growth rate of 8%. During the same period, China's imports increased from 70 million tons to 444 million tons, representing a compounded annual growth rate of 26%.

The following chart presents information on the seaborne iron ore market based on industry reports.

Global Seaborne Iron Ore Imports (million tons)



Source: AME

China's import of iron ore as a percentage of total domestic demand increased from 50% in 2006 to 60% in 2008, reflecting the country's increasing reliance on imports. Global iron ore supplies are supported by growing production in Australia, Brazil, India and Russia. Australia is the largest exporter of iron ore to China, followed by Brazil and India. As opposed to long term contracts representing the bulk of Australian and Brazilian iron ore exports to China, India is an important source of spot market sales into China.

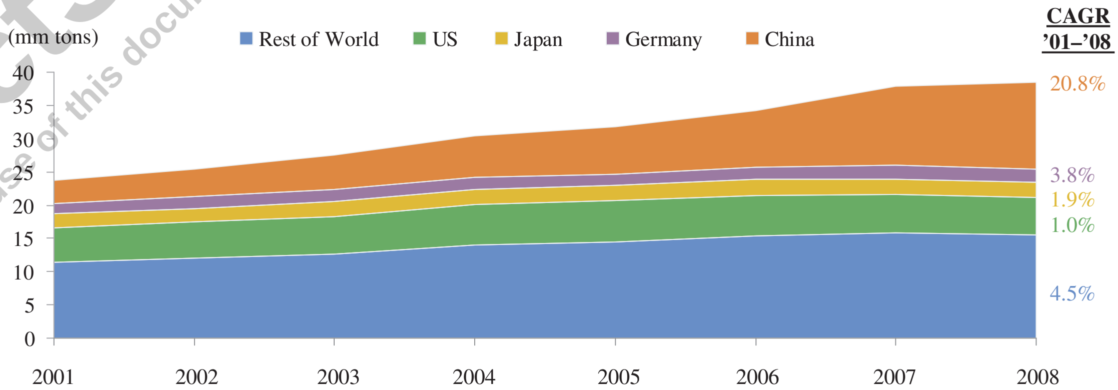
India's iron ore exports to China are reported to have grown significantly over recent years, from approximately 15 million tons in 2001 to 91 million tons in 2008. For the eleven months ended November 2009, India exported 96.1 million tons of iron ore to China, a 19.0% increase as compared to the corresponding period in 2008. The reasons for the increases include economic, technical and geographical factors. First, India's geographical proximity to China plays an important role as the sailing time from India to China is shorter than from other major exporting countries like Australia and Brazil. Chinese steel mills can shorten the cycle time to facilitate just-in-time inventory management. Second, India has the advantage of being able to supply iron ore with iron content ranging from 58% to 65%. Brazil supplies iron ore with an iron content of 64%-66%, while Australia mostly ships iron ore with an iron content of around 62%. Importing from India allows broader grades of iron ore catering to techno-commercial requirements at the time of purchase. Finally, India's exports to China are primarily on a spot basis, which gives steel mills commercial flexibility. Chinese steel mills are generally expected to transition increasingly towards the spot market, as opposed to fixed contractual prices with major iron ore producers.

The steel market is also a main driving factor in the manganese market, as manganese alloys are widely used in the steel-making industry. Global manganese ore production increased in 2008 to 13.9 million tons compared to 2007. Global production of manganese alloys reached 13.6 million tons in 2008. China, India, Norway, South Africa and Ukraine are the major exporters of manganese alloys. China is a major manganese alloy producer. Since domestic Chinese manganese ore is low grade with high impurities, China has maintained strong import demand for manganese ore from countries such as South Africa, Australia and Gabon.

Global aluminum demand is driven by the transportation, container and packaging and construction industries. As an industrial intensive metal, demand for aluminum has historically been highly correlated with GDP and industrial productions changes. Global aluminum consumption between 2001 and 2008 increased at a compounded annual growth rate of 7.2% according to industry reports, in part due to higher Chinese demand over the same period. China and the United States are the most significant consumers of aluminum. Average aluminum prices have fluctuated in recent years.

The following chart presents information on global aluminum consumption:

Aluminum consumption by geography (million tons)



Source: AME

Logistics

Logistics represents a key component of the supply chain and involves managing the flow of goods between points of origin and consumption. Maritime transport remains the backbone of international trade accounting for more than 80% of world merchandised trade volume. For commodities, maritime transportation is a practicable and cost effective means of transporting large volumes from origin to consumption markets. The continuation of global economic growth and shifting patterns of commodity demand have led to a reported increase of 57% in seaborne volume of dry bulk commodities from 1998 to 2008.

Dry bulk commodities are categorized as major bulks, such as iron ore, coal and grain and minor bulks (such as sugar, agricultural products, fertilizers, scrap metals, cement, coke, pig iron, forest products, iron and steel products, ores, minerals, petcoke, bauxite, alumina, salt and other construction materials and salt). The demand for major and minor bulk cargoes is mainly based on overall global GDP growth, with specific regional variances where pockets of supply or demand are created through natural shortage or abundance of commodities.

Seaborne transport of dry bulk cargoes is undertaken by dry bulk vessels, of which the most common sizes range from 30,000 to 170,000 dwt. Dry bulk vessels are utilized on trade lanes to reflect particular attributes of the vessels, including size, draft and gearing. Transport of liquid bulk cargoes, such as crude oil, petroleum, palm oil and chemicals, is undertaken by tanker vessels, of which the most common sizes range from 30,000 to 300,000 dwt. Crude oil exports from the Middle East, a bellwether for demand of large tanker vessels, were reported to have increased 3.3% in 2008.

Vessel owners charter out vessels to end users through intermediaries, such as ship brokers or charterers. These intermediaries, and in some instances end users, charter vessels under time charter, bareboat or voyage charters depending on their cargo needs. Charter agreements typically range from single voyage to multiple year agreements. Fleet managers provide third party ship management services including technical management, crewing, insurance and surveys, all elements required to ensure the safe passage of cargoes and continued sailing of vessels.

Our company

We are a global supply chain manager. Through our network of over 100 offices in more than 40 countries, we seek to provide a value-added service in the commodities supply chain by integrating the origination, processing, distribution and delivery of agricultural, industrial and energy commodities on a global basis. In certain bulk commodity sectors such as grain, coal and iron ore, we are building integrated supply chains, which we refer to as "pipelines", to enhance our control over every stage of the process that links producers and consumers. We believe our "pipeline" business model allows us to create additional value and capture margin across multiple points along the supply chain. In addition, we have made selective strategic investments in key infrastructure assets along the supply chain, such as port and warehouse facilities, processing plants and natural resource assets. We believe these investments generate additional sources of profit and enhance our long term competitiveness.

Our business comprises five business segments: Agriculture; Energy; MMO; Logistics; and Corporate. The first three segments represent our commodity resource-based businesses. Our Logistics segment includes the Vessel Management division and the Vessel Chartering division, which provides transportation services to our other segments as well as services for third party merchants. Our Corporate segment includes our equity investments, as well as our corporate finance, structured finance, treasury departments and risk management business. Our Corporate segment also provides price risk management services to our customers and conducts our global foreign exchange management.

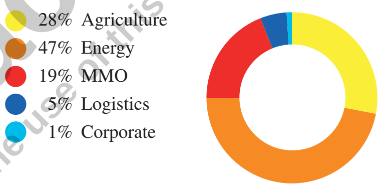
The following table sets forth each of our business segments and their component divisions:

AGRICULTURE	ENERGY	MMO	LOGISTICS	CORPORATE
• Grains	• Coal & Coke	• Iron Ore	• Vessel Chartering	• Equity Investments
• Coffee	• Oil & Gas	• Ferro Alloys	• Vessel Management	• Price Risk Management
• Cocoa	• Petrochemicals	• Alumina/Aluminum		• Vessel Ownership
• Cotton	• Carbon Credits	• Steel		• Structured Finance
• Sugar				• Corporate Finance
• Fertilizer				

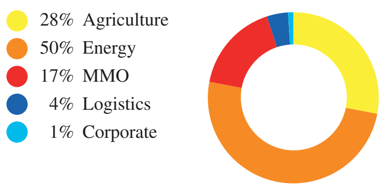
As a result of the global scope of our operations, more than half of our revenue in 2006, 2007, and 2008 and for the nine months ended September 30, 2009 on a discharge port basis was derived from activities outside of Asia. The following charts show our revenue and gross profit by business segment in 2007 and 2008 and for the nine months ended September 30, 2009, as well as the geographical distribution of our revenue on a discharge port basis for the same years and periods then ended.

Revenue by business segment (%)

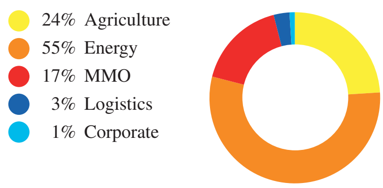
2007



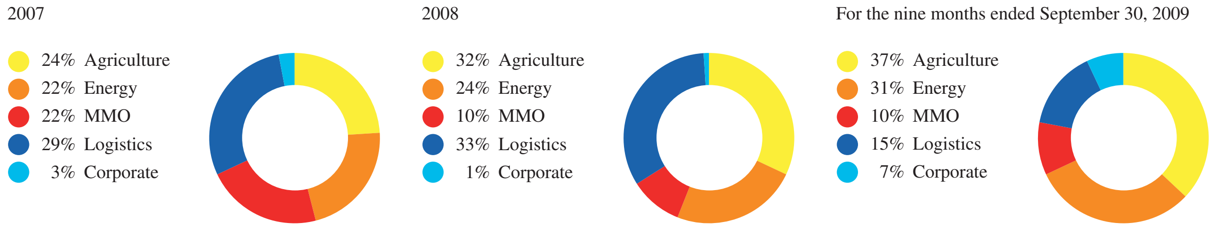
2008



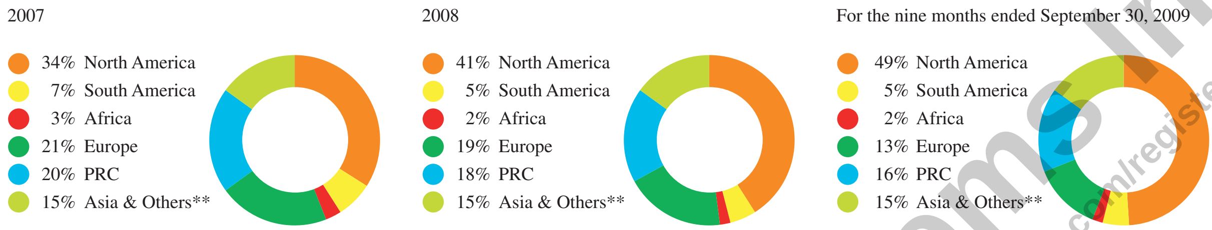
For the nine months ended September 30, 2009



Gross profit by business segment(%)



Revenue by geographic segment (%)*.



* Revenue by geographic segment has been calculated on a discharge port basis, *i.e.*, allocation is determined by the destination port of the goods.

** Including India and Australia, but excluding the PRC.

Our competitive strengths

Diversity across business, geographies and customer base

We maintain a diverse portfolio of 24 business divisions in our five business segments. We believe our wide range of products and services, as well as our diversified sourcing and distribution networks across multiple geographic regions, mitigate the effects of supply and demand disruptions and allow us to take advantage of disparities in price, product quality and availability which improves our competitive position. Our diverse product line limits our dependency on a single product or commodity sector, thus creating an opportunity to build a broader revenue base.

Our diversified global business is demonstrated by each of our business segments contributing to our gross profit for the year ended December 31, 2008 and for the nine months ended September 30, 2009 as follows: Agriculture 32% and 37%, Energy 24% and 31%, MMO 10% and 10%, Logistics 33% and 15%, and Corporate 1% and 7%, respectively. We believe the diversity of our income base across our various divisions and segments allows us to mitigate single sector exposure and helps stabilize our profit levels despite changes in supply and demand, variable economic conditions and changes to the overall market environment.

This growth has been supported by our ability to expand across new markets as noted by the level of revenues generated across our global markets. In the year ended December 31, 2008 and the nine months ended September 30, 2009, we generated 46% and 54%, respectively, of our total revenue (on a discharge port basis) in North and South America; 21% and 15%, respectively, of our total revenue in Europe and Africa; and 33% and 31%, respectively, of our total revenue in Asia and Australia.

We have more than 4,000 clients across our various product divisions allowing us the ability to manage our business with greater flexibility. As our largest customer only accounted for 3.4% and 5.7% of revenue in 2008 and for the nine months ended September 30, 2009, respectively, we believe that we are not overly exposed to a single customer.

Demonstrated ability to expand business model supported by selective capital spending

We have successfully built a global network of over 100 offices in more than 40 countries. We believe our global footprint has enabled us to access new markets and expand our business profile to now include a wide range of industrial and agricultural commodities. As a result, our revenue increased from US$8.6 billion in fiscal year 2004 to US$36.1 billion in fiscal year 2008.

We have also leveraged our broad geographical presence, long-standing relationships with clients and ability to identify new business opportunities to enter into new markets. For example, our extensive relationships with farmers in Brazil, distributing fertilizers to them and purchasing their soybeans in return, allowed us to see a further opportunity to expand our cotton origination activities through these same farmer relationships.

We maintain a flexible business model where each individual business division has a broad range of decision making discretion enhanced by a "bottom to top" approach to decision making. When identifying and capitalizing on local market trends, our business culture affords us the ability to quickly identify market trends and opportunities across all business segments and to selectively invest in key supply chain assets. For example, in 2009, through our existing fuels trading business in North America our local teams were able to identify an opportunity to further integrate our operations with the acquisition of oil terminal and storage assets.

Our investment goal with respect to our asset-medium strategy is to maximize returns. We have invested US$1,694.9 million over the last three years at key points along the supply chain in low cost origination countries and high demand markets. Investments have included (i) mining assets, (ii) processing plants, (iii) port facilities and (iv) vessels. This has allowed us to further strengthen our supply chain and provides greater operational flexibility to improve our service to our clients.

Leading position in selected geographical markets

We target niche markets in which we believe we are most able to capture higher profit margins. We believe that we have leading market positions in a number of such niche markets, largely through our ability to link our long-standing customer relationships with our expertise in selected geographical markets. We also believe that our position as a leading market participant with a global network and diversified business platform provides us with economies of scale, helping to diversify some of our risks and strengthen our market knowledge and customer relationships.

As a result of our focus on niche markets we believe we have achieved leading market positions across several of our product divisions. We believe we are one of the leading suppliers of iron ore to the PRC and have developed long standing sourcing relationships with dozens of India based iron ore producers. We also believe that we are one of the largest soybean processors in the PRC with operating annual capacity of 3.7 million tons. We believe we are among the largest coal exporters in Indonesia, the world's largest coal producer. Our position as one of the largest bulk operators in Asia allows us to have access to unique knowledge across markets and products.

Strong brand with long-standing customer relationships

We believe that our focus on delivering first class client service is the key feature which distinguishes "Noble" as a valued brand in our markets. We believe that the "Noble" brand signifies timely delivery of high quality industrial and agricultural commodities to customers whose businesses depend on this reliability for their success. This reputation, coupled with the recruitment and retention of dedicated and experienced staff, has permitted us to develop long-standing customer relationships over our 22-year history. We believe that our brand value and reputation are our most important intangible asset, enabling us to gain access to new markets and to attract and retain our diverse customer base. Our brand value and reputation have also enabled us to expand into new product areas such as carbon credits and cotton as well as substantially increase our business activities in oil and gas.

Prudent and conservative financial profile

Noble has long maintained a conservative financial profile which we believe creates a strong competitive position, and makes us particularly during periods of economic weakness and market volatility a preferred counterparty.

Since the year ended December 31, 2006 our total debt to total capitalization has improved from 62% to 55% as of September 30, 2009. We have traditionally maintained a high level of cash and, during the recent market volatility further increased our cash levels to record levels in excess of US$1 billion in each of the quarters ended September 30 and December 31, 2008. As of September 30, 2009, our cash balance was US$767 million.

We have continued to expand the level of our committed debt facilities which now total in excess of US$4.0 billion, after successfully closing two committed revolving credit facilities totalling US$2.4 billion in October 2009. Our successful efforts to build long standing relationships with financial institutions have resulted in nearly US$8.7 billion in committed and uncommitted bank lines which gives us the necessary financial flexibility to run our business while ensuring ample liquidity.

We have established a diversified funding strategy which has enabled us to develop an extended maturity profile. As of September 30, 2009, we have maintained a sound leverage profile of 2.9x on a net debt (total debt less cash) to EBITDA basis.

We believe these factors contribute to our ability to maintain a competitive position as our customers, counterparties, and financial stakeholders prefer to work with Noble rather than less financially creditworthy competitors.

Entrepreneurial spirit encouraged by our experienced and incentivized management team

We encourage our managers to take an entrepreneurial approach in the management and development of each business division. To properly incentivize our employees we have established schemes for profit-sharing based on individual and group — wide performance. In addition we have fostered an ownership culture through the use of stock options to create a long term commitment reward opportunity. As of 30 November, 2009, our directors, employees and other related parties owned approximately 34% of the outstanding common stock of the Company.

We have established over time an experienced management team led by our two founding leaders, Mr Richard Elman and Mr. Harindarpal Banga. Our ability to attract and retain key managers has allowed us to globally expand our operations, diversify into new markets, and make strategic investments in production and processing assets as well as infrastructure.

Our commitment to maintaining a flat organization allows us to maintain a flexible and responsive decision making process enabling us to quickly identify and capitalize on market opportunities as well as manage more efficiently our sourcing and supply operations according to changes in the market.

Strong risk management systems

Risk management represents an important part of our business culture and reputation. Our risk management framework consists of four elements: robust risk governance, a strong risk infrastructure for the gathering of information, detailed analysis, measurement and reporting of risk and strong front line risk controls to manage our exposure.

Our risk governance policy sets forth the clear allocation of roles and responsibilities among our Board of Directors, Executive Board, Risk Committees and risk management functions. The Board has ultimate responsibility for oversight of risk management within the Group and sets limits on our tolerance for risk. The Executive Board is tasked with ensuring that our business divisions understand and conform their operations to approved risk policies and allocates risk capital within the organization as part of the business planning process. Our Risk Committees, which meets weekly, share responsibility for implementing risk policies, ensuring consistency across the Group and reallocating risk capital within certain limits. Finally, the risk management function is responsible for the day to day monitoring and reporting of risk across the Group and the monitoring of limits set by the Board of Directors, the Executive Board and the Risk Committees.

In recent years we have further strengthened our risk infrastructure. Our risk department now totals more than 40 credit, operational and market risk management professionals. The majority of our senior risk professionals are located outside of our headquarters and throughout our global network thus enabling a closer working relationship with our front line employees while maintaining a centralized analytical function that ensures consistency across the organization. This team is supported by a number of technology platforms which facilitate information flows and reporting capabilities.

We use a range of analytical tools to measure and manage our market and credit risk, including VaR, stress testing, scenario analysis, loss given default and product and geographical concentration analysis. Management of credit and counterparty risk is enhanced by our diversified client base, limited single-customer exposure and strict credit approval procedures. We use irrevocable letters of credit, parent guarantees, netting agreements and credit insurance covers to reduce payment risk.

We seek to maintain a short asset-to-cash conversion cycle to limit our potential country, counter-party and freight risks through our non-recourse revolving trade receivable financing facility as well as by discounting accounts receivables.

Our policy is to hedge most of our commodities transactions to the extent that a hedge is available or appropriate. In limited circumstances, we may decide not to hedge or to only partially hedge our price risks to maximize our operating margins. As of December 31, 2008 and as at September 30, 2009, approximately 90% and 93%, respectively, of our inventory was either hedged or sold goods in transit. We purchase risk insurance, including political risk insurance, in order to mitigate risks relating to markets in which we operate.

We manage our operational risks through strong inventory controls and oversight checks, standardized processes and procedures and clear segregation of duties with key control points reporting through independent functional groups.

Our strategy

Focus on low cost origination into high growth markets

We will continue to focus on commodities that we are able to source from markets with low production costs and supply to markets with projected high long term economic growth rates where we believe opportunities for market penetration and expansion of our market share and client base exist. For example, we will continue to focus on expanding our businesses in Australia, Brazil, Indonesia and India, which will allow us to meet demand in high-growth markets, including the PRC, India and the Middle East. These high-growth markets are among our selected long term target markets, as we believe that they offer the best opportunities for growth and market penetration. We also believe that the combination of our experience in these geographic markets and the technical skills and knowledge of our staff enable us to identify and pursue new business opportunities. Further, we believe the combination of our presence in bulk commodities in these key geographical markets with our logistics and vessel chartering knowledge creates a unique understanding of market trends which enables us to maintain a competitive position. For example, our presence as a leading supplier of iron ore and oilseeds in the PRC is enhanced by our ability to see the impact of demand on vessel capacity and vessel chartering prices.

Pursue selective acquisitions and investments to build our "pipelines"

We will continue to focus on selective investments in production and processing assets, as well as infrastructure assets such as ports, warehouses and storage facilities. We believe our ability to build a more integrated supply chain allows us to enhance our control over the sourcing and distribution platform with our clients. Our ability to integrate and manage the supply chain, linking origination and processing services with delivery and distribution networks, essentially "pipelines", creates additional sources of profit and strengthens our competitive edge. For example, we have invested in port facilities as well as a new soybean crushing facility in Argentina. Together, these linked investments allow us to realize higher margins as we have the ability to improve operational control over our sourcing to shipment. We also believe that our income profile is broadened as our income will include asset based income which complements our existing fee based income sources and trade arbitrage income opportunities.

Our investments also include resource assets to increase our captive production and expand our access to low cost and competitive sourcing and origination capacity. In recent years, we have made investments in coal mines (through the acquisition of Gloucester Coal Ltd., an equity stake in Middlemount Coal Pty Ltd and investments in mines operated by Donaldson Coal Pty Limited, our majority owned subsidiary) and iron ore resources (through the acquisition of an equity stake in M.H.A.G — Servicos Mineracao S/A and in Territory Resources Limited). We expect to continue to see attractive investment opportunities as a result of, among other factors, (i) privatization of natural resources producers in emerging markets, (ii) voluntary or involuntary spin-offs and realignment of asset portfolios of producers of natural resources and (iii) restructuring of natural resources industries.

Maintain conservative financial profile and investment grade rating.

We intend to maintain a conservative financial position. Our ongoing commitment to a conservatively based growth profile is evidenced by the recent investment grade ratings from three leading rating agencies. We believe maintaining our investment grade rating will enhance our long term competitive position, enable us to access certain markets and customers as well as diversify and lower the cost of our overall funding requirements. We believe that these efforts create a stable yet flexible funding strategy which will complement our other primary funding sources, namely cash from operations and supplier financing.

Recent developments

Gloucester Offer and Middlemount Share Sale

On December 22, 2009 and January 29, 2010 we announced a proposed combination of transactions comprised of a disposal of our shares in Gloucester and Middlemount to Macarthur, and a contemporaneous acquisition of approximately 24% of the enlarged share capital of Macarthur by us. As part of the proposed Transaction, as noted in the December 22, 2009 announcement, we had initially also proposed to dispose of a majority interest of approximately 79.9% of Donaldson to Macarthur. However, it was subsequently decided, as noted in our January 29, 2010 announcement, that this part of the proposed Transaction would not proceed and that the Group would retain its current interest in Donaldson's shares.

The proposed Transaction is comprised of several separate but interdependent transactions. As set forth in our announcements, it is expected that Macarthur will make an off-market takeover offer to acquire all of the issued shares of Gloucester (of which we currently hold 87.7%) at 0.84 Macarthur shares for every Gloucester share. Macarthur will also make an all cash alternative available to Gloucester shareholders. We will not elect to receive the all-cash alternative if we choose to accept the takeover offer. The Group proposes under the Transaction to dispose of 71,902,868 shares in Gloucester and 81,450 shares in Middlemount. Assuming that (i) we dispose of these shareholdings in Gloucester and Middlemount, (ii) minority shareholders in Gloucester accept Macarthur shares as opposed to cash and (iii) the exercise of the various conversion options in respect of loans owed by Middlemount to the Group and certain call option and royalty arrangements, we will receive Macarthur shares equal to approximately 24% of the enlarged share capital of Macarthur.

In connection with the Transaction, we have entered into the following arrangements with Macarthur:

1. a Transaction Facilitation Deed, originally entered into on December 22, 2009 and subsequently amended on January 29, 2010, setting out the parties' agreement with respect to the acquisition of our shares in Gloucester by Macarthur; and

2. a share sale deed with respect to, among other things, the purchase by Custom Mining, a subsidiary of Macarthur, of all of the 25.34% shareholding of Middlemount currently held by Paway, one of our wholly-owned subsidiaries.

We have also entered into other ancillary documentation relating to, amongst other things, royalty reductions, call option cancellations and loan set-offs as part of the Transaction.

The proposed transactions are interconditional and are subject to, among other conditions precedent, (i) the offer for the Gloucester shares being made and becoming unconditional, (ii) the approval of both the Macarthur shareholders and our shareholders, and (iii) approval from Australian Foreign Investment Review Board of the transactions described above. There can be no assurance that the Transaction will be consummated.

Donaldson

In November 2009, the Group entered into a sale and purchase agreement to acquire the remaining 31.5% non-controlling interest in Donaldson, increasing its equity interest to 100% at a cash consideration of A$60,000,000 (equivalent to approximately US$55,200,000) with a further cash consideration of A$30,000,000 (equivalent to approximately US$27,600,000) contingent on certain mine expansion approvals being received within six years.

Repurchase for cash of part of the senior notes due 2015

On November 19, 2009, pursuant to a tender offer, we repurchased for cash US$488,141,000 of the principal amount outstanding of our US$680 million 6.625% senior notes due 2015.

CIC investment

On November 5, 2009, we placed 438 million newly issued shares for a total consideration of US$656 million to CIC at a price of SGD2.1137 per share. Concurrently with this placing, 135 million of our shares held by trusts associated with the interests of Mr. Richard Elman were also placed by way of a secondary placement to CIC. As a result of these transactions, CIC owned 14.91% of our outstanding and issued equity shares as at November 5, 2009. In connection with the placements of shares, we entered into an Investment and Cooperation Agreement with CIC to jointly invest in infrastructure related assets and agriculture supply chain management businesses. On a pro forma basis, assuming our issued and paid-in capital has not changed since September 30, 2009, the CIC investment increased our paid-in capital to HK$957,646,204 comprising 3,830,584,814 shares.

CIC is a PRC state-owned investment firm established in 2007, that, according to its website, manages over US$200 billion of PRC exchange reserves. Recently, CIC has made investments in the natural resources, infrastructure, utilities, real estate and agricultural sectors.

Senior notes due 2020

On October 29, 2009, we issued 6.750% senior notes in the aggregate principal amount of US$850 million. We may redeem some or all of the senior notes at any time at the applicable redemption prices. In addition, we may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If we experience specific kinds of change of control, we must offer to repurchase the senior notes at 101% of their principal amount. The senior notes are unsecured, rank equally with all our existing and future senior debt (including the notes offered hereby) and senior to all our existing and future subordinated debt. So long as any senior note remains outstanding, we are not allowed to create any form of encumbrance or security interest on the whole or any part of our undertaking, assets or revenue to secure any "international investment securities" or any guarantee or indemnity with respect to such international investment securities unless we grant the same security equally and ratably to the senior noteholders. The senior notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the assets securing such debt.

Extension of US$1.2 billion Committed Unsecured Revolving Loan Facility and new US$645 million Committed Unsecured Revolving Loan Facility

On October 23, 2009, we announced that we had successfully closed two committed revolving credit facilities totalling US$2.4 billion. The facilities comprise (1) an extension of our existing US$1.2 billion facility to a US$1.755 billion committed unsecured revolving credit facility, half of which for an additional one year and half of which for an additional two years and (2) a new 364-day US$645 million committed unsecured revolving credit facility. Proceeds from the facilities will be used for general corporate purposes.

Investment grade credit rating

On September 18, 2009, S&P raised the long-term corporate credit rating on Noble Group Ltd. to 'BBB-' from 'BB+' with a stable outlook. At the same time, Fitch also raised the issue rating on Noble Group to 'BBB-' from 'BB+'.

On October 14, 2009, Moody's raised the corporate family rating and senior unsecured bond rating on Noble Group Ltd. to "Baa3" from "Ba1" with a stable outlook.

Senior management restructuring

Ricardo Leiman was appointed the Chief Executive Officer of the Company, effective from January 1, 2010, and Richard Samuel Elman, founder and former Chief Executive Officer, was appointed the Executive Chairman of the Company.

Our business segments

Agriculture

Our Agriculture segment includes the following product divisions: Grain, Coffee, Cocoa, Cotton, Sugar and Fertilizer. This segment seeks to create a pipeline strategy to control the entire supply chain from farmer to consumer, by engaging in the following activities (where applicable): planting, growing, harvesting, as well as sourcing and originating, warehousing, processing, transporting, distributing and marketing.

For the nine months ended September 30, 2008 and 2009, our Agriculture segment accounted for 27% and 24%, respectively, of our total revenue and 34% and 37%, respectively, of our total gross profit. For the years ended December 31, 2006, 2007, and 2008, our Agriculture segment accounted for 29%, 28% and 27%, respectively, of our total revenue and 24%, 24%, and 32%, respectively, of our total gross profit.

Each division of our Agriculture segment is described below:

Grains

We believe that we are one of the largest global grains and oilseeds providers and distributors by volume. Our Grains division originates, stores, merchandises, processes, trades, ships and distributes grains, oilseeds and other products such as soybeans, corn, vegetable oil, wheat and pulses. We have successfully built an asset-medium supply chain which is overseen by experienced professionals with specialized industry knowledge. This strategy allows us to secure long-term supply, control and manage the physical assets and react more quickly to market changes based on first-hand knowledge.

We source our grain and oilseeds from South Asia, North and South America, Africa and Eastern Europe (using the Baltic and Black Sea ports as transportation hubs); soybean and palm oils from South America, Malaysia and Indonesia; and pulses from Canada and the PRC. We buy from large local farmers, cooperatives and oilseed crushers either directly or through intermediaries.

Our sourcing activities have also given us a significant presence in the South American grain and soybean markets, which has been further strengthened by our investment in Timbues, an Argentinean river port and soybean processing plant located close to key production markets, as well as three other ports in Argentina, Paraguay and Uruguay. Timbues will also double our soybean production capacity with 2.7 million tons of annual crush capacity once completed. Our sourcing and origination operations have also been strengthened by additional investments in storage facilities, both owned and leased, which have enabled us to increase our purchase commitments while enhancing our trading flexibility. The storage facilities' geographical proximity to rail facilities, together with our acquisition of barge operations, have improved inland transportation and logistics operation.

Our customers are primarily local distributors, dealers, consumers, feed and food producers and trading companies in Asia (particularly the PRC and India), Africa, the Middle East and the Mediterranean region (particularly Turkey and Italy). We believe that Asia represents an important destination market for this division given the existence of high population countries such as India and the PRC. Accordingly, to expand our distribution capability in countries such as the PRC and India, we have established our own distribution operations and marketing teams.

In recent years, in addition to the sourcing and distribution of grain products, we have expanded vertically in the soybean supply chain by acquiring soybean crushing operations in Argentina and the PRC. These act as outlets for our soybeans, and allow us to expand our South American sourcing operations.

Our Grains division seeks to offset its risks by hedging certain of its hedgeable grain products (such as barley, soybeans, corn, wheat, meal, canola and soybean oil) on commodities exchanges such as the Chicago Board of Trade, the Winnipeg Commodity Exchange, the Dalian Commodity Exchange and the Fukuoka Futures Exchange.

Coffee

We believe that Noble Coffee is one of the top coffee merchants globally by volume, providing a full range of types and grades of coffee ranging from robusta to arabica coffee.

We established our coffee business in Ho Chi Minh City, Vietnam in 2002. Late in 2003 we expanded into the arabica coffee business and into Brazil in early 2005, thereby strategically positioning ourselves to participate in the largest coffee producing country in the world. Our arabica coffee business focuses on Brazil and other Latin American countries such as Guatemala, Nicaragua, Peru and Colombia.

We handle every stage of the coffee bean process, including sourcing, warehousing, quality control, shipment, storage, processing, financing and marketing. We source coffee beans from a variety of major local producers, traders and dealers from a diversified list of countries, including Vietnam and Indonesia in Asia, the Ivory Coast in Africa and countries located South and Central America, which provides us the flexibility to take advantage of pricing opportunities. We manage our sourcing operations in Indonesia and other Asian producers from our strategic centre in Vietnam. We continue to seek to diversify our sourcing operations.

Typically, we purchase coffee beans during the harvest season, which normally lasts for four months, and then ship the coffee directly to our customers. Our customers tend to be multinational roasters in Western Europe, the United States and Asian countries, companies who grind and sell our beans in supermarkets or who use the beans in their retail operations, and major brand name food manufacturers.

We finished constructing a coffee processing and storage facility in Alfenas in the south of the state of Minas Gerais, Brazil, which became fully operational in November 2009. The construction of this 350,000 bag facility site was selected for its favourable topography, road access and connections to essential services, the facility is a fully-automated, computerized facility for sorting and blending coffee beans. It is equipped with computer-controlled coffee processing machinery located on a continuous floor directly above bulk silos and high capacity warehousing.

Coffee is a hedgeable commodity and we hedge robusta coffee on the London International Futures Financial Exchange, arabica coffee on the New York Board of Trade and Brazil Arabicas on the Sao Paulo Bolsa Mercantil Financiera.

Cocoa

We believe that Noble Cocoa is one of the largest cocoa merchants in Asia by volume, with sourcing operations in Sulawesi and Sumatra, Indonesia, and is one of the top four cocoa beans traders globally.

Our business model is mainly oriented towards the supply from origination markets of cocoa beans to the chocolate industry, with a large emphasis placed on the quality and the homogeneity of the deliveries.

We have been involved in the cocoa business, through the acquisition of the cocoa operations in 2001 of Andre & Cie SA, and ongoing development of upcountry buying stations since 2004 in Ivory Coast, the world's largest cocoa producer. We have since continued to expand our operations to meet the increasing demand driven by growing income levels and changing tastes and preferences.

We trade cocoa worldwide and are also involved in all stages of the cocoa production chain, from harvesting through to just-in-time deliveries, including cleaning, weighing, sorting, drying, warehousing and quality control. We source cocoa from farmers and suppliers principally in Indonesia, Ivory Coast and Ghana.

We have a 50% interest in the Societe d'Usinage de Vridi, which runs cocoa processing, warehousing and storage facilities in Abidjan and San Pedro, Ivory Coast, Africa. The processing facilities have an annual capacity of 60,000 metric tons in Abidjan and 40,000 metric tons in San Pedro, the country's second port, and enable us to be a leading exporter in the Ivory Coast. These industrial facilities, located close to the ports, are contiguous with large warehouses designed for bumper storage. In addition, we own two warehouses in Sulawesi, Indonesia: Makassar and Palu. Both are equipped with cleaning and drying facilities and offer a combined total storage capacity of 30,000 metric tones. We source cocoa beans as well from Sumatra via Bandar Lampung, and from Bali via Surabaya.

We concentrate our logistics trading operations in Lausanne, Switzerland. We also have two marketing and logistic offices in Russia and China to address the particular needs of these specific markets. These offices work closely with our customers and seek to provide innovative and creative solutions to manage their supply chain needs.

Cocoa beans and cocoa bean products are hedgeable commodities and our Cocoa division seeks to offset its risks by hedging its cocoa position on the London International Futures Financial Exchange and the New York Board of Trade. This allows for margin and risk management to be focused on differentials and spreads rather than being subject to price volatility.

Cotton

Our Cotton division is headquartered in Singapore with offices and representation in the major producing and consuming markets worldwide. We handle major origins of cotton and maintain a high level of quality control in these areas. We continue to develop an ex-warehouse business for select destinations as a value-added service for our customers. The major origination regions are the United States, Brazil, West Africa, Central Asia and India while the main consuming regions are Asia and Turkey.

We commenced our cotton business in 2007 to capitalize on the market opportunities resulting from increasing global textile demand, and are involved in the origination and distribution of cotton. From one employee and a limited operating base in 2007, we have expanded our operations by leveraging off our existing relationships with customers to cover 35 countries, including all the major cotton producing and consuming markets worldwide.

We source high quality cotton products from 12 states in the southern region of the United States, Brazil, Western Africa, Central Asia and India and sell primarily to garment manufacturers in the PRC, North and South East Asia and Turkey.

We own a cotton warehouse in Greenville, South Carolina, United States, which occupies an area of 28,500 square meters and is capable of storing 75,000 bales. This facility is supported by additional long-leased warehouse facilities in Tennessee and South Carolina. All facilities are licensed by The Intercontinental Commodity Exchange and provide warehouse services to cotton producers, United States cotton merchants and textile mills worldwide.

We are currently constructing a cotton bale-yard on a 12.4 hectares plot in the state of Bahia, Brazil with a capacity for 90,000 bales. Bahia is a leading cotton producing region in Brazil. We intend to store and handle Brazilian cotton and capture additional margins along the supply chain.

Cotton is a hedgeable commodity and our Cotton division seeks to offset its risks by hedging its cotton position on Zhengzhou Commodity Exchange and the New York Board of Trade.

Sugar

Our Sugar division operates along the sugar value chain in providing origination, warehousing, trading, logistics, shipping and distribution to a global end user customer base, as well as selectively providing trade finance services to mills and local suppliers with some of whom we also engage in additional structured finance.

We commenced our sugar business in 2001, and trade both raw and white sugar. We have refining capacities in Brazil and we source cane sugar from various countries around the world, including Brazil, Argentina, Central America and Thailand. We sell and ship sugar to a variety of customers including resellers, refiners, industrial companies and local distributors in India, China, Malaysia, Chile, Venezuela, Mexico, Central America, the Carribean and the Middle East.

