

Louis Dreyfus
Commodities

2012

ANNUAL REPORT





Today we help to feed and clothe up to 500 million people, originating, processing and transporting approximately 70 million tons of commodities around the world annually.

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A LETTER FROM MARGARITA LOUIS-DREYFUS



Margarita Louis-Dreyfus
Chairwoman of Louis Dreyfus Group

2012 was an exceptionally successful year for the Group. In a complex environment, Louis Dreyfus Commodities has once again been able to deliver impressive value thanks to a devoted management team and dedicated employees worldwide; they have earned the Group a place among the best performers in the industry. The Group has experienced tremendous growth over the last eight years: its size has quadrupled and profits have been multiplied by ten. This exceptional, profitable growth is the result of a long-term strategy based not only on investment and diversification but also on stable governance, increasingly sustainable practices and the development of the Group's human capital.

STABILITY OF OWNERSHIP

For more than 160 years, the Louis-Dreyfus family has provided long-term shareholder support to a Company that is now one of the most successful and profitable actors in the agriculture industry. I am convinced that alongside shareholder stability, a long-term vision based on entrepreneurship and social responsibility is crucial in a business like ours, which requires significant investments and a strong reputation. Continuity, accountability and a long-term perspective are even more important in a world besieged by financial calamities and a general lack of trust. The stability that family ownership provides will enable the Group to face the challenges brought on by a continuously changing environment. I see it as my role and responsibility to enhance this stability, and thus enable the Group to continue creating long-term value.

SUSTAINABLE BUSINESS PRACTICES

Louis Dreyfus Commodities' most significant challenge and responsibility today is to play an important part in feeding and clothing the earth's growing population. At current rates of increase, the number of humans on the planet is due to top the 9 billion mark by 2050. Production of agricultural goods will have to double to match the ensuing demand for food. Louis Dreyfus Commodities is making significant investments in its business so that it will be able to provide solutions for getting the right product to the right place at the right time.

Our Group wants to play a leading role in meeting this formidable challenge. Corporate social and environmental responsibility must be the driving force behind its mission. One of my roles is to ensure that the Company follows best practices, including sensitivity to environmental issues that are so critical to business longevity.

Sustainability is naturally a major concern for Louis Dreyfus Commodities as it aims to provide solutions for the long term. The Company made its commitment to sustainable business practices public by signing the UN Global Compact while simultaneously launching a Corporate Statement on Sustainability. The Group has been involved in more than 100 community initiatives and projects in many different areas. It also makes significant investments in health and safety, and the working environment.

SEIZING OPPORTUNITIES, DEVELOPING THE GROUP

While unforeseeable economic, political and natural events will continue to make the outlook uncertain, I am confident in the Group's business fundamentals over the long term. I believe that the steps taken over recent years will provide a solid foundation as we continue to build our capabilities as a global leader in agribusiness.

The Group will continue to gain strategic advantages from its scale and financial strength, as well as from its ability to understand customer needs, its leadership on environmental and social responsibility, and its ability to attract and develop the best people. Louis Dreyfus Commodities will remain disciplined in the pursuit of its business plan; it has the portfolio, people and capabilities required to make the most of the many opportunities that lie ahead.

I am proud to have witnessed the ongoing success of Louis Dreyfus Commodities. I would like to express my appreciation to all our clients around the world for their trust and confidence in the Group's ability to deliver, and to all our employees for their unfailing commitment throughout 2012. I trust that the executive and senior management teams will continue to rise to the challenges ahead. We are building a successful future for the Company on the foundations of Louis Dreyfus Commodities' 162-year history – for the benefit of shareholders, partners and all other stakeholders around the world.

A handwritten signature in dark ink, appearing to read 'Margarita Louis-Dreyfus', written in a cursive style.

Margarita Louis-Dreyfus
Chairwoman of Louis Dreyfus Group



Serge Schoen
Chief Executive Officer

A MESSAGE FROM OUR CEO

This annual report is a unique opportunity to review our achievements and performance of the past year. It is also an occasion to take a step back and reflect on our business, our Company and the challenges ahead before engaging in a new year of action.

OUTSTANDING PERFORMANCE IN A COMPLEX ENVIRONMENT

Louis Dreyfus Commodities delivered an exceptional performance in 2012. Despite highly volatile markets, challenging weather conditions and political turmoil, we completed our best year ever with NIGS (Net Income Group Share) of US\$1.1 billion (excluding Biosev's contribution prior to ring fencing), an impressive 25% higher than in 2011.

Thanks to the progress achieved by all of our platforms, we estimate that Louis Dreyfus Commodities now represents more than 9% of the trade flows in agricultural products. In 2012, we transported and processed more than 70 million tons of commodities.

While our entire industry continues to operate in tough conditions, Louis Dreyfus Commodities exhibited remarkable strength. We delivered approximately US\$57 billion in sales, US\$2.3 billion in gross margin, and US\$1.1 billion in net income (excluding Biosev's contribution prior to ring fencing). Thanks to this outstanding performance, we posted an industry-leading return on equity of 28.3%.

Our diversified business model, best-in-class risk management, continued investment in industrial assets and long-standing commercial relationships all converged to deliver a rise of nearly 7% in volumes (which, combined with price decreases, led to a slight decrease of our revenues amounting to less than 1%).

Conversely, our sugarcane milling business, Biosev (formerly LDC-SEV and now a sister company to Louis Dreyfus Commodities), suffered from weak cane yields and low ethanol prices. Biosev has improved its operations; today, the company is working on its long-term development, with 2013 planned as a turning point for its funding.