We consider Brazil to be one of our key markets with a potential for growth in both production and consumption, particularly given its increased use of ethanol as fuel. In early 2007, we acquired UNP, enabling us to produce both sugar and ethanol and begin domestic trading of ethanol in Brazil. We began construction of a second sugar cane crushing plant and ethanol production facility in nearby Meridiano, Sao Paulo, Brazil in 2009 which is due to be completed in June 2011. This serves as a key asset in our future expansion plans and will further increase processing capabilities, which, in 2008 were approximately three million tons per year. We have an annual target sugar cane crush capacity of five million metric tons from the UNP plant and four million metric tons from the Meridiano facility, bringing the total annual capacity of our sugar mill operations in Brazil to nine million metric tons of cane. The UNP ethanol facility is expected to reach 1,100 cubic metres per day following completion of the mill expansion, complementing our various offtake agreements within North America. Furthermore, the UNP facility is able to produce 55 megawatts of power by burning sugar cane bagasse, and commenced sales to the Brazilian grid in early 2008. It is expected that the new Meridiano facility will contribute a further 55 megawatts for sale to the national grid. In addition to the expansion of our physical processing capabilities, we anticipate that these facilities will create an arbitrage opportunity between our physical sugar activities and our expanding ethanol and sourcing operations.

Finally, our new grain and sugar export terminal at the port of Santos in Brazil, which we expect to become fully operative in March 2010, will help us to expand further our sugar business.

Sugar is a hedgeable commodity and our Sugar division seeks to offset its risks by hedging its sugar position on the London International Futures Financial Exchange, the New York Board of Trade and the Brazilian Commodities and Future Exchange.

Energy

Our Energy segment includes the following product divisions: Coal & Coke, Oil & Gas (which includes ethanol), Petrochemical (which includes polymers), and Carbon Credits.

For the nine months ended September 30, 2008 and 2009, our Energy segment accounted for 50% and 55%, respectively, of our total revenue and 28% and 31%, respectively, of our total gross profit. In 2006, 2007, and 2008, our Energy segment, which is our largest segment by revenue, accounted for 45%, 47% and 51%, respectively, of our total revenue and 53%, 22% and 24%, respectively, of our total gross profit.

Each division of our Energy segment is described below:

Coal & Coke

Our Coal & Coke division represents our largest business division by tonnage volume. Our Coal & Coke division is a global franchise business offering energy and supply chain solutions to producers and consumers throughout the world. We believe we are currently one of the world's largest merchants of coal and coke. Our Coal & Coke division provides thermal coal to the power generation industry, coking coal and coke to the steel production industry and to a variety of industrial consumers in the cement and ferro alloy industries. Our Coal & Coke division has been one of our strongest performing divisions in 2006, 2007 and 2008 and the nine months ended September 30, 2009 due to supply constraints and strong demand for thermal coal.

Our distribution activities encompass power and steel companies in North Asia, Europe, South Africa, the PRC and South East Asia. We source coal and coke from, among others, the PRC, Australia, Indonesia, South Africa and Russia. We obtain our supplies by long term offtake agreements, spot opportunities, structured trade finance transactions, joint ventures and strategic mine investments. We have a broad range of product sources (including mines that we operate and mines in which we have an equity stake) and we seek to gain competitive advantages by focusing on sourcing from mines providing competitively priced supplies. We also source from smaller suppliers who would not otherwise be able to access the international markets. We believe that these strategies allow us to utilize diverse product sources and achieve better prices than many of our competitors.

Our Coal & Coke division is an example of our pipeline model. We source coal from mines owned and operated by us in Australia and Indonesia. Coal is transported overland or via river barges to ports and blended to meet individual customers' grade requirements and specifications. Our Chartering division is then responsible for the transport of our products to the end user. Our involvement in each stage of the origination, processing and distribution process enables our Coal & Coke division to provide our products at a higher profit margin.

In recent years, our Coal & Coke division has enhanced our access to long term supplies of coal by acquiring production rights in several Indonesian mines and making equity investments in coal miners in Australia, thereby expanding our sourcing and origination activities in these locations.

In June 2009 we increased our equity interest in Gloucester Coal Ltd ("Gloucester"), an Australian coal producer listed on the Australian Stock Exchange from 21.7% to 87.7%. See "— Recent developments — Gloucester Offer and Middlemount Share Sale"

We also believe our export tonnage from Indonesia has made us one of the country's largest coal exporters. We intend to continue to expand our Indonesian and Australian mining operations to ensure a long term supply of coal at low cost.

Coal is a hedgeable commodity in the form of over-the-counter contracts and the division utilizes its industry expertise and macro and micro analysis to determine hedging strategies, supply and demand balances and arbitrage opportunities. Coke is not a hedgeable commodity.

Oil & Gas (formerly known as Clean Fuels)

Our Oil & Gas division, our largest division by revenue, has recently expanded and now operates in the following major business areas: (i) fuel oil; (ii) biofuels (ethanol and biodiesel); (iii) gasoline components (alkylate, reformate, raffinate, naphtha, aromatics components, eurogrades and other unfinished gasolines); (iv) finished refined products (various grades of gasolines and distillates); and (iv) natural gas liquids and LPG (ethane, propane, butane and natural gasoline).

The majority of our Oil and Gas business is high turnover trading where little inventory is accumulated or stored. A portion of our revenue is generated from our provision of risk management services and the supply of hedging arrangements. We sell our products to large energy corporations, petrochemical producers, consumers (such as refiners) or merchants in the Americas, Europe, the Middle East and Asia, with the United States being our primary customer base where the majority of the revenue is originated. Our main customers vary in nature, from major oil-producing companies to independent trading companies, gasoline blenders and distributors and (in the case of ethanol) the pharmaceutical, alcoholic drinks and paint industries. We source our products from refiners, independent trading companies, gasoline blenders and distributors and (in the case of ethanol) from within our own supply chain to take advantage of our processing capacity in Brazil and Trinidad and Tobago.

We continue to expand our ethanol business to take advantage of higher demand due to regulatory and tax incentives in the United States and Europe. We have also developed our ethanol activities in offshore markets, like Brazil and have been one of the largest ethanol importers/exporters in the U.S. market during periods when we saw arbitrage opportunities. In addition, we expanded into trading fuel oil with the addition of 48 employees during 2009 to our global team, added to our existing gasoline teams in Singapore and London, and also expanded our LPG trading capabilities with coverage in Europe and Singapore.

Our ethanol trading business creates a synergy with our Sugar division. Our ethanol "pipeline" takes advantage of our sugar sourcing operations in Brazil, and our processing facilities in Brazil have both sugar processing and ethanol processing capability creating an arbitrage opportunity between the Sugar and Ethanol divisions. We also have ethanol processing facilities in Trinidad and Tobago (which are eligible for treatment under the Caribbean Basin Initiative ("CBI")). In the United States, we have signed offtake agreements with U.S. based ethanol producers. These offtake agreements are a part of our strategy to link minority equity investments with long term marketing commitments. These agreements provide us with a commission on sales and a long term source of revenue.

In July 2009, we acquired the terminal and storage assets from SemFuels providing us with approximately three million barrels of storage capacity in the United States consistent with our strategy to expand our energy platform and create additional product options for our customers.

In June 2008, we acquired a 50% stake in the Botlek Tank Terminal, a fully-certified storage and transshipment company in Rotterdam, Netherlands. In addition to agri-bulk products, Botlek Tank Terminal can store and transship edible and industrial oils. We are currently expanding the storage tank capacity to include bulk liquids - from the current storage tank capacity of 10,000 cubic meters to a total storage tank capacity of 550,000 cubic meters.

Gasoline, ethanol and natural gas are hedgeable commodities and we seek to offset our risks in these commodities by hedging on the IPE, New York Mercantile Exchange and the Chicago Mercantile Exchange.

Petrochemicals

Our Petrochemicals Division trades and distributes a wide range of chemical products which are used in the production of plastics, synthetic fibers, and paints. These products include polyolefin resins, benzene, styrene, ethylene glycol, methanol, and polyvinyl chloride. Uses for these products are targeted mainly at the production of plastics and synthetic fibers for consumer and industrial durables and non-durables markets.

Our origination partners are major oil and chemical companies who have advanced feedstock positions, integrated operations, innovative technology, and worldscale facilities. Our customer base ranges from major chemical companies to local producers of plastic goods, packaging, paints, and chemical intermediates.

In 2005, we entered into a long-term offtake agreement with National Petrochemical Industrial Company ("NatPet"), a Saudi Arabian polypropylene producer, for the sale and marketing of their polypropylene resin. This agreement with NatPet provides us with a fee-based commission structure and the exclusive distribution rights of their resin in several key emerging markets. In addition to NatPet, we have also secured similar long-term polyolefin offtake & marketing agreements with Sibur in Russia.

Carbon Credits

Our Carbon Credits division was established in 2005 and has offices in Dublin, Ireland, London, UK, Frankfurt, Germany, Lausanne, Switzerland, Hong Kong and Bejing, China, Stamford, USA and Calgary, Canada. The division is one of the leading suppliers of United Nations registered CERs. We sold and delivered so far more than 56 million metric tons of CER's to our customers. We source our CERs from a diversified range of projects located in seven countries: India, China, Korea, Brazil, Mexico, Argentina and Ecuador. The customers of our Carbon Credits division include utilities, financial institutions and hedge funds in Europe, North America and Japan.

Our Carbon Credits division sources and sells the following products: (i) primary CERs which are sold directly by us or a project owner to a buyer or investor and which are in respect of emission reductions which have yet to be undertaken, (ii) secondary CERs which are traded over-the-counter and (iii) issued CERs which are issued by the United Nations Framework Convention of Climate Change in relation to emission reductions already undertaken.

We are active traders in EU-Allowances in the daily market and we also plan to expand our operations in the upcoming Australian Carbon Market, as soon as the legislative foundation is laid by the Australian government. As CERs and CER futures are more actively traded on derivative exchanges around the world, we expect to be able to offset a greater portion of our risks by hedging our portfolio through entering into hedging arrangements with carbon financial instruments traded on exchanges such as the European Climate Exchange and the Chicago Climate Exchange.

MMO

Our MMO segment includes the following product divisions: Iron Ore, Ferro Alloys/Manganese Ore/Chrome Ore, Alumina/Aluminum and Steel products.

For the nine months ended September 30, 2008 and 2009, our MMO segment accounted for 18% and 17%, respectively, of our total revenue and 13% and 10%, respectively, of our total gross profit. In 2006, 2007, and 2008, our MMO segment accounted for 21%, 19% and 17%, respectively, of our total revenue and 12%, 22% and 10%, respectively, of our total gross profit.

Each division of our MMO segment is described below:

Iron Ore

We started our iron ore operations in 1991 and believe we are one of the world's largest "non-producer" suppliers of iron ore. We have existing relationships with all major producers and exporters of iron ore in the world. We believe we are one of the single largest buyers of Indian iron ore. We supply iron ore to large iron and steel mills and industrial companies in the PRC and other steel-producing countries and we believe we have become one of the largest non-producer suppliers to the PRC steel sector with annual tonnage of around 18 million tons per annum. Approximately 75% of the division's iron ore was sourced from India in 2007, with Russia, Brazil, Canada, Venezuela and Australia representing the balance.

In 2007, we invested in Territory Resources, and separately secured a long term offtake agreement with them. In addition, in 2007 we also announced a strategic investment to take a 30% equity stake in M.H.A.G. — Services of Mineraco S/A, a Brazilian iron ore mining company with exclusive "life of mine" marketing rights. We believe that our equity investments will provide us with a long term, low cost supply of iron ore. In India, our Iron Ore division has developed a diversified supplier base among dozens of Indian iron ore producers using local port facilities to aggregate small tonnage provided by each mine operation. This allows us to achieve improved economies of scale.

In addition to trading iron ore, our Iron Ore division has also developed strong relationships with our steel customers and we have successfully engaged in cross-selling. Our Logistics segment provides technical and logistical services and our Corporate segment provides working capital financing to the PRC steel sector. Our Iron Ore division's long working relationship with the PRC steel sector has allowed us to leverage our client relationships to expand into other product sales including ferro alloys, coking coal and carbon credits.

In May 2009, we, along with consortium partners, were awarded a mandate to build, operate and transfer a port facility for handling iron ore for 30 years at Paradip Port, India. The berth and associated infrastructure will accommodate a throughput capacity of more than 10 million tons of iron ore per annum. The investment, in which we own a controlling stake, is intended to further integrate our iron ore origination efforts with an iron ore storage and loading terminal. Currently, our consortium partners are finalizing project financing terms and conditions to allow us to initiate the three year construction period.

Iron ore is a hedgeable commodity but its market has not been sufficiently liquid. As such, we manage our risk exposure through minimizing our sales cycle.

Ferro Alloys/Manganese Ore/Chrome Ore

We supply ferro alloys, manganese ore and chrome ore to large steel and ferro alloys producers (carbon steel, stainless steel and aluminum) worldwide focusing on Asia (particularly in the PRC), Europe and the Americas. We source and supply through a variety of exclusive marketing agreements, equity ownership of plants and mines, and through tolling/offtake agreements. Demand from the PRC has been strong due to its expanding construction sector and its increasing high quality steel production. Our main customer base tends to be broad and wide-ranging, from state-owned large steel mill producers to medium-sized and small-sized privately-owned companies.

In connection with manganese ore and chrome ore, we have two long term offtake agreements with the subsidiaries of an Australian metals producer, Consolidated Minerals Ltd. The offtake agreements provide us with a minimum production share as well as an exclusive marketing right in certain key consumer markets in exchange for a sales commission. In 2007, we were appointed by PSC VSMPO-AVISMA Corporation to be their exclusive distributor of ferro titanium worldwide (excluding Russia). Furthermore, in 2009, PSC VSMPO-AVISMA also appointed us to be their exclusive distributor of manganese ore, thus expanding our product portfolio mix and leveraging off our Aluminum division positioning. In addition, this division is also involved in the trading and shipping of chrome and manganese ores from other origins, such as India, Pakistan and the Philippines. The division also leverages off our Iron Ore division's relationship with steel companies and engages in cross-selling of manganese ore and ferro alloy products.

The Ferro Alloys business strategy has recently shifted to become more of an agency business with no or very low inventory levels. Essentially the division will be acting on behalf of producers and will not be assuming any price risk. In addition, the division and activities have been downscaled and a new management team is being recruited.

Ferro alloy, manganese ore and chrome ore are not hedgeable commodities.

Alumina/Aluminum

The product range of our Alumina/Aluminum division includes alumina (the intermediate product used for the production of primary aluminum), primary aluminum, aluminum billets, extruded products, scrap, and finished products such as foils. Our Alumina/Aluminum division was one of our first vertically integrated businesses and offers a number of products and services, providing us with opportunities for cross-selling between different business divisions, such as Ferro-Alloys (by providing aluminum and receiving manganese for distribution).

We believe we are one of the largest non-producing suppliers of aluminum in the world. We source our products on a global basis from almost every major world producer, with our largest suppliers being based in Brazil, the CIS, the PRC and Venezuela. Our Alumina/Aluminum division has enhanced our access to long term supplies of alumina and aluminum by signing a framework offtake agreement on March 3, 2008 with an Azerbaijan-based producer which was further complemented by further long term primary aluminum offtake agreements. We supply alumina and aluminum to clients in the automotive, construction and packaging industries throughout North America, Europe, Asia and the Middle East.

Alumina is not a hedgeable commodity. Aluminum is a hedgeable commodity and we mitigate our price risk exposure in this commodity using aluminum futures contracts on the London Metal Exchange.

Steel

Our Steel division is responsible for trading finished and semi finished steel and associated raw materials such as scrap and pig iron. Forming an integral component of the MMO division, our Steel division fulfills a vital link in completing the steel value chain pipeline.

According to the World Steel Association, China today represents almost 50% of global steel production. This provides synergistic opportunities within the MMO division which is responsible for a major part of the Steel division's activity in the form of bulk steel exports from a range of Chinese mills to a wide spectrum of destinations in Asia, Europe and the Middle East.

Products typically exported from China include hot rolled coils destined for service centre and re-rollers of downstream products, hot rolled plates for a variety of industrial applications including shipbuilding and wind farms and galvanized sheets for end usage such as roofing and air condition ducts. In order to service this activity, the Steel division has a geographically dispersed team with members in the Hong Kong, Shanghai, Beijing, New York, London, Dubai, Moscow and Kolkata and exclusive agencies in Milan, Jakarta and Ho Chi Minh.

While China forms an important source of steel for the Steel division, our network reach and historical presence in regions like the Commonwealth of Independent States (former Soviet Republics, the "CIS") allows the division to tap into other low cost steel production centers in the CIS, Egypt and India from where we procure steel for supplies into large volume markets in Europe, North America and in emerging consumption centers in South East Asia and the Middle East.

Plans are being implemented to extend this market coverage into South America and initiatives are being developed to secure offtake agreements with key suppliers in low cost regions like the CIS in order to build a more regular flow of business.

Steel is not a hedgeable commodity. In order to reduce our exposure to price-risk fluctuations, our Steel division business strategy has recently shifted to become more of an agency business with no or very low inventory levels. Essentially the division will be acting on behalf of producers and will not be assuming any price risk. In addition, the division and activities have been downscaled and a new management team is being recruited

Logistics

Our Logistics segment is composed of two divisions: Vessel Chartering and Vessel Management.

For the nine months ended September 30, 2008 and 2009, our Logistics segment (excluding intersegment sales) accounted for 5% and 3%, respectively, of our total revenue and 25% and 15%, respectively, of our total gross profit. In 2006, 2007 and 2008, our Logistics segment (excluding intersegment sales) accounted for 4%, 5% and 4%, respectively, of our total revenue and 10%, 29% and 33%, respectively, of our total gross profit.

Each division of our Logistics segment is described below:

Vessel Chartering

We provide shipping transportation services to customers mainly in the steel, iron ore, coal, and grain sectors, with a focus on the Asia Pacific region.

Approximately 40% of the tonnage volume shipped by our Vessel Chartering division is for our own commodities and the remainder for third parties, for example those for whom we are acting as industrial carriers or logistics providers, as well as those who need cargo space in order to transport their products. In order to ensure timely and secure deliveries, we use our own vessels and those chartered from third parties to ship commodities. As of September 30, 2009, we own three vessels. In addition, we have 5 new vessels being built on order. The chartering business involves three steps: marketing, chartering and operations. Our Vessel Chartering division sources business by monitoring supply and demand in the commodities markets, as well as developments in the chartering market. It then matches consumer or suppliers' needs with an appropriate vessel for the relevant cargo and destinations. By anticipating market demands, our Vessel Chartering division seeks to ensure it has sufficient vessels available to it at the most competitive rates on charter to meet such demand.

Shipping contracts are typically for varying periods based on a price per ton or a price per day depending on the size of the cargo and its destination. After entering into an agreement for the shipment of a cargo from a particular port of origin to its destination, our Vessel Chartering division subsequently arranges for one of our own vessels or our chartered vessels to transport the cargo. Our Vessel Chartering division has state-of-the-art IT systems that have been internally developed in order to manage the book, together with comprehensive risk management systems. Our risk management systems include hedging our exposure using freight and bunker derivatives, a sector in which Noble Chartering is known as one of the World's leaders.

Our Vessel Chartering division also has a specialized port operations department. The managers of the port operations department visit the ports where our vessels are normally loading or discharging cargo in order to assist in the organization of these operations. By coordinating proper berth reservations, tugboat services, harbour services and unloading equipment, turnaround time, a critical element in the chartering business, is minimized. The routing, size and speed of vessels are also important to the profitability of each voyage. The choice of a suitable shipping route, size of vessel and the most efficient ship speed is made after taking into account natural elements, such as prevailing wind direction and force, as well as vessel speed, fuel consumption and deviations. Consequently, the performance of ships at sea is continuously monitored using sophisticated monitoring systems that rely on satellites to provide round the clock real-time data. This monitoring involves our Vessel Chartering division purchasing services from companies which have access to the prevailing weather conditions in relevant geographical areas using weather satellites as well as collecting on-board data from the vessels themselves.

Our Vessel Chartering division hedges its freight cost exposure through futures contracts traded through freight forwarding agreements and freight swaps. Shipping contracts are hedged on the Baltic Exchange in London.

Vessel Management

We believe we are one of the leading providers of third party vessel management services in the world. We have 218 ships under management as of September 30, 2009 and offer essential operating services such as technical management, crewing, shipboard audits, superintendence, insurance, new-building supervision, pre-purchase inspections and other related services.

Our Vessel Management division has established ship management operations in Singapore, London, India, Cyprus and Hong Kong, liaison offices in Houston and New Zealand, and crewing offices in India, the Philippines and the PRC. It also undertakes new building supervision in shipyards in Japan, the PRC, Indonesia, India, Vietnam and Korea. In addition, using sophisticated control systems and communication networks, it provides shipowners with a range of real-time data about their vessels which enables them to track and manage their vessels' operations. To fulfill its ship management obligations, our Vessel Management division interacts with a number of third parties including spares and stores suppliers, dry docks owners, ship building yards, classification societies, flag states, port state controls, and lube oil companies.

Our Vessel Management division's key competitors tend to be specialist ship management companies and ship owners which have in-house ship management capabilities.

Corporate

Our Corporate segment includes revenue generated from our directly or indirectly equity acquired subsidiaries and our in-house vessels, as well as the provision of investments, structured finance, treasury and insurance services to our customers. Revenue from the Corporate segment includes revenue generated from the chartering of our wholly owned vessels to third parties. For the nine months ended September 30, 2008 and 2009, our Corporate segment accounted for 1% and 1%, respectively, of our total revenue and 1% and 7%, respectively, of our total gross profit. In 2006, 2007 and 2008, our Corporate segment accounted for about 1% of our total revenue. Our investments in listed and unlisted equity securities are usually in conjunction with offtake agreements under long term sourcing contracts. Our structured finance department provides financial advisory services, structuring and execution arrangements as well as funding and risk distribution for our business divisions and our insurance department. Our Corporate segment also provides our senior financial and business managers with analytical support in respect of potential investment opportunities, including acquisitions and capital asset projects. Our Corporate segment also includes our treasury department which handles overall group funding strategy on a centralized basis as well as the approval of overall hedging policies and coordination of hedging operations in respect of our interest rate, currency and commodities exposures. The risk management department monitors market risks undertaken by the business segments against limits approved by the Risk Committee.

Employees

As of September 30, 2009, we had over 5,000 employees (excluding crew members employed for the fleet of vessels which are under the management of our Vessel Management division). Crew members are employed on a short term basis ranging from eight to ten months. The renewal of the employment contracts of crew members is not contingent on the renewal of the ship management contract between Fleet Management Limited and the respective ship owners.

We believe the relationship and co-operation between our management and staff is good and based on open-door culture, entrepreneurial spirit and multi-lateral collaboration. There has not been any major labor dispute since we started our operations.

We operate a number of defined contribution plans, the assets of which are held in separate trustee-administered funds. These pension plans are funded by payments from employees and by the relevant group companies. Our contributions to defined contribution pension plans are charged to the profit and loss account in the period to which the contributions relate.

We have three employee share option schemes. See "Management — Share option scheme for shares of Noble Group Limited" for further detail.

Sales and marketing

One of our competitive strengths relates to our focus on developing and maintaining longstanding customer relationships. Coupled with our commitment to providing excellent client service, we have been able to retain and build on our strong customer base during our 22-year history. We seek to maintain an ongoing dialogue with our clients which in turn allows us to provide a service which fully meets their needs on a continuing basis. We also seek to increase brand awareness through various media including television commercials.

Regulatory overview

Our operations are subject to international, state and local rules and regulations as follows:

Industry specific regulations

Agriculture

We are subject to regulation under U.S. federal, state and local laws, the laws of the European Union and the laws of the other jurisdictions in which we operate. These regulations govern various aspects of our business, including storage, processing and distribution of our agricultural commodity products, food handling and storage, processing and port operations and environmental matters. To operate our facilities, we must obtain and maintain numerous permits, licenses and approvals from governmental agencies. In addition, our facilities are subject to periodic inspection by governmental agencies, including the Department of Agriculture, the Food and Drug Administration (the "FDA") and the Environmental Protection Agency in the United States and analogous government agencies in the other countries in which we undertake this business throughout the world. Certain new regulations that have had or are expected to have an impact on this industry are:

- European regulations requiring labelling and traceability criteria for GMOs;
- Brazilian laws banning the planting, sale or transport of GMO crops in certain Brazilian states, and introducing labelling requirements; and
- FDA rules requiring disclosure of trans-fatty acids contained in products.
- PRC regulations limiting construction of new vegetable oil processing capacity.

Energy

In the energy sector, rules and regulations, including fire and safety regulations, govern the storage, transportation and handling of flammable chemical products. In addition to these rules and regulations, various licenses and certificates, such as safety certificates for handling flammable chemical products, must be obtained from the relevant bodies in the jurisdictions in which we operate. Furthermore, various other aspects of our operations are regulated, such as imports, profit margins and the payment terms and prices that we are permitted to charge for our products.

Certain jurisdictions in which we operate have laws and regulations governing the setting of prices for natural gas and LPG, which relate both to the price at which our suppliers supply natural gas and LPG and the price at which we supply these products to end users. In the case of LPG, a fixed or maximum price may be set, above which suppliers (such as us) are not permitted to sell LPG. However, the price at which we can buy LPG fluctuates by reference to world oil prices and the supply and demand situation in the relevant local markets. Generally, the fixed or maximum prices of LPG are adjusted to such a level that the market price of LPG does not exceed the fixed or maximum price of LPG.

MMO

We are subject to regulation and licensing requirements under the laws of the jurisdictions in which we operate, including Australia, Brazil and Indonesia. These regulations govern various aspects of our business, including our investments in mines, our mining activities and environmental matters.

Logistics

The ship-owning and managing industry is highly regulated and our operations are materially affected by government regulation in the form of international conventions, national, state and local laws and regulations in force in the jurisdictions in which our vessels operate, as well as in the country or countries of their registration.

Our vessels have to operate within the rules, international conventions and regulations adopted by the International Maritime Organization (the "IMO"), such as:

- the International Convention for the Safety of Life at Sea ("SOLAS");
- the International Convention for the Prevention of Pollution from Ships ("MARPOL");
- the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ("STCW Convention");
- the International Safety Management Code ("ISM Code"); and
- the International Ship and Port Facility Security Code ("ISPS Code").

These conventions have been ratified by the majority of maritime nations, including Hong Kong, and apply to all vessels registered in these countries or calling in the waters of these countries.

In addition, all of our vessels have to meet the safety standards set out in SOLAS, which prescribes a series of regulations that are essential for the safety of a vessel and/or its crew.

The STCW Convention prescribes a series of regulations according to which seafarers of all ranks must be trained and certificated in order to be able to carry out their respective duties on board vessels.

In 1998, the IMO introduced the ISM Code, which was designed to place greater responsibility on shore-based management teams for safe operation of ships and the prevention of environmental pollution.

In response to the perceived risks to ships from terrorist activities, the IMO has developed the ISPS Code. The regulations and the code came into force on July 1, 2004, through amendments to SOLAS. New security measures set out in the ISPS Code will need to be adopted by all our vessels.

Our vessels are also subject to the laws, regulations and rules of each country and port they visit. We have developed policies and procedures intended to ensure our compliance with these laws, regulations and rules.

We are also required by various governmental and quasi-governmental agencies to obtain certain permits, licenses and certificates with respect to our operations. The types of permits, licenses and certificates required for the operation of the vessels that we own and charter, as well as for our logistics and related services, depend upon a number of factors.

Environmental regulations

General

We are subject to various environmental protection and occupational health and safety laws and regulations in the industries in which we operate, both in accordance with international standards and in compliance with local environmental laws and regulations in the jurisdictions where our operations are located. We handle and dispose of materials and wastes classified as hazardous or toxic by one or more regulatory agencies in most of our business lines. Handling hazardous or toxic materials and wastes is inherently risky, and we incur costs to comply with health, safety and environmental regulations applicable to our operations.

Energy and MMO

The mining operations of our Energy and MMO segments are subject to environmental regulations governing the discharge of substances into the air and water, the management and disposal of hazardous substances and wastes, site clean-up, groundwater quality and availability, plant and wildlife protection, reclamation and restoration of mining properties after mining is completed and the restriction of open cut mining activities on conserved forest areas. We may be required to submit an environmental impact study to be approved by the relevant environmental regulatory authority before we may increase our production capacity. The costs associated with complying with these laws have had, and will continue to have, an impact on our operating costs and competitive position. Permits or licenses related to our mining operations may be suspended if there is evidence of serious failure to meet applicable environmental standards or may be withdrawn permanently in case of extreme failures.

Shipping

The IMO has adopted MARPOL, the main international convention covering the prevention of pollution of the marine environment by ships from operational or accidental causes. Technical standards included in the convention deal with the prevention of pollution by oil (Annex I), noxious liquid substances (Annex II), harmful substances in packaged forms (Annex III), sewage (Annex IV), garbage (Annex V) and air emissions (Annex VI).

SOLAS imposes a variety of standards to regulate design and operational features of ships. SOLAS standards are revised periodically. SOLAS also incorporates the International Safety Management (ISM) Code and the ISPS. The ISM Code requires, among other things, ship owners, or any person who has assumed responsibility for a ship, to implement certain environmental and safety management systems.

Responsibility for the enforcement of IMO conventions is primarily left to the flag states. However, under regional port state control initiatives (*e.g.*, for the European coastal line, the Paris Memorandum of Understanding) port state authorities are empowered to verify the condition and acceptability of foreign vessels using their ports. These schemes set and enforce harmonized inspection procedures designed to target substandard ships.

Our owned and chartered ships are registered with internationally recognized classification societies, such as the Lloyd's Register. The principal purpose of these classification societies is to provide objective and independent confirmation to insurance underwriters that ships are being maintained to the standards that are considered appropriate to minimize claims on underwriters. A beneficial by-product of the activities of classification societies is to provide reassurance to owners and others with a financial or other interest in those ships that they are being regularly surveyed and properly maintained.

We have stringent quality control procedures to ensure that all above regulations and legislations are complied with and vessels are operated in conformity with Company's safety management system.

Risk management

Effective risk management is a fundamental aspect of our business operations. We have a risk governance framework with clear and consistent parameters established by the Board of Directors as part of our risk policy. We engage in various hedging activities to manage the risks associated with our business, which include the risk of price fluctuations of commodities, foreign exchange risk, and counterparty credit and performance risk. We utilize organized futures markets as well as over-the-counter markets to manage commodity price risk. We maintain internal policies to monitor and limit these commodity hedging practices. We also engage in foreign currency hedging to manage our foreign exchange risk related to certain products as well as in respect of our operating expenses. Foreign exchange risk management is overseen by our treasury departments in Hong Kong and our regional offices in accordance with our foreign exchange policies which require all foreign exchange risk to be hedged.

Our risk committee approves all risk management strategies, but delegates day-to-day decision-making to the risk department. While trading decisions are determined on a local basis in respect of our various businesses, a series of limits, such as trading risk limits, counterparty risk limits, inventory limits and sovereign limits, are preset by the risk committee and communicated in advance to the traders within each division and monitored by the risk department. These limits act as an initial platform for managing market risk and credit risk. These limits are set and monitored by our Group Risk Manager in Hong Kong and our regional risk structure. Exceptions to these limits require the approval of our risk committee. Operational risk is managed through various measures such as separation of middle and back office functions from the trading desk, strict monitoring of inventory exposures and maintenance of extensive insurance policies, both local and global, which are also centrally coordinated by the risk committee and the management committee.

Our risk department oversees all of our main operating risks. It quantifies, to the extent possible, all of our exposures on a daily basis and reports any risks directly to the risk committee on a weekly basis, or on an ad hoc basis, as required. The risk department utilizes value-at-risk and stress analysis to quantify the potential risk in respect of our positions. Counterparty risk limits are determined through the credit approval process which involves delegated approval authority to the Credit Committee consisting of, among others, the Group Chief Executive Officer, Group Chief Financial Officer, Group Treasurer, Chief Accounting Officer and Group Risk Manager. Counterparty risk limits and exposure are monitored on a centralized basis by the risk department at our head office in Hong Kong.

Mitigating risks

Operating risk

We mitigate the risk of supply chain interruption by maintaining a diverse array of suppliers across a broad geographic base. In addition, the significant level of expertise and experience of our staff in, among other things, loading and discharge operations and cargo handling, helps us to mitigate potential operational risk exposure. We use a series of controls and protocols to ensure independent oversight and monitoring of inventories. We maintain comprehensive insurance cover for physical and political risk exposure. We maintain a clear segregation of duties within the organization to mitigate the risk of fraud.

Price risk

Our exposure to price risk of goods and services is closely monitored by the Risk Committee to ensure it falls within the approved limits. We use derivative financial instruments, primarily exchange-traded futures contracts or (in circumstances where there is no exchange-traded futures contract) over-the-counter contracts with the objective of managing our exposure to adverse price movements. However, some of our commodities, such as coal, iron ore and steel, cannot be hedged or adequately hedged by derivative financial instruments, and we may be exposed to certain price risks. In particular:

- we seek to reduce the risk of price fluctuations in the raw materials used for our oilseed processing and our oilseed processed products by conducting hedging transactions from time to time through the London International Futures Financial Exchange, the New York Board of Trade, the Chicago Board of Trade, the Brazilian Commodities and Future Exchange, the Zhengzhou Commodity Exchange and the Dalian Commodity Exchange;

- we hedge certain of our hedgeable grain products (such as barley, soybeans, corn, wheat, meal, canola and soybean oil) on commodities exchanges such as the Chicago Board of Trade, the Winnipeg Commodity Exchange, the Dalian Commodity Exchange and the Fukuoka Futures Exchange, Matif, Liffe;

- we hedge our cocoa position on the London International Futures Financial Exchange and the New York Board of Trade;

- we hedge robusta coffee on the London International Futures Financial Exchange and arabica coffee on the New York Board of Trade and BMF;

- we hedge our cotton position on the Zhengzhou Commodity Exchange and the New York Board of Trade;

- we hedge our aluminium position on the London Metal Exchange and the Zhengzhou Commodity Exchange; and

- we hedge our sugar position on the Intercontinental Exchange, the Chicago Mercantile Exchange, the New York Mercantile Exchange and the NYSE Liffe US.

Freight rate risks

Changes in freight rates affect the shipping industry as a whole and we normally mitigate such effects by hedging or passing on a portion of such changes to our customers. Further, we charter vessels for transporting our own commodity products and those of third parties. In order to mitigate the effects arising from changes in freight rates, we maintain a diverse profile with respect to the length of such charter contracts and use exchange-traded and over-the-counter freight contracts (including freight forwarding agreements and freight swaps) to hedge a portion of the freight costs.

Counterparty and credit risk

Credit risk arising from the inability or unwillingness of a counterparty to meet the terms of our commercial, financial and hedging contracts is generally limited to the amounts, if any, by which such counterparty's obligations exceed ours. With respect to certain counterparties, we try to limit our potential counterparty credit risk by requiring any payment exposure to be limited by a third party credit support through letters of credit or credit instance. We take collateral in certain circumstances in order to mitigate counterparty risks in situations where we are required to make prepayments. In other instances we will periodically review the creditworthiness of the counterparty and establish approved credit limits. In addition, our diverse business profile limits the impact of exposure to any individual counterparty. Lastly, we utilize the insurance market to further mitigate counterparty credit risks. In appropriate circumstances, we take out trade credit insurance to cover against the risk of non-payment due to insolvency and protracted default. We monitor and limit our exposure to future fluctuations in the exposure associated with forward dated fixed price contracts.

Foreign currency risk

The vast majority of our purchase and sale transactions are denominated in US dollars. However, we do trade our products in several countries and, as a result, are exposed to movements in foreign currency exchange rates in transactions denominated in currencies other than the US dollar. Further, some of the costs, expenses and capital expenditures are incurred in other currencies. We primarily utilize foreign currency forward exchange contracts to hedge firm commitments. Under these contracts, increases or decreases in our foreign currency denominated firm commitments are partially offset by gains and losses on the hedging instruments. We do not use foreign currency forward exchange contracts for speculating purposes.

Interest rate risk

We are exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on our assets and liabilities and cash flow. Our exposure to interest rate risk is closely monitored by the Risk Committee to ensure interest rate risk reflects our preferred interest rate exposure strategy. It is our strategy to have a relatively balanced mix of floating and fixed rate debt. In some instances interest rate swaps may be implemented to limit the potential exposure of interest rate movements.

For a discussion of the risks relating to our operations, see "Risk factors — Risks relating to our business".

Insurance

We utilize a broad insurance program, which provides all our operations with coverage that we believe is appropriate for the risks associated. Where appropriate, we take out (i) 'All Risks" marine cargo insurance with coverage commencing the moment we assume interest in the cargo until our interest ceases. (ii) Liability Insurances for marine transport and storage liability, product, public and environmental liability insurances (iii) Political Risks Insurance which provides cover in over 37 countries for all inventory assets against confiscation, expropriation, nationalization, deprivation, political violence (iv) contract frustration insurance to cover breach of contract by agents of a foreign government or breach of contract by a private entity as required, (v) Trade Credit Insurance for selected counterparties against protracted defaults and insolvencies (vi) Property Damage and Business Interruption Insurances for assets owned and for which we are responsible to insurance, including Construction All Risks insurances for projects under construction. Such insurance cover is maintained with leading international insurance carriers, including Lloyds of London Syndicates, AXA, ACE, Amlin Corporate Insurance, Chubb, Allianz, AIG, Coface, Euler, and other insurers. We periodically review our insurance coverage to ensure that we have adequate coverage.

Legal proceedings

We are party to various legal proceedings in the ordinary course of our business. Although we cannot accurately predict the outcome of these matters, we do not expect any proceeding, if determined adversely against us, to have a material adverse effect on our consolidated financial position and results of operations. Although we vigorously defend all claims, we make provision for potential liabilities when we deem them probable and reasonably estimable. These provisions are based on current information and legal advice and are adjusted from time to time according to developments.

Competition

We are a global supply chain manager of energy, agricultural and industrial products and are also engaged in logistics and corporate financing businesses. We compete with different companies, depending on each business segment and geographical area. Most physical commodity companies or supply chain managers are niche players that only focus on a specific commodity group or geographic area, or concentrate more heavily on commodity industrial activities such as mining, processing, refining, or crushing. As a result, there are several types of physical commodity marketing companies that compete directly or indirectly in certain limited markets with us.

The following are companies that compete with us across a range of our business segments and divisions,

- large participants who are active in specific markets only and are not as widely diversified as we are, such as Glencore, Bunge, Cargill, Louis Dreyfus Group, BHP Billiton, CVRD, and Rio Tinto; and

- captive marketing vehicles of major oil and metals producers, such as Shell, BP, and Alcoa.

Within each division of our business segments, we compete with a wide variety of merchants with interests in production capabilities, producers who also participate in trading activities and other international trading houses.

Principal subsidiaries

Our principal direct and indirect wholly owned subsidiaries, which contributed more than 10% of our total revenue or net profit for the last 12 months of September 30, 2009, are as follows:

Noble Resources Pte. Ltd. ("NRPL")

NRPL, incorporated in Singapore and headquartered in Singapore, is principally engaged in international trading and local distribution of agricultural commodities such as corn, rice, soybean, soybean meal, oilseeds, wheat, pulses, coffee and cotton. NRPL is also engaged in the trading of commodities such as Oil & Gas and petrochemicals. NRPL performs financing and risk control management and handles the coordination and accounting consolidation for the Asia Pacific region.

Noble Resources S.A. ("NRSA")

NRSA, incorporated in Switzerland and headquartered in Lausanne, Switzerland, trades a diverse range of commodities such as aluminum, sugar, cocoa, soybean, soybean meal, sun flower seeds, corn, wheat, corn, barley and rapeseed. Sourcing is from Russia, Brazil, Canada, Venezuela, South America, the Ivory Coast and Indonesia for sales into North America, Europe, Asia, West and North Africa and the Middle East.

Noble Americas Corp. ("NAC")

NAC, incorporated in Delaware, United States and headquartered in Stamford, Connecticut, United States, has business operations in Oil & Gas and petrochemicals, cocoa, aluminum, coffee and sugar. NAC operates globally and sources commodities originating primarily in Asia, South America and the Middle East.

Noble Chartering Inc. ("NCI")

NCI, incorporated in the British Virgin Islands and headquartered in Hong Kong, is a leading vessel charterer and operator, internationally recognized for providing high-quality, cost effective sea transportation for all types of commodities. NCI provides freight-chartering services to in-house commodity divisions, grains, iron ore and coal and coke, as well as external parties in respect of their freight-sourcing requirements. It is ISO 9002 accredited and its business is concentrated in Southeast Asia and the Pacific Rim.

MANAGEMENT

Board of directors

The table below sets out the names of the current directors of Noble Group Limited, their ages and their current positions.

Name	Age	Position
Richard Samuel Elman	69	Executive Chairman
Harindarpal Singh Banga	59	Vice Chairman
Ricardo Leiman	43	Chief Executive Officer
Milton M. Au	59	Non-executive Director
Tobias Josef Brown	46	Non-executive Director
Iain Ferguson Bruce	68	Non-executive Director
Robert Tze Leung Chan	63	Non-executive Director
Dr. Kenneth Stuart Courtis	64	Non-executive Director
David Gordon Eldon	64	Senior Independent non-executive Director
Ambassador Burton Levin	79	Non-executive Director
Edward Walter Rubin	68	Non-executive Director
Alan Howard Smith	66	Non-executive Director

The following are particulars of the qualification, if any, and experience of the directors of the Company:

Executive directors

Richard Samuel Elman is the founder and the Executive Chairman of the Company. Mr. Elman first arrived in Asia during the mid 1960s from England and has more than 50 years of experience in the physical commodities trading industry. Prior to setting up the Group in 1986, he spent 10 years with Phibro as Regional Director of their Asia operations, including two years in New York as a Board Director. He is responsible for overseeing the Group's management and the formulation of the overall strategic planning of the Group. Mr. Elman was first appointed Director of the Company on April 6, 1994 and was last re-elected at the Annual General Meeting on April 30, 2008.

Harindarpal Singh Banga is the Vice Chairman of the Company. A Master Mariner, Mr. Banga has extensive experience in the maritime and logistics industry. Since 1979, he has worked in various levels of the industry all over the world, from London and Europe to Hong Kong, where he first arrived in 1984. Mr. Banga is an associate member of the Institute of Chartered Shipbrokers. He is also a member of the Singapore Institute of Directors and a member of the Executive Committee of the Hong Kong Shipowners Association. Mr. Banga joined the Group in 1989 on the establishment of Noble Chartering Limited. He was first appointed Director of the Company on April 6, 1994. Mr. Banga was last re-elected at the Annual General Meeting on April 30, 2008.

Ricardo Leiman is an Executive Director and the Chief Executive Officer of the Company. Mr. Leiman holds MBAs from the University of Rochester NY, U.S.A. and the University of Nyenrode, the Netherlands as well as an Economics degree from the University of Sao Paulo, Brazil. He started his career with Credit Lyonnais Bank in Brazil followed by management positions with Louis Dreyfus in Brazil, Eximcoop in the Netherlands and Trader Classified Media in London and Paris. In 2002 he rejoined Louis Dreyfus as COO of North America, EMEA (Europe, Middle East, Africa), and Asia, later becoming COO of Soft Commodities. Mr. Leiman joined us in April 2006. He was first appointed Director on April 1, 2009 and was last re-elected at the Annual General Meeting on April 27, 2009.

Non-executive directors

Milton M. Au is a non-executive director of the Company. Mr. Au was, until December 2003, an executive director and the Chief Financial Officer of the Company. He was also the Managing Director of Noble Grain from April 2001 to December 2002. Mr. Au had worked for a number of listed companies including Hang Seng Bank Limited before he joined us in 1995. He holds a Bachelor of Commerce degree from the University of Alberta in Canada and is a member of the Canadian Institute of Chartered Accountants. Mr. Au is also a member of the Board of Directors of Hong Kong International Film Festival Society Limited. Mr. Au was first appointed Director of the Company on December 1, 1995 and was last re-elected at the Annual General Meeting on April 27, 2009.

Tobias Josef Brown is a non-executive director of the Company. He has been a board member of a number of leading multi-national corporations and blue-chip Asian companies. He is currently Managing Director of UCL Asia Limited and General Oriental Investments (HK) Limited. Mr. Brown is widely recognized as one of Asia's leading and most experienced investors. In addition to investing, Mr. Brown also plays an active role in shaping the debate regarding the geopolitical evolution of China in both the world and Asia. He was appointed Director of the Company on January 1, 2010 and will be seeking re-election to the Board of Directors of the Company at the forthcoming Annual General Meeting.

Iain Ferguson Bruce is an independent non-executive director of the Company. Mr. Bruce joined KPMG in Hong Kong in 1964 and was elected to its partnership in 1971. He was the Senior Partner of KPMG from 1991 until his retirement in 1996 and served as Chairman of KPMG Asia Pacific from 1993 to 1997. Since 1964, Mr. Bruce has been a member of the Institute of Chartered Accountants of Scotland, and is a fellow of the Hong Kong Institute of Certified Public Accountants. He is a fellow of The Hong Kong Institute of Directors and a member of The Hong Kong Securities Institute. Mr. Bruce serves as an independent non-executive director on the boards of several publicly listed companies in Hong Kong, including Paul Y. Engineering Group Limited, Sands China Ltd., Tencent Holdings Limited, Vitasoy International Holdings Ltd. and Wing On Company International Limited. He is also an independent non-executive director of China Medical Technologies, Inc., a company whose shares are traded on Nasdaq, and Yingli Green Energy Holding Company Limited, a company whose shares are traded on the New York Stock Exchange. He is an independent non-executive director of Citibank (Hong Kong) Limited and is the Chairman of KCS Limited. Mr. Bruce was first appointed Director of the Company on April 9, 2002, and was last re-elected at the Annual General Meeting on April 27, 2009.

Robert Tse Leung Chan is an independent non-executive director of the Company. He is an experienced banker with 37 years experience in both commercial and investment banking having worked in London, Malaysia, Singapore, and is currently the Chief Executive Officer of United Overseas Bank, Hong Kong. He is also a Senior Adviser to Long March Capital Ltd, a fund management company based in Beijing and Shanghai in partnership with leading Chinese institutions including the CITIC Group. He holds the Bachelor of Science (Econ) Hons and Master of Business Administration degrees, and is a Fellow of the Hong Kong Institute of Directors. Mr. Chan was first appointed Director of the Company on August 16, 1996 and was last re-elected at the Annual General Meeting on April 30, 2008.

Dr. Kenneth Stuart Courtis is an independent non-executive director of the Company. Dr. Courtis is a leading investment banker and analyst of Asian economies who has lived and worked in Asia for more than two decades. Dr. Courtis is Founding Chairman of Next Capital Partners and an independent non-executive director of Capitaland Limited, a Singapore listed company, as well as a member of the boards, advisory councils, and trustee of a number of international firms, universities, and research institutes in Asia, Europe and North America, including the Advisory Boards of Emerson Electric Company, CNOOC Limited, the Economic Strategy Institute in Washington and the International MBA Program at York University in Toronto. Dr. Courtis served as Managing Director and Vice Chairman of Goldman Sachs (Asia) L.L.C. from 1999 to 2006, and before that was with Deutsche Bank Group Asia for 13 years, holding the posts of Chief Economist, Strategist and Managing Director. Dr. Courtis was first appointed Director of the Company on May 2, 2007 and was last re-elected at the Annual General Meeting on April 30, 2008.

David Gordon Eldon is the Senior Independent non-executive director of the Company. Mr. Eldon retired as Chairman of the Hongkong and Shanghai Banking Corporation Limited, and as a main Board Director of HSBC Holdings in 2005 after 37 years with the HSBC Group, all of which were spent in the Middle and Far East. He is currently Senior Adviser to PricewaterhouseCoopers, and is based in Hong Kong. He is a non-executive Chairman of the Dubai International Financial Centre Authority and Special Adviser to the Korea National Competitiveness Committee — Office of the President. He is a Director of Hong Kong listed companies Eagle Asset Management Ltd and Shui On Construction and Materilas Limited, as well as a number of unlisted companies. He is Past Chairman of the Hong Kong General Chamber of Commerce, Founding Member and past Chairman of the Seoul International Business Advisory Council, an International Council Member of the Bretton Woods Committee, an Adviser to Unisys, Kuwait China Investment Company, and Southern Capital Group, in addition to a number of Government and community appointments in Hong Kong. Mr. Eldon is a Fellow of the Chartered Institute of Bankers. He was conferred Honorary Doctor of Business Administration by the City University of Hong Kong in November 2003. He was named the DHL/SCMP Hong Kong Business Person of the Year for 2003 and in 2004 was awarded the Gold Bauhinia Star by the Government of the Hong Kong SAR. In 2005 he was made a Commander of the British Empire for his contribution to banking, and awarded Honorary Citizenship of Seoul in recognition of his work for the city. He was awarded the Asian Banker Lifetime Achievement Award for 2005. Mr. Eldon is a Justice of the Peace. Mr. Eldon was appointed Director of the Company on January 1, 2007 and was last re-elected at the Annual General Meeting on April 30, 2007.

Ambassador Burton Levin is an independent non-executive director of the Company. He has more than 38 years' experience in the diplomatic service for the United States in Asia. He holds a Bachelor of Arts degree from Brooklyn College, the United States and a Master of International Affairs degree from Columbia University, the United States. Ambassador Levin is a member of the Board of the Mansfield Foundation as well as an advisor to Sit Investment Associates and also Chairman emeritus of the Hopkins-Nanjing center. Ambassador Levin was first appointed Director of the Company on August 16, 1996 and was last re-elected at the Annual General Meeting on April 27, 2009.

Edward Walter Rubin is an independent non-executive director of the Company. Mr. Rubin was, until December 1989, Managing Partner of Phillips & Vineberg, Canadian Lawyers, Hong Kong Office (now Davies, Ward, Phillips & Vineberg). Since January 1990, Mr. Rubin has been Chairman and Managing Director of a private investment company. For 16 years, Mr. Rubin served as a Board Member of the Hong Kong International Arbitration Centre, and for over 5 of those years as Vice Chairman. Mr. Rubin is a member of Boards of the Asian Domain Name Dispute Resolution Centre and the Alliance Francaise de Hong Kong. He is also a member of the South-East Asia Advisory Board of Rolls-Royce Group, Plc. Mr. Rubin was first appointed Director of the Company on December 6, 1999 and was last re-elected at the Annual General Meeting on April 27, 2009.

Alan Howard Smith is an independent non-executive director of the Company. Mr. Smith was the Vice Chairman – Pacific Region of Credit Suisse First Boston, Hong Kong ("CSFB") from 1997 until he retired in 2001. Before joining CSFB, he was the Chairman during 1994 to 1996 and Managing Director during 1983 to 1994 of the Jardine Fleming Group, which he joined in 1972. He graduated with a LLB (Hons) degree from Bristol University in 1964, and was admitted as a Solicitor in England in 1967, and in Hong Kong in 1970. Mr. Smith is a director of Asia Credit Hedge Fund, Castle Asia Alternative PCC Limited, Frasers Property (China) Limited, Global Investment House, KSC, Kingway Brewery Holdings Limited, United International Securities Limited and VXL Capital Limited. He is also Chairman of the CQS Global Advisory Forum, and a member of the Euromoney Asian Advisory Board and of the Hang Seng Index Advisory Board. Mr. Smith was first appointed Director of the Company on March 22, 2002 and was last re-elected at the Annual General Meeting on April 30, 2007.

Executive officers

The table below sets out the names of the executive officers of Noble Group Limited their ages and their current positions.

Name	Age	Position
Stephen J. Marzo	54	Group Chief Financial Officer
William Randall	35	Head of the Coal & Coke division
Diego Barbero	55	Head of the Grains and Cotton divisions
Jeffrey M. Alam	51	Group General Counsel
Wildrik de Blank	46	Group Treasurer
David J. Beringer	37	Group Finance Director
Nicholas Brewer	42	Group Risk Manager
Louis Tang	50	Chief Accounting Officer
Bharat Sundavadra	42	Assistant General Counsel
Tim Eyre	40	Legal Counsel
Lelia Konyn	44	Group Human Resources Director
Stephen Brown	55	Director — Investor Relations

Stephen J. Marzo is the Group Chief Financial Officer. Mr. Marzo graduated from Georgetown University in 1979 with a BS in Business Administration majoring in International Business Management. He worked from 1980 to 1989 for Chase Manhattan Bank in New York and Taiwan before joining the Chase Investment Bank. In 1989, he joined Phibro Energy Inc., a unit of Salomon Inc., initially as Asia Pacific Treasurer, and subsequently moved to London in 1990 to become European Treasurer with responsibility for Asia. In 1994, he joined Bear Stearns (Asia) LLC as the Head of Institutional Credit for Asia Pacific and later joined Goldman Sachs (Asia) L.L.C. in 1996 as Executive Director and the Head of Credit Risk Management for non-Japan Asia. Mr. Marzo subsequently served as Chief Financial Officer for SMEloan and later as Finance Director for the Tom Group. Mr. Marzo joined the Group in November 2003.

William Randall is Head of the Coal & Coke division. Mr. Randall holds a Bachelor degree in Business, majoring in International Marketing and Finance from the Australian Catholic University, Australia. He started his career at Noble in 1997 in Australia, transferred to Asia in 1999 where he established Noble's coal operations, mining and supply chain management businesses. Following his appointment as Director of Noble Energy Inc. in 2001, Mr. Randall continued to build the global coal and coke marketing network and asset pipeline. He was appointed global head of Coal & Coke in 2006 and became a member of the Noble Group Executive Board in 2008.

Diego Barbero is Head of the Grains and Cotton divisions. Mr. Barbero holds a MBA from Harvard University, and degrees in Industrial and Mechanical Engineering from ITBA in Buenos Aires, Argentina, He started his career with Continental Grain in the US and later internationally, followed by trading, business development and management positions with Elders Grain IXL and Conagra Foods in the United States and South America. In 2003, he joined Noble as EMEA (Europe, Middle East and Africa) Grain & Oilseeds manager, later undertaking responsibilities for Asia Pacific, and in 2007 becoming global head of the division. In 2008 he undertook management responsibilities for the Cotton division and became a member of the Noble Group Executive Board.

Jeffrey M. Alam has been the Group General Counsel since August 2005. He joined the Group after seven years with Morgan Stanley where he was executive director in the law division with responsibility for all merchant banking, fund management and real estate businesses in Asia. Prior to Morgan Stanley, Mr. Alam spent eight years with AIG as General Counsel to their Asia investment businesses. He holds a LLB (Hons) from Manchester and is a lawyer qualified to practice in Hong Kong and England.

Wildrik de Blank has been the Group Treasurer since September 2003. He is responsible for the Group's global bank funding, cash and liquidity, and financial risk management. Mr. de Blank started his career in financial management with Shell Jakarta before joining MeesPierson in the Netherlands. At MeesPierson/Fortis Bank, he advanced through several positions including the Head of Bank Syndications Amsterdam, Senior Manager Commodity Finance Hong Kong, Chief Representative Sydney and Deputy General Manager Shanghai Branch. He holds a Master's degree from the Rotterdam School of Management at the Erasmus University Rotterdam.

David J. Beringer is the Group Finance Director. Mr. Beringer studied biochemical engineering at University College London and, after graduating in 1994, joined Ernst & Young in London to train as an accountant specializing in corporate tax. On qualifying he joined Ernst & Young's international tax division in Bahrain before moving to ED&F Man Group in London. In 2000 he joined Amerada Hess focusing on oil and gas tax issues in Europe, North Africa and Asia. Mr. Beringer joined the Group in September 2004 as Head of Tax. He is a member of the Institute of Chartered Accountants in England & Wales and a fellow of the Hong Kong Institute of Certified Public Accountants.

Nicholas Brewer is the Group Risk Manager. He holds a MBA from the London Business School, a Masters degree in International Business and Economics and a Bachelor degree in Economics and Politics from Bristol University, UK. He started his career at Shell involved in international strategy and later in petrochemicals. Following that he worked for BACTEC International doing corporate risk assessment, followed by two years with Enron, where he originated energy based risk management products for major industrials. In 2002 he joined Louis Dreyfus Commodities where he had global responsibility for market and operational risk. Mr. Brewer joined the Group in April 2007.

Louis Tang is the Chief Accounting Officer. Before joining the Group on August 1, 2001, Mr. Tang had been the Chief Financial Officer of the SCMP Group Limited since 1993 and held various senior accounting positions in the Kerry Group since 1988. He has more than 25 years' experience in Hong Kong, the PRC and France in accounting, auditing, taxation, financial management and corporate finance matters. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and has an MBA from the Chinese University of Hong Kong.

Bharat Sundavadra is the Assistant General Counsel and holds a PhD in chemistry from the University of Cambridge and a law degree from Nottingham Law School. He qualified as a solicitor with Linklaters in 1998 and practised corporate and commercial law. He later became Legal Counsel for the agrochemicals division of AstraZeneca Plc. Dr Sundavadra joined the Group in April 2002.

Tim Eyre is a Legal Counsel and holds an LLB (Hons) degree from University College London, United Kingdom. Mr. Eyre is admitted as a solicitor in both England and Hong Kong. He started his career with Richards Butler in London in 1993 and upon qualification as a solicitor in 1995, transferred to their Hong Kong Office, becoming a partner in 2001, Mr. Eyre joined Noble in October 2005.

Lelia Konyn is the Group Human Resources Director and holds degrees in International Relations and East Asian Studies from the Hebrew University in Jerusalem, Israel. Ms. Konyn started her career in business with the Eisenberg Group, trading and developing sourcing capabilities, and has worked in the Middle East, Europe and Mainland China. Following her move into human resources she worked for Merrill Lynch, Pacific NetMarkets and Links. Ms. Konyn joined the Group in October 2004.

Stephen Brown is the Director of Investor Relations. He is a resident in Hong Kong for 26 years and has spent much of that time working in the securities industry, holding senior positions with a number of major firms. He is also a member of the Listing Committee of the Stock Exchange of Hong Kong Limited.

Compensation of directors and management

The objectives of our remuneration policy are to enable us to attract, retain and motivate highly competent executives to manage a complex international organization. We believe that members of our board of directors and management should be rewarded in line with good market practice in the industry, taking account of their international responsibilities and their performance against predetermined targets, while recognizing the cultural and geographic diversity of our business.

Remuneration of our board of directors

The executive directors are paid a basic salary and a performance related bonus. Non-executive directors are compensated based on time and effort and their remuneration is recommended to shareholders for approval at our annual general shareholders meeting.

The aggregate compensation paid or payable to our directors in 2008 was US$82,128,000, consisting of US$71,631,000 in emoluments including bonus, US$10,000,000 in share-based payment and US$497,000 in directors fees. For the nine months ended September 30, 2009, 12,250,000 share options were granted to our directors to acquire our shares.

The board

Our board is comprised of twelve directors, nine of whom are non-executive directors, and each director has separate and independent access to our senior management. Our board meets regularly to oversee our business affairs, approve our financial objectives and business strategies, and monitor standards of performance both directly and through its specialized committees.

Board committees

Audit Committee. The audit committee was established in 1997 by the board of directors and comprises four board members, all of whom are non-executive directors, and a majority of whom, including the chairman, are independent. The members of the audit committee are Iain Ferguson Bruce (Chairman), Milton M. Au (Vice-chairman), Edward Walter Rubin and Robert Tze Leung Chan. The audit committee, which has written terms of reference, performs the following delegated functions: (i) reviewing the annual audit plan of our external auditors; (ii) reviewing the results of the external auditors' examination and their evaluation of our internal control system; (iii) nominating external auditors for re-appointment; (iv) reviewing our quarterly and full year results announcements, our financial statements and our consolidated financial statements before their submission to the board of directors for approval of release of the results announcement; (v) reviewing the co-operation given by our officers to the external auditors; and (vi) conducting any other reviews as required by the stock exchanges on which our securities are listed. The audit committee has full access to and co-operation of the management and meets with the external and internal auditors without the presence of management at least once a year.

Corporate Governance Committee. The corporate governance committee is comprised of five board members: Alan Howard Smith (Chairman), Ambassador Burton Levin (Vice-Chairman), Edward Walter Rubin, Iain Ferguson Bruce, and Harindarpal Singh Banga. The majority of the committee, including the chairman, are non-executive directors. The committee's primary responsibility is to identify, monitor and implement good corporate governance.

Remuneration and Options Committee. The remuneration and options committee is comprised of four board members, Edward Walter Rubin (Chairman), Richard Samuel Elman (Ex officio), Robert Tze Leung Chan and Alan Howard Smith. The majority of the committee, including the chairman, are non-executive directors. The committee reviews all matters concerning the remuneration of senior management, including bonus schemes, to ensure that they are competitive and sufficient to attract, retain and motivate personnel of the quality required to run our operations successfully. The committee also reviews all matters concerning the remuneration of non-executive directors to ensure that the remuneration is commensurate with the contribution and responsibilities of such directors. The remuneration policy for key management executives takes into consideration our performance, and the responsibilities and performance of individual key management executives.

Nominating Committee. The nominating committee is comprised of five directors: Ambassador Burton Levin (Chairman), Alan Howard Smith (Vice Chairman), Richard Samuel Elman (Ex Officio), Dr. Kenneth Stuart Courtis and Iain Ferguson Bruce. The majority of the committee, including the chairman, are independent non-executive directors. The nominating committee, which has written terms of reference, is responsible for making recommendations to the board on all board appointments and re-appointments. The committee is also responsible for: (i) conducting formal assessment of the effectiveness of the board as a whole and the contribution by each director to the effectiveness of the board, (ii) determining the independence of each director and the directors for retirement by rotation at each annual general meeting and (iii) determining whether a director who has multiple board representations is able to and has been adequately carrying out his/her duties as one of our directors.

Social Responsibility Committee. The social responsibility committee is comprised of five board members: Ambassador Burton Levin (Chairman), Harindarpal Singh Banga (Vice-Chairman), Robert Tze Leung Chan, Iain Ferguson Bruce, and Ricardo Leiman. The majority of the committee, including the chairman, are non-executive directors. The committee's primary responsibility is to review and focus on social responsibilities issues which affect the Group's business worldwide, and to approve or recommend for the Board's approval the Company's involvement, sponsorship or support of activities with an aim towards making a positive contribution and meeting the social responsibility of the Group.

Investment and Capital Markets Committee. The investment and capital markets committee is comprised of six board members: Alan Howard Smith (Chairman), Richard Samuel Elman (Vice-Chairman), Harindarpal Singh Banga, Ricardo Leiman, Dr. Kenneth Stuart Courtis, and Milton M. Au. Half of the committee, including the chairman, are non-executive directors. The committee's primary responsibility is to review and approve issues and matters relating to creation and issuance to the public of debt and equity financing instruments for the Group not exceeding US$250 million per transaction and to ensure, monitor and preserve the Group's ability to quickly and efficiently respond to capital markets financing opportunities, if any. In addition, the investment and capital markets committee reviews and approves investments or capital commitments of the Group and/or its subsidiaries above US$75 million and not exceeding US$250 million per transaction.

Operations Committee. The operations committee is comprised of four board members: Richard Samuel Elman (Chairman), Harindarpal Singh Banga (Vice-Chairman), Milton M. Au, and Ricardo Leiman. The majority of the committee, including the chairman, are executive directors. The committee's responsibility is to handle certain specified operating issues on behalf of the Company in a timely fashion, particularly with respect to public announcements to the SGX-ST, and the issuance of new shares as a result of employee compensation or remuneration or incentive schemes or from the conversion of the Company's convertible bonds.

Finance Committee. The finance committee is comprised of four board members: Richard Samuel Elman (Chairman), Harindarpal Singh Banga (Vice-Chairman), Milton M. Au, and Ricardo Leiman. The majority of the committee, including the chairman, are executive directors. The committee's responsibility is to consider and approve finance and bank facilities offered to the Company and/or any of its subsidiaries and any documentation related thereto and to do all things and take all actions incidental thereto (including providing security or collateral in relation to such facilities by way of charging assets, issuing guarantees or otherwise and establishing or varying banking mandates or signing authorities).

Non-board committees

Risk Committee. The risk committee is comprised of eight members, including Ricardo Leiman (Chairman), Stephen J. Marzo, Harindarpal Singh Banga, Nicholas Brewer (Deputy Chairman), Raj Kapoor, Diego Barbero, Ted Robinson and William Randall. The risk committee is responsible for identifying the risks to which we are exposed, developing strategies to mitigate and avoid risks, implementing and monitoring approved risk tolerance levels and the policies and procedures of internal control, approving single large market or operational transaction, reporting material risk management issues to our executive board and assisting in due diligence process regarding long term plans as directed by our executive board. The establishment of the risk committee ensures that risk management functions remain independent of our trading and execution functions.

Credit Committee. The credit committee is comprised of nine members, including Stephen J. Marzo (Chairman), Ricardo Leiman (Vice Chairman), Nicholas Brewer, Wildrik de Blank, Bharat Sundavadra, Jaime Teke, Louis Tang, Ernesto Leon-Gambetta and Michael Sessa. The credit committee is responsible for approving and monitoring counter-party credit risk exposure, maintaining credit policy and credit risk methodology, implementing the credit approval process and monitoring the compliance with approved limits and credit policy, reviewing and analyzing outstanding receivables and portfolio risks.

Internal controls

The directors are committed to maintaining a high standard of corporate governance. Good corporate governance establishes and maintains our legal and ethical environment, which strives to preserve the interests of all shareholders. The board of directors has adopted the principles set out in the Code of Corporate Governance as recommended by the SGX-ST and, where applicable, has established various self-regulatory and monitoring mechanisms to ensure that effective corporate governance is practiced. In addition, we have internal audit, risk management and compliance functions. The internal audit team reports findings and recommendations to management and to the audit committee.

Performance share plan

Pursuant to a shareholders' resolution at the special general meeting held on April 27, 2009, we established the Noble Group Performance Share Plan (the "Plan"). By targeting specific performance objectives and providing incentives for participants to achieve these targets, the Plan complements the 2004 Scheme (as defined below) which provides a more broad-based incentive basing on the overall performance of the Company. Awards granted under the Plan are determined at the sole discretion of the Remuneration and Options Committee and are principally performance-based. Such awards represent the right of a participant to receive fully paid ordinary shares of the Company provided that the prescribed performance targets are met and upon expiry of the prescribed performance period. The maximum number of shares in respect of which awards may be granted under the Plan, when aggregated with the aggregate number of shares over which options are granted under any share option schemes of the Company, will be 15% of the total number of issued shares (excluding treasury shares) from time to time. Shares allotted and issued or transferred to a participant pursuant to the release of such award shall not be dealt with during a specified period as prescribed by the Remuneration and Options Committee.

Share option scheme for shares of Noble Group Limited

We have two employee share option schemes, one established in 2001 (the "2001 Scheme") and one established in 2004 (the "2004 Scheme"). The administering committee may grant options to subscribe for our shares to any eligible employees. The exercise price for each share must be equal to the average of the last dealt price for the shares, as determined by reference to the daily official list published by the SGX-ST, for the three consecutive trading days immediately preceding the offer date of the options, or the nominal value of the shares, whichever is higher, in each case rounded up to the nearest whole cent. The maximum number of shares in respect of which options may be granted may not exceed 15% of our issued share capital.

With respect to the 2001 scheme, the committee may grant incentive options, which are exercisable at a price set at a discount of up to 20% of the market price. The members of the committee administering the 2001 Scheme are Richard Samuel Elman, Edward Walter Rubin, Alan Howard Smith and Robert Tze Leung Chan, who are all directors of the Company.

As of September 30, 2009, a total of 312,301,798 share options of the 2001 Scheme were granted and 167,022,361 share options of the 2001 Scheme were exercised. As of September 30, 2009, 20,368,987 share options of the 2001 Scheme were outstanding, entitling the option holders to subscribe for 20,368,987 shares.

Pursuant to a shareholders' approval on January 17, 2005, we established the 2004 Scheme, under which the committee administering the 2004 Scheme may grant options to subscribe for our shares to any eligible employees and executive and non-executive directors of the Company, its subsidiaries and associates. The subscription price for each share for market price options is determined by the committee at its absolute discretion at a price ("Market Price") equal to the average of the last dealt price for our shares, as determined by reference to the daily official list published by the SGX-ST, for the three consecutive trading days immediately preceding the offer date of the options, rounded up to the nearest whole cent. The committee may grant incentive options, which are exercisable at a price set at a discount to the Market Price, *provided* that the maximum discount may not exceed 20% of the Market Price and the prior approval of our shareholders in a general meeting is obtained. The aggregate number of market price options and incentive options over which the committee may grant options on any date, when aggregated with the aggregate number of shares over which options are granted under any other share option scheme, is limited to 15% of our issued share capital from time to time. The members of the committee administering the 2004 Scheme are Richard Samuel Elman, Edward Walter Rubin, Alan Howard Smith and Robert Tze Leung Chan, who are all directors of the Company.

As of September 30, 2009, a total of 285,218,679 share options of the 2004 Scheme were granted and 2,290,000 share options of the 2004 Scheme were exercised. As of September 30, 2009, 216,830,245 share options of the 2004 Scheme were outstanding, entitling the option holders to subscribe for 216,830,245 of our shares.

PRINCIPAL SHAREHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our ordinary shares as of September 30, 2009 based on an aggregate of 3,392,584,814 ordinary shares then outstanding, by:

- persons or groups or affiliated persons known by us to beneficially own at least 5% of our ordinary shares; and
- our directors as a group.

Each of our principal shareholders has the same voting rights per share as the holders of our ordinary shares.

Beneficial Owner	Number of Shares[4]	Percentage of Outstanding share capital
Noble Temple Trading Inc.[1]	1,050,293,904	30.9585
Lexdale International Limited[2]	355,997,515	10.4934
Directors as a group (excluding Richard Samuel Elman and Harindarpal Singh Banga)[3]	17,623,561	0.5195

(1) Richard Samuel Elman has no direct shareholding interests in the Company. However, Mr. Elman is deemed to have an interest in 1,052,693,904 shares which his children have a deemed interest in. These 1,052,693,904 shares in which Mr. Elman's children have a deemed interest comprise (a) 1,050,293,904 shares held by Noble Temple Trading Inc. ("NTTI"); and (b) 2,400,000 shares held by Temple Trading Asia Limited ("TTAL"). Mr. Elman is also deemed to have an interest in 6,166,500 shares held in the name of a nominee and 2,400,000 shares held also in the name of TTAL for his benefit. NTTI is a company incorporated in Liberia and TTAL is a company incorporated in Hong Kong. Both NTTI and TTAL are wholly owned by Noble Holdings Inc. ("NHI"), which is also a company incorporated in Liberia. NHI is, in turn, beneficially wholly owned by a discretionary trust. Fleet Overseas (New Zealand) Limited, a company incorporated in New Zealand, is the trustee of the discretionary trust, the beneficiaries of which include the children of Mr. Elman, and do not include Mr. Elman himself. Accordingly, Mr. Elman's aggregate deemed interest in the Company is in respect of 1,061,260,404 shares.

(2) The shares held by Lexdale International Limited are registered in the name of a nominee. The entire share capital of Lexdale International Limited is beneficially owned by Mr. Harindarpal Singh Banga and his spouse.

(3) These shares are registered in the name of nominees.

(4) Does not reflect the shareholding interest of CIC or the reduction in the shareholding of trusts associated with the interests of Mr. Richard Elman which formed part of the placement to CIC in November 2009. See "Business — Recent developments — CIC investment".

CERTAIN RELATED PARTY TRANSACTIONS

During the nine months ended 30 September 2009, the Group made sales to, purchases and commission income from associates of US$54,000 (30 September 2008: US$648,000), US$80,734,000 (30 September 2008: US$75,402,000) and US$1,458,000 (30 September 2008: US$2,273,000), respectively.

During the year ended December 31, 2008, the Group made sales to, purchases and commission income from associates of US$2,466,000 (2007: Nil; 2006: Nil), US$92,070,000 (2007: US$31,374,000; 2006: nil) and US$2,958,000 (2007: Nil; 2006: Nil) respectively. We believe that the sales, purchases and commission income were made according to prices and conditions similar to those offered to other vendors and customers of the associates.

DESCRIPTION OF NOTES

The notes (the "New Notes") issued pursuant to this offering memorandum are a further issuance of and will be fully consolidated and form a single series with, and will rank *pari passu* with, the US$850,000,000 6.750% Senior Notes due 2020 issued on October 29, 2009 (the "Original Notes"), provided that New Notes that are represented by the Regulation S global note will be represented by interests in a temporary global note with a temporary CUSIP, ISIN and Common Code for 40 days after the closing date, at which time the interests in the temporary global note will be exchanged for interests in a permanent global note, at which point the New Notes will become fully consolidated and form a single series with the Original Notes. Unless otherwise specified, references in this section to the "Notes" mean the New Notes and the Original Notes.

The Company will issue the New Notes as additional notes under the Indenture (the "Indenture") between itself and Deutsche Bank Trust Company Americas as trustee (the "Trustee"), dated October 29, 2009 under which the Company issued the Original Notes. The Indenture is unlimited in aggregate principal amount, although the issuance of New Notes in this offering will be limited to US$400 million. We may issue an unlimited principal amount of additional notes having identical terms and conditions as the Notes (the "Additional Notes") from time to time. We will only be permitted to issue such Additional Notes if, at the time of such issuance, we were in compliance with the covenants contained in the Indenture. Any Additional Notes will be issued with no more than *de minimis* original issue discount for U.S. federal income tax purposes or will constitute a qualified reopening for U.S. federal income tax purposes. Any Additional Notes will be part of the same issue as the Notes and the holders of Additional Notes will vote on all matters with the holders of the Notes. The New Notes and the Original Notes will collectively be a single series for all purposes under the Indenture, including waiver, amendments, redemption and acceleration.

This description of notes is intended to be a useful overview of the material provisions of the Notes and the Indenture. Since this description of notes is only a summary, you should refer to the Indenture for a complete description of the obligations of the Company and your rights.

You will find the definitions of capitalized terms used in this description under the heading "Certain definitions". For purposes of this description of notes, references to "the Company", "we", "our" and "us" refer only to Noble Group Limited and not to its subsidiaries.

General

The Notes

The New Notes:

- will be consolidated and form a single series with the US$850,000,000 6.750% Senior Notes due 2020 issued on October 29, 2009;
- are general unsecured, senior obligations of the Company;
- are limited to an aggregate principal amount of US$400 million, subject to our ability to issue Additional Notes;
- mature on Janaury 29, 2020;
- will be issued in denominations of US$100,000 or higher integral multiples of US$1,000;
- will be represented by one or more registered Notes in global form, but in certain circumstances may be represented by Notes in definitive registered form. See "Description of the book-entry system, delivery and form";
- rank equally in right of payment to any future senior Indebtedness of the Company, without giving effect to collateral arrangements; and
- are expected to be listed on the SGX-ST.

Interest

Interest on the Notes will:

- accrue at the rate of 6.750% per annum;
- accrue from January 29, 2010;
- be payable in cash semi-annually in arrear on January 29 and July 29, commencing on July 29, 2010;
- be payable to the holders of record on the January 14 and July 14 immediately preceding the related interest payment dates; and
- be computed on the basis of a 360-day year comprised of twelve 30-day months.

Listing and trading of the notes

The Original Notes are currently listed on the SGX-ST. The New Notes are a reopening of an existing issue of securities. An application has been made for the listing of the New Notes on the Official List of the SGX-ST. The Original Notes are traded on the SGX-ST in a minimum board lot size of US$200,000 for as long as such notes are listed on the SGX-ST. It is expected that the New Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for as long as the New Notes are listed on the SGX-ST.

Payments on the notes; paying agents and registrar

We will pay principal of, premium, if any, and interest on the Notes at the office or agency designated by the Company in the Borough of Manhattan, The City of New York, except that we may, at our option, pay interest on the Notes by check mailed to holders of the Notes at their registered address as it appears in the Registrar's books. We have initially designated the corporate trust office of the Trustee in New York, New York to act as our Paying Agent and Registrar. We may, however, change the Paying Agent or Registrar without prior notice to the holders of the Notes, and the Company or any of its Subsidiaries may act as Paying Agent or Registrar.

We will pay principal of, premium, if any, and interest on, Notes in global form registered in the name of or held by The Depository Trust Company or its nominee in immediately available funds to The Depository Trust Company or its nominee, as the case may be, as the registered holder of such global Note.

Transfer and exchange

A holder may transfer or exchange Notes in accordance with the Indenture. The Registrar, a Transfer Agent or the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by the Company, the Trustee, the Registrar or any Transfer Agent for any registration of transfer or exchange of Notes, but the Company may require a holder to pay a sum sufficient to cover any transfer tax or other governmental taxes and fees required by law or permitted by the Indenture. The Company is not required to transfer or exchange any Note selected for redemption. Also, the Company is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

The registered holder of a Note will be treated as the owner of it for all purposes.

Optional redemption

Except as described below, the Notes are not redeemable prior to maturity.

At any time, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption. If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to holders whose Notes will be subject to redemption by the Company.

In the case of any partial redemption, selection of the Notes for redemption will be made by the Trustee in compliance with the requirements, if any, of the principal stock exchange on which the Notes are listed or, if the Notes are not listed, then on a *pro rata* basis, by lot or by such other method as the Trustee in its sole discretion will deem to be fair and appropriate, although no Note of US$100,000 in original principal amount or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. No partial redemption of any Note will be allowed if it would result in the issuance of a new Note, representing the unredeemed portion, in an amount of less than US$100,000.