2012 BUILDS ON OUR LONG-TERM VISION

As a Company, we mobilize considerable resources – more than 20 000 employees (more than 38 000 including Biosev) at peak season, in 113 offices across 48 countries, with a global reach extending to over 90 countries. Additionally, our balance sheet boasts more than US\$3.7 billion in fixed assets and investments in associates (rising to US\$7 billion if we include Biosev).

In 2012, we launched a range of initiatives to support and implement our business strategy along four main themes: geographic, platform and value chain diversification; ongoing professionalization of the Company; reinforced financing capabilities; and cost optimization.

Securing our long-term vision through capital expenditures

Our US\$0.7 billion investment plan in 2012 (US\$1.2 billion including Biosev) enabled us to expand our logistic and industrial asset footprint at origin and destination. Among our investments, we completed two significant transactions supporting our diversified growth. First, the acquisition of the global dairy firm Ecoval allowed the Dairy Platform to develop global-scale activities. Second, we reinforced our sugar presence in North America; we entered the sugar distribution business through the purchase of Imperial Sugar, a major sugar refiner in the US with a portfolio of well-known brands.

These acquisitions are two clear examples of how capital expenditure shapes the development of our Company. We understand the value of regular investments – between 2006 and 2011 we invested US\$3.2 billion (US\$ 4.9 billion including Biosev) – and we plan to maintain this trajectory. We have established a US\$5 billion investment plan through 2017 (US\$7 billion if we include Biosev).

Nurturing talent for the future

We continue to recognize the value of talent and the importance of placing the right people in the right positions. Not only did we strengthen our management structure, we also created new roles in our ongoing effort to enhance the professionalization of our management teams so as to fully support our geographies, platforms, and the diversification of the value chain.

Wherever possible, we leverage the promotion of internal talent. When needed, we hire new people to boost business competencies within the Group. In order to harness and develop our internal competencies, we continue to hone our talent management process so that we are faster and more effective when making decisions about people allocation.

“In 2012, we launched a range of initiatives to support and implement our business strategy along four main themes: geographic, platform and value chain diversification; ongoing professionalization of the company; reinforced financing capabilities; and cost optimization.”

A pipeline of financing options

For the first time, in 2012 Louis Dreyfus Commodities entered into the capital markets, successfully obtaining public financing in the form of a US\$350 million perpetual bond. The bond, listed on the Singapore exchange and largely oversubscribed, reflects investor interest and confidence in our business model and creditworthiness. In addition, the Group and Biosev together have access to approximately US\$20 billion of funding.

Improving cost efficiency

A particular focus on costs across our organization resulted in the introduction of systematic performance analyses function by function, and the development of global competency centers. They are tasked with supporting the regions with expertise in their areas that will allow us to operate in a leaner and more efficient manner while ensuring consistency across the Company.

FARMERS: THE KEY TO OVERCOME THE UPCOMING CHALLENGES FOR AGRICULTURE COMMODITIES

Our long-term vision is aligned to support the future challenge of feeding the world's population. With 2 billion additional mouths to feed by 2050, and food production that will need to almost double in the next 40 years, stakes are high.

In the past, yield improvements accounted for almost 80% of food production progress. However, yields are reaching a ceiling in many regions of the world, except for those beset by underinvestment over the last 30 years. Yet to increase output and productivity in an enduring manner, major investments are exactly what is necessary to take agriculture practices to the next level, especially in areas where the yields and productivity are still below average.

Farmers must play a central role in feeding a growing world population. They are the primary agriculture investors at the heart of production, and they should be supported financially; they often operate in difficult conditions, especially in developing countries where investments are scarce.

At Louis Dreyfus Commodities, we believe that if farmers are allowed to work unhindered by political issues, lack of capital, and unpredictable legal and business framework, they could feed the earth's population. We serve as the link between these farmers and the consumers, from farm to fork. We provide farmers agricultural inputs and financing, and we give farmers visibility by buying the production at predictable prices.

The reinforcement of our Fertilizers & Inputs Platform is also a move to intensify our connection with farmers through an end-to-end offer. Furthermore, as a major investor in logistics assets, we ensure the physical connection with final consumers.

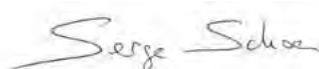
“Farmers must play a central role in feeding a growing world population.”

FACING THE FUTURE WITH CONFIDENCE

After such an exceptional year, we aim to continue to outpace the market in 2013. Rigorous business practices, proven risk management skills and broad intellectual capabilities are the foundation for our ongoing goal to feed and clothe the world's soaring population, while delivering value to our shareholders.

Our 2013 US\$0.9 billion investment plan will play a fundamental role in helping us achieve our aggressive targets. We also plan to be ambitious in our financing, and to increase our access to public capital. In addition, we intend to leverage previous investments to maximize efficiency and to optimize our processes. We will also seek to facilitate commercial and cost synergies.

Managing the delicate balance of food production, customer demand, risk management and adequate financing, we must remain vigilant and agile, but confident and enterprising as well. We have repeatedly proven that we are able to succeed in arduous and unpredictable environments. I am confident that our dedicated people, our strategic assets and our long-term business strategy will deliver great success in 2013.



Serge Schoen
Chief Executive Officer
Member of the Supervisory Board



OUR COMPANY

- ▶ Profile
- ▶ Louis Dreyfus Commodities around the World
- ▶ Value Chain
- ▶ History

PROFILE



20 000+
people*
(at peak season)
globally


Approximately
20%
employee
owned

Operations
in more than
90 countries

Matrix
organization of
6 regions and
13 platforms

162 years
of experience

* More than 38 000 people at peak season including Biosev



Louis Dreyfus Commodities is privately held by the Louis Dreyfus Group, and controlled by the family foundation established by Robert Louis-Dreyfus. It