The Company is not required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Optional tax redemption

The Company, including any Successor Company (as defined below) thereof, will be entitled to redeem all, but not part, of the Notes if, as a result of any change in or amendment to the laws, regulations or rulings of any Relevant Tax Jurisdiction (as defined below) or any change in the official application or interpretation of such laws, regulations or rulings, or any change in the official application or interpretation of, or any execution of or amendment to, any treaty or treaties affecting taxation to which such Relevant Tax Jurisdiction is a party, which, in the case of the Company, becomes effective on or after October 22, 2009, or, in the case of any Successor Company, becomes effective on or after the date such Successor Company assumes responsibility under the Notes (a "Change in Tax Law"), the Company is or would be required, on the next succeeding interest payment date, to pay Additional Amounts with respect to the Notes as described under "— Payment of Additional Amounts", and the payment of such Additional Amounts cannot be avoided by the use of any reasonable measures available to the Company. A measure will not be deemed reasonable to the extent it would cause the Company to incur material amounts of tax or other costs or expenses (either currently or with respect to any reasonably expected future transactions), violate or cause the termination of material contracts or otherwise violate applicable laws or regulations. Further, the Company must deliver to the Trustee at least 30 days before the redemption date, (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been satisfied (including that Additional Amounts cannot be avoided by reasonable measures) and (ii) an Opinion of Counsel of recognized standing to the effect that the Company has or will become obligated to pay Additional Amounts as a result of such Change in Tax Law at the relevant time. The Company must also provide the holders with notice of the intended redemption at least 30 days and no more than 60 days before the redemption date, which notice shall specify the redemption date and shall require the Company to redeem the Notes on such date. Notwithstanding the foregoing, no such notice of redemption will be given (i) earlier than 90 days prior to the earliest date on which the Company would be obligated to make such payment or withholding if a payment in respect of the Notes were then due and (ii) unless at the time such notice is given, such obligation to pay Additional Amounts remains in effect. The redemption price will equal the principal amount of the Notes, plus accrued and unpaid interest thereon, if any, to the redemption date and Additional Amounts, if any, then due and which otherwise would be payable.

Payment of Additional Amounts

If the Company (including any Successor Company thereof) makes any deduction or withholding for or on account of any taxes, assessments, or other governmental charges imposed by any jurisdiction where the Company is organized or otherwise considered by a taxing authority to be a resident for tax purposes, any jurisdiction from or through which the Company makes a payment on the Notes, or any political organization or governmental authority thereof or therein having the power to tax (the "Relevant Tax Jurisdiction") in respect of any payments under the Notes, the Company will pay to each holder of a Note, to the extent it may lawfully do so, such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts paid to such holder, after such deduction or withholding, including deduction or withholding on the Additional Amounts, will be not less than the amount specified in such Note to which such holder is entitled; *provided, however*, that the Company will not be required to make any payment of Additional Amounts for or on account of:

(1) any tax, assessment or other governmental charge which would not have been imposed but for (a) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership, limited liability company or corporation) and the Relevant Tax Jurisdiction other than solely by the holding of Notes or by the receipt of principal, premium or interest in respect of the Notes, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident thereof or being or having been present or engaged in trade or business therein or having or having had a permanent establishment therein or (b) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after (x) the date on which such payment became due and payable or (y) the date on which payment thereof is duly provided for, whichever occurs later;

(2) any estate, inheritance, gift, sales, transfer, personal property or similar tax, assessment or other governmental charge;

(3) any tax, assessment or other governmental charge that is imposed or withheld by reason of the failure by the holder or the beneficial owner of the Note to comply with a request of the Company addressed to the holder to provide information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner, or to make and deliver any declaration or other similar claim (other than a claim for refund of any tax, assessment or other governmental charge withheld or deducted by the Company) or satisfy any information or reporting requirements, which, in each case, is required by a statute, treaty, regulation or administrative practice of the Relevant Tax Jurisdiction as a precondition to exemption from all or part of such tax, assessment or other governmental charge;

(4) any tax, assessment or other governmental charge that is payable otherwise than by any deduction or withholding from any payment of the principal of, or any premium or interest on, a Note;

(5) any tax imposed on, or measured by, net income;

(6) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from any payment of the principal of, or any premium or interest on, a Note, if such payment can be made alternatively at the holder's option without such deduction or withholding by any other Paying Agent available to such holder at the same time;

(7) any withholding or deduction 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 or any law implementing or complying with, or introduced in order to conform to, such Directive;

(8) any withholding or deduction that is imposed on a Note that is presented for payment (where presentation is required) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union; or

(9) any combination of the above.

No Additional Amounts will be paid with respect to any payment of the principal of, or any premium or interest on, any Note to any holder who is not the beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Tax Jurisdiction to be included in the income for tax purposes of the beneficial owner and such beneficial owner would not have been entitled to such Additional Amounts had it been the holder of such Note.

The Company will provide the Trustee with the official acknowledgment of the governmental authority or political organization of the Relevant Tax Jurisdiction (or, if such acknowledgment is not available, a certified copy thereof) evidencing the payment of the withholding taxes by the Company. The Company will (i) make any required withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Tax Jurisdiction in accordance with applicable law. Copies of such documentation will be made available to the holders of the Notes or the Paying Agents, as applicable, upon request therefor by the Trustee.

The Indenture will further provide that if the Company conducts business in any jurisdiction (an "Additional Tax Jurisdiction") other than a Relevant Tax Jurisdiction and, as a result, is required by the law of such Additional Tax Jurisdiction to deduct or withhold any amount on account of taxes, assessments or other governmental charges imposed by such Additional Tax Jurisdiction from payments under the Notes, which would not have been required to be so deducted or withheld but for such conduct of business in such Additional Tax Jurisdiction, all references in this offering memorandum and in the Indenture to a Relevant Tax Jurisdiction shall be construed to include a reference to such Additional Tax Jurisdiction.

All references in this offering memorandum to principal of, premium, if any, and interest on the Notes will include any Additional Amounts payable by the Company in respect of such principal, such premium, if any, and such interest.

Ranking

The Notes will be general unsecured obligations of the Company that rank senior in right of payment to all existing and future Indebtedness that is expressly subordinated in right of payment to the Notes. The Notes will rank equally in right of payment with all existing and future liabilities of the Company that are not so subordinated and will be effectively subordinated to all of our secured Indebtedness and liabilities of our Subsidiaries. In the event of bankruptcy, liquidation, reorganization or other winding up of the Company or upon a default in payment with respect to, or the acceleration of, any secured Indebtedness, the assets of the Company that secure secured Indebtedness will be available to pay obligations on the Notes only after all Indebtedness under such secured Indebtedness has been repaid in full. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all of the Notes then outstanding.

As of September 30, 2009:

- the Company had approximately US$3,036 million of total indebtedness;
- the Company had approximately US$193 million of secured indebtedness, to which the Notes would be effectively subordinated to the extent of the assets used to secure such assets; and
- the Company's subsidiaries had approximately US$818 million of indebtedness, to which the Notes would be effectively subordinated.

Repurchase of Notes upon a Change of Control Triggering Event

If a Change of Control Triggering Event occurs, unless the Company has exercised its right to redeem all of the Notes as described under "— Optional redemption", each holder will have the right to require the Company to repurchase all or any part (equal to US$100,000 or a higher integral multiple of US$1,000) of such holder's Notes at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control Triggering Event, unless the Company has exercised its right to redeem all of the Notes as described under "— Optional redemption", the Company will mail a notice (the "Change of Control Offer") to each holder, with a copy to the Trustee, stating:

(1) that a Change of Control Triggering Event has occurred and that such holder has the right to require the Company to purchase such holder's Notes at a purchase price in cash equal to 101% of the principal amount of such Notes plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date) (the "Change of Control Payment");

(2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "Change of Control Payment Date"); and

(3) the procedures determined by the Company, consistent with the Indenture, that a holder must follow in order to have its Notes repurchased.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes (in denominations of US$100,000 or higher integral multiples of US$1,000) properly tendered pursuant to the Change of Control Offer;

(2) deposit with the relevant Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

A holder will have no right to require the Company to repurchase portions of Notes if it would result in the issuance of new Notes, representing the portion not repurchased, in an amount of less than US$100,000.

The relevant Paying Agent will promptly mail to each holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly upon receipt of a written order from the Company authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided that* each such new Note will be in a principal amount of US$100,000 or a higher integral multiple of US$1,000.

If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to holders who tender pursuant to the Change of Control Offer.

The Repurchase of Notes upon a Change of Control Triggering Event provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the holders to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Company will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in the Indenture by virtue of the conflict.

The Company's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. Other or future Indebtedness of the Company and its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control Triggering Event or require such Indebtedness to be repurchased upon a Change of Control Triggering Event. Moreover, the exercise by the holders of their right to require the Company to repurchase the Notes could cause a default under such Indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of such repurchase on the Company. Finally, the Company's ability to pay cash to the holders upon a repurchase may be limited by the Company's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

Even if sufficient funds were otherwise available, the terms of other or future Indebtedness may prohibit the Company's prepayment of Notes before their scheduled maturity. Consequently, if the Company is not able to prepay any such other Indebtedness containing similar restrictions or obtain requisite consents, as described above, the Company will be unable to fulfill its repurchase obligations if holders of Notes exercise their repurchase rights following a Change of Control Triggering Event, resulting in a default under the Indenture. A default under the Indenture may result in a cross- default under the terms of other or future Indebtedness.

The Repurchase of Notes upon a Change of Control Triggering Event provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Company by increasing the capital required to effect such transactions. The definition of "Change of Control" includes a disposition of all or substantially all of the property or assets of the Company and its Subsidiaries taken as a whole to any Person other than a Permitted Holder. Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a holder of Notes may require the Company to make an offer to repurchase the Notes as described above. The provisions under the Indenture relative to the Company's obligation to make an offer to repurchase the Notes as a result of a Change of Control Triggering Event may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes.

Certain covenants

Limitation on Liens

So long as any Note remains outstanding, the Company will not create, Incur or permit to subsist any Lien upon the whole or any part of its property, assets or revenues, present or future, to secure any International Investment Securities or to secure any guarantee of or indemnity in respect of, any International Investment Securities unless, at the same time or prior thereto, the Company's obligations under the Indenture and the Notes are secured equally and ratably therewith.

Reports

The Company has agreed in the Indenture that, so long as Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, it will furnish, upon the request of any holder of a Note or of a beneficial interest in a Note, such information as is specified in paragraph (d)(4) of Rule 144A, to such holder or beneficial owner or to a prospective purchaser of a Note or a beneficial interest in a Note who is a qualified institutional buyer within the meaning of Rule 144A, in order to permit compliance by the holder or beneficial owner with Rule 144A in connection with the resale of the Note or beneficial interest in the Note in reliance on Rule 144A.

The foregoing requirement does not apply if, at the time of the request, the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or is included in the list of foreign private issuers that claim exemption from the registration requirements of Section 12(g) of the Exchange Act and therefore are required to furnish the SEC certain information pursuant to Rule 12g3-2(b) under the Exchange Act. The Company is not, at the date of this offering memorandum, included in such list of foreign private issuers that are exempt from the registration requirements of Section 12(g) of the Exchange Act.

The Company will make available to any registered holder of the Notes (or any holder of a book- entry interest in the Notes designated by the registered holder) by means of its website or other similar means (1) annual consolidated financial statements audited by internationally recognized independent public accountants within 120 days of the end of each fiscal year, (2) semi-annual unaudited consolidated financial statements within 90 days of the end of each semi-annual period, and (3) quarterly consolidated unaudited financial statements within 75 days of the end of the first and third quarters of each fiscal year, in each case prepared in accordance with IFRS, together with a discussion by management and analysis of the results of the relevant period.

Merger and consolidation

The Company will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all its property or assets to, any Person, unless:

(1) the resulting, surviving or transferee Person (the "Successor Company"), if not the Company, will expressly assume, by supplemental indenture, executed and delivered to the Trustee, all the obligations of the Company under the Notes and the Indenture;

(2) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(3) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the Indenture.

For purposes of this covenant, the conveyance, transfer or lease of all or substantially all of the property or assets of one or more Subsidiaries of the Company, which property or assets, if held by the Company instead of such Subsidiaries, would constitute all or substantially all of the property or assets of the Company on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the property or assets of the Company.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture, and the predecessor company, except in the case of a lease of all or substantially all its assets, shall be released from the obligation to pay the principal of, premium, if any, and interest on the Notes.

Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

Payments for consent

Neither the Company nor any of its Subsidiaries will, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fees or otherwise, to any holder of any Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid or is paid to all holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

Events of default

Each of the following is an Event of Default:

(1) default in any payment of interest on any Note when due, continued for 30 days;

(2) default in the payment of principal of, or premium, if any, on any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) failure by the Company to comply with its obligations under "— Certain covenants — Merger and consolidation";

(4) failure by the Company to comply, for 45 days after written notice, with any of its obligations under the covenants described under "— Repurchase of Notes upon a Change of Control Triggering Event" above or under the covenants described under "— Certain covenants" above (in each case, other than a failure to purchase Notes which will constitute an Event of Default under clause (2) above and other than a failure to comply with "— Certain covenants — Merger and consolidation" which is covered by clause (3) above);

(5) failure by the Company to comply, for 60 days after written notice, with its other agreements contained in the Indenture;

(6) default under any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries), other than Non-Recourse Indebtedness of a Non-Recourse Subsidiary or Indebtedness owed to the Company or a Significant Subsidiary, whether such Indebtedness or guarantee now exists, or is created after the date of the Indenture, which default results in the acceleration of such Indebtedness prior to its maturity (the "cross acceleration provision"), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which the maturity of which has been so accelerated, aggregates the higher of US$80 million (or the Dollar Equivalent thereof) or 5% of Tangible Net Worth or more;

(7) (i) the Company or a Significant Subsidiary (a) commences a voluntary case or proceeding under any applicable Bankruptcy Law, (b) consents to the entry of judgment, decree or order for relief against it in an involuntary case or proceeding under any applicable Bankruptcy Law, (c) consents to the appointment of a Custodian of it or for any substantial part of its property and assets, (d) makes a general assignment for the benefit of its creditors, (e) consents to or acquiesces in the institution of a bankruptcy or an insolvency proceeding against it; or (f) takes any corporate action to authorize or effect any of the foregoing; or (ii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (a) is for relief in an involuntary case against the Company or a Significant Subsidiary, (b) appoints a Custodian for all or substantially all of the property and assets of the Company or any Significant Subsidiary; or (c) orders the winding up or liquidation of the Company or a Significant Subsidiary; and in each case under this clause (ii) the order, decree or relief has not been discharged or stayed for a period of 90 days; or

(8) failure by the Company or any Significant Subsidiary to pay one or more final judgments from a court of competent jurisdiction in Hong Kong, Singapore, Bermuda or a member country of the Organization for Economic Cooperation and Development, aggregating in excess of the higher of US$80 million (or the Dollar Equivalent thereof) (net of any amounts that are covered by insurance policies issued by solvent carriers) or 5% of Tangible Net Worth, which judgments are not paid, discharged or stayed for a period of 60 days (the "judgment default provision").

However, a default under clauses (4) and (5) of this paragraph will not constitute an Event of Default until the Trustee or the holders of 30% in principal amount of the outstanding Notes notify the Company in writing of the default and the Company does not cure such default within the time specified in clauses (4) and (5) of this paragraph after receipt of such notice.

If an Event of Default (other than an Event of Default described in clause (7) above) occurs and is continuing, the Trustee by notice to the Company, or the holders of at least 30% in principal amount of the outstanding Notes by notice to the Company and the Trustee, may, and the Trustee at the request of such holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest will be due and payable immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (6) under "Events of Default" has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (6) shall be remedied or cured by the Company or a Subsidiary or waived by the appropriate portion of holders of the relevant Indebtedness within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived. In the event of any such automatic annulment, the Company shall provide written notice thereof to the Trustee with an Officer's Certificate certifying the matters addressed in (1) and (2) of the preceding sentence. The Trustee may rely upon any such notice and Officer's Certificate and may also assume, in the absence of any such notice and Officer's Certificate, that such automatic annulment has not taken place. If an Event of Default described in clause (7) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders. The holders of a majority in principal amount of the outstanding Notes may waive all past defaults (except with respect to nonpayment of principal, premium or interest) and rescind any such acceleration with respect to the Notes and its consequences if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 30% in principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of such security or indemnity; and

(5) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Indenture provides that in the event an Event of Default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

The Indenture provides that if a Default occurs and is continuing and is actually known to the Trustee, the Trustee must mail to each holder notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as a committee of trust officers of the Trustee in good faith determines that withholding notice is in the interests of the holders. In addition, the Company is required to deliver to the Trustee, within 120 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Company is also required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any events which would constitute certain Defaults, their status and what action the Company is taking or proposing to take in respect thereof.

Amendments and waivers

Subject to certain exceptions, the Indenture and the Notes may be amended or supplemented with the consent of the holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) and, subject to certain exceptions, any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes). However, without the consent of each holder of an outstanding Note affected, no amendment may, among other things:

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the stated rate of or extend the stated time for payment of interest on any Note;

(3) reduce the principal of or extend the Stated Maturity of any Note;

(4) reduce the premium payable upon the redemption or repurchase of any Note or change the time at which any Note may be redeemed or required to be repurchased as described above under "— Optional redemption" or "— Repurchase of Notes upon a Change of Control Triggering Event", whether through an amendment or waiver of provisions in the covenants, definitions or otherwise;

(5) make any Note payable in money other than that stated in the Note;

(6) impair the right of any holder to receive payment of principal of, premium, if any, and interest on such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes; or

(7) make any change in the amendment provisions which require each holder's consent or in the waiver provisions.

Notwithstanding the foregoing, without the consent of any holder, the Company and the Trustee may amend the Indenture and the Notes to:

(1) cure any ambiguity, omission, defect or inconsistency;

(2) provide for the assumption by a successor corporation of the obligations of the Company (or any previous successor corporation) under the Indenture;

(3) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided that* the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(4) add Guarantees with respect to the Notes;

(5) secure the Notes;

(6) add to the covenants of the Company for the benefit of the holders or surrender any right or power conferred upon the Company;

(7) make any change that does not materially adversely affect the rights of any holder;

(8) conform the text of the Indenture to any provision of this "Description of notes" to the extent that the relevant provision in the Indenture was intended to be a verbatim recitation of the relevant provision of this "Description of notes"; or

(9) provide for the appointment of a successor trustee, *provided that* the successor trustee be otherwise qualified and eligible to act as such under the terms of the Indenture.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any holder of Notes given in connection with a tender of such holder's Notes will not be rendered invalid by such tender. After an amendment under the Indenture becomes effective, the Company is required to mail to the holders a notice briefly describing such amendment. However, the failure to give such notice to all the holders, or any defect in the notice, will not impair or affect the validity of the amendment.

Defeasance

The Company may at any time terminate all its obligations under the Notes and the Indenture ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a Registrar and Paying Agent in respect of the Notes.

The Company may at any time terminate its obligations under covenants described under "— Certain covenants" (other than "— Certain covenants — Merger and consolidation"), cross acceleration provisions (as applicable to Indebtedness other than the Notes), the bankruptcy provisions with respect to Significant Subsidiaries, and the judgment default provision described under "— Events of default" above and the limitations contained in clause (3) under "— Certain covenants — Merger and consolidation" above ("covenant defeasance").

The Company may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Company exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect to the Notes. If the Company exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (4), (5), (6), (7) (with respect only to Significant Subsidiaries) or (8) under "— Events of default" above.

In order to exercise either defeasance option, the Company must irrevocably deposit in trust (the "defeasance trust") with the Trustee money or U.S. Government Obligations sufficient for the payment of principal, premium, if any, and interest on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that the defeasance trust complies with the Indenture and to the effect that holders of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred. In the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the U.S. Internal Revenue Service or other change in applicable U.S. federal income tax law. If the legal defeasance option is exercised and complies with all necessary conditions, holders of the Notes would have to rely solely on the trust deposit for the payment of the Notes and could not look to the Company for payment in the event of any shortfall.

No personal liability of directors, officers, employees and stockholders

No director, officer, employee, incorporator or stockholder of the Company or any successor thereto, as such, shall have any liability for any obligations of the Company as applicable, under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Notice

Notices to holders of Notes will be given by first-class mail postage prepaid to the last addresses as they appear in the Notes register. Notices will be deemed to have been given on the date of their mailing.

Concerning the trustee

Deutsche Bank Trust Company Americas is the Trustee under the Indenture and has been appointed by the Company as Registrar, Paying Agent and Transfer Agent with regard to the Notes.

Governing law

The Indenture provides that it and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.

Certain definitions

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control", when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control.

"Applicable Premium" means, with respect to a Note at any redemption date, the greater of (1) 1.0% of the principal amount of such Note and (2) the excess of (A) the present value at such redemption date of 100% of the principal amount of such Note, plus all required remaining scheduled interest payments due on such Note through January 29, 2020 (but excluding accrued and unpaid interest to such redemption date), computed using a discount rate equal to the Treasury Rate plus 100 basis points, over (B) the principal amount of such Note on such redemption date.

"Bankruptcy Law" means any applicable bankruptcy, insolvency or other similar law now or hereafter in effect.

"Board of Directors" means, as to any Person, the board of directors of such Person or any duly authorized committee thereof.

"Business Day" means any day which is not a Saturday, Sunday or other day on which banking institutions are not required by law or regulation to be open in the Borough of Manhattan, The City of New York.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Change of Control" means:

(1) any person or persons, acting together, other than one or more Permitted Holders acquiring control of the Company; or

(2) the Company consolidating with or merging into or selling or transfering all or substantially all of the Company's property or assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring control over the Company or the successor entity or substantially all of the Company's property or assets.

"control" means for purposes of this definition of "Change of Control" the acquisition or control of more than 50% of the Voting Stock of the Company or the right to appoint and/or remove all or the majority of the members of the Company's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of Capital Stock of the Company, the possession of voting rights, contract or otherwise.

"Change of Control Triggering Event" means a Change of Control, *provided that*, in the event that the Notes are, on the Rating Date, rated Investment Grade by two or more Rating Agencies, a Change Of Control Triggering Event shall mean the occurrence of both a Change of Control and a Rating Decline.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or nonvoting) of such Person's common stock whether or not outstanding on the Original Issue Date, and includes, without limitation, all series and classes of such common stock.

"Comparable Treasury Issue" means the U.S. Treasury security having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"Comparable Treasury Price" means, with respect to any redemption date:

(1) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding such redemption date, as set forth in the daily statistical release (of any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities;" or

(2) if such release (or any successor release) is not published or does not contain such prices on such Business Day, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (b) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Dollar Equivalent" means, with respect to any monetary amount in a currency other than US dollars, at any time for the determination thereof, the amount of US dollars obtained by converting such foreign currency involved in such computation into US dollars at the base rate for the purchase of US dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"Fitch" means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" will not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"holder" means a Person in whose name a Note is registered on the Registrar's books.

"IFRS" means, at any time, the current version of accounting standards set out by the International Accounting Standards Board in London, England.

"Incur" means issue, create, assume, Guarantee, incur or otherwise become liable for; and the terms "Incurred" and "Incurrence" have meanings correlative to the foregoing.

"Indebtedness" means any obligation or obligations (whether present or future, actual or contingent) for the payment or repayment of money borrowed and/or interest thereon.

"International Investment Securities" means any present or future Indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

"Investment Grade" means a rating of "AAA", "AA", "A" or "BBB", as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns; a rating of "Aaa", or "Aa", "A" or "Baa", as modified by a "1", "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns; a rating of BBB- or better by Fitch, or any of its successors or assigns; or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for S&P, Moody's, or Fitch or any combination thereof, as the case may be.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"Moody's" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

"Non-Recourse Indebtedness" means Indebtedness of a Person:

(1) as to which neither the Company nor any Subsidiary (a) provides any Guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable (as a guarantor or otherwise);

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against a Non-Recourse Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company or any Subsidiary (including any Non-Recourse Subsidiary) to declare a default under such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(3) the explicit terms of which provide there is no recourse against any of the property or assets of the Company or its Subsidiaries.

"Non-Recourse Subsidiary" means a Subsidiary which (i) has not acquired any assets (other than cash) directly or indirectly from the Company or any Subsidiary, (ii) only owns assets acquired after the Original Issue Date or assets acquired prior to the date such entity becomes a Subsidiary and (iii) has no Indebtedness other than Non-Recourse Indebtedness.

"Officer" means the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or the Secretary of the Company.

"Officers' Certificate" means a certificate signed by two Officers or by an Officer and either an Assistant Treasurer or an Assistant Secretary of the Company.

"Opinion of Counsel" means a written opinion from legal counsel which is acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or the Trustee, except in the case of opinions with respect to tax matters, which must be issued by counsel of recognized standing with respect to tax matters in the relevant jurisdiction.

"Original Issue Date" means October 29, 2009.

"Permitted Holders" means Richard Elman and Harindarpal Singh Banga and any Affiliate or Related Person of any of them.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock", as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"Rating Agencies" means (1) S&P, (2) Moody's, (3) Fitch and (4) if one or more of S&P, Moody's or Fitch or shall not make a rating of the Notes publicly available, a United States nationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for S&P, Moody's or Fitch or any combination thereof, as the case may be.

"Rating Date" means in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (x) a Change of Control and (y) a public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control.

"Rating Decline" means in connection with a Change of Control Triggering Event, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Company or any other Person or Persons to effect a Change of Control (which period shall be extended (by no more than an additional three months after the consummation of the Change of Control) so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

(a) in the event the Notes are (x) on the Rating Date (i) rated by three Ratings Agencies and (ii) rated Investment Grade by each such Rating Agency, and (y) cease to be rated Investment Grade by at least two of such Rating Agencies; or

(b) in the event the Notes are (x) on the Rating Date (i) rated by two but not more Ratings Agencies and (y) rated Investment Grade by each such Rating Agency, and (y) cease to be rated Investment Grade by both such Rating Agencies.

"Reference Treasury Dealer" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Company in good faith.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to such Trustee by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

"Related Person" with respect to any Permitted Holder means:

(1) any controlling stockholder or a majority (or more) owned Subsidiary of such Permitted Holder or, in the case of an individual, any spouse or immediate family member of such Permitted Holder, any trust created for the benefit of such individual or such individual's estate, executor, administrator, committee or beneficiaries; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a majority (or more) controlling interest of which consist of such Permitted Holder and/or such other Persons referred to in the immediately preceding clause (1).

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"SEC" means the United States Securities and Exchange Commission.

"Significant Subsidiary" means any Subsidiary that would be a "Significant Subsidiary" of the Company within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

"Subsidiary" of any Person means (a) any corporation, association or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total ordinary voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof (or persons performing similar functions) or (b) any partnership, joint venture limited liability company or similar entity of which more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, is, in the case of clauses (a) and (b), at the time owned or controlled, directly or indirectly, by (1) such Person, (2) such Person and one or more Subsidiaries of such Person or (3) one or more Subsidiaries of such Person. Unless otherwise specified herein, each reference to a Subsidiary will refer to a Subsidiary of the Company.

"Tangible Net Worth" means as at the last day of each 12 months period ending on June 30 or December 31 in each year the consolidated capital and reserves of the Company as determined from the financial statements of the Company for that relevant period:

(a) plus any subordinated shareholders' loans and any amount standing to the credit of the profit and loss account of the Company as at the last day of that relevant period (to the extent such amount is not reflected in the reserves of the Company referred to above); and

(b) less (i) goodwill and other intangible assets and (ii) minority interests.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield in maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"U.S. Government Obligations" means securities that are (a) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged or (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation of the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depositary receipt; *provided that* (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depositary receipt.

"Voting Stock" of a corporation means all classes of Capital Stock of such corporation then outstanding and normally entitled to vote in the election of directors.

DESCRIPTION OF THE BOOK-ENTRY SYSTEM, DELIVERY AND FORM

The Global Notes

The notes will be issued in the form of two or more registered notes in global form, without interest coupons (the "global notes"), as follows:

- notes sold to qualified institutional buyers under Rule 144A will be represented by one or more Rule 144A global notes; and
- notes sold in offshore transactions to non-U.S. persons in reliance on Regulation S will be represented by one or more Regulation S global notes.

Upon issuance, each of the global notes will be deposited with the trustee as custodian for The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each global note will be limited to persons who have accounts with DTC ("DTC participants") or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of each global note with DTC's custodian, DTC will credit portions of the principal amount of the global note to the accounts of the DTC participants designated by the initial purchaser; and
- ownership of beneficial interests in each global note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the global note).

Beneficial interests in a Regulation S global note will initially be credited within DTC to Euroclear and Clearstream, on behalf of the owners of such interests.

Investors may hold their interests in a Regulation S global note directly through Euroclear or Clearstream, if they are participants in those systems, or indirectly through organizations that are participants in those systems. Investors may also hold their interests in a Regulation S global note through organizations other than Euroclear or Clearstream that are DTC participants. Each of Euroclear and Clearstream will appoint a DTC participant to act as its depositary for the interests in a Regulation S global note that are held within DTC for the account of each settlement system on behalf of its participants.

Beneficial interests in the global notes may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

Each global note and beneficial interests in each global note will be subject to restrictions on transfer as described under "Transfer Restrictions".

Exchanges Among the Global Notes

The "Distribution Compliance Period" will begin on the closing date and end 40 days after the closing date. During the Distribution Compliance Period, beneficial interests in a Regulation S global note may be transferred only to non-U.S. persons under Regulation S or qualified institutional buyers under Rule 144A.

Beneficial interests in one global note may generally be exchanged for interests in another global note. Depending on whether the transfer is being made during or after the Distribution Compliance Period, and to which global note the transfer is being made, the trustee may require the seller to provide certain written certifications in the form provided in the indenture.

A beneficial interest in a global note that is transferred to a person who takes delivery through another global note will, upon transfer, become subject to any transfer restrictions and other procedures applicable to beneficial interests in the other global note.

Book-entry Procedures for the Global Notes

All interests in the global notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither we nor the initial purchaser is responsible for those operations or procedures.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the initial purchaser, banks and trust companies, clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a global note, that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global note:

- will not be entitled to have notes represented by the global note registered in their names;
- will not receive or be entitled to receive physical, certificated notes; and
- will not be considered the owners or holders of the notes under the indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee under the indenture.

As a result, each investor who owns a beneficial interest in a global note must rely on the procedures of DTC to exercise any rights of a holder of notes under the indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium (if any) and interest with respect to the notes represented by a global note will be made by the trustee to DTC's nominee as the registered holder of the global note. Neither we nor the trustee will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a global note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a global note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant global notes in DTC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a global note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a global note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the global notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

Certificated Notes

Notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only if:

- DTC notifies us at any time that it is unwilling or unable to continue as depositary for the global notes and a successor depositary is not appointed within 90 days;

- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days;

- we, at our option, notify the trustee that we elect to cause the issuance of certificated notes; or

- certain other events provided in the indenture should occur.

So long as the notes are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore, where the notes may be presented or surrendered for payment or redemption, in the event that a global note is exchanged for notes in definitive form. In addition, in the event that a global note is exchanged for notes in definitive form, announcement of such exchange shall be made by or on our behalf through the SGX-ST and such announcement will include all material information with respect to the delivery of the notes in definitive form, including details of the paying agent in Singapore.

TRANSFER RESTRICTIONS

The notes are subject to restrictions on transfer as summarized below. By purchasing notes, you will be deemed to have made the following acknowledgements, representations to, and agreements with, us and the initial purchaser:

1. You understand and acknowledge that:

   - the notes have not been registered under the Securities Act or any other applicable securities laws;

   - the notes are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

   - unless so registered, the notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph 4 below.

2. You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that you are not acting on our behalf and that either:

   - you are a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) and are purchasing notes for your own account or for the account of another qualified institutional buyer, and you are aware that the initial purchaser is selling the notes to you in reliance on Rule 144A; or

   - you are not a U.S. person (as defined in Regulation S under the Securities Act) or purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing notes in an offshore transaction in accordance with Regulation S.

3. You acknowledge that neither we nor the initial purchaser nor any person representing us or the initial purchaser has made any representation to you with respect to us or the offering of the notes, other than the information contained in this offering memorandum. You represent that you are relying only on this offering memorandum in making your investment decision with respect to the notes. You agree that you have had access to such financial and other information concerning us and the notes as you have deemed necessary in connection with your decision to purchase notes, including an opportunity to ask questions of and request information from us.

4. You represent that you are purchasing notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the notes in violation of the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing notes, and each subsequent holder of the notes by its acceptance of the notes will agree, that until the end of the Resale Restriction Period (as defined below), the notes may be offered, sold or otherwise transferred only:

   (a) to us;

   (b) under a registration statement that has been declared effective under the Securities Act;

   (c) for so long as the notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a qualified institutional buyer that is purchasing for its own account or for the account of another qualified institutional buyer and to whom notice is given that the transfer is being made in reliance on Rule 144A;

   (d) through offers and sales that occur outside the United States within the meaning of Regulation S; or

   (e) under any other available exemption from the registration requirements of the Securities Act, subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control and in compliance with applicable state and other securities laws.

5. You also acknowledge that:

- the above restrictions on resale will apply from the closing date until the date that is one year (in the case of Rule 144A notes) or 40 days (in the case of Regulation S notes) after the later of the closing date and the last date that we or any of our affiliates was the owner of the notes or any predecessor of the notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;

- we and the trustee reserve the right to require in connection with any offer, sale or other transfer of notes under clause (d) or (e) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the trustee; and

- each note will contain a legend substantially to the following effect:

  THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

  THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS [*IN THE CASE OF RULE 144A NOTES: ONE YEAR*] [*IN THE CASE OF REGULATION S NOTES: 40 DAYS*] AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE COMPANY, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. [*IN THE CASE OF REGULATION S NOTES: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT.*]

YOU REPRESENT THAT EITHER (I) NO PORTION OF THE ASSETS USED BY YOU TO ACQUIRE AND HOLD THE NOTES CONSTITUTES ASSETS OF (A) ANY EMPLOYEE BENEFIT PLAN SUBJECT TO SECTION 406 OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) ANY PLAN, ACCOUNT OR OTHER ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED FOR PURPOSE OF ERISA OR THE CODE TO INCLUDE "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY, OR (D) ANY EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE (COLLECTIVELY, "SIMILAR LAWS"), OR (II) THE PURCHASE AND HOLDING OF THE NOTES OR ANY INTERESTS THEREIN BY YOU WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION UNDER ANY APPLICABLE SIMILAR LAW.

6. You acknowledge that we, the initial purchaser and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of notes is no longer accurate, you will promptly notify us and the initial purchaser. If you are purchasing any notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

TAX CONSIDERATIONS

Bermuda tax considerations

Noteholders who are not resident in or engaged in business through a permanent establishment in Bermuda will not be subject to any taxes or duties in Bermuda on gains realized on the disposal or redemption of a note or on income from a note. In addition, no registration, transfer or other similar taxes are imposed under the laws of Bermuda by reason only of the acquisition, ownership or disposal of a note. A noteholder will not be deemed to be domiciled or subject to taxation in Bermuda by reason only of holding a note.

U.S. taxation

THIS DISCUSSION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY PERSON, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES, AND WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION. EACH PROSPECTIVE INVESTOR SHOULD SEEK ADVICE BASED ON SUCH PERSON'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The following summary of the material U.S. federal income tax considerations of the purchase, ownership and disposition of the notes by a U.S. Holder (defined below) is based upon the U.S. Internal Revenue Code of 1986, as amended (the "Code"), final, temporary and proposed Treasury regulations issued thereunder, and published judicial and administrative interpretations thereof, each as of the date hereof, and all of which are subject to change, possibly with retroactive effect. The Company believes and this summary assumes that the notes are debt of the issuer for U.S. federal income tax purposes. Prospective investors should note that no rulings have been, or will be, sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

This summary does not purport to be a complete analysis of all potential tax consequences. This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances or to holders subject to special treatment under U.S. federal income tax laws, such as certain financial institutions, certain U.S. expatriates, insurance companies, retirement plans, dealers in securities or foreign currencies, traders in securities that elect mark-to-market tax accounting, persons whose functional currency is not the US dollar, partnerships, tax-exempt organizations, regulated investment companies, real estate investment trusts, persons subject to alternative minimum tax, holders who own or are deemed to own 10% or more of the equity of the issuer and persons holding the notes as part of a "straddle", "hedge", "conversion transaction" or other integrated transaction. In addition, this discussion is limited to persons that purchase the notes for cash in this issuance and that hold the notes as capital assets for U.S. federal income tax purposes.

For purposes of this discussion, the term "U.S. Holder" means a beneficial owner of a note that is, for U.S. federal income tax purposes, a (i) U.S. citizen or resident, (ii) corporation or an entity taxable as a corporation created or organized in, or under the laws of, the U.S., or any State thereof or the District of Columbia, (iii) estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) trust primarily supervised by a U.S. court and controlled by U.S. persons.

If a partnership or an entity classified as a partnership for U.S. federal income tax purposes holds notes, the U.S. federal income tax treatment of a partner in such partnership will generally depend upon the status of such partner and the activities of the partnership. Prospective investors that are partnerships, and partners in such partnerships, should consult their own tax advisors to determine the U.S. federal income tax consequences to them of the purchase, ownership and disposition of the notes.

Prospective purchasers of the notes should consult their own tax advisors concerning the tax consequences of holding notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other tax laws.

U.S. Holders

Payments of interest

Subject to the discussion below regarding the treatment of premium, payments of stated interest on the notes generally will be taxable to a U.S. Holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. Holder's usual method of accounting for U.S. federal income tax purposes. Interest income on a note generally will constitute foreign source income for U.S. federal income tax purposes and generally will be considered "passive" income, which is treated separately from other types of income in computing the foreign tax credit that may be allowable to U.S. Holders under U.S. federal income tax laws.

Treatment of Premium

The notes are expected to be issued at a premium over their principal amount. A U.S. Holder generally may elect to amortize this premium over the term of the notes. If a U.S. Holder makes this election, the amount of interest income that must be reported for U.S. federal income tax purposes with respect to any interest payment date will be reduced by the amount of premium allocated to the period from the previous interest payment date to that interest payment date. The amount of premium allocated to any such period is calculated by taking the difference between (i) the stated interest payable on the interest payment date on which that period ends and (ii) the product of (a) the notes' overall yield to maturity and (b) the purchase price for the notes (reduced by amounts of premium allocated to previous periods).

If a U.S. Holder makes this election, it must be applied to the notes and to all debt instruments acquired at a premium held at the beginning of the U.S. Holder's taxable year in which the election is made and all debt instruments subsequently purchase at a premium by the U.S. Holder, unless the U.S. Holder obtains the consent of the IRS to revoke the election.

If a U.S. Holder does not make the election to amortize premium on the notes and holds the notes to maturity, the U.S. Holder will have a capital loss for U.S. federal income tax purposes, equal to the amount of the premium, when the notes mature. If a U.S. Holder does not make the election and sells or otherwise disposes of the notes before maturity, the premium will be included in the "tax basis" of the notes as defined below, and therefore will decrease the gain, or increase the loss, that the U.S. Holder otherwise would realize on the sale or other disposition of the notes.

Sale, exchange and redemption of notes

Generally, upon the sale, exchange or redemption of a note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, or redemption (less any amount attributable to accrued but unpaid interest, which will be treated as a payment of interest in the manner described above) and such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal the cost of the note to the U.S. Holder reduced by any amortized premium (as described above) and any principal payments previously received by the U.S. Holder. Such gain or loss generally will be capital gain or loss and will be long term capital gain or loss if at the time of sale, exchange or redemption the note has been held by such U.S. Holder for more than one year. The deductibility of capital losses by U.S. Holders is subject to limitations. Gain or loss realized by a U.S. Holder on the sale or retirement of a note generally will be U.S. source.

Information reporting and backup withholding

Information returns may be filed with the IRS (unless the U.S. Holder is an exempt recipient such as a corporation) in connection with payments on the notes and the proceeds from the sale, exchange or other disposition of notes. If information reports are required to be made, a U.S. Holder may be subject to U.S. backup withholding if it fails to provide its taxpayer identification number, or to establish that it is exempt from backup withholding. The amount of any backup withholding imposed on a payment will be allowed as a credit against any U.S. federal income tax liability of a U.S. Holder and may entitle the U.S. Holder to a refund, provided the required information is furnished to the IRS.

EU Savings Tax Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Belgium has replaced this withholding tax with a regime of exchange of information to the Member State of residence as from 1 January 2010.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the Directive, which included a number of suggested changes which, if implemented, would broaden the scope of the requirements described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

BENEFIT PLAN INVESTOR CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the notes by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of such plans, accounts and arrangements.

ERISA imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "Plans")) and certain persons (defined as "parties in interest" or "disqualified persons" under ERISA and the Code, respectively) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction.

Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if any notes are acquired by a Plan with respect to which any of us, the initial purchaser or any of its respective affiliates is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire notes and the circumstances under which such decision is made. There can be no assurance that any exemption will be available with respect to any particular transaction involving the notes, or that, if an exemption is available, it will cover all aspects of any particular transaction. By its purchase of any notes (or an interest in a note) whether in the case of the initial purchase or in the case of a subsequent transfer, the purchaser thereof will be deemed to have represented and agreed that either (i) it is not and for so long as it holds notes (or an interest in a note) will not be or acting on behalf of an ERISA Plan or other Plan, an entity whose underlying assets include the assets of any such ERISA Plan or other Plan, or a governmental or other employee benefit plan which is subject to any Similar Laws, or (ii) its purchase and holding of the notes (or an interest in a note) will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of such a governmental or other employee benefit plan, any Similar Laws) for which an exemption is not available.

Governmental plans and certain church and non-U.S. plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to any Similar Laws. Fiduciaries of any such plans should consult with their counsel before purchasing any notes.

The foregoing discussion is general in nature and not intended to be all-inclusive. Any Plan fiduciary who proposes to cause a Plan to purchase any notes should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a prohibited transaction or any other violation of an applicable requirement of ERISA.

The sale of notes to a Plan is in no respect a representation by us or the initial purchaser that such an investment meets all relevant requirements with respect to investments by, or is appropriate for, Plans or plans subject to Similar Laws generally or any particular Plan or plans subject to Similar Laws, or that such an investment is appropriate for Plans generally or any particular Plan.

PLAN OF DISTRIBUTION

Subject to the terms and subject to the conditions contained in a purchase agreement dated February 3, 2010, the initial purchaser named below has agreed to purchase from us, and we have agreed to sell to such initial purchaser, the principal amount of the notes set forth opposite the name of such initial purchaser.

Initial Purchaser	Principal Amount
Goldman Sachs International	US$400,000,000
Total	US$400,000,000

The purchase agreement provides that the several obligations of the initial purchaser to purchase the notes are subject to approval of certain legal matters by counsel and to certain other conditions. The initial purchaser must purchase all of the notes if it purchases any of the notes.

The Initial Purchaser has proposed to offer the notes from time to time for sale in negotiated transactions, or otherwise, at varying prices to be determined at the time of each sale. The initial purchaser may offer and sell notes in various jurisdictions through certain of its affiliates.

In the purchase agreement, we have agreed that:

- We will not offer or sell any of our debt securities (other than bank loans and the notes) having a tenor of more than one year for a period of 90 days after the date of this offering memorandum without the prior consent of the initial purchaser.

- We will indemnify the initial purchaser against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the initial purchaser may be required to make in respect of those liabilities.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

Delivery of the notes is expected on or about February 9, 2010 which is the fourth business day following the date of this offering memorandum (such settlement cycle being referred to as "T+4"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on the date of pricing or the next succeeding business day will be required, because the notes initially will settle in T+4, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers who wish to trade the notes on the pricing date or the next succeeding business day should consult their own advisors.

New issue of notes

The notes are a new issue of securities, and there is currently no established trading market for the notes. In addition, the notes are subject to certain restrictions on resale and transfer as described under "Transfer restrictions". An application has been made for the listing of the notes on the Official List of SGX-ST. However, we cannot assure you that such listing will be obtained or maintained. We are entitled to seek an alternative listing for the notes on a stock exchange other than the SGX-ST, approved by the trustee, if listing of the notes on the SGX-ST is not obtained or if compliance with the rules of SGX-ST becomes unduly burdensome for us. The initial purchaser has advised us that it currently intends to make a market in the notes as permitted by applicable law, but it is not obligated to do so. The initial purchaser may discontinue any market making activities with respect to the notes at any time in its sole discretion without notice. In addition, such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable.

Price stabilization and short positions

The initial purchaser or its affiliates may engage in over-allotment, stabilizing transactions, syndicate covering transactions and penalty bids to the extent permitted by applicable laws and regulations. Over-allotment involves sales in excess of the offering size, which creates a short position. Stabilizing transactions permit bids to purchase the notes so long as the stabilizing bids do not exceed a specified maximum. Covering transactions involve purchase of the notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the initial purchaser to reclaim a selling concession from a dealer when the notes originally sold by such dealer are purchased in a stabilizing transaction or a covering transaction to cover short positions. Neither we nor the initial purchaser or its affiliates makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. Stabilizing transactions and covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. In addition, neither we nor the initial purchaser makes any representation that the initial purchaser will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other relationships

From time to time, in the ordinary course of business, certain of the initial purchaser and its affiliates have provided advisory and investment banking services, and entered into other commercial transactions with us and our affiliates, including commercial banking services, for which customary compensation has been received. It is expected that the initial purchaser and its affiliates will continue to provide such services to, and enter into such transactions, with us and our affiliates in the future.

The initial purchaser or certain of its respective affiliates may purchase the notes and be allocated notes for asset management and/or proprietary purposes and not with a view to distribution.

Selling restrictions

General

No action has been taken or will be taken in any jurisdiction by us or the initial purchaser that would permit a public offering of the notes, or the possession, circulation or distribution of this offering memorandum or any other material relating to the notes or this offering, in any jurisdiction where action for that purpose is required. Accordingly, the notes may not be offered or sold, directly or indirectly, and neither this offering memorandum nor such other material may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

United States

The initial purchaser has acknowledged that the notes have not been registered under the US Securities Act or the securities laws of any other place.

The initial purchaser has acknowledged that the notes may not be offered or sold within the United States or to U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act or in transactions not subject to those registration requirements.

The initial purchaser has represented, warranted and agreed that, during the initial distribution of the notes, it will offer or sell notes only to qualified institutional buyers in compliance with Rule 144A, in accordance with Regulation S or any other available exemption from registration under the Securities Act.

In addition, until 40 days following the commencement of this offering, an offer or sale of notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act.

United Kingdom

The initial purchaser has represented, warranted and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

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

Hong Kong

The initial purchaser has represented, warranted and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) (the "SFO") of Hong Kong 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 or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) 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 notes, 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 notes 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 thereunder.

Japan

The initial purchaser has represented, warranted and agreed that the notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended; the "FIEL") and may not be offered or sold directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the initial purchaser has represented, warranted and agreed that it has not (i) circulated or distributed, nor will it circulate or distribute, this offering memorandum and/or any other document or material in connection with the offer and sale, or invitation for subscription or purchase, of the notes and (ii) offered or sold or caused any notes to be made the subject of an invitation for subscription or purchase, nor will it offer or sell or cause any of the notes to be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (1) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (2) 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 (3) otherwise pursuant to, and in accordance with the conditions of, any applicable provisions of the SFA.

Where the notes are subscribed or purchased under Section 275 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; or

(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 notes pursuant to an offer made under Section 275 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 275(1A) or 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.

Bermuda

The initial purchaser has represented, warranted and agreed that it has not made and will not make any invitation to the public in Bermuda to offer or sell the notes.

LEGAL MATTERS

Certain U.S. legal matters with respect to the notes offered hereby will be passed upon for us by Clifford Chance, and certain Bermuda legal matters with respect to the notes offered hereby will be passed upon for us by Conyers Dill & Pearman. Certain U.S. legal matters with respect to the notes offered hereby will be passed upon for the initial purchaser by Davis Polk & Wardwell LLP.

INDEPENDENT AUDITORS

Our consolidated financial statements as of December 31, 2006, 2007 and 2008 and for each of the three years in the period ended December 31, 2008 included in this offering memorandum have been audited by Ernst & Young, our independent auditors, as stated in their report appearing herein.

1. **Authorizations**: The issuance of the notes was authorized by resolutions of our directors at a meeting held on February 2, 2010 and by resolutions of the Capital Markets Committee of the Board of Directors passed on February 2, 2010. We obtained all necessary consents, approvals and authorizations as may be required in connection with the issue, sale and performance of the notes.

2. **Clearance**: The Regulation S notes have been accepted for clearance through the facilities of DTC, Euroclear and Clearstream. The Rule 144A notes have been accepted for clearance through the facilities of the DTC. Relevant trading information is set forth below.

Notes	Temporary ISIN	ISIN	Temporary CUSIP	CUSIP	Temporary Common Code	Common Code
Regulation S notes[1]	USG6542TAG60	USG6542TAE13	G6542T AG6	G6542T AE1	048628567	046063040
Rule 144A notes	—	US65504RAD61	—	65504R AD6	—	046063554

(1) The Regulation S notes will be represented by interests in a temporary globle note with a temporary CUSIP, ISIN and Common Code for 40 days after the closing date, at which time the interests in the temporary global note will be exchanged for interests in a permanent global note.

3. **Listing and Trading**: An application has been made for the listing of the notes on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this offering memorandum. Approval in-principle for the listing of the notes, when received, is not to be taken as an indication of the merits of the notes, us or our subsidiaries.

   So long as the notes are listed on the SGX-ST and the rules of the SGX-ST so require, we shall appoint and maintain a paying agent in Singapore, where the notes may be presented or surrendered for payment or redemption, in the event that a Global Note is exchanged for notes in definitive form. In addition, in the event that a Global Note is exchanged for notes in definitive form, announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the notes in definitive form, including details of the paying agent in Singapore.

4. **Litigation**: Except as disclosed in this offering memorandum, neither we nor our subsidiaries are involved in any material litigation or arbitration proceedings that may have, or have had during the 12 months preceding the date of this offering memorandum, a material adverse effect on our financial position, taken as a whole, nor are we or our subsidiaries aware that any such proceedings are pending or threatened.

5. **Material Change**: Except as disclosed in this offering memorandum, there has been no material adverse change in our financial position or prospects since December 31, 2008, the date of our latest audited consolidated financial statements, and there has been no material adverse change in our financial condition, capitalization or prospects since December 31, 2008.

6. **Documents Available**: Copies of the annual reports of the Company for the years ended December 31, 2006, 2007 and 2008 may be obtained free of charge, and copies of the indenture will be available for inspection from the closing date, at the specified office of the Company at 18th Floor, MassMutual Tower, 38 Gloucester Road, Hong Kong during normal business hours, for so long as any of the notes is outstanding and is listed on the SGX-ST.

7. **Denominations**: The notes will be issued in denominations of US$100,000 and integral multiples of US$1,000 in excess thereof. The notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 as long as any of the notes are listed on the SGX-ST.

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NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
For the nine months ended 30 September 2009

	Notes	2009	2008
		US$'000 *(unaudited)*	*US$'000* *(unaudited)*
REVENUE		21,616,056	29,298,537
Cost of sales and services		(20,810,620)	(28,145,261)
Gross profit		805,436	1,153,276
Other income and gains		180,431	66,903
Selling, administrative and operating expenses		(300,173)	(510,057)
Share of profits and losses of:			
Jointly-controlled entities		(1,492)	6,865
Associates		(16,994)	(16,270)
PROFIT BEFORE INTEREST AND TAX		667,208	700,717
Finance income		9,652	22,565
Finance costs		(155,317)	(177,488)
PROFIT BEFORE TAX	6	521,543	545,794
Tax	7	(49,163)	(103,938)
PROFIT FOR THE PERIOD		472,380	441,856
Attributable to:			
Equity holders of the parent		471,142	438,363
Non-controlling interests		1,238	3,493
		472,380	441,856
EARNINGS PER SHARE			
Basic, for profit for the period attributable to ordinary equity holders of the parent (US cents)	8	14.31	13.58
Diluted, for profit for the period attributable to ordinary equity holders of the parent (US cents)		14.07	13.19

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the nine months ended 30 September 2009

	2009	2008
	US$'000 *(unaudited)*	*US$'000* *(unaudited)*
Profit for the period	472,380	441,856
Net gains/(losses) after tax on cashflow hedges	32,991	(175,720)
Net gains/(losses) after tax on revaluation of long term investments	42,681	(6,598)
Realisation of revaluation reserve	—	(601)
Exchange differences on translation of foreign operations	48,154	(6,639)
Other comprehensive income/(losses) attributable to non-controlling interests	1,318	(273)
Other comprehensive income/(losses) for the period, net of tax	125,144	(189,831)
Total comprehensive income for the period, net of tax	597,524	252,025
Attributable to:		
Equity holders of the parent	594,968	248,805
Non-controlling interests	2,556	3,220
	597,524	252,025

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 Sept 2009	As at 31 Dec 2008	As at 30 Sept 2008
		US$'000 (unaudited)	*US$'000 (audited)*	*US$'000 (unaudited)*
NON-CURRENT ASSETS				
Property, plant and equipment	10	1,417,225	1,003,818	841,826
Prepaid land leases		13,956	14,467	14,188
Mine properties	11	856,759	87,504	88,599
Intangible assets		41,315	43,526	45,258
Interests in jointly controlled entities		27,180	29,608	29,706
Interests in associates		205,823	187,105	185,856
Long term investments		89,471	128,688	335,229
Agricultural assets		86,998	84,043	78,545
Loan receivables		71,287	19,124	18,318
Deferred tax assets		46,318	45,890	10,970
Total non-current assets		2,856,332	1,643,773	1,648,495
CURRENT ASSETS				
Cash and cash equivalents	12	766,900	1,318,249	1,100,856
Trade receivables		859,396	931,399	1,249,544
Prepayments, deposits and other receivables		2,069,353	2,466,865	2,661,462
Contracts in progress		13,023	35,336	45,987
Inventories	13	1,951,483	1,757,002	2,057,225
Total current assets		5,660,155	6,508,851	7,115,074
CURRENT LIABILITIES				
Trade and other payables and accrued liabilities		2,471,521	3,507,209	3,465,507
Excess of progress billings over contract costs		42,588	19,170	86,194
Bank debts and current portion of long term debts	14	841,751	506,254	928,797
Tax payable		44,271	73,978	145,009
Total current liabilities		3,400,131	4,106,611	4,625,507
NET CURRENT ASSETS		2,260,024	2,402,240	2,489,567
TOTAL ASSETS LESS CURRENT LIABILITIES		5,116,356	4,046,013	4,138,062
NON-CURRENT LIABILITIES				
Long term bank debts	14	757,014	629,425	743,674
Convertible bonds	14,15	275,257	261,430	256,933
Senior notes	14,16	1,161,819	1,159,016	1,177,665
Deferred tax liabilities		348,509	135,274	49,280
Total non-current liabilities		2,542,599	2,185,145	2,227,552
NET ASSETS		2,573,757	1,860,868	1,910,510

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Notes	As at 30 Sept 2009	As at 31 Dec 2008	As at 30 Sept 2008
		US$'000 *(unaudited)*	*US$'000* *(audited)*	*US$'000* *(unaudited)*
EQUITY				
Equity attributable to equity holders of the parent				
Issued capital	17	108,938	103,736	105,449
Share premium		575,638	402,444	440,841
Capital redemption reserve		6,237	6,237	4,512
Capital reserve		11,693	11,683	11,671
Share option reserve		38,428	26,852	25,301
Cashflow hedging reserve		3,161	(29,830)	(76,525)
Long term investment revaluation reserve		7,849	(34,832)	119,746
Exchange fluctuation reserve		14,150	(34,004)	8,147
Retained profits		1,722,363	1,398,859	1,259,943
		2,488,457	1,851,145	1,899,085
Non-controlling interests		85,300	9,723	11,425
TOTAL EQUITY		2,573,757	1,860,868	1,910,510

NOBLE GROUP LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2009

	Attributable to equity holders of the parent												
	Issued capital	Share premium	Capital redemption reserve	Capital reserve	Share option reserve	Cashflow hedging reserve	Long term investment revaluation reserve	Revaluation reserve	Exchange fluctuation reserve	Retained profits	Total	Non controlling interests	Total equity
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
At 1 January 2008 (audited)	83,617	304,742	3,840	11,638	15,219	99,195	126,344	601	14,786	889,591	1,549,573	8,205	1,557,778
Total comprehensive income	—	—	—	—	—	(175,720)	(6,598)	(601)	(6,639)	438,363	248,805	3,220	252,025
Issue of shares on exercise of share options	1,206	7,968	—	—	—	—	—	—	—	—	9,174	—	9,174
Bonus shares issued	17,581	(17,581)	—	—	—	—	—	—	—	—	—	—	—
Share-based payment	510	20,121	—	—	—	—	—	—	—	—	20,631	—	20,631
Share placement	3,207	148,466	—	—	—	—	—	—	—	—	151,673	—	151,673
Repurchase of own shares	(672)	(22,875)	672	—	—	—	—	—	—	—	(22,875)	—	(22,875)
Amortisation of issuance expenses	—	—	—	33	—	—	—	—	—	—	33	—	33
Equity-settled share option expenses	—	—	—	—	10,082	—	—	—	—	—	10,082	—	10,082
Dividends	—	—	—	—	—	—	—	—	—	(68,011)	(68,011)	—	(68,011)
At 30 September 2008 (unaudited)	105,449	440,841	4,512	11,671	25,301	(76,525)	119,746	—	8,147	1,259,943	1,899,085	11,425	1,910,510

NOBLE GROUP LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the nine months ended 30 September 2009

	Attributable to equity holders of the parent												
	Issued capital	Share premium	Capital redemption reserve	Capital reserve	Share option reserve	Cashflow hedging reserve	Long term investment revaluation reserve	Revaluation reserve	Exchange fluctuation reserve	Retained profits	Total	Non controlling interests	Total equity
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
At 1 January 2009 (audited)	103,736	402,444	6,237	11,683	26,852	(29,830)	(34,832)	—	(34,004)	1,398,859	1,851,145	9,723	1,860,868
Total comprehensive income	—	—	—	—	—	32,991	42,681	—	48,154	471,142	594,968	2,556	597,524
Non controlling interest arising on business combination	—	—	—	—	—	—	—	—	—	—	—	76,068	76,068
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	1,881	1,881
Disposal of subsidiary	—	—	—	—	—	—	—	—	—	—	—	(4,928)	(4,928)
Issue of shares on exercise of share options	87	768	—	—	—	—	—	—	—	—	855	—	855
Share-based payment	1,178	51,778	—	—	—	—	—	—	—	—	52,956	—	52,956
Share placement	2,732	83,544	—	—	—	—	—	—	—	—	86,276	—	86,276
Scrip dividend	1,205	37,104	—	—	—	—	—	—	—	—	38,309	—	38,309
Amortisation of issuance expenses	—	—	—	10	—	—	—	—	—	—	10	—	10
Equity-settled share option expenses	—	—	—	—	11,576	—	—	—	—	—	11,576	—	11,576
Dividends	—	—	—	—	—	—	—	—	—	(147,638)	(147,638)	—	(147,638)
At 30 September 2009 (unaudited)	108,938	575,638	6,237	11,693	38,428	3,161	7,849	—	14,150	1,722,363	2,488,457	85,300	2,573,757

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the nine months ended 30 September 2009

	Notes	2009	2008
		US$'000 *(unaudited)*	*US$'000* *(unaudited)*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		521,543	545,794
Adjustments for:			
Share of profits and losses of:			
Jointly controlled entities		1,492	(6,865)
Associates		16,994	16,270
Interest income		(9,652)	(22,565)
Interest expenses		155,317	177,488
Dividend income from long term investments		(1,651)	(513)
Net loss/(gain) on disposal of property, plant and equipment		137	(2,203)
Loss/ (gain) on disposal of long term investments		4,947	(66,390)
Gain on disposal of a subsidiary		(3,354)	—
Excess over the cost of the business combination on acquisition of a subsidiary		(141,419)	—
Revaluation of pre-existing interest in an acquired subsidiary to fair value		(12,581)	—
Depreciation		49,040	41,678
Amortisation of intangible assets		2,211	2,184
Amortisation of mine properties		22,253	44,259
Amortisation of prepaid land leases		256	250
Provision for impairment of long term investments		2,271	2,004
Share-based payment expenses		4,956	20,631
Equity-settled share option expenses		11,576	10,082
Operating profit before working capital changes		624,336	762,374
Decrease/(increase) in trade receivables		80,118	(299,402)
Decrease/(increase) in prepayments, deposits and other receivables		315,920	(744,044)
Decrease in contracts in progress		22,313	74,618
Increase in inventories		(192,240)	(257,718)
Increase/(decrease) in trade and other payables and accrued liabilities		(938,459)	835,477
Increase in excess of progress billings over contract costs		23,418	22,544
Net repayment of cash balances with futures brokers not immediately available for use in the business operations		56,232	111,287
Interest received		9,652	22,565
Taxes paid		(103,744)	(13,659)
Net cash inflow/(outflow) from operating activities		(102,454)	514,042

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued)
For the nine months ended 30 September 2009

	Notes	2009	2008
		US$'000 *(unaudited)*	*US$'000* *(unaudited)*
CASH FLOWS FROM SHORT TERM FINANCING ACTIVITIES			
Net additions of short term bank debts		345,780	171,198
Interest paid on short term financing activities		(32,682)	(59,191)
Net cash inflow from short term financing activities		313,098	112,007
Net cash inflow from operating and short term financing activities		210,644	626,049
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(361,909)	(327,628)
Proceeds from disposal of property, plant and equipment		250	3,372
Increase in mine properties		(37,094)	(18,366)
Addition of agricultural assets		(2,955)	(38,328)
Net cash paid on acquisition of subsidiaries	19	(264,757)	—
Net cash received on disposal of a subsidiary		6,783	—
Investment in associates		(2,934)	(13,186)
Investment in jointly controlled entities		(69)	(14,607)
Increase in amounts due from associates		(5,170)	(33,836)
Decrease in amounts due from jointly controlled entities		1,617	3,341
Dividend income from an associate		87	58
Dividend income from jointly controlled entities		70	3,743
Proceeds from disposal of long term investments		414	85,182
Payments for acquisition of long term investments		(9,126)	(87,170)
Increase in loan receivables		(52,163)	(6,170)
Contribution by non-controlling interests		897	—
Dividend income from long term investments		1,651	513
Net cash outflow from investing activities		(724,408)	(443,082)

NOBLE GROUP LIMITED
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued)
For the nine months ended 30 September 2009

	Notes	2009	2008
		US$'000 *(unaudited)*	*US$'000* *(unaudited)*
CASH FLOWS FROM LONG TERM FINANCING ACTIVITIES			
Share placement		86,276	151,673
Exercise of share options		855	9,174
Repurchase of own shares		—	(22,875)
Additions of long term bank debts		310,000	256,497
Repayments of long term bank debts		(201,935)	(371,051)
Net proceeds from issuance of senior notes		—	491,250
Interest paid on long term financing activities		(100,548)	(95,795)
Dividend paid		(109,329)	(68,011)
Net cash inflow/(outflow) from long term financing activities		(14,681)	350,862
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(528,445)	533,829
Net foreign exchange differences		21,120	7,723
Cash and cash equivalents at beginning of period		1,175,758	471,141
CASH AND CASH EQUIVALENTS AT END OF PERIOD		668,433	1,012,693
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and short term time deposits		412,987	856,842
Cash balances with futures brokers	12	353,913	244,014
		766,900	1,100,856
Less: Cash balances with futures brokers not immediately available for use in the business operations	12	(86,259)	(88,163)
Bank overdrafts		(12,208)	—
		668,433	1,012,693

NOBLE GROUP LIMITED
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of and for the nine months ended 30 September 2009 and 2008

1. CORPORATE INFORMATION

Noble Group Limited ("Noble" or the "Company") is a limited liability company incorporated in Bermuda. The registered office of Noble is located at Clarendon House, Church Street, Hamilton HM 11, Bermuda.

During the period, the principal activities of Noble and its subsidiaries and associates (collectively as the "Group") comprised managing the global supply chain of agricultural, industrial and energy products; ship ownership, chartering and the provision of technical ship management services; trade finance; coal mining, soybean and sugar cane crushing activities and ethanol production.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the nine months ended 30 September 2009 and 2008 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2008.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008, except for the adoption of new Standards and Interpretations as of 1 January 2009, noted below:

IFRS 8 Operating Segment

This standard requires disclosures of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting. Additional disclosures about each of these segments are shown in Note 5, including revised comparative information.

IAS 1 (Revised) Presentation of Financial Statements

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements.

IFRS3 (Revised) Business Combinations and IAS 27 (Revised) Consolidated and Separate Financial Statements

The Group has early adopted IFRS3 (Revised) and IAS 27 (Revised) for business combinations occurring in the financial year commencing 1 January 2009.

IFRS 3 (Revised) introduced significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs , the initial recognition and subsequent measurement of a contingent consideration and business combination achieved in stages. These changes will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Revised) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Revised) will affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests. The change in accounting policy relating to IFRS 3 (Revised) and IAS 27 (Revised) was applied prospectively and had no material impact on earnings per share.

The Group has applied acquisition method for the business combination that occurred during the interim period ended 30 September 2009 as disclosed in Note 19.

4. **SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosures of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2008, except for the following matter.

Valuation of mine properties and other identifiable assets acquired

In accounting for the acquisition of Gloucester Coal, the Group has made estimates of the fair value of the identifiable tangible and intangible assets acquired, principally mine properties. The estimated fair value has involved assumptions with respect to future coal prices, operating costs and capital expenditure requirements, as well as estimate of recoverable reserve. Changes in these assumptions could affect fair value estimates and could materially affect the initial accounting treatment of the acquisition of Gloucester. For further details, see note 19.

5. **SEGMENTAL INFORMATION**

For management purpose, the Group is organized into five operating segments: Agriculture; Energy; Metals, Minerals and Ores; Logistics and Corporate.

Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on gross profit.

Operating Segments

The following tables present revenue and profit information regarding the Group's operating segments for the nine months ended 30 September 2009 and 2008.

	Sales to external customers	**Inter segment sales**	**Total**	**Sales to external customers**	**Inter segment sales**	**Total**
	2009	**2009**	**2009**	**2008**	**2008**	**2008**
	US$'000	*US$'000 (unaudited)*	*US$'000*	*US$'000*	*US$'000 (unaudited)*	*US$'000*
Segment revenue:						
Agriculture	5,214,105	—	5,214,105	7,808,815	—	7,808,815
Energy	12,010,052	—	12,010,052	14,577,132	—	14,577,132
Metals, minerals and ores	3,654,411	—	3,654,411	5,372,679	—	5,372,679
Logistics	590,426	296,938	887,364	1,372,370	555,466	1,927,836
Corporate	147,062	8,872	155,934	167,541	13,550	181,091
Eliminations	—	(305,810)	(305,810)	—	(569,016)	(569,016)
Total revenue	21,616,056	—	21,616,056	29,298,537	—	29,298,537
Segment gross profit						
Agriculture			300,557			389,247
Energy			244,994			320,524
Metals, minerals and ores			77,434			152,247
Logistics			123,297			284,743
Corporate			59,154			6,515
Total gross profit			805,436			1,153,276

	Sales to external customers	Inter segment sales	Total	Sales to external customers	Inter segment sales	Total
	2009	2009	2009	2008	2008	2008
	US$'000	*US$'000 (unaudited)*	*US$'000*	*US$'000*	*US$'000 (unaudited)*	*US$'000*
Other income and gains			180,431			66,903
Selling, administration and operating expenses			(300,173)			(510,057)
Share of profits and losses of:						
Jointly-controlled entities			(1,492)			6,865
Associates			(16,994)			(16,270)
Finance income			9,652			22,565
Finance costs			(155,317)			(177,488)
Profit before tax			521,543			545,794
Tax			(49,163)			(103,938)
Profit for the period			472,380			441,856

Segment assets

The following table presents segment assets of the Group's operating segments as at 30 September 2009 and 31 December 2008.

	30 Sept 2009	31 Dec 2008
	US$'000 (unaudited)	*US$'000 (audited)*
Agriculture	2,422,266	2,494,244
Energy	2,152,695	1,822,310
Metals, minerals and ores	939,508	1,212,884
Logistics	190,419	312,717
Corporate	2,811,599	2,310,469
Total	8,516,487	8,152,624

6. PROFIT BEFORE TAX

The Group's profit before tax for the period is arrived at after charging/(crediting):

	1 Jan to 30 Sept 2009	1 Jan to 30 Sept 2008
	US$'000 (unaudited)	*US$'000 (unaudited)*
Depreciation	49,040	41,678
Amortisation of mine properties	22,253	44,529
Loss/(gain) on disposal of long term investments	4,947	(66,390)
Excess over the cost of the business combination on acquisition of a subsidiary	(141,419)	—
Revaluation of pre-existing interest in an acquired subsidiary to fair value	(12,581)	—

7. TAX

The Group's tax on assessable profits has been calculated at the tax rates prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof:

	1 Jan to 30 Sept 2009	1 Jan to 30 Sept 2008
	US$'000 *(unaudited)*	*US$'000* *(unaudited)*
Provision for current tax for the period	46,984	96,487
Net deferred tax charge	2,179	7,451
Tax expenses for the period	49,163	103,938

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Dilutive earnings per share amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the parent (no adjustment for interest on the convertible bonds for the nine months ended 30 September 2009 and 2008 as it had no dilutive effect) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	1 Jan to 30 Sept 2009	1 Jan to 30 Sept 2008
	Share'000 *(unaudited)*	*Share'000* *(unaudited)*
Weighted average number of ordinary shares	3,292,142	3,227,959
Dilutive effect of share options	56,880	96,682
Weighted average number of ordinary shares adjusted for the dilutive effect	3,349,022	3,324,641

9. NET ASSET VALUE PER SHARE

Net asset value per ordinary share is calculated by dividing the equity attributable to the equity holders of the parent over ordinary shares at the end of the period and is as follows:

	As at 30 Sept 2009	As at 31 Dec 2008
	(unaudited)	*(audited)*
Net asset value per ordinary share	US 73 cents	US 57 cents

10. PROPERTY, PLANT AND EQUIPMENT

The increase in property, plant and equipment during the nine months ended 30 September 2009 comprised assets acquired through the business combination with Gloucester Coal Limited (see Note 19) and the purchase of the following fixed assets:

	9 months period ended 30 Sept 2009
	US$'000 *(unaudited)*
Mining equipment	71,580
Crushing plants and warehouses	52,776
Sugar mill plants	76,458
Terminal and storage facilities	86,752
Vessels	38,891

11. MINE PROPERTIES

The increase in mine properties was mainly due to mine properties acquired through the business combination with Gloucester Coal Limited (see Note 19).

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash balances with futures brokers of US$353,913,000 (31 December 2008: US$280,194,000; 30 September 2008 (unaudited): US$244,014,000), of which US$86,259,000 (31 December 2008: US$142,491,000; 30 September 2008 (unaudited): US$88,163,000) is not immediately available for use in the business operations.

13. INVENTORIES

Inventories of the Group include readily marketable inventories (hedged or pre-sold) of US$1,809,647,000 (30 September 2008 (unaudited): US$1,936,445,000), of which inventories in transit to customers amounted to US$392,600,000 (30 September 2008 (unaudited): US$51,071,000). Readily marketable inventories are certain commodity inventories which are readily convertible to cash because of their commodity characteristics, widely available markets and international pricing mechanisms.

14. GROUP'S BORROWING AND DEBT SECURITIES CAPITAL

The aggregate amounts of the Group's borrowings and debt securities capital are as follows:

	As at 30 Sept 2009		**As at 31 Dec 2008**		**As at 30 Sept 2008**	
	Secured	**Unsecured**	**Secured**	**Unsecured**	**Secured**	**Unsecured**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
	(unaudited)		*(audited)*		*(unaudited)*	
(a) Amount repayable in one year or less, or on demand	71,099	770,652	63,022	443,232	46,122	882,675
(b) Amount repayable after one year	121,678	2,072,412	166,279	1,883,592	167,161	2,011,111

(c) Details of collaterals:

Certain short term bank debts were secured by certain trade receivables and inventories of the Group as at 30 September 2009, 31 December 2008 and 30 September 2008. Certain long term bank debts were secured by certain of the Group's vessels and land and buildings as at 30 September 2009, 31 December 2008 and 30 September 2008.

15. CONVERTIBLE BONDS

In June 2007, Noble Group Limited issued US$250 million zero coupon convertible bonds. The convertible bonds are convertible into fully paid ordinary shares on and after 13 July 2007 up to the close of business on 13 May 2014 at an initial conversion price of S$2.779 per share (using a fixed exchange rate of S$1.5158 to US$1) as adjusted from time to time as described in the terms and conditions of the bonds. The conversion price of the bonds was adjusted to S$2.31 per share with effect from 26 May 2008 due to the scrip dividend of one new ordinary share for every five shares held.

Unless previously redeemed, converted or purchased and cancelled, the bonds will be redeemed at 150.234% of their principal amount on 13 June 2014. The bonds may be redeemed any time after 13 December 2009 but not less than seven business days prior to 13 June 2014 if on each of any 20 trading days out of the 30 consecutive trading days, prior to the date upon which notice of such redemption is given, the closing price of the shares is at least 125% of the early redemption amount divided by the conversion ratio as defined in the terms and conditions of the bond. The effective interest rate on the liability component of the convertible bonds is 6.721%. All or some of the bonds may be redeemed by the holders on 13 June 2011 at 126.186% of their principal amount.

16. SENIOR NOTES

US$700 million Senior Notes

The senior notes represented the 6.625% senior notes of US$700,000,000 due 17 March 2015 issued by the Company in March 2005 at 99.059%.

The Company may redeem some or all of the senior notes at any time on or after 17 March 2010 at the redemption prices stipulated in the agreement of the senior notes ("Optional Redemption"). In addition, the Company may redeem all, but not less than all, of the senior notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If the Company experiences specific kinds of change of control, unless the Company has exercised its right to redeem all of the senior notes under Optional Redemption, each holder will have the right to require the Company to repurchase all or any part of the senior notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest.

During November 2008, the Company repurchased US$20,000,000 of its US$700,000,000 6.625% senior notes. Such senior notes were cancelled on 6 November 2008, following which the total principal amount of senior notes outstanding was US$680,000,000.

US$500 million Senior Notes

In May 2008, the Company issued 8.500% senior notes of US$500,000,000 due 29 May 2013 at 100%.

The Company may redeem all or any portion of the notes at 100% of the principal amount plus applicable premium plus accrued and unpaid interest stipulated in the agreement of the notes ("Optional Redemption"). At any time prior to 30 May 2011, the Company may redeem up to a maximum of 35% of the outstanding notes, with the proceeds of certain equity offerings, at 108.500% of the principal amount plus accrued and unpaid interest. In addition, the Company may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If the Company experiences change of control, unless the Company has exercised its right to redeem all of the senior notes under Optional Redemption, each holder will have the right to require the Company to repurchase all or part of the senior notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest.

17. SHARE CAPITAL

In May 2009, the Board of Directors decided on the issuance of 84,700,000 ordinary shares of HK$0.25 each in the capital of the Company. All issued shares are fully paid.

In July 2009, 37,351,813 ordinary shares of HK$0.25 were issued as dividend under the Scrip Dividend Scheme as further detailed in note 18. All issued shares are fully paid.

In September 2009, 36,493,437 ordinary shares of HK$0.25 were issued as share-based payment to certain directors and employees of the Group. All issued shares are fully paid.

18. DIVIDEND PAID AND PROPOSED

During the period ended 30 September 2009, a final cash dividend of US$4.4 cents per share relating to the year ended 31 December 2008 was declared and approved at the annual general meeting and was paid during the period. Under the Scrip Dividend Scheme (the "Scheme"), shareholders entitled to this dividend may elect to receive either cash or an allotment of ordinary shares in the Company credited as fully paid in lieu of cash and 37,351,813 shares were allotted to shareholders who elected an allotment of ordinary shares under the Scheme.

During the period ended 30 September 2008, a final cash dividend of US$2.48 cents per share relating to the year ended 31 December 2007 was declared and approved at the annual general meeting and was paid during the period. A scrip dividend in form of bonus shares was also declared and approved at the annual general meeting and 548,532,323 shares were allotted to the shareholders of the Company in May 2008 on the basis of one share for every five then existing issued shares.

19. BUSINESS COMBINATION

On 21 May 2009, the Group acquired a further 66% of the voting shares of Gloucester Coal Limited ("GCL"), a listed Australian mining company, thereby increasing its shareholding from 21.7% to 87.7% in GCL. The acquisition has been accounted for using the purchase method of accounting in accordance with IFRS 3(Revised). The purchase price allocation of the tangible and intangible assets is preliminary and may be adjusted as a result of obtaining additional information regarding preliminary estimates of fair value made at the date of acquisition.

The preliminary fair values of the identifiable assets and liabilities of GCL as at the date of acquisition were:

	Fair value recognised on acquisition	Previous carrying value
	US$'000 *(unaudited)*	*US$'000*
Property, plant and equipment	65,247	65,247
Mine properties	745,717	44,559
Long term investments	48	48
Cash and bank balances	39,473	39,473
Trade receivables	9,488	9,488
Prepayments, deposits and other receivables	2,535	2,535
Inventories	6,944	6,944
	869,452	168,294
Trade and other payables and accrued liabilities	(22,082)	(22,082)
Tax payables	(16,850)	(16,850)
Deferred tax liabilities	(212,079)	(11,859)
Net assets	618,441	117,503
Equity value attributable to Noble (87.7%)	542,373	
Excess over the costs of a business combination included in other income in the consolidated income statement	(141,419)	
Total acquisition costs	400,954	

The total acquisition costs of US$400,954,000 comprised a cash payment of US$304,230,000. The Group measured the non-controlling interest at the non-controlling interest's proportionate share of GCL's preliminary identifiable net assets.

Cash outflow on acquisition:

	(unaudited)
	US$'000
Net cash acquired with the subsidiary	39,473
Cash paid	(304,230)
Net cash outflow	(264,757)

The Group recognised a gain of US$12,581,000 as a result of measuring its 21.7% pre-existing equity interest in GCL held before the business combination at its then fair value of US$96,378,000. The gain is included in other income in the consolidated income statement for the nine months ended 30 September 2009.

The acquisition of GCL resulted in a gain due to the market conditions at the time of the global financial crisis and the pre-existing shareholding of the Group in GCL both placing the Group in a favourable negotiating position.

From the date of acquisition, GCL has contributed US$10,732,000 and US$76,599,000 to the net profit and revenue of the Group, respectively. If the combination had taken place at the beginning of the year, the profit and revenue of the Group for the period would have been US$473,123,000 and US$21,746,037,000, respectively.

20. CONTINGENT LIABILITIES

As at 30 September 2009, the Group had contingent liabilities in respect of guarantees given to the banks and financial institutions for banking facilities granted totaling US$5,605,000 (31 December 2008: US$ 25,783,000). As at 31 December 2008, the Group had bills discounted with recourse totaling US$1,403,000.

21. CAPITAL COMMITMENTS

As at 30 September 2009, the Group has entered into contracts to acquire certain property, plant and equipments of US$290,150,000 (31 December 2008: US$299,500,000) which have not been provided for in the financial statements.

22. RELATED PARTY TRANSACTIONS

During the nine months ended 30 September 2009, the Group made sales to, purchases from and received commission income from associates of US$54,000 (30 September 2008 (unaudited): US$648,000), US$80,734,000 (30 September 2008 (unaudited): US$75,402,000) and US$1,458,000 (30 September 2008 (unaudited): US$2,273,000), respectively. The directors considered that the sales, purchases and commission income were made according to prices and conditions similar to those offered to other vendors and customers of the associates.

23. EVENTS AFTER THE BALANCE SHEET DATE

(a) Pursuant to an agreement in September 2009, China Investment Corporation agreed to purchase 573 million shares of the Company for a total consideration of approximately US$850 million at a price of SGD2.1137 per share. The placement comprised of 438 million ordinary shares newly issued by the Company and 135 million existing ordinary shares. The placement of shares was completed subsequent to the balance sheet date.

(b) In October 2009, the Group issued senior notes of US$850,000,000 6.750% due 2020 at 99.105% and in November 2009, the Group purchased for cash US$488,141,000 of the US$680,000,000 6.625% senior notes due 2015.

(c) In November 2009, the Group entered into a sale and purchase agreement to acquire the remaining 31.5% non-controlling interest in Donaldson Coal Holdings Limited ("Donaldson"), increasing its equity interest to 100% at a cash consideration of A$60,000,000 (equivalent to approximately US$55,200,000) with a further cash consideration of A$30,000,000 (equivalent to approximately US$27,600,000) contingent on certain mine expansion approval being received within six years.

(d) In December 2009, Macarthur Coal Limited ("Macarthur") announced an intention to make an off-market takeover offer to acquire all of the issued securities of GCL (the "GCL Offer"). Under the GCL offer, Macarthur is providing GCL shareholders 0.84 Macarthur shares for every 1 GCL share held or an all cash alternative of A$8 per share. In connection with the GCL Offer, the Group also entered into the following arrangements with Macarthur:

- A conditional binding term sheet with respect to the purchase by Macarthur of all the shares of Middlemount Coal Pty Ltd held by the Group; and

- A non-binding statement of principle with respect to certain high level commercial terms including the purchase by Macarthur of a majority interest of the shares of Donaldson held by the Group (the "Donaldson Offer").

In the event that all the above transactions take place (including the Donaldson Offer) on the term set forth on their respective term sheets, the Group will acquire approximately 24% of the enlarged share capital of Macarthur based or its share capital as at the date of the offer and approximately A$175,000,000 (equivalent to approximately US$161,000,000) on cash.

In January 2010, a further announcement was made that the Donaldson Offer would not proceed.

(e) In December 2009, the Group entered into a memorandum of agreement to dispose one of its vessel at a consideration of US$10,750,000.

INDEPENDENT AUDITORS' REPORT
To the shareholders of Noble Group Limited
(Incorporated in Bermuda with limited liability)

ERNST & YOUNG
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We have audited the financial statements of Noble Group Limited set out on pages F-19 to F-76, which comprise the consolidated and company balance sheets as at 31 December 2006, 2007 and 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the three years then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and true 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 the directors, 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2006, 2007 and 2008 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Ernst & Young
Certified Public Accountants
Hong Kong
26 February 2009

NOBLE GROUP LIMITED
CONSOLIDATED INCOME STATEMENT
Years ended 31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
REVENUE	3	36,090,161	23,497,142	13,765,433
Cost of sales and services	4	(34,742,563)	(22,673,457)	(13,277,906)
Gross profit		1,347,598	823,685	487,527
Other income and gains net of other expenses	4	103,856	20,939	14,043
Selling, administrative and operating expenses	4	(567,584)	(391,818)	(272,091)
Share of profits and losses of:				
Jointly controlled entities	15	5,802	1,636	(3,670)
Associates		(21,609)	(5,203)	351
PROFIT BEFORE INTEREST AND TAX		868,063	449,239	226,160
Finance income	5	42,988	24,646	17,345
Finance costs	5	(235,075)	(170,615)	(74,133)
PROFIT BEFORE TAX		675,976	303,270	169,372
Tax	7	(96,238)	(44,785)	(35,932)
PROFIT FOR THE YEAR		579,738	258,485	133,440
Attributable to:				
Equity holders of the parent		577,279	258,121	134,512
Minority interests		2,459	364	(1,072)
		579,738	258,485	133,440
			(Restated)	**(Restated)**
EARNINGS PER SHARE	8			
- Basic, for profit for the year attributable to ordinary equity holders of the parent (US cents)		17.87	8.52	4.65
- Diluted, for profit for the year attributable to ordinary equity holders of the parent (US cents)		17.46	8.30	4.53

The accounting policies and explanatory notes on pages F-30 to F-76 form an integral part of the financial statements.

NOBLE GROUP LIMITED
CONSOLIDATED BALANCE SHEET
31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000* *(Restated)*	*US$'000*
NON-CURRENT ASSETS				
Property, plant and equipment	10	1,003,818	566,310	230,464
Prepaid land leases	11	14,467	13,606	12,945
Mine properties	12	87,504	120,226	46,857
Intangible assets	13	43,526	47,527	8,312
Interests in jointly controlled entities	15	29,608	11,378	12,546
Interests in associates	16	187,105	159,102	9,520
Long term investments	17	128,688	270,037	143,380
Agricultural assets	18	84,043	40,217	—
Loan receivables		19,124	12,148	4,847
Deferred tax assets	28	45,890	10,435	9,133
Total non-current assets		1,643,773	1,250,986	478,004
CURRENT ASSETS				
Cash and cash equivalents	19	1,318,249	670,591	599,144
Trade receivables	20	931,399	950,142	808,362
Prepayments, deposits and other receivables	21	2,466,865	1,918,047	871,190
Contracts in progress	22	35,336	120,605	23,076
Inventories	23	1,757,002	1,799,507	1,031,633
Total current assets		6,508,851	5,458,892	3,333,405
CURRENT LIABILITIES				
Trade and other payables and accrued liabilities	24	3,507,209	2,446,346	1,201,740
Excess of progress billings over contract costs	22	19,170	63,650	8,379
Bank debts and current portion of long term debts	25	506,254	780,224	559,641
Tax payable		73,978	56,751	50,422
Total current liabilities		4,106,611	3,346,971	1,820,182
NET CURRENT ASSETS		2,402,240	2,111,921	1,513,223
TOTAL ASSETS LESS CURRENT LIABILITIES		4,046,013	3,362,907	1,991,227
NON-CURRENT LIABILITIES				
Long term bank debts	25	629,425	835,603	219,379
Convertible bonds	26	261,430	243,935	108,915
Senior notes	27	1,159,016	684,297	682,295
Deferred tax liabilities	28	135,274	41,294	17,021
Total non-current liabilities		2,185,145	1,805,129	1,027,610
NET ASSETS		1,860,868	1,557,778	963,617

NOBLE GROUP LIMITED
CONSOLIDATED BALANCE SHEET (continued)
31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000* *(Restated)*	*US$'000*
EQUITY				
Equity attributable to equity holders of the parent				
Issued capital	29	103,736	83,617	77,743
Share premium		402,444	304,742	161,843
Capital redemption reserve		6,237	3,840	3,785
Capital reserve		11,683	11,638	6,251
Share option reserve		26,852	15,219	8,417
Cashflow hedging reserve		(29,830)	99,195	9,298
Long term investment revaluation reserve		(34,832)	126,344	20,060
Revaluation reserve		—	601	601
Exchange fluctuation reserve		(34,004)	14,786	2,703
Retained profits		1,398,859	889,591	666,765
		1,851,145	1,549,573	957,466
Minority interests		9,723	8,205	6,151
TOTAL EQUITY		1,860,868	1,557,778	963,617

/s/ Richard Samuel Elman
Director

/s/ Harindarpal Singh Banga
Director

The accounting policies and explanatory notes on pages F-30 to F-76 form an integral part of the financial statements.

NOBLE GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Years ended 31 December 2006, 2007 and 2008

	Notes	Attributable to equity holders of the parent											Minority Interests	Total equity
		Issued capital	Share premium	Capital redemption reserve	Capital reserve	Share option reserve	Cashflow hedging reserve	Long term investment revaluation reserve	Revaluation reserve	Exchange fluctuation reserve	Retained profits	Total		
		US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
At 1 January 2006		77,028	159,017	3,785	8,108	7,039	(7,149)	9,932	601	759	590,117	849,237	6,469	855,706
Net losses transferred to income statement		—	—	—	—	—	7,149	31,888	—	—	—	39,037	262	39,299
Net gains/(losses) on revaluation		—	—	—	—	—	9,298	(21,760)	—	—	—	(12,462)	(318)	(12,780)
Exchange realignment		—	—	—	—	—	—	—	—	1,944	—	1,944	—	1,944
Total income/(expenses) recognised directly in equity		—	—	—	—	—	16,447	10,128	—	1,944	—	28,519	(56)	28,463
Profit/(loss) for the year		—	—	—	—	—	—	—	—	—	134,512	134,512	(1,072)	133,440
Total income/(expenses) for the year		—	—	—	—	—	16,447	10,128	—	1,944	134,512	163,031	(1,128)	161,903
Acquisition of minority interests		—	—	—	—	—	—	—	—	—	—	—	594	594
Contribution from minority shareholders		—	—	—	—	—	—	—	—	—	—	—	2,166	2,166
Dividend paid to minority shareholders		—	—	—	—	—	—	—	—	—	—	—	(1,950)	(1,950)
Issue of shares on exercise of share options	29, 30	707	2,651	—	—	—	—	—	—	—	—	3,358	—	3,358
Share-based payment	4, 29	8	175	—	—	—	—	—	—	—	—	183	—	183
Convertible bonds redemption	26	—	—	—	(1,857)	—	—	—	—	—	—	(1,857)	—	(1,857)
Equity-settled share option expenses	30	—	—	—	—	1,378	—	—	—	—	—	1,378	—	1,378
Dividends	9	—	—	—	—	—	—	—	—	—	(57,864)	(57,864)	—	(57,864)
		715	2,826	—	(1,857)	1,378	16,447	10,128	—	1,944	76,648	108,229	(318)	107,911
At 31 December 2006		77,743	161,843	3,785	6,251	8,417	9,298	20,060	601	2,703	666,765	957,466	6,151	963,617

NOBLE GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
Years ended 31 December 2006, 2007 and 2008

	Notes	Attributable to equity holders of the parent											Minority Interests	Total equity
		Issued capital	Share premium	Capital redemption reserve	Capital reserve	Share option reserve	Cashflow hedging reserve	Long term investment revaluation reserve	Revaluation reserve	Exchange fluctuation reserve	Retained profits	Total		
		US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
At 1 January 2007		77,743	161,843	3,785	6,251	8,417	9,298	20,060	601	2,703	666,765	957,466	6,151	963,617
Net losses/(gains) transferred to income statement		—	—	—	—	—	(9,298)	(2,611)	—	—	—	(11,909)	318	(11,591)
Net gains/(losses) on revaluation		—	—	—	—	—	99,195	108,895	—	—	—	208,090	(160)	207,930
Exchange realignment		—	—	—	—	—	—	—	—	12,083	—	12,083	53	12,136
Total income recognised directly in equity		—	—	—	—	—	89,897	106,284	—	12,083	—	208,264	211	208,475
Profit for the year		—	—	—	—	—	—	—	—	—	258,121	258,121	364	258,485
Total income for the year		—	—	—	—	—	89,897	106,284	—	12,083	258,121	466,385	575	466,960
Contribution from minority shareholders		—	—	—	—	—	—	—	—	—	—	—	2,400	2,400
Dividend paid to minority shareholders		—	—	—	—	—	—	—	—	—	—	—	(921)	(921)
Issue of shares on exercise of share options	29, 30	661	6,785	—	—	—	—	—	—	—	—	7,446	—	7,446
Share-based payment	4, 29	714	27,823	—	—	—	—	—	—	—	—	28,537	—	28,537
Repurchase of own shares	29	(55)	(1,733)	55	—	—	—	—	—	—	—	(1,733)	—	(1,733)
Issuance of convertible bonds	26	—	—	—	11,638	—	—	—	—	—	—	11,638	—	11,638
Conversion of convertible bonds	26	4,554	110,024	—	(6,099)	—	—	—	—	—	—	108,479	—	108,479
Convertible bonds redemption	26	—	—	—	(152)	—	—	—	—	—	—	(152)	—	(152)
Equity-settled share option expenses	30	—	—	—	—	6,802	—	—	—	—	—	6,802	—	6,802
Dividends	9	—	—	—	—	—	—	—	—	—	(35,295)	(35,295)	—	(35,295)
		5,874	142,899	55	5,387	6,802	89,897	106,284	—	12,083	222,826	592,107	2,054	594,161
At 31 December 2007		83,617	304,742	3,840	11,638	15,219	99,195	126,344	601	14,786	889,591	1,549,573	8,205	1,557,778

NOBLE GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
Years ended 31 December 2006, 2007 and 2008

	Notes	Attributable to equity holders of the parent												
		Issued capital	Share premium	Capital redemption reserve	Capital reserve	Share option reserve	Cashflow hedging reserve	Long term investment revaluation reserve	Revaluation reserve	Exchange fluctuation reserve	Retained profits	Total	Minority interests	Total equity
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2008		83,617	304,742	3,840	11,638	15,219	99,195	126,344	601	14,786	889,591	1,549,573	8,205	1,557,778
Net gains transferred to income statement		—	—	—	—	—	(114,015)	(102,367)	(601)	—	—	(216,983)	—	(216,983)
Impairment of long term investments		—	—	—	—	—	—	29,634	—	—	—	29,634	—	29,634
Net losses on revaluation		—	—	—	—	—	(15,010)	(88,443)	—	—	—	(103,453)	(1,104)	(104,557)
Exchange realignment		—	—	—	—	—	—	—	—	(48,790)	—	(48,790)	163	(48,627)
Total expenses recognised directly in equity		—	—	—	—	—	(129,025)	(161,176)	(601)	(48,790)	—	(339,592)	(941)	(340,533)
Profit for the year		—	—	—	—	—	—	—	—	—	577,279	577,279	2,459	579,738
Total income/(expenses) for the year		—	—	—	—	—	(129,025)	(161,176)	(601)	(48,790)	577,279	237,687	1,518	239,205
Issue of shares on exercise of share options	29, 30	1,219	7,998	—	—	—	—	—	—	—	—	9,217	—	9,217
Bonus issue	29	17,581	(17,581)	—	—	—	—	—	—	—	—	—	—	—
Share placement	29	3,207	145,529	—	—	—	—	—	—	—	—	148,736	—	148,736
Share-based payment	4, 29	509	23,058	—	—	—	—	—	—	—	—	23,567	—	23,567
Repurchase of own shares	29	(2,397)	(61,302)	2,397	—	—	—	—	—	—	—	(61,302)	—	(61,302)
Amortisation of issuance expenses		—	—	—	45	—	—	—	—	—	—	45	—	45
Equity-settled share option expenses	30	—	—	—	—	11,633	—	—	—	—	—	11,633	—	11,633
Dividends	9	—	—	—	—	—	—	—	—	—	(68,011)	(68,011)	—	(68,011)
		20,119	97,702	2,397	45	11,633	(129,025)	(161,176)	(601)	(48,790)	509,268	301,572	1,518	303,090
At 31 December 2008		103,736	402,444	6,237	11,683	26,852	(29,830)	(34,832)	—	(34,004)	1,398,859	1,851,145	9,723	1,860,868

The accounting policies and explanatory notes on pages F-30 to F-76 form an integral part of the financial statements.

NOBLE GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT
Years ended 31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
			(Restated)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		675,976	303,270	169,372
Adjustments for:				
Share of profits and losses of				
Jointly controlled entities	15	(5,802)	(1,636)	3,670
Associates		21,609	5,203	(351)
Interest income	5	(42,988)	(24,646)	(17,345)
Interest expenses	5	235,075	170,615	74,133
Dividend income from long term investments	4	(3,226)	(2,283)	(2,006)
Arrangement fee income	4	(6,372)	—	—
Gain on disposal of partial interest in a subsidiary	4	(2,919)	—	—
Net loss/(gain) on disposal of property, plant and equipment	4	(3,590)	920	(2,615)
Gain on disposal of long term investments	4	(139,527)	(16,136)	(3,791)
Gain on repurchase of senior notes	4	(6,874)	—	—
Excess over the cost of a business combination	4	—	—	(5,631)
Impairment of long term investments	4	29,634	—	31,888
Impairment of loan receivables	4	4,960	—	—
Fair value losses on short term investments	4	13,768	—	—
Provision for losses on lease commitments	4	4,720	—	—
Impairment of prepayments	4	4,933	—	—
Impairment of goodwill	4	637	—	—
Impairment of inventories	4	1,775	4,000	—
Impairment of trade receivables	4	30,063	19,125	3,063
Provision for legal claims	4	2,200	2,600	—
Depreciation	4	52,810	27,075	12,534
Amortisation of intangible assets	4	3,279	1,290	490
Amortisation of mine properties	4	52,525	10,347	5,452
Amortisation of prepaid land leases	4	194	370	33
Share-based payment expense	4	23,567	28,537	183
Equity-settled share option expenses	4, 30	11,633	6,802	1,378
Gain on disposal of a subsidiary	4	—	(2,520)	—
Operating profit before working capital changes		958,060	532,933	270,457

NOBLE GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT (continued)
Years ended 31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000* *(Restated)*	*US$'000*
Increase in trade receivables		(11,320)	(157,687)	(131,428)
Increase in prepayments, deposits and other receivables		(511,801)	(894,010)	(355,832)
Decrease/(increase) in contracts in progress		85,269	(97,529)	(7,526)
Decrease/(increase) in inventories		40,730	(758,206)	(307,986)
Increase in trade and other payables and accrued liabilities		900,986	1,137,722	218,779
Increase/(decrease) in excess of progress billings over contract costs		(44,480)	55,271	(18,704)
Net repayments/(additions) of cash balances with futures brokers not immediately available for use in the business operations		56,959	(180,023)	21,923
Interest received		42,988	24,646	17,345
Taxes paid		(47,014)	(22,376)	(27,222)
Net cash inflow/(outflow) from operating activities		1,470,377	(359,259)	(320,194)
CASH FLOWS FROM SHORT TERM FINANCING ACTIVITIES				
Net additions/(repayment) of short term bank debts		(328,102)	192,736	332,936
Interest paid on short term financing activities		(52,851)	(50,621)	(15,107)
Net cash inflow/(outflow) from short term financing activities		(380,953)	142,115	317,829
Net cash inflow/(outflow) from operating and short term financing activities		1,089,424	(217,144)	(2,365)

NOBLE GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT (continued)
Years ended 31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000* *(Restated)*	*US$'000*
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	10	(506,152)	(238,310)	(79,596)
Proceeds from disposal of property, plant and equipment		10,786	161	5,705
Increase in mine properties		(30,055)	(40,491)	(23,786)
Addition of intangible assets		—	(6,151)	—
Addition of agricultural assets	18	(49,005)	(15,159)	—
Net cash paid on acquisition of subsidiaries		—	(115,840)	(35,674)
Net cash received on disposal of a subsidiary		—	2,478	—
Net cash received on disposal of partial interest of a subsidiary		2,919	—	—
Investment in associates		(13,191)	(147,464)	(37)
Proceeds from disposal of interest in an associate		—	—	99
Investment in jointly controlled entities		(13,410)	(3,300)	(4,032)
Decrease/(increase) in amounts due from associates		(65,869)	1,146	2,136
Decrease/(increase) in amounts due from jointly controlled entities		(303)	4,355	(2,116)
Dividend income from an associate		58	58	235
Dividend income from jointly controlled entities		3,774	1,749	1,200
Proceeds from disposal of long term investments		178,710	76,239	6,603
Payments for acquisition of long term investments		(93,961)	(89,344)	(38,563)
Decrease/(increase) in loan receivables		(11,936)	(7,301)	4,731
Contributions by minority shareholders		—	2,400	2,155
Dividend paid to minority shareholders		—	(921)	(1,950)
Dividend income from long term investments		3,226	2,283	2,006
Net cash outflow from investing activities		(584,409)	(573,412)	(160,884)

NOBLE GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT (continued)
Years ended 31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000* *(Restated)*	*US$'000*
CASH FLOWS FROM LONG TERM FINANCING ACTIVITIES				
Exercise of share options		9,217	7,446	3,358
Repurchase of own shares		(61,302)	(1,733)	—
Placement of shares		148,736	—	—
Additions of long term bank debts		346,928	1,064,313	255,109
Repayments of long term bank debts		(498,974)	(488,836)	(85,088)
Net proceeds from issuance of convertible bonds		—	246,250	—
Redemption of convertible bonds		—	(2,770)	(33,770)
Net proceeds from issuance of senior notes		491,250	—	—
Repurchase of senior notes		(12,725)	—	—
Dividends paid		(68,011)	(35,295)	(57,864)
Interest paid on long term financing activities		(151,052)	(106,763)	(53,930)
Net cash inflow from long term financing activities		204,067	682,612	27,815
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		709,082	(107,944)	(135,434)
Net foreign exchange differences		(4,465)	(468)	(1,014)
Cash and cash equivalents at beginning of year		471,141	579,553	716,001
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,175,758	471,141	579,553
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Bank balances and short term time deposits		1,038,055	257,600	448,713
Money market fund		—	—	47,120
Cash balances with futures brokers		280,194	412,991	103,311
	19	1,318,249	670,591	599,144
Less: Cash balances with futures brokers not immediately available for use in the business operations		(142,491)	(199,450)	(19,427)
Bank overdrafts	25	—	—	(164)
		1,175,758	471,141	579,553

The accounting policies and explanatory notes on pages F-30 to F-76 form an integral part of the financial statements.

NOBLE GROUP LIMITED
BALANCE SHEET
31 December 2006, 2007 and 2008

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
NON-CURRENT ASSETS				
Investments in subsidiaries	14	13,049	11,888	9,539
Long term investments	17	10,164	—	—
Total non-current assets		23,213	11,888	9,539
CURRENT ASSETS				
Due from subsidiaries	14	3,349,296	3,094,359	1,929,313
Due from associates	16	1,703	1,823	2,053
Cash and cash equivalents	19	816,956	104,968	31,933
Deposits and other receivables	21	30,393	5,776	1,598
Total current assets		4,198,348	3,206,926	1,964,897
CURRENT LIABILITIES				
Due to subsidiaries	14	760,697	488,219	194,447
Accrued liabilities	24	88,793	26,603	15,311
Bank debts and current portion of long term debts	25	305,903	307,306	224,031
Tax payable		1,000	1,000	1,200
Total current liabilities		1,156,393	823,128	434,989
NET CURRENT ASSETS		3,041,955	2,383,798	1,529,908
TOTAL ASSETS LESS CURRENT LIABILITIES		3,065,168	2,395,686	1,539,447
NON-CURRENT LIABILITIES				
Long term bank debts	25	424,504	711,902	147,948
Convertible bonds	26	261,430	243,935	108,915
Senior notes	27	1,159,016	684,297	682,295
Deferred tax liabilities		1,200	1,200	—
Total non-current liabilities		1,846,150	1,641,334	939,158
NET ASSETS		1,219,018	754,352	600,289
EQUITY				
Issued capital	29	103,736	83,617	77,743
Share premium		402,444	304,742	161,843
Capital redemption reserve		6,237	3,840	3,785
Capital reserve		11,683	11,638	6,251
Share option reserve		26,852	15,219	8,417
Cashflow hedging reserve		(39,828)	(2,596)	176
Long term investment revaluation reserve		(3,644)	—	—
Retained profits		711,538	337,892	342,074
TOTAL EQUITY		1,219,018	754,352	600,289

/s/ Richard Samuel Elman — Director

/s/ Harindarpal Singh Banga — Director

The accounting policies and explanatory notes on pages F-30 to F-76 form an integral part of the financial statements.

NOBLE GROUP LIMITED
NOTES TO FINANCIAL STATEMENTS
31 December 2006, 2007 and 2008

1. CORPORATE INFORMATION AND APPROVAL OF THE FINANCIAL STATEMENTS

Noble Group Limited ("Noble" or the "Company") is a limited liability company incorporated in Bermuda. The registered office of Noble is located at Clarendon House, Church Street, Hamilton HM 11, Bermuda.

During the year, the principal activities of Noble and its subsidiaries and associates (collectively as the "Group") comprised managing the global supply chain of agricultural, industrial and energy products; ship ownership, chartering and the provision of technical ship management services; trade finance; coal mining, soybean and sugar cane crushing activities and ethanol production.

The Group operates over 100 offices worldwide and employed over 4,800 (2007: over 4,500; 2006: over 2,600) employees as at 31 December 2008.

The consolidated financial statements of the Company for the year ended 31 December 2008 were approved and authorised for issue in accordance with a resolution of the board of directors on 26 February 2009.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Listing Rules of The Singapore Exchange Securities Trading Limited (the "SGX-ST").

They have been prepared on a historical cost basis, except for the periodic remeasurement to fair value of certain items as explained in note 2.4 below.

These financial statements are presented in United States dollars and all values are rounded to the nearest thousand except where otherwise indicated.

Certain comparative amounts have been restated as explained in notes 8 and 13.

2.2 IMPACT OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to IFRSs for the first time for the current year's financial statements. The adoption of new interpretations and amendments has had no effect on these financial statements.

IAS 39 and IFRS 7 Amendments	Amendments to IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures — Reclassification of Financial Assets
IFRIC-Int 11	IFRS 2 — Group and Treasury Share Transactions
IFRIC-Int 12*	Service Concession Arrangements
IFRIC-Int 14*	IAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

** Not relevant to the Group*

The principal effects of adopting these new and revised IFRSs are as follows:

(a) Amendments to IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures — Reclassification of Financial Assets

The amendments to IAS 39 pertain to the condition and requirement for the reclassification of a non-derivative financial asset and debt instrument out of the fair value through profit or loss category/ available-for-sale category. The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to IFRS 7 require extensive disclosures of any financial asset reclassified in the aforementioned situations. The amendments are effective from 1 July 2008. As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

(b) IFRIC-Int 11 IFRS 2 — Group and Treasury Share Transactions

IFRIC-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments to be accounted for as an equity-settled scheme, even if the Group buys the instruments from another party, or the shareholders provide the equity instruments needed. IFRIC-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation has had no impact on the financial position or results of operations of the Group.

(c) IFRIC-Int 12 Service Concession Arrangements

IFRIC-Int 12 applies to service concession operators and explains how to account for obligations undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(d) IFRIC-Int 14 IAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC-Int 14 addresses how to assess the limit under IAS 19 Employee Benefits, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not early applied any of the new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. Among the new and revised IFRSs, the following are expected to be relevant to the Group's financial statements upon becoming effective.

IFRS 1 and IAS 27 Amendments	Amendments to IFRS 1 First-time Adoption of IFRSs and IAS 27 Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [1]
IFRS 2 Amendments	Amendments to IFRS 2 Share-based Payment — Vesting Conditions and Cancellations [1]
IFRS 3 (Revised)	Business Combinations [2]
IFRS 8	Operating Segments [1]
IAS 1 (Revised)	Presentation of Financial Statements [1]
IAS 23 (Revised)	Borrowing Costs [1]
IAS 27 (Revised)	Consolidated and Separate Financial Statements [2]
IAS 32 and IAS 1 Amendments	Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation [1]
IAS 39 Amendment	Amendment to IAS 39 Financial Instruments: Recognition and Measurement — Eligible Hedged Items [2]
IFRIC - Int 16	Hedges of a Net Investment in a Foreign Operation [3]

Apart from the above, the IASB has also issued Improvements to IFRSs* which sets out amendments to a number of IFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to IFRS 5 which is effective for the annual periods on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

[1] Effective for annual periods beginning on or after 1 January 2009

[2] Effective for annual periods beginning on or after 1 July 2009

[3] Effective for annual periods beginning on or after 1 October 2008

* Improvements to IFRSs contains amendments to IFRS 5, IFRS 7, IAS 1, IAS 8, IAS 10, IAS 16, IAS 18, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 29, IAS 31, IAS 34, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41.

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, it has concluded that while the adoption of IFRS 8 and IAS 1 (Revised) may result in new or amended disclosures and the adoption of IFRS 3 (Revised), IAS 27 (Revised) and IAS 23 (Revised) may result in changes in accounting policies, these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position on the date of adoption.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2008. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. This method involves allocating the cost of the business combination to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured as the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the portion of the results and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Subsidiaries

A subsidiary is a company or undertaking whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The Company's interests in subsidiaries are stated at cost less any impairment losses. The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable.

Associates

The Group's investments in associates are accounted for under the equity method of accounting. An associate is an entity, not being a subsidiary or jointly controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

Under the equity method of accounting, the investment in the associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the associate. The income statement reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity.

The reporting dates of the Group's associates and the Group are identical and the associates' accounting policies materially conform to those used by the Group.

Jointly controlled entity

A jointly controlled entity is a company which is subject to joint control, resulting in none of the participating parties having unilateral control over its economic activity.

The Group's share of the post-acquisition results and reserves of a jointly controlled entity is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in a jointly controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill arising from the acquisition of jointly controlled entities is included as part of the Group's interests in jointly controlled entities. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	$2\tfrac{1}{2}\%$ or over the terms of the leases, if shorter
Leasehold improvements	Over the terms of the leases
Vessels	4% to 10%
Plant and equipment	5% to $33\tfrac{1}{3}\%$
Motor vehicles	$22\tfrac{1}{2}\%$ to $33\tfrac{1}{3}\%$

Land held on a freehold basis is not depreciated.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Assets under development represent a sugar mill, a few vessels, a warehouse under construction and computer systems under development, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Assets under development are reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Goodwill

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed as at the date of acquisition.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised and is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

In the case of associates and jointly controlled entities, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and

- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with IAS 14 "Segment Reporting".

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment losses recognised for goodwill will not be reversed in a subsequent period.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remained and any relevant reserves, as appropriate.

Mine properties

On acquisition of mining related assets and liabilities, fair values reflecting conditions at the date of acquisition are attributed to the identifiable separable assets and liabilities acquired. Mineral reserves and resources, include mining rights, which can be reliably valued, are recognised in the assessment of fair values on acquisition. Other potential reserves and resources and mining rights, for which, in the directors' opinion, values cannot be reliably determined, are not directly recognised at their fair values. Where the fair value of the consideration paid exceeds the fair value of the identifiable separable assets and liabilities acquired, the difference is treated as mineral reserves and resources. The mineral reserves and resources, and deferred mining costs are amortised over the estimated lives of the mines.

Costs directly attributable to the construction and development of a mine are capitalised as mine development until such time as production commences. These amounts, together with the capitalised exploration costs, are amortised over the estimated life of the resource from the period when production commences. Costs that are not directly attributable to construction and development are expensed as incurred.

Overburden removed in advance of production, relating to the initial box cut of a mine, is capitalised as deferred mining costs. The amounts are deferred and amortised over the estimated life of the mine from the period when production commences.

Agricultural assets

Agricultural assets are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in the income statement.

The fair value of the sugar cane plantation is estimated with reference to a professional valuation using the discounted cash flows of the underlying agricultural assets. The expected cash flows from the whole life cycle of the sugar cane plantations is determined using the market price of the estimated yield of the agricultural produce, being fresh sugar cane bunches, net of maintenance and harvesting costs and any costs required to bring the sugar cane plantations to maturity. The estimated yield of the sugar cane plantations is affected by the age of the sugar cane plants, the location, soil type and infrastructure. The market price of the sugar cane plants is largely dependent on the prevailing market price of the processed products after harvest, being raw sugar cane.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is charged against profits in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in the accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Commodity forward purchase and sale contracts

Certain business divisions of the Group are involved in mining, manufacturing and processing commodities. Commodity forward contracts that form part of the Group's normal purchase, sale or usage requirements for these activities are accounted for as executory contracts and are recorded when the delivery of the commodities has taken place.

All other commodity forward contracts qualify as derivatives and are recorded in the balance sheet at their fair values. Assets are recorded in other receivables, and liabilities are recorded in other liabilities, in the balance sheet. Changes in fair value are recognised in the income statement in the cost of sales and services in the period of change. When sales contracts have been settled, the associated revenue is recorded in revenue.

Short term investments

Short term investments include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Gains or losses on these financial assets are recognised in the income statement.

Loan and trade receivables

Loan and trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and including fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loan and trade receivables are derecognised or impaired, as well as through the amortisation process.

Long term investments

Long term investments are those non-derivative financial assets that are designated as available-for-sale investments. After initial recognition, these long term investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investments are derecognised or until the investments are determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

For investments actively traded in recognised financial markets, fair value is generally determined by reference to stock exchange quoted market prices at the close of business on the balance sheet date. For investments where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of a substantially similar instrument, or is calculated based on the expected future cash flows of the underlying net asset base of the investment. Equity investments where there is no quoted market price in an active market and where the fair value cannot be reliably measured are stated at cost less any impairment losses.

Derivative financial instruments

All derivative financial instruments are initially recognised at fair value on the date on which the contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are recorded in the income statement for the year.

Futures contracts

Futures contracts are measured at fair value. Unrealised gains and losses are reported in the income statement. Fair value is determined by reference to quoted futures prices on recognised futures markets at the close of business at the balance sheet date. The accounting treatment of cash provided as margin to futures brokers is described below under cash and cash equivalents.

Hedge accounting

The Group applies hedge accounting for certain derivative financial instruments that are used to hedge risks associated primarily with foreign currency fluctuations and commodity prices.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship for which the Group wishes to apply hedge accounting. Such hedges are expected to be highly effective in achieving the task of offsetting changes in fair values or cash flows and are assessed on an ongoing basis to determine that they have been highly effective throughout the financial reporting periods for which they were designated.

For the purposes of hedge accounting, cash flow hedges refer to hedges against exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability, a firm commitment, or a forecast transaction.

In relation to cash flow hedges which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity and the ineffective portion is recognised in the income statement.

When a hedged firm commitment results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in equity are included in the initial measurement of the acquisition cost or the carrying amount of the asset or liability.

For all other cash flow hedges, the gains or losses that are recognised in equity are transferred to the income statement in the same period in which the hedged transaction affects the income statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that point in time, any cumulative gain or loss on the hedging instrument recognised in equity is kept in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the income statement for the year.

Cash and cash equivalents

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, cash provided to futures brokers to cover margin requirements, short term time deposits and short term liquid investments.

For the purpose of the consolidated cash flow statement, cash and cash equivalents are adjusted for cash provided to futures brokers which is not immediately available for use in the Group's business operations, as it is covering fair value losses on the futures position and is not substitutable with alternative collateral.

The Group places cash with futures brokers to meet the initial and variation margin requirements in respect of its outstanding futures positions on commodity exchanges. The Group can also use credit facilities granted by these brokers or standby letters of credit to meet these requirements in lieu of cash. Accordingly, the Group regards this cash as part of its liquid cash that is used in its daily cash management. For the purpose of the balance sheet, the whole amount of cash balance with futures brokers is included as cash and cash equivalents. However, for the purpose of the consolidated cash flow statement, only the portion of the cash balance with futures brokers that is immediately available for use in the business operations is included as cash and cash equivalents.

Contracts in progress/excess of progress billings over contract costs

The Group records revenues earned and expenditures incurred for vessel chartering and related operations on the basis of stage of completion of voyage. The attributable profits and losses of incomplete voyages are capitalised in contracts in progress/excess of progress billings over contract costs.

Inventories

Inventories principally comprise commodities held for trading and inventories that form part of the Group's normal purchase, sale or usage requirements for its manufacturing or processing activities.

All the inventories of the Group for commodity trading businesses are measured at fair value less costs to sell, with changes in fair value less costs to sell recognised in the income statement in the period of the change.

All the other inventories are stated at the lower of cost and net realisable value. Raw material cost is determined on the first-in, first-out basis, weighted average basis or on a specific basis if such inventories are not ordinarily interchangeable. Finished products include raw material costs, direct labour and a proportion of manufacturing overheads based on normal operating capacity. Net realisable value is based on estimated selling prices less estimated costs of completion and the estimated costs necessary to make the sales.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables, and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Financial guarantee contracts

Financial guarantee contracts in the scope of IAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Company measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the balance sheet date; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18 *Revenue*.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Convertible bonds

Upon initial recognition on the issue of the convertible bonds, the debt instrument and the embedded conversion option of the convertible bonds are separated into a liability component and an equity component on the balance sheet.

The fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion right that is recognised and included in the capital reserve of the shareholders' equity, net of transaction costs. The value of the conversion right is not remeasured in subsequent years. The corresponding interest on those bonds is charged as an interest expense in the income statement.

Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

As and when the holders of the convertible bonds exercise their conversion rights to convert the convertible bonds into new ordinary shares of the Company, the value of such conversion rights exercised and recognised in the capital reserve is transferred to the share capital and share premium account. Upon expiry of the conversion rights, any remaining capital reserve will be transferred to retained profits.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;

- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. The Group applies this accounting policy to financing arrangements related to the Group's prepayments and trade receivables as further explained in notes 20, 21 and 25 when the cost of these financing arrangements takes the form of discounts, these discounts are recorded in cost of goods sold.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to loans and receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Long term investments

If a long term investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Reversals in respect of equity instruments classified as long term investments are not recognised in profit. Reversals of impairment losses on debt instruments are reversed through the income statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax assets and liabilities. The principal temporary differences arise from tax losses carried forward and unrealised gains and losses on inventories and derivative financial instruments.

Deferred tax assets relating to the carryforward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

(a) where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(b) receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Pension costs

The Group operates a number of defined contribution plans throughout the world, the assets of which are held in separate trustee-administered funds. The pension plans are funded by payments from employees and by the relevant Group companies.

The Group's contributions to defined contribution pension plans are charged to the income statement in the period to which the contributions relate.

Share-based payment transactions

Employees (including directors and senior executives) of the Group and other parties receive remuneration in the form of share-based payment transactions, whereby employees and other parties render services in consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. For granting of equity instruments, the goods or services received, and the corresponding increase in equity, are measured with reference to the fair value of the equity instruments granted at the date of grant. For granting of share options, the fair value is determined by using a binomial option pricing model, further details of which are given in note 30 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Noble Group Limited ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

An expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Related parties

A party is considered to be related to the Group if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

(b) the party is an associate;

(c) the party is a jointly controlled entity;

(d) the party is a member of the key management personnel of the Group or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently charged to the income statement on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Foreign currencies

The consolidated financial statements are presented in United States dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries, jointly controlled entities and associates are currencies other than the United States dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company (the United States dollar) at the rate of exchange ruling at the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to the exchange fluctuation reserve, which is a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the consolidated income statement.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) ***Supply of agricultural, industrial and energy products***

Revenue is recognised when significant risks and rewards of ownership of the products have been passed to the buyer.

(b) ***Logistics***

Revenues earned and expenditures incurred of vessel chartering and related operations are recognised on the basis of stage of completion of voyage, as explained in the accounting policy headed "Contracts in progress/excess of progress billings over contract costs".

(c) ***Others***

Commissions and rentals are recognised on an accrual basis. Interest income is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset. Dividends are recognised when the shareholders' right to receive payment has been established.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

2.5 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In the process of applying the Group's accounting policies, management has made judgments and estimates which have the most significant effect on the amounts recognised in the financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment assessment

(a) ***Assets***

The Group has to exercise judgment in determining whether an asset is impaired or an event previously causing an asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management when assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value determined by the impairment test.

(b) ***Loans and trade receivables***

Impairment is determined based on the evaluation of collectability and aging analysis of each account receivable and on management's judgments. A considerable amount of judgment is required in assessing the result on ultimate realisation of the account receivable, including the current creditworthiness and the past repayment history of each account receivable. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required.

(c) ***Long term investments***

The Group determines that long term investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is a significant or prolonged decline requires judgment. In making this judgment, the Group evaluates among other factors, the normal market price volatility in respect of the relevant long term investments. In addition, impairment may be appropriate when there is evidence of a deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the provision for income taxes worldwide. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the income statement in the period in which such determination is made.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2008 was US$41,315,000 (2007 (restated): US$41,952,000; 2006: US$7,617,000). Further details are given in note 13 to the financial statements.

Valuation of the financial instruments, derivative financial instruments and commodity forward and option contracts

The Group values certain of its financial instruments, derivative financial instruments and commodity forward and option contracts, at fair value. Estimating the value of these financial instruments requires the Group to make certain estimates and assumptions, and hence the values are judgmental. Further details are given in notes 21 and 24 to the financial statements.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2008 was US$2,559,000 (2007: US$10,435,000; 2006: US$6,513,000). Further details are given in note 28 to the financial statements.

3. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segment accounting policies are the same as the policies described in note 2.4 above.

Summary details of the business segments are as follows:

(a) Supply of agricultural, industrial and energy products segment comprises the Group's businesses of supplying these commodities and the corporate investments; and

(b) Logistics segment comprises the Group's ship ownership, vessel chartering and related operations and the provision of technical ship management services.

Further information relating to revenue and gross profit for the agricultural, industrial and energy products segment is provided in line with the Group's disclosure policies.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the discharge ports, and assets are attributed to the segments based on the location of the assets.

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were made to third parties at the then prevailing market prices.

Business segments

The following tables present revenue and profit information regarding the Group's business segments for the years ended 31 December 2008, 2007 and 2006, and certain assets, liabilities and expenditure information regarding the Group's business segments at 31 December 2008, 2007 and 2006.

	Supply of agricultural, industrial and energy products			Logistics			Eliminations			Consolidated		
	2008	**2007**	**2006**	**2008**	**2007**	**2006**	**2008**	**2007**	**2006**	**2008**	**2007**	**2006**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Segment revenue:												
Sales to external customers *	34,490,379	22,232,587	13,254,729	1,599,782	1,264,555	510,704	—	—	—	36,090,161	23,497,142	13,765,433
Inter segment sales	17,407	16,844	8,659	656,774	485,351	196,107	(674,181)	(502,195)	(204,766)	—	—	—
Total revenue	34,507,786	22,249,431	13,263,388	2,256,556	1,749,906	706,811	(674,181)	(502,195)	(204,766)	36,090,161	23,497,142	13,765,433
Segment gross profit *	906,881	582,740	440,595	440,717	240,945	46,932	—	—	—	1,347,598	823,685	487,527
Segment results (profit from operating activities)	352,301	149,611	149,876	339,482	157,226	22,815	—	—	—	691,783	306,837	172,691
Share of profits and losses of:												
Jointly controlled entities										5,802	1,636	(3,670)
Associates										(21,609)	(5,203)	351
Profit before tax										675,976	303,270	169,372
Tax										(96,238)	(44,785)	(35,932)
Profit for the year										579,738	258,485	133,440

* Segment revenue and gross profit of supply of agricultural, industrial and energy products — see follow on next page

	Segment revenue			Segment gross profit		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Agriculture	9,905,400	6,470,917	4,047,628	435,619	200,260	120,468
Energy	18,160,257	10,949,291	6,232,320	325,748	184,563	256,981
Metals, minerals and ores	6,183,278	4,552,672	2,847,585	128,224	179,426	57,755
Corporate	241,444	259,707	127,196	17,290	18,491	5,391
Total	34,490,379	22,232,587	13,254,729	906,881	582,740	440,595

	Supply of agricultural, industrial and energy products			Logistics			Eliminations			Consolidated		
	2008	2007	2006	2008	2007	2006	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000 (Restated)*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000 (Restated)*	*US$'000*
Segment assets	7,623,327	6,122,805	3,658,570	805,713	682,300	166,482	(493,129)	(265,707)	(35,709)	7,935,911	6,539,398	3,789,343
Interests in jointly controlled entities	29,608	11,373	12,546	—	5	—	—	—	—	29,608	11,378	12,546
Interests in associates	186,972	158,994	9,417	133	108	103	—	—	—	187,105	159,102	9,520
Total assets	7,839,907	6,293,172	3,680,533	805,846	682,413	166,585	(493,129)	(265,707)	(35,709)	8,152,624	6,709,878	3,811,409
Segment liabilities	(6,335,991)	(5,088,633)	(2,750,875)	(448,894)	(329,174)	(132,626)	493,129	265,707	35,709	(6,291,756)	(5,152,100)	(2,847,792)
Other segment information:												
Capital expenditure	483,946	399,724	197,606	52,561	36,889	1,184	—	—	—	536,507	436,613	198,790
Depreciation	45,777	26,716	12,013	7,033	359	521	—	—	—	52,810	27,075	12,534
Amortisation	55,998	12,007	5,975	—	—	—	—	—	—	55,998	12,007	5,975
Impairment of inventories	1,775	4,000	—	—	—	—	—	—	—	1,775	4,000	—
Impairment of trade receivables	30,063	19,125	3,063	—	—	—	—	—	—	30,063	19,125	3,063
Provision for legal claims	—	—	—	2,200	2,600	—	—	—	—	2,200	2,600	—
Impairment of long term investments	29,634	—	31,888	—	—	—	—	—	—	29,634	—	31,888
Impairment of loan receivable	4,960	—	—	—	—	—	—	—	—	4,960	—	—
Fair value losses on short term investments	13,768	—	—	—	—	—	—	—	—	13,768	—	—
Provision for losses on lease commitments	4,720	—	—	—	—	—	—	—	—	4,720	—	—
Impairment of prepayments	4,933	—	—	—	—	—	—	—	—	4,933	—	—
Impairment of goodwill	637	—	—	—	—	—	—	—	—	637	—	—

Geographical segments

The following table presents revenue information, and certain asset information regarding the Group's geographical segments for the years ended 31 December 2008, 2007 and 2006.

	Asia			Outside Asia			Eliminations			Consolidated		
	2008	2007	2006	2008	2007	2006	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000 (Restated)*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000 (Restated)*	*US$'000*
Segment revenue:												
Sales to external customers	11,403,930	8,178,366	4,939,669	24,686,231	15,318,776	8,825,764	—	—	—	36,090,161	23,497,142	13,765,433
Intersegment sales	504,280	868,576	230,750	1,154,700	369,188	180,737	(1,658,980)	(1,237,764)	(411,487)	—	—	—
Total revenue	11,908,210	9,046,942	5,170,419	25,840,931	15,687,964	9,006,501	(1,658,980)	(1,237,764)	(411,487)	36,090,161	23,497,142	13,765,433
Other segment information:												
Segment assets	4,650,671	3,663,180	2,310,411	5,309,546	4,707,013	2,566,559	(1,807,593)	(1,660,315)	(1,065,561)	8,152,624	6,709,878	3,811,409
Capital expenditure	135,384	158,116	86,730	401,123	278,497	112,060	—	—	—	536,507	436,613	198,790

4. PROFIT BEFORE INTEREST AND TAX

The Group's profit before interest and tax is arrived at after charging/(crediting):

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
Cost of sales and services:				
Cost of inventories sold		32,788,441	21,111,130	12,600,401
Cost of services provided		547,034	211,063	116,161
Operating lease payments on land and buildings		4,148	3,431	2,699
Operating lease payments on vessels		1,269,362	1,301,072	543,917
Amortisation of mine properties		52,525	10,347	5,452
Amortisation of prepaid land leases	11	194	370	33
Amortisation of intangible assets	13	2,937	—	—
Depreciation	10	30,067	8,279	1,132
Decrease/(increase) in fair value less point-of-sale costs	18	5,179	(5,522)	—
Factoring discount on trade receivables		10,838	10,162	5,048
Impairment of inventories		1,775	4,000	—
Impairment of trade receivables	31(b)	30,063	19,125	3,063
		34,742,563	22,673,457	13,277,906
Other income and gains net of other expenses:				
Dividend income from long term investments		3,226	2,283	2,006
Arrangement fee income		6,372	—	—
Gain on disposal of partial interest in a subsidiary		2,919	—	—
Net gain on disposal of property, plant and equipment		3,590	—	2,615
Gain on disposal of long term investments		139,527	16,136	3,791
Gain on repurchase of senior notes		6,874	—	—
Impairment of long term investments		(29,634)	—	—
Impairment of loan receivables		(4,960)	—	—
Fair value losses on short term investments		(13,768)	—	—
Provision for losses on lease commitments		(4,720)	—	—
Impairment of prepayments		(4,933)	—	—
Impairment of goodwill	13	(637)	—	—
Gain on disposal of a subsidiary		—	2,520	—
Excess over the cost of a business combination		—	—	5,631
		103,856	20,939	14,043

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
Selling, administrative and operating expenses:				
Employee benefit expense:				
Wages and salaries		409,127	255,942	148,109
Pension scheme contributions		7,958	4,198	2,364
Share-based payment expense*		23,567	28,537	183
Equity-settled share option expenses	30(c)	11,633	6,802	1,378
		452,285	295,479	152,034
Amortisation of intangible assets	13	342	1,290	490
Auditors' remuneration:				
Audit fees		3,800	3,100	2,200
Non-audit fees		555	178	236
Depreciation	10	22,743	18,796	11,402
Exchange gains, net		(48,172)	(28,019)	(5,616)
Operating lease payments on land and buildings		14,954	12,770	6,880
Provision for impairment of long term investments		—	—	31,888
Provision for legal claims		2,200	2,600	—
Others		118,877	85,624	72,577
		567,584	391,818	272,091

* During the year ended 31 December 2008, 15,890,604 (2007: 22,268,542; 2006: 250,395) shares of the Company were issued to certain directors and employees (2007: certain directors and employees; 2006: certain employees) of the Group. The fair value of the shares issued in respect of these payments, based on the then prevailing quoted market prices at respective grant dates, was charged to the income statement.

5. FINANCE INCOME AND COSTS

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Interest income	42,988	24,646	17,345
Interest expense and amortisation:			
Bank debts	145,942	110,493	23,291
Convertible bonds	17,523	11,821	2,500
Senior notes	74,166	48,301	48,342
Less: Interest capitalised	(2,556)	—	—
	235,075	170,615	74,133
Net finance costs	192,087	145,969	56,788

6. DIRECTORS' AND KEY HEAD OFFICE MANAGEMENT PERSONNEL'S REMUNERATION

	Notes	2008	2007	2006
		US$'000	*US$'000*	*US$'000*
Short term employee benefits		90,205	36,165	25,317
Post-employment benefits		221	131	73
Share-based payment expense		12,399	12,464	3,135
Total compensation *		102,825	48,760	28,525
* Included executive directors' remuneration of:				
Fees		497	497	453
Other emoluments		71,631	23,957	16,354
Share-based payment expense	a	10,000	8,173	—
	b	82,128	32,627	16,807

Notes:

a. During the year ended 31 December 2008, 5,131,461 shares (2007: 6,670,793 shares; 2006: nil) of the Company were issued to certain directors. The fair value of the shares issued in respect of these payments, based on the then prevailing quoted market price at respective grant dates, was charged as staff costs in the income statement.

b. The number of directors, including non-executive directors, whose remuneration falls within the following bands:

	2008	2007	2006
Nil - S$250,000	8	9	9
S$250,001 - S$499,999	—	—	—
S$500,000 and above	2	2	3
	10	11	12

The Company's remuneration policy for the directors, including non-executive directors, is periodically reviewed by its Remuneration and Options Committee, which comprises three directors, the majority of whom are non-executive directors. This policy is aimed at ensuring that the remuneration is competitive and commensurate with the contribution and responsibilities of the directors.

7. TAX

The Group's taxes on assessable profits have been calculated at tax rates prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Provision for the year	64,241	28,783	44,050
Net deferred tax charge (note 28)	31,997	16,002	(8,118)
Tax expenses for the year	96,238	44,785	35,932

A reconciliation between the tax expenses of the Group applicable to profit before tax using applicable rates to the tax expenses for the year is as follows:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Profit before tax	675,976	303,270	169,372
Tax at the applicable rates to profits in the countries concerned	36,276	22,474	36,938
Income not subject to tax	(53,031)	(1,248)	(2,773)
Unrecognised tax losses	84,413	21,929	2,584
Others	28,580	1,630	(817)
Tax expenses for the year	96,238	44,785	35,932

The share of tax credit attributable to a jointly controlled entity and associates amounted to US$335,000 (2007: US$1,010,000; 2006: share of tax of US$108,000) was included in "Share of profits and losses of jointly controlled entities and associates" in the consolidated income statement.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the parent (no adjustment for interest on the convertible bonds for the year ended 31 December 2008, 2007 and 2006 as it had no dilutive effect) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The computations of basic and diluted earnings per share are based on:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Earnings			
Profit attributable to ordinary equity holders of the parent for basic and diluted earnings per share	577,279	258,121	134,512

	Number of shares		
	2008	2007	2006
		(Restated)	*(Restated)*
Shares			
Weighted average number of ordinary shares	3,229,614,105	3,031,343,220	2,891,284,209
Dilutive effect of share options	77,584,495	80,008,198	80,372,116
Weighted average number of ordinary shares adjusted for the dilutive effect	3,307,198,600	3,111,351,418	2,971,656,325

The above have been adjusted for the scrip dividend of one share for every five then existing shares held.

9. DIVIDENDS PAID AND PROPOSED

During the year, a final cash dividend of US2.48 cents per share relating to the year ended 31 December 2007 (2006: US1.38 cents; 2005: US2.4 cents) was declared and approved at the annual general meeting and was paid during the year.

During the year, a scrip dividend in form of bonus shares was declared and approved at the annual general meeting and 548,532,323 shares were allotted to the shareholders of the Company on the basis of one share for every five then existing issued shares.

Details of the proposed final dividend for the years ended 31 December 2008, 2007 and 2006 are included in note 39 to the financial statements.

10. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Leasehold improve-ments	Vessels	Plant and equipment	Motor vehicles	Assets under development	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Cost:							
At 1 January 2006	27,265	8,865	21,140	49,036	3,319	—	109,625
Additions on acquisition of subsidiaries	3,424	—	—	82,752	331	—	86,507
Additions	6,133	1,254	18,757	52,221	1,231	—	79,596
Disposals	(755)	(26)	(10,214)	(1,222)	(679)	—	(12,896)
Exchange adjustments	(72)	32	—	2,122	215	—	2,297
At 31 December 2006 and at 1 January 2007	35,995	10,125	29,683	184,909	4,417	—	265,129
Additions on acquisition of subsidiaries	37,629	—	—	70,363	9,164	—	117,156
Additions	12,979	10,362	38,992	127,606	1,857	46,514	238,310
Disposals	(511)	(220)	—	(1,619)	(517)	—	(2,867)
Exchange adjustments	724	2,028	—	6,866	234	—	9,852
At 31 December 2007 and 1 January 2008	86,816	22,295	68,675	388,125	15,155	46,514	627,580
Additions	27,394	23,091	224	82,900	12,783	359,760	506,152
Disposals	(1,606)	(2,703)	(11,378)	(4,025)	(1,012)	—	(20,724)
Exchange adjustments	(2,118)	(5,046)	—	(7,284)	(80)	—	(14,528)
At 31 December 2008	110,486	37,637	57,521	459,716	26,846	406,274	1,098,480
Accumulated depreciation:							
At 1 January 2006	2,706	4,242	13,066	9,465	1,785	—	31,264
Provided during the year	957	1,078	2,834	6,860	805	—	12,534
Disposals	(153)	(16)	(8,585)	(694)	(358)	—	(9,806)
Exchange adjustments	8	(15)	—	427	253	—	673
At 31 December 2006 and at 1 January 2007	3,518	5,289	7,315	16,058	2,485	—	34,665
Provided during the year	1,373	1,908	7,055	15,713	1,026	—	27,075
Disposals	(484)	(57)	—	(866)	(379)	—	(1,786)
Exchange adjustments	244	605	—	427	40	—	1,316
At 31 December 2007 and 1 January 2008	4,651	7,745	14,370	31,332	3,172	—	61,270
Provided during the year	5,081	2,138	7,271	33,240	5,080	—	52,810
Disposals	(137)	(1,938)	(8,680)	(1,993)	(780)	—	(13,528)
Exchange adjustments	(146)	(890)	—	(4,764)	(90)	—	(5,890)
At 31 December 2008	9,449	7,055	12,961	57,815	7,382	—	94,662
Net book value:							
At 31 December 2006	32,477	4,836	22,368	168,851	1,932	—	230,464
At 31 December 2007	82,165	14,550	54,305	356,793	11,983	46,514	566,310
At 31 December 2008	101,037	30,582	44,560	401,901	19,464	406,274	1,003,818

As at 31 December 2008, land and buildings are situated in the PRC, Indonesia, Canada, India, Australia, Paraguay, Uruguay, Brazil and France. Freehold land and buildings amounted to US$36,185,000 (2007: US$35,268,000; 2006: US$21,430,000) and land and buildings under long term leases amounted to US$74,301,000 (2007: US$51,548,000; 2006: US$14,565,000).

Certain of the Group's vessels and land and buildings have been pledged to secure the Group's bank loans as set out in note 25 to the financial statements.

Assets under development include one under construction vessel amount of US$30,673,000 paid as at 31 December 2008. A memorandum of agreement was signed to deliver the vessel to a third party buyer on or before 31 October 2009.

11. PREPAID LAND LEASES

The Group's land leases are held under medium term leases and are situated in the PRC.

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
At 1 January	13,918	13,222	—
Additions on acquisition of subsidiaries	—	—	13,255
Amortisation during the year	(194)	(370)	(33)
Exchange adjustments	937	1,066	—
	14,661	13,918	13,222
Current portion included in prepayments, deposits and other receivables	(194)	(312)	(277)
Non-current portion	14,467	13,606	12,945

12. MINE PROPERTIES

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Mineral reserves and resources	25,959	67,442	18,629
Deferred mining costs	26,329	20,572	2,330
Mine development	35,216	32,212	25,898
	87,504	120,226	46,857

13. INTANGIBLE ASSETS

	Goodwill	Marketing rights	Total
	US$'000 *(Restated)*	*US$'000*	*US$'000*
Cost:			
At 1 January 2006	2,041	1,200	3,241
Acquisition of subsidiaries	5,576	—	5,576
Exchange adjustments	—	(15)	(15)
At 31 December 2006 and 1 January 2007	7,617	1,185	8,802
Acquisition of subsidiaries	27,535	—	27,535
Adjustment* (Note 28)	6,800	—	6,800
Additions	—	6,151	6,151
Exchange adjustments	—	19	19
At 31 December 2007 and 1 January 2008	41,952	7,355	49,307
Impairment during the year	(637)	—	(637)
Exchange adjustments	—	(85)	(85)
At 31 December 2008	41,315	7,270	48,585
Accumulated amortisation:			
Amortisation during the year 2006 and at 31 December 2006 and 1 January 2007	—	490	490
Amortisation during the year 2007	—	1,290	1,290
At 31 December 2007 and 1 January 2008	—	1,780	1,780
Amortisation during the year	—	3,279	3,279
At 31 December 2008	—	5,059	5,059
Net carrying amount:			
At 31 December 2006	7,617	695	8,312
At 31 December 2007	41,952	5,575	47,527
At 31 December 2008	41,315	2,211	43,526

* For the purpose of the 2007 audited financial statements, the Group quantified provisional fair values of identifiable assets and liabilities totaling US$75,549,000 as at the date of acquisition of the 100% equity interest of Usina Noroeste Paulista Ltda and Usina Meridiano Ltda on 31 January 2007 and recorded a provisional goodwill of US$27,410,000, pending the completion of a tax review of these subsidiaries. Such tax review was completed during the first quarter of 2008 confirming a net deferred tax liability of US$6,800,000 (Note 28) at the acquisition date. According to IFRS 3 "Business Combination", any adjustment arising as a result of the completion of the acquisition accounting analysis shall be applied retrospectively from the acquisition date. Accordingly, the comparative figures as at 31 December 2007 were restated to incorporate the effect of this adjustment with a corresponding increase in goodwill by the same amount.

As at 31 December 2008, certain goodwill with carrying amount of US$27,410,000 (2007: US$27,410,000; 2006: nil) has been allocated to the cash-generating unit for impairment testing. The recoverable amount of the agriculture cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management.

14. INTERESTS IN SUBSIDIARIES

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Unlisted shares, at cost	13,049	11,888	9,539
Due from subsidiaries	3,349,296	3,094,359	1,929,313
Due to subsidiaries	(760,697)	(488,219)	(194,447)
	2,601,648	2,618,028	1,744,405

Particulars of the Company's principal subsidiaries are set out in note 40 to the financial statements.

Except for the amounts due from subsidiaries of US$3,069,159,000 (2007: US$2,694,341,000; 2006: US$1,447,861,000) at 31 December 2008 which are unsecured, bear interest at a rate determined by the Group's treasury department and have no fixed terms of repayment, other amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The amounts due to subsidiaries of US$533,523,000 (2007: US$278,531,000; 2006: US$194,378,000) bear interest at a rate determined by the Group's treasury department.

15. INTERESTS IN JOINTLY CONTROLLED ENTITIES

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Share of net assets	10,253	5,881	2,693
Due from jointly controlled entities (unsecured, interest-free and have no fixed terms of repayment)	4,209	3,906	8,262
Goodwill on acquisition	16,596	1,591	1,591
Exchange adjustment	(1,450)	—	—
	29,608	11,378	12,546

The jointly controlled entities are indirectly held by the Company. Particulars of the major jointly controlled entities are as follows:

Name	Place of incorporation/registration	Percentage of Ownership interest	Percentage of Voting power	Percentage of Profit sharing	Principal activities
Jordan Grain Handling and Milling Co Ltd	Middle East	50	50	50	Operation of elevators and storage facilities
Uninoble Sociedad Anonima	Paraguay	50	50	50	Barge operations
NPC Industria E Comercio De Fertilizantes S.A.	Brazil	50	50	50	Supply of agricultural products
Botlek Tank Terminal B.V.	Netherlands	50	50	50	Storage and Transshipment of agribulk products and industrial oils

None of the above jointly controlled entities are audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network.

The summarised financial information of the jointly controlled entities is:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Share of the jointly controlled entities' assets and liabilities:			
Current assets	9,253	2,581	9,882
Non-current assets	9,715	17,269	1,493
Current liabilities	(2,783)	(5,056)	(8,727)
Non-current liabilities	(5,918)	(6,947)	—
Net assets	10,267	7,847	2,648
Share of the jointly controlled entities' results:			
Revenue	12,660	4,876	2,712
Other revenue	3,417	1,662	248
Total revenue	16,077	6,538	2,960
Expenses	(9,564)	(4,889)	(6,630)
Tax	(711)	(13)	—
Profit/(loss) for the year	5,802	1,636	(3,670)

16. INTERESTS IN ASSOCIATES

	Group			Company		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Share of net assets	139,897	149,995	1,602	—	—	—
Less: Provisions for impairment	(108)	(108)	(108)	—	—	—
	139,789	149,887	1,494	—	—	—
Goodwill on acquisition	1,362	3,696	1,362	—	—	—
Due from associates (unsecured, interest-free and have no fixed terms of repayment)	71,404	5,519	6,664	1,703	1,823	2,053
Exchange adjustment	(25,450)	—	—	—	—	—
	187,105	159,102	9,520	1,703	1,823	2,053

Particulars of the principal associates as at 31 December 2008 are as follows:

Name	Place of incorporation/ registration	Percentage of equity attributable to the Group	Principal activities
Pacific Chartering & Trading (Private) Limited	Pakistan	35	Vessel chartering agent
Transport Services International (Private) Limited	Pakistan	35	Vessel chartering agent
Territory Resources Limited	Australia	24	Iron ore mining
Middlemount Coal Pty Ltd (formerly Custom Mining (Middlemount) Pty Ltd)	Australia	25	Coal mining
M.H.A.G-Servicos & Mineracao S/A.	Brazil	30	Iron ore mining

Territory Resources Limited is a listed company. The market value of this investment based on the stock price at 31 December 2008 was US$7,034,000 (2007: US$74,387,000; 2006: Nil).

None of the associates are audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network. The above list of the associates of the Group, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give detailed information of other associates would, in the opinion of the directors, result in particulars of excessive length.

As at 31 December 2008, the Group has a shareholding in a company exceeding 20% of the entity's voting rights but where the Group is not in a position to exercise significant influence as it has no representative in that Company's board. The forementioned investment has been accounted for under long term investment according to the Group's accounting policy.

The summarised financial information of the Group's associates is:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Assets	265,922	262,044	14,309
Liabilities	(163,163)	(80,465)	(12,558)
Revenue	76,611	75,977	33,474
Loss for the year	(56,825)	(23,208)	(1,236)

17. LONG TERM INVESTMENTS

	Group			Company		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Unlisted equity investments, at cost	81,488	30,843	24,027	—	—	—
Less: Impairment provisions	(15,620)	(1,649)	(1,981)	—	—	—
	65,868	29,194	22,046	—	—	—
Listed investments, at market value	62,369	240,453	120,628	10,164	—	—
Unlisted investments, at fair value	451	390	706	—	—	—
	128,688	270,037	143,380	10,164	—	—

The Group's long term investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate. The fair values of listed equity investments are based on quoted market prices.

As at 31 December 2008, net losses of the Group's available-for-sale investments recognised directly in equity amounted to US$161,176,000 (2007: net gains of US$106,284,000; 2006: net losses of US$21,760,000), which includes an impairment loss of US$29,634,000 (2007: Nil; 2006: US$31,888,000).

18. AGRICULTURAL ASSETS

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
At 1 January	40,217	—	—
Addition on acquisition of a subsidiary	—	19,536	—
Additions	49,005	15,159	—
	89,222	34,695	—
Increase/(decrease) in fair value less point-of-sale costs	(5,179)	5,522	—
At 31 December	84,043	40,217	—

At the end of the financial year, the Group's agricultural assets comprised approximately 36,597 hectares (2007: 14,300 hectares; 2006: Nil) of sugar cane plantation in Brazil. The growing cycle of sugar cane is 5 years with an annual harvest, and the Group's plantation is fully planted and mature. During the year ended 31 December 2008, the Group harvested approximately 664,228 tons (2007: 780,000 tons; 2006: Nil) and left unharvested of 1,318,664 tons of sugar cane. The sugar cane crop is fully utilised in meeting the raw material requirements of the Group's Brazilian sugar cane crushing facility.

19. CASH AND CASH EQUIVALENTS

	Group			Company		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Bank balances and short term time deposits	1,038,055	257,600	448,713	816,956	104,968	31,933
Money market fund	—	—	47,120	—	—	—
Cash balances with futures brokers	280,194	412,991	103,311	—	—	—
	1,318,249	670,591	599,144	816,956	104,968	31,933

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. At 31 December 2008, the original maturity periods of all time deposits were less than 90 days (2007: 90 days; 2006: 90 days), and the effective interest rates ranged from 1% to 5% (2007: 1% to 7%; 2006: 3% to 8%;) per annum.

The money market fund was a highly liquid fund which comprises highly rated short term government securities, agency securities, and corporate debt securities, and is subject to insignificant risk of changes in value. The investment objective of the fund is to preserve principal and liquidity while maximising the return.

Included in the cash balances with futures brokers is an amount of US$142,491,000 (2007: US$199,450,000; 2006: US$19,427,000) which is not immediately available for use in the Group's business operations as it is earmarked to cover unrealised losses on futures contracts, and cannot be replaced by alternative collateral arrangements such as stand-by letters of credit.

20. TRADE RECEIVABLES

The Group's trading terms with its customers are partly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables are related to a large number of diversified customers, there is no significant concentration of credit risk by industry or geographical location. Trade receivables are non-interest-bearing.

Details of the provision for impairment of trade receivables are set out in note 31(b) to the financial statements.

As at 31 December 2008, the Group had discounted certain receivables to banks of US$351,983,000 (2007: US$241,294,000; 2006: Nil) (note 25) and certain portions of these receivables totaling US$291,876,000 (2007: US$197,440,000; 2006: Nil) have been derecognised against the same amounts of associated bank borrowings pursuant to the Group's derecognition accounting policy.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group			Company		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Prepayments *	264,094	234,430	225,443	—	—	—
Deposits and other receivables	627,914	380,981	116,916	10,582	4,379	1,189
Short term investments	3,530	15,738	6,110	2,827	—	—
Fair value gains on commodity forward and options contracts and derivative financial instruments	1,571,327	1,286,898	522,721	16,984	1,397	409
	2,466,865	1,918,047	871,190	30,393	5,776	1,598

* As at 31 December 2008, the Group had made certain prepayments to suppliers which were funded by bank borrowings of US$119,225,000 (2007: US$178,929,000; 2006: US$76,452,000) (note 25), and certain portions of the prepayments, amounting to US$102,616,000 (2007: US$127,639,000; 2006: US$59,757,000) had been derecognised against the same amounts of associated bank borrowings pursuant to the Group's derecognition accounting policy.

22. CONTRACTS IN PROGRESS/EXCESS OF PROGRESS BILLINGS OVER CONTRACT COSTS

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Contracts in progress:			
Direct costs incurred plus attributable profits less attributable losses	53,347	133,421	63,240
Progress billings received and receivable	(18,011)	(12,816)	(40,164)
	35,336	120,605	23,076
Excess of progress billings over contract costs:			
Direct costs incurred plus attributable profits less attributable losses	79,960	116,872	33,961
Progress billings received and receivable	(99,130)	(180,522)	(42,340)
	(19,170)	(63,650)	(8,379)

23. INVENTORIES

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Commodity inventories at fair value	1,445,453	1,439,822	909,517
Other inventories at the lower of cost and net realisable value	311,549	359,685	122,116
	1,757,002	1,799,507	1,031,633

At 31 December 2008, 2007 and 2006, certain of the Group's inventories were pledged as security for bank loans, as further detailed in note 25 to the financial statements.

24. TRADE AND OTHER PAYABLES AND ACCRUED LIABILITIES

	Group			Company		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Trade and other payables and accrued liabilities *	2,369,639	1,486,728	944,328	31,365	22,860	15,311
Fair value losses on commodity forward and options contracts and derivative financial instruments	1,137,570	959,618	257,412	57,428	3,743	—
	3,507,209	2,446,346	1,201,740	88,793	26,603	15,311

* The trade payables are non-interest-bearing and are normally settled within 30 - 60 days credit. As at 31 December 2008, the Group made provision for legal claims of US$9,000,000 (2007: US$9,400,000; 2006: US$6,800,000).

25. BANK DEBTS

	2008		2007		2006	
	Effective interest rate (%)	US$'000	Effective interest rate (%)	US$'000	Effective interest rate (%)	US$'000
Group						
Current bank debts maturing within 12 months:						
Bank loans	6	412,167	6	740,269	6	547,696
Current portion of long term bank debts	6	94,087	6	39,955	7	11,945
		506,254		780,224		559,641
Long term bank debts						
- secured portion maturing latest 2017	6	166,279	7	69,380	7	65,025
- unsecured portion maturing latest 2015	—	—	—	—	6	154,354
- unsecured portion maturing latest 2014	5	463,146	5	766,223	—	—
		629,425		835,603		219,379
		1,135,679		1,615,827	6	779,020
Company						
Current bank debts maturing within 12 months	4	305,903	6	307,306	6	224,031
Unsecured non-current bank debts maturing by 2015	—	—	—	—	6	147,948
Unsecured non-current bank debts maturing by 2011	5	424,504	5	711,902	—	—
		730,407		1,019,208		371,979

Notes:

(a) The effective average interest rate of bank loans and overdrafts denominated in US dollars of approximately US$920,836,000 (2007: US$1,229,766,000; 2006: US$275,517,000) is 5% (2007: 4%; 2006: 6%) per annum whereas that of bank loans and overdrafts denominated in other currencies of approximately US$214,843,000 (2007: US$386,061,000; 2006: US$503,503,000) is 6% (2007: 7%; 2006: 6%) per annum.

(b) Certain short term bank loans and overdrafts of an aggregated amount of US$29,060,000 (2007: US$89,567,000; 2006: US$101,835,000) were secured by certain trade receivables and inventories of the Group at 31 December 2008, 2007 and 2006.

(c) Certain long term bank debts of an aggregated amount of US$200,242,000 (2007: US$94,758,000; 2006: US$75,689,000) were secured by certain of the Group's vessels, and land and buildings, at 31 December 2008, 2007 and 2006, as set out in note 10 to the financial statements.

(d) Included in the non-current portion of debts was an amount of US$420,000,000 (2007: US$718,573,000; 2006: US$147,948,000) drawn under a revolving credit facility with a term of 35 months ending 18 July 2010.

During the year, the Company had discounted certain trade receivables (note 20) and made certain prepayments to suppliers which were funded by bank borrowings (note 21). Total bank loans drawn under these banking facilities as at 31 December 2008 amounted to US$471,208,000 (2007: US$420,223,000; 2006: US$76,452,000) in aggregate, certain portions of which, amounting to US$394,492,000 (2007: US$325,079,000; 2006: US$59,757,000), were derecognised against the associated trade receivables and prepayments pursuant to the derecognition accounting policy.

26. CONVERTIBLE BONDS

US$250,000,000 zero coupon convertible bonds due 13 June 2014

In June 2007, the Company issued US$250 million zero coupon convertible bonds. The convertible bonds are convertible into fully paid ordinary shares on and after 13 July 2007 up to the close of business on 13 May 2014 at an initial conversion price of S$2.779 per share (using a fixed exchange rate of S$1.5158 to US$1) as adjusted from time to time as described in the terms and conditions of the bonds. The conversion price of the bonds was adjusted to S$2.31 per share with effect from 26 May 2008 due to scrip dividend of one new ordinary share for every five shares held.

Unless previously redeemed, converted or purchased and cancelled, the bonds will be redeemed at 150.234% of their principal amount on 13 June 2014. The bonds may be redeemed any time after 13 December 2009 but not less than seven business days prior to 13 June 2014 if on each of any 20 trading days out of the 30 consecutive trading days, prior to the date upon which notice of such redemption is given, the closing price of the shares is at least 125% of the early redemption amount divided by the conversion ratio as defined in the terms and conditions of the bond.

The effective interest rate on the liability component of the convertible bond is 6.721%.

All or some of the bonds may be redeemed by the holder on 13 June 2011 at 126.186% of their principal amount.

27. SENIOR NOTES

US$700,000,000 Senior Notes due 17 March 2015

In March 2005, the Company issued 6.625% senior notes of US$700 million at 99.059%.

The Company may redeem some or all of the senior notes at any time on or after 17 March 2010 at the redemption prices stipulated in the agreement of the senior notes. In addition, the Company may redeem all, but not less than all, of the senior notes at a price equal to their principal amount plus the accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If the Company experiences specific kinds of change of control, the Company must offer to repurchase the senior notes.

During the year 2008, the Company repurchased US$20,000,000 of its US$700,000,000 6.625% senior notes. Such senior notes were cancelled on 6 November 2008. Following the cancellation, the total amount of senior notes outstanding is US$680,000,000.

US$500,000,000 Senior Notes due 29 May 2013

In May 2008, the Company issued 8.500% senior notes of US$500 million at 100%.

The Company may redeem all or any portion of the notes at 100% of the principal amount plus applicable premium plus accrued and unpaid interest stipulated in the agreement of the notes. At any time prior to 30 May 2011, the Company may redeem up to a maximum of 35% of the outstanding notes, with the proceeds of certain equity offerings, at 108.500% of the principal amount plus accrued and unpaid interest. In addition, the Company may redeem all, but not less than all, of the notes at a price equal to their principal amount plus accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If the Company experiences change of control, the Company must offer to repurchase all notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest.

28. DEFERRED TAX ASSETS/LIABILITIES

Deferred tax assets have been recognised at 31 December 2008 in respect of tax losses arising in different tax jurisdictions that are available for offsetting against future taxable profits of the group companies in which the losses arose. Deferred tax assets of US$88,636,000 (2007: US$23,337,000; 2006: US$9,869,000) have not been recognised in respect of those losses that have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that sufficient taxable profits will be available against which to utilise the tax losses.

Deferred tax liabilities have been provided at 31 December 2008, 2007 and 2006 mainly for the temporary differences arising from the tax depreciation allowance in excess of related accounting depreciation and fair value adjustments from derivative financial instruments calculated at prevailing applicable tax rates.

The movements of the Group's deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

	Losses available for offsetting against future taxable profit	Fair value adjustments from derivative financial instruments	Total
	US$'000	*US$'000*	*US$'000*
At 31 December 2006	2,692	—	2,692
Credited to the income statement	3,821	2,620	6,441
At 31 December 2006 and 1 January 2007	6,513	2,620	9,133
Credited/(debited) to the income statement	3,922	(2,620)	1,302
At 31 December 2007 and 1 January 2008	10,435	—	10,435
Credited/(debited) to the income statement	(7,876)	43,331	35,455
At 31 December 2008	2,559	43,331	45,890

Deferred tax liabilities

	Tax depreciation allowance in excess of related depreciation	Fair value adjustments from long term investments	Fair value adjustments from derivative financial instruments	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
At 1 January 2006	10,536	—	—	10,536
Credited to the income statement	(1,677)	—	—	(1,677)
Debited to equity	—	8,162	—	8,162
At 31 December 2006 and 1 January 2007	8,859	8,162	—	17,021
Debited to the income statement	14,350	—	2,954	17,304
Debited to equity	—	169	—	169
Adjustment (Note 13)	6,800	—	—	6,800
At 31 December 2007 and 1 January 2008 (Restated)	30,009	8,331	2,954	41,294
Debited to the income statement	460	—	66,992	67,452
Debited/(credited) to equity	—	(8,331)	34,859	26,528
At 31 December 2008	30,469	—	104,805	135,274

29. SHARE CAPITAL

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Authorised:			
12,000,000,000 (2007: 12,000,000,000; 2006: 12,000,000,000) shares of HK$0.25 each, equivalent to HK$3,000,000,000 (2007: HK$3,000,000,000; 2006:HK$3,000,000,000)	387,097	387,097	387,097
Issued and fully paid:			
3,231,330,564 (2007 (restated): 3,124,178,744; 2006 (restated): 2,903,891,968) shares of HK$0.25 each, equivalent to HK$807,832,641 (2007: HK$650,870,572; 2006: HK$604,977,493)	103,736	83,617	77,743

Notes:

(a) The movements of the Company's issued share capital during the year were:

	2008	2007	2006
	share'000	*share'000 (Restated)*	*share'000 (Restated)*
At 1 January	2,603,482	2,419,910	2,397,719
Issue of shares on exercise of share options (note 30)	38,013	20,621	21,941
Share-based payment	15,891	22,268	250
Issue of share upon conversion of convertible bonds	—	142,385	—
Repurchase of own shares	(74,588)	(1,702)	—
Placement of shares	100,000	—	—
Issue of bonus shares on 26 May 2008 of one share for every five then existing shares held	548,532	—	—
	3,231,330	2,603,482	2,419,910
Effect of bonus shares on 26 May 2008 of one share for every five then existing shares held	—	520,697	483,982
At 31 December	3,231,330	3,124,179	2,903,892

(b) The Company repurchased 74,588,000 (2007: 1,702,000; 2006: Nil) of its own shares on the SGX-ST as details below:

	Number of shares repurchased	Price per share		Consideration
		Lowest	Highest	
		US$	*US$*	*US$'000*
For the year ended 31 December 2008	74,588,000	0.466	1.128	61,184
Brokerage and commission charge				118
Total consideration				61,302

	Number of shares repurchased	Price per share		Consideration
		Lowest	Highest	
		US$	*US$*	*US$'000*
For the year ended 31 December 2007	1,702,000	0.987	1.012	1,722
Brokerage and commission charge				11
Total consideration				1,733

30. EMPLOYEES' SHARE OPTION SCHEMES

(a) The principal rules of the Noble Group Employees' Share Option Schemes are as follows:

	2001 Scheme	2004 Scheme
Established on	11 September 2001	17 January 2005
Eligible members	Eligible employees and executive and non-executive directors of the Company, its subsidiaries and associates	
Exercise price	Market Price Options — The average of the last dealt price of the Company's shares, as determined by reference to the daily official list published by the SGX-ST, for the three consecutive trading days immediately preceding the offer date of the options, rounded up to the nearest whole cent. Incentive Options - The exercise price applicable to Market Price Options minus a maximum discount not exceeding 20% of such price with the prior approval obtained from the shareholders of the Company in a general meeting. In no event may the subscription prices of the Market Price Options and Incentive Options be less than the nominal value of the Company's shares.	
Maximum number	Aggregate number of Market Price Options and Incentive Options over which the Company may grant options on any date, when added to the number of shares issued and issuable in respect of all options granted under the 2004 Scheme and other share option schemes of the Company, may not exceed 15% of the issued share capital of the Company at any time.	
Duration	10 years from the date of its adoption	
Vesting condition	Minimum vesting period of one year with full time employment for Market Price Options and two years for Incentive Options	
Cash settlement	Not available	
Members of Remuneration and options committee at date of report	Messrs. Richard Samuel Elman (Ex officio), Edward Walter Rubin (Chair) and Robert Tze Leung Chan	

(b) A summary of the above share option schemes is as follows:

	2001 Scheme Number of shares	2004 Scheme Number of shares	Total Number of shares	Weighted average price US cents
At 1 January 2006	139,925,940	22,800,000	162,725,940	33.41
Granted	—	42,300,000	42,300,000	65.06
Exercised	(21,940,500)	—	(21,940,500)	15.34
Forfeited	(17,442,440)	(1,950,000)	(19,392,440)	44.83
At 31 December 2006 and 1 January 2007	100,543,000	63,150,000	163,693,000	45.77
Granted	—	76,375,734	76,375,734	96.91
Exercised	(20,620,761)	—	(20,620,761)	36.14
Forfeited	(24,777,500)	(15,820,234)	(40,597,734)	47.44
At 31 December 2007 and 1 January 2008	55,144,739	123,705,500	178,850,239	72.94
Granted at market prices	—	37,885,000	37,885,000	138.39
Exercised	(36,503,350)	(1,510,000)	(38,013,350)	24.40
Forfeited	(396,000)	(26,725,200)	(27,121,200)	85.70
Adjusted due to issue of bonus shares	4,052,598	31,598,100	35,650,698	—
At 31 December 2008	22,297,987	164,953,400	187,251,387	83.91

The weighted average remaining contractual life for the share options outstanding as at 31 December 2008 is 2.5 years (2007: 3 years; 2006: 5 years). The range of exercise prices for share options outstanding as at 31 December 2008 was US17.88 cents to US$1.52 (2007 (restated): US7.10 cents to US$1.05; 2006 (restated): US6.67 cents to US82.01 cents).

(c) The weighted average fair value of share options granted during the year was US68.95 cents (2007: US46.66 cents; 2006: US15.77 cents). The fair value of equity-settled share options granted is estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the years ended 31 December 2008, 31 December 2007 and 31 December 2006.

	2008	2007	2006
Dividend yield (%)	1.41-2.83	1.19-1.57	3.36
Expected volatility (%)	47-57	42-45	37
Historical volatility (%)	47-57	42-45	37
Risk-free interest rate (%)	1.59-3.23	3.13-3.56	2.92-3.35
Expected life of option (years)	2.5-10	1-6	1-8
Weighted average share price (US$)	1.62	0.99	0.70

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects management's best estimate of the Company's share price volatility to the time to maturity of the share option.

Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled or forfeited prior to their exercise date are deleted from the register of outstanding options.

(d) No share options of the above schemes have been granted to any participants who are controlling shareholders of the Company or their associates. Pursuant to Practice Note 9h Clause 2(b) of the Listing Manual of the SGX-ST, information required for participants of the schemes who are directors has been disclosed in the "Directors' interests in shares" section of the Report of the Directors.

(e) There were no directors or employees who received 5% or more of the total number of share options available under the schemes during the year ended 31 December 2008 except as disclosed below.

Name of participant	Share options granted during the year ended 31 December	Aggregate number of share options granted as since the commencement of schemes to 31 December	Aggregate number of share options exercised/ lapsed since the commencement of schemes to 31 December	Aggregate number of share options outstanding as at 31 December
	2008	2008	2008	2008
Harindarpal Singh Banga	—	37,400,000*	37,400,000	—
Kishore Rajvanshy	—	34,711,750*	33,211,750	1,500,000*

* The above have been adjusted for the scrip dividend of one share for every five then existing shares held.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Effective risk management is a fundamental aspect of the Group's business operations. In the ordinary course of the Group's business, it is exposed to market risk, credit risk, political and country risk and liquidity risk. The policies for managing each of these risks are summarised below.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of assets held by the Group including financial instruments, physical commodities and industrial assets will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, and commodity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios. The market risk for the trading portfolio is managed and monitored using a fully diversified portfolio Value at Risk ("VaR") methodology and stress analysis. VaR limits have been established for all trading operations and exposures are reviewed daily against the limits by the Group's risk management department and senior management team. Non-trading positions are managed and monitored using other sensitivity analyses.

Market risk — Trading

Market risk for the Group's trading activities includes commodity price risk, foreign exchange risk and interest rate risk. The Group's overall trading risk program seeks to minimise potential adverse effects on the Group's financial performance by using a range of derivative financial instruments to hedge these risk exposures.

The vast majority of the Group's purchase and sales transactions arising from its trading activities are denominated in US dollars, which represents the functional currency for a majority of the business operations of the Group. In transactions denominated in currencies other than the functional currency, the specific future cash flows are hedged through foreign currency hedging instruments. Accordingly, the impact arising from foreign currency risk on the Group's trading activities is minimal.

The Group's operating profit is substantially independent of changes in market interest rates as a significant portion of the Group's working capital financing is floating rate combined with the company's short cash flows cycle. The majority of the Group's working capital financing represents floating rate debt. The Group is able to significantly pass through a variation in interest rates to its clients due to the short trade cycle. The rest of the financing requirement is met by fixed rate borrowings.

The Group's Board of Directors has established limits for the level of acceptable risk. The Group applies a VaR methodology to assess the market risk positions held and to estimate the potential economic loss based upon a number of parameters and assumptions for various changes in market conditions. VaR is a method used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon. The Group uses a non-linear VaR model based on Monte-Carlo simulations.

Objectives and limitations of the VaR Methodology

The Group uses simulation models to assess possible changes in the market value of the trading portfolio. The VaR models are designed to measure market risk in a normal market environment. The models assume that any changes occurring in the risk factors affecting the normal market environment will follow a normal distribution. The distribution is calculated by using exponentially weighted historical data. The use of VaR has limitations because it is based on historical correlations and volatilities in market prices and assumes that future price movements will follow a statistical distribution. Due to the fact that VaR relies heavily on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated if changes in risk factors fail to align with the normal distribution assumption. The VaR may also be under or over-estimated due to the assumptions placed on risk factors and the relationship between such factors for specific instruments. Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 95% confidence level.

In practice the actual trading results will differ from the inferred VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are back tested regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the Group would withstand an extreme market event.

VaR assumptions

Within the model limitations the VaR that the Group measures is an estimate, using a confidence level of 95% of the potential loss that is not expected to be exceeded if the current market risk positions were to be held unchanged for one day. The use of a 95% confidence level means that, within a one day horizon, losses exceeding the VaR figure are not expected to occur, on average, more than once every twenty days.

At 31 December 2008, the Group's consolidated VaR as a percentage of prevailing shareholders' equity was 1.21% (2007: 1.30%; 2006: 4.14%) and the average daily, highest and lowest for the year of 2008 was 1.75%, 2.99% and 0.99% (2007: 1.87%, 4.59% and 0.59%). The Group's VaR model has been developed from late 2006 and hence comparative data for the highest, lowest and average VaR is not available.

Market risk — Non-trading

Interest rate risk

The Group's non-trading interest rate risk arises from interest bearing cash and cash equivalents, loans receivables as well as from debt obligations and other loans. The Group manages its exposure to interest rate risk by using a combination of fixed and floating rate debt as well as interest rate swaps in consideration of the Group's overall interest rate exposure from time to time as well as the current and forecast interest rate environment.

The following table sets out the carrying amounts, by maturity, of the Group's variable interest rate cash and cash equivalents, loan receivables and borrowings that are exposed to interest rate risk as at 31 December:

	Cash and cash equivalents	Loan receivables	Current bank debts	Long term bank debts
	US$'000	*US$'000*	*US$'000*	*US$'000*
2008				
On demand or < 3 months	1,318,249	—	378,179	26,162
3 - 12 months	—	—	33,988	67,925
1 - 2 years	—	—	—	109,566
2 - 5 years	—	—	—	404,321
> 5 years	—	19,124	—	115,538
Total	1,318,249	19,124	412,167	723,512
2007				
On demand or < 3 months	670,591	—	61,105	—
3 - 12 months	—	—	679,164	39,955
1 - 2 years	—	—	—	15,523
2 - 5 years	—	—	—	759,270
> 5 years	—	12,148	—	60,810
Total	670,591	12,148	740,269	875,558
2006				
On demand or < 3 months	599,144	—	76,039	—
3 - 12 months	—	—	471,657	11,945
1 - 2 years	—	1,708	—	156,285
2 - 5 years	—	3,139	—	24,296
> 5 years	—	—	—	38,798
Total	599,144	4,847	547,696	231,324

Foreign currency risk

The Group is exposed to currency risks from its operating, investing and financing activities. Foreign exchange management is overseen by the Group's treasury department in Hong Kong, our regional offices and in some operating companies, which are all subject to the Group's foreign exchange policies. As stated above, the vast majority of the Group's trading activities are denominated in US dollars, which represents the functional currency for the majority of the business operations of the Group. The Group has a policy of squaring all its foreign currency risk from its trading activities. Thus the impact arising from foreign currency risk on the Group's trading activities is minimal. The Group also uses foreign exchange hedging in respect of its more significant operating expenses.

The Group publishes its consolidated financial statements in US dollars and as a result, it is also subject to foreign currency exchange translation risk in respect of the results and underlying net assets of its foreign operations. Net investments in foreign countries are long term investments. Their fair value changes through movements in currency exchange rates. In the very long term, however, the difference in the inflation rate correlates to the currency exchange rate movements, so that the market value of the foreign non-monetary assets will compensate for the change due to currency movements. For this reason, the Group only hedges the net investments in foreign subsidiaries in exceptional circumstances.

Commodity risk

Certain commodity positions of the Group are regarded as structural. These positions are not included in the VaR model but are managed separately by management through use of position limits. The sensitivity of the value of these commodity positions, and the corresponding impact on net profit after tax, for a 0.5% movement in the relevant underlying price is US$2,000,000 (2007: US$1,500,000; 2006: US$500,000). The actual price movement may exceed that which has been used to show the sensitivity.

(b) **Credit risk**

The Group is exposed to credit risk from its operating activities and certain financing and investing activities. Concentrations of credit risks exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's exposure to credit risk is broadly diversified along industry, product and geographic lines, and transactions are entered into with a diverse group of counterparties. Financial assets which potentially expose the Group to credit risk consist of cash and cash equivalents, marketable securities, receivables, payables, and prepayments and derivative instruments. The Group manages its exposure to credit risk via credit risk management policies which establish credit risk limits based on the overall financial strength of a counterparty.

The Group's cash and cash equivalents and short term deposits are placed with a diversified group of high quality financial institutions. Significant cash levels are maintained with institutions which are investment grade rated.

Counterparty credit risk arises from our normal business operations involving purchases and sales transactions, and thus receivables, as well as transactions which may involve a financing risk, for example associated with prepayments. These risks are addressed by individual counterparty analysis and the creation of risk limits which are monitored on an ongoing basis. Given the nature of our business operations, which involves a diversified counterparty base across a global business platform, the impact of individual risk exposure is reduced. Further our trade receivables related payment risk is reduced as a high proportion of our trade receivables are either investment grade rated or we have received a letter of credit from a investment grade rated financial institution. We also frequently utilise insurance and banking markets to minimise counterparty risk exposure.

Credit risk associated with our hedging activities is largely managed through trading on established commodity exchanges. Hedging activities in the over-the-counter market are largely confined to investment grade counterparties.

The maximum exposure to credit risk before the consideration of collateral or other credit enhancements received is represented by the carrying amounts of the financial assets that are carried in the balance sheet, including derivatives with positive market value.

The Group also obtains guarantees, collateral, credit enhancements, and insurance to manage, reduce or minimise other credit risk. As at 31 December 2008, the fair value of such collaterals and credit enhancements, including cash deposits, parent company guarantees, letters of credit and credit insurances, was US$1,452,467,000 (2007: US$1,083,560,000; 2006: US$680,701,000).

As at 31 December 2008, trade receivables at nominal value of US$52,702,000 (2007: US$22,817,000; 2006: US$12,830,000) were impaired and fully provided for. Movements in the provision for impairment of receivables were as follows:

	2008	**2007**	**2006**
	US$'000	*US$'000*	*US$'000*
At 1 January	22,817	12,830	9,921
Provision for impairment	30,063	19,125	3,063
Amounts written off	(178)	(9,138)	(154)
At 31 December	52,702	22,817	12,830

As at 31 December, the analysis of trade receivables outstanding with no provision for impairment is as follows:

	Total	**< 30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**>120 days**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
2008	931,399	849,623	23,265	33,465	—	25,046
2007	950,142	918,713	10,353	10,459	7,730	2,887
2006	808,362	740,623	49,213	4,132	4,628	9,766

(c) **Political and country risk**

The Group trades its products in many countries and manages its exposure to country risk through its insurance department located in Hong Kong and Singapore. We mitigate our political and country risk by transferring such risk to or otherwise covering such risk with major financial institutions and in the political risk insurance market. The Group may be required to retain a small portion of the risk in conjunction with the transfer of the risk.

(d) **Liquidity risk**

The Group's liquidity risk management strategy includes: (a) projecting cashflows from operations and investment activities by major currency, (b) maintaining sufficient cash and liquid investments, (c) availing of funding through access to committed credit facilities, (d) accessing to a diverse number of banking facilities under bi-lateral credit facilities, (e) maintaining a diversified tenor of financing instruments to reduce re-financing risk, and (f) creating market access to a diverse array of funding products with which to access a broad investor base while creating additional flexibility with respect to terms and condition, interest rate mix, and other financial considerations.

As at 31 December 2008, the Group had cash and cash equivalents of US$1,318,249,000 (2007: US$670,591,000; 2006: US$599,144,000). As at 31 December 2008, the Group had committed banking facilities totaling US$2,346,000,000 (2007:US$1,896,000,000; 2006: US$1,075,000,000), under which the Group had access to the issuance of letters of credit and guarantees as well as revolving credit loans and margin deposit facilities of which US$1,190,000,000 was available (2007: US$636,000,000; 2006: US$765,000,000).

The Group also possesses bi-lateral bank facilities with over 50 banks totaling US$4,028,000,000 (2007: US$3,451,000,000; 2006: US$2,676,000,000) under which the Group had access to cash borrowings and trade finance products.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted payments.

	Bank debts	Convertible bonds	Senior notes	Trade and other payables and accrued liabilities	Derivative financial instruments	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
2008						
On demand	17,885	—	—	1,204,780	36,251	1,258,916
< 3 months	386,456	—	—	1,035,576	371,804	1,793,836
3 - 12 months	101,914	—	—	123,182	606,871	831,967
1 - 5 years	513,886	261,430	492,285	2,423	118,511	1,388,535
> 5 years	115,538	—	666,731	3,678	4,133	790,080
Total	1,135,679	261,430	1,159,016	2,369,639	1,137,570	6,063,334
2007						
On demand	61,105	—	—	744,210	547,518	1,352,833
< 3 months	599,190	—	—	682,150	160,419	1,441,759
3 - 12 months	119,929	—	—	60,368	124,811	305,108
1 - 5 years	774,793	243,935	—	—	126,870	1,145,598
> 5 years	60,810	—	684,297	—	—	745,107
Total	1,615,827	243,935	684,297	1,486,728	959,618	4,990,405
2006						
On demand	76,039	—	—	305,467	66,455	447,961
< 3 months	392,859	—	—	581,199	104,972	1,079,030
3 - 12 months	90,743	—	—	57,662	52,514	200,919
1 - 5 years	180,581	108,915	—	—	33,471	322,967
> 5 years	38,798	—	682,295	—	—	721,093
Total	779,020	108,915	682,295	944,328	257,412	2,771,970

32. DERIVATIVE FINANCIAL INSTRUMENTS

The Group recognises all derivative financial instruments on the balance sheet at fair value. The Group's definition of a derivative financial instrument includes forward purchase and sale contracts for commodities which do not form part of the Group's manufacturing or processing activities. Derivative financial instruments that are not hedges are adjusted to fair value through the income statement. If a derivative financial instrument is a cash flow hedge, changes in the fair value of the derivatives are recognised in a separate component of equity until the hedged item is recognised in earnings. Any ineffective portion of a hedging derivative's change in fair value is recognised in the income statement.

The fair values of derivative financial instruments as other receivable / other payable as at 31 December 2008 are included in the balance sheet as follows:

	Maturity					
	Less than 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**Over 4 years**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
2008						
For trading purposes recorded in:						
Other receivables						
Commodity contracts	1,121,059	204,789	70,748	37,078	—	1,433,764
Foreign exchange contracts	13,184	53	1,067	—	—	14,304
Other payables						
Commodity contracts	(871,075)	(53,625)	(2,954)	(4,379)	(2,843)	(934,876)
Foreign exchange contracts	(19,616)	—	—	—	—	(19,616)
For cashflow hedges purposes recorded in:						
Other receivables						
Commodity contracts	46,225	55,634	4,302	2,718	—	108,879
Foreign exchange contracts	12,467	1,913	—	—	—	14,380
Other payables						
Commodity contracts	(115,290)	(51,791)	—	(1,382)	(5,377)	(173,840)
Foreign exchange contracts	(8,942)	(296)	—	—	—	(9,238)

	Maturity					
	Less than 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**Over 4 years**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
2007						
For trading purposes recorded in:						
Other receivables						
Commodity contracts	1,027,583	130,797	16,633	13,415	11,677	1,200,105
Foreign exchange contracts	19,200	—	—	—	—	19,200
Other payables						
Commodity contracts	(727,443)	(113,882)	(5,956)	—	—	(847,281)
Foreign exchange contracts	(21,135)	(42)	—	—	—	(21,177)
For cashflow hedges purposes recorded in:						
Other receivables						
Commodity contracts	41,517	10,238	3,249	—	—	55,004
Foreign exchange contracts	12,589	—	—	—	—	12,589
Other payables						
Commodity contracts	(83,966)	(4,962)	(1,480)	—	—	(90,408)
Foreign exchange contracts	(204)	(548)	—	—	—	(752)

	Maturity					
	Less than 1 year	1-2 years	2-3 years	3-4 years	Over 4 years	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
2006						
For trading purposes recorded in:						
Other receivables						
Commodity contracts	412,822	19,298	22,974	16,834	33,272	505,200
Foreign exchange contracts	3,013	—	—	—	—	3,013
Other payables						
Commodity contracts	(221,261)	(32,784)	(687)	—	—	(254,732)
Foreign exchange contracts	(2,653)	—	—	—	—	(2,653)
For cashflow hedges purposes recorded in:						
Other receivables						
Commodity contracts	8,644	1,667	—	—	—	10,311
Foreign exchange contracts	4,197	—	—	—	—	4,197
Other payables						
Commodity contracts	—	—	—	—	—	—
Foreign exchange contracts	(27)	—	—	—	—	(27)

Cash flow hedges

As at 31 December 2008, the Group entered into foreign exchange forward contracts designated as hedges for the purchases of raw materials and settlement of selling and administrative expenses; forward freight agreements designated as hedges for vessel chartering contracts; and oil and coal swap contracts designated as hedges for the sales of coal produced from the Group's coal mine.

The cash flow hedges of the expected future purchases of raw materials and settlement of selling and administrative expenses, future vessel chartering contracts and future sales of coal produced from the Group's coal mine were assessed to be highly effective. Included in equity as at 31 December 2008 were net unrealised losses after minority interests in aggregate of US$29,830,000 (2007: unrealised gain of US$99,195,000; 2006: US$9,298,000).

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

	Carrying amount			Fair value		
	2008	2007	2006	2008	2007	2006
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Convertible bonds #	273,113	255,573	115,166	237,444	310,315	116,182
Senior notes	1,159,016	684,297	682,295	843,857	654,459	641,065

\# Convertible bonds comprise the liability component and the equity component of US$261,430,000 (2007: US$243,935,000; 2006: US$108,915,000) and US$11,683,000 (2007: US$11,638,000; 2006: US$6,251,000), respectively.

The Group's long term investments and derivative financial instruments are carried in the balance sheet at their fair values. The carrying amounts of the Group's bank borrowings which bear floating interest rates approximate to their fair values.

Market values have been used to determine the fair value of listed convertible bonds, listed senior notes and listed long term investments. The fair value of bank debts and borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates. The fair value of the majority of commodity forward purchase and sale contracts and other derivative financial instruments are determined by reference to quoted market/futures prices at the close of business at the balance sheet date. Certain commodity forwards are valued using valuation models that make use of management estimates in addition to quoted market data. US$31,000,000 was recognised as unrealised losses for the year in the income statement in relation to these contracts.

The following financial assets and liabilities are not carried at fair value in the balance sheet:

(i) Unlisted long term equity investments
The unlisted long term equity investments are generally carried at cost as their fair values could not be reliably measured.

(ii) Bank balances, trade receivables and payables, other receivables and payables, and all receivable and payable balances with subsidiaries, jointly-controlled entities and associates. The carrying amounts of these balances approximate to their fair values because of the immediate or short term maturity of these financial instruments.

34. CAPITAL MANAGEMENT

The Group's capital management focuses on ensuring the ability to continue as an ongoing concern in order to provide an adequate return to our shareholders and economic benefits for our other stakeholders.

The Group manages its capital structure and makes adjustments to it in consideration of many factors including a) the changes in general economic conditions, b) the availability of comparatively advantageous financing strategies, c) the cost of financing and d) the impact of changes in our liquidity and funding to our commercial activities. In order to adjust or maintain the capital structure, the Group may issue debt of either a fixed or floating nature, arrange committed debt facilities, issue new shares, adjust dividend payments, or consider investments in or the sale of assets or businesses.

The Group is permitted to purchase its own shares in the market and keeps them as treasury shares under a shareholder approved plan which permits a 20% share buyback policy. The policy is reviewed annually and re-approved at the general shareholders' meeting each year.

The Group assesses the overall need for capital to be utilised in its business activities taking into account the intended use of the capital. In addition, we assess the use of the capital with respect to several factors including its cost, availability, and our ability to generate adequate returns in the future. Our primary use of capital in 2008 was for working capital and capital investments.

We calculate the level of capital required to finance our working capital requirements using traditional and modified financial metrics including working capital/sales and adjusted working capital to sales (to take into account non-cash items in working capital). In addition, we utilise debt capital to finance a portion of our working capital requirements and monitor the level of working capital debt using net adjusted working capital which takes into account the application of cash. The net adjusted working capital of the Group decreased from US$1,815 million at 31 December 2007 to US$1,503 million at 31 December 2008 (31 December 2006: US$1,810 million) due primarily to the decrease in commodity price levels which in turn reduced revenue levels.

The Group assesses the level of debt capital used to finance capital investment in respect of the projected risk and returns of these investments using a number of traditional investment and analytical models including discounted cash flows. We also assess the use of debt capital to fund such investments relative to the impact on the Group's overall debt capital position and capital structure.

Generally, the Group will look to maintain a capital structure which maintains a debt/capital mix which allows the Group to maintain a satisfactory debt servicing ability within historical levels as well as to achieve or maintain investment grade ratings from the international credit rating agencies.

We monitor the level of debt by calculating the Group's net adjusted financial debt (gross debt less cash) to take into account that inventory which has been pre-sold or hedged. We believe this modified metric is meaningful as it reflects the quality, liquidity, short duration and existence of widely available markets with which we can readily convert our inventory assets to cash.

At 31 December 2008 the Group's liquid assets (being cash and cash equivalents plus readily marketable inventories) exceeded its financial debt by US$358,000 (2007: financial debt in excess of liquid assets of US$279 million; 2006: US$91 million). The Group's net adjusted financial debt to equity was 18% at 31 December 2007 and 9% at 31 December 2006.

In order to ensure we have adequate capital we regularly assess and quantify the potential capital requirements of the Group in respect to both balance sheet use as well as the use of capital in respect of our trading positions.

Capital is calculated as the total debt and equity which is available to Noble. At present we calculate the sum of total bank and capital market debt and equity capital of the Group to be US$4,407 million (2007: US$4,094 million; 2006: US$2,527 million) consisting of US$2,556 million (2007: US$2,544 million; 2006: US$1,570 million) of short and long term debt and $1,851 million (2007: US$1,550 million; 2006: US$957 million) consisting of equity capital. During the year the level of equity capital rose mainly due to increased retained earnings less dividends paid, offset by reductions in the long term investment revaluation reserve and the purchase and cancellation of shares. We assess the overall level of debt in the capital structure by calculating the Group's total debt/book capitalisation. At 31 December 2008 the ratio was at 58%, a significant improvement compared to previous years (2007: 62%; 2006: 62%).

The increase in debt capital reflected management's determination that the debt capital could be deployed to obtain higher returns for shareholders. At 31 December 2008 the Group's return on shareholders' capital after payment of those interest and related costs was 34.0% compared to 20.6% at 31 December 2007 and 14.9% at 31 December 2006.

35. OPERATING LEASE COMMITMENTS

(a) As lessor

The Group leases its vessels under operating lease arrangements, with leases negotiated for terms within ranging from 3 months to 8 months. Future minimum lease receivables under non-cancellable operating leases with its tenants falling due as at 31 December 2008 were as follows:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Within one year	27,517	25,514	22,468
In the second to fifth years, inclusive	—	6,961	27,461
	27,517	32,475	49,929

(b) As lessee

The Group leases certain of its vessels and office properties under operating lease arrangements for terms ranging from 2 days to 20 years. Future minimum lease rentals payable under non-cancellable operating leases as at 31 December 2008 were as follows:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Within one year	83,551	243,653	123,246
In the second to fifth years, inclusive	77,624	87,732	102,448
After five years	18,942	13,825	6,186
	180,117	345,210	231,880

36. CAPITAL COMMITMENTS

At 31 December 2008, the Group has entered into contracts to acquire certain property, plant and equipment of US$299,500,000 (2007: US$197,800,000; 2006: US$22,350,000) which have not been provided for in the financial statements.

37. CONTINGENT LIABILITIES

As at 31 December 2008, the Group had contingent liabilities in respect of guarantees given to the banks and financial institutions for banking facilities granted totaling US$25,783,000 (2007: US$33,820,000; 2006: US$7,250,000) and bills discounted with recourse of US$1,403,000 (2007: Nil; 2006: Nil). The Company had contingent liabilities as follows:

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Guarantees given to the banks and financial institutions for banking facilities granted	5,915,158	3,874,945	3,113,247
Utilised facilities	440,248	672,144	704,665
Guarantees given to trade counterparties	1,948,531	1,510,052	480,500
Utilised facilities	304,437	170,944	84,405

38. RELATED PARTY TRANSACTIONS

During the year, the Group made sales to, purchases and commission income from associates of US$2,466,000 (2007: Nil; 2006: Nil), US$92,070,000 (2007: US$31,374,000; 2006: nil) and US$2,958,000 (2007: Nil; 2006: Nil) respectively. The directors considered that the sales, purchases and commission income were made according to prices and conditions similar to those offered to other vendors and customers of the associates.

Details of the Group's balances with jointly controlled entities and associates as at the balance sheet date are included in notes 15 and 16 to the financial statements, respectively.

In addition to the above transactions, the Company had the following income and expense from the subsidiaries and associates:-

	2008	2007	2006
	US$'000	*US$'000*	*US$'000*
Interest income	173,864	172,909	86,026
Interest expense	(28,813)	(16,384)	(31)
Commission on guarantee provided	3,232	1,549	1,655

Details of the key head office management personnel's remuneration are included in note 6 to the financial statements.

39. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the directors recommend the payment of a final dividend of US4.4 cents per share in respect of the financial year ended 31 December 2008. The dividend proposals are subject to the shareholders' approval at the forthcoming annual general meeting.

In addition the Company will propose a Scrip Dividend Scheme ("Scheme") whereby shareholders entitle to this dividend may elect to receive either cash or an allotment of ordinary shares in the Company credited as fully paid in lieu of cash. The payment of the Scrip Dividend will be subject to the receipt of in-principle approval from the SGX-ST for the listing and quotation of the new shares which may be issued under the Scheme in connection with the final dividend.

40. LIST OF PRINCIPAL SUBSIDIARIES

Name	Place of incorporation/ registration	Nominal value of issued share capital	Principal activities
Chongqing Xinfu Food Co., Ltd	The PRC	USD12,000,000	Soybean crushing and refining activities
Cocaf Ivoire. S.A	Ivory Coast	Francs CFA 1,150,000,000	Supply of agricultural products
Coniston Limited	Hong Kong	HK$2	Ship ownership
Donaldson Coal Holdings Limited	Australia	AUD204,945,942	Holding company
Donaldson Coal Pty Limited	Australia	AUD6,688,782	Coal mining
Evera Sociedad Anonima Comerical	Uruguay	UYU43,200,000	Supply of agricultural products
Finora International Inc	Canada	CAD5,000,001	Supply of agricultural products
Fleet Management Limited	Hong Kong	HK$2	Technical shipment services
Fleet Shipping Co. Inc.	Republic of Panama	USD2	Ship ownership
Fleet Ship Management Inc.	British Virgin Islands	USD20	Technical ship management services
Longkou Xinlong Edible Oil Co., Ltd.	The PRC	USD20,000,000	Soybean crushing and refining activities
Midhill Limited	Hong Kong	HK$1	Ship ownership
Newcastle Coal Company Pty Limited	Australia	AUD2,300,999	Coal mining
Noble Americas Corp.	United States of America	USD8	Supply of industrial and energy products
Noble Argentina S.A.	Argentina	Argentina Peso 55,958,800	Supply of agricultural products
Noble Brazil Ltda	Brazil	BRL30,061,618	Supply of agricultural products
Noble Carbon Credits Limited	Ireland	EUR1	Trading of carbon emission credits
Noble Chartering Inc.	British Virgin Islands	USD50,000	Ship chartering
Noble Chartering Limited	Hong Kong	HK$2	Provision of management services
Noble Chemicals B.V.	Netherlands	EUR2,500,000	Supply of energy products
Noble Europe Limited	United Kingdom	£520	Provision of management services
Noble Grain India Private Limited	India	Rs359,723,260	Soybean crushing and refining activities
Noble Mount Investments Limited	Hong Kong	HK$1	Ship ownership
Noble Netherlands B.V.	Netherlands	EUR17,696,400	Investment holding
Noble Paraguay Sociedad Anonima	Paraguay	PYG10,000,000	Operation of ports elevators
Noble Resources Limited	Hong Kong	HK$10,000	Supply of industrial products
Noble Resources Group Limited	British Virgin Island	USD3,509,551	Investment holding

Name	Place of incorporation/ registration	Nominal value of issued share capital	Principal activities
Noble Resources Pte. Ltd.	Singapore	S$15,090,002	Supply of agricultural, industrial and energy products
Noble Resources SA	Switzerland	CHF3,900,000	Supply of agricultural, industrial and energy products
Noble Trade Finance Hong Kong Limited	Hong Kong	HK$2	Provision of trade finance services
PT Sanga Coal Indonesia	Indonesia	Rp18,240,000,000	Coal mining
Qinzhou Dayang Cereals and Oils Company Limited	The PRC	RMB100,000,000	Soybean crushing and refining activities
Stelmont Group Limited	British Virgin Islands	USD2,964,267	Investment holding
Usina Noroeste Paulista Ltda	Brazil	BRL19,521,779	Sugar crushing and ethanol production

The Company held 100% equity interests in all the above subsidiaries as at 31 December 2006, 2007 and 2008 except (i) Donaldson Coal Holdings Limited, Donaldson Coal Pty Limited and Newcastle Coal Company Pty Limited in which the Company held a 68.5% (2007: 78.5%; 2006: 78.5%) interest; (ii) Noble Grain India Private Limited 51% (2007: 51%; 2006: 51%) and (iii) Noble Mount Investments Limited 100% (2007: Nil).

All the subsidiaries, other than Noble Resources Group Limited, are indirectly held by the Company. The above list of subsidiaries of the Company, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

All the subsidiaries, other than Noble Europe Limited which is audited by Littlejohn Frazer, are audited by Ernst & Young for statutory audit or consolidation purposes. Noble Resources Pte. Ltd. is audited by Ernst & Young Singapore.

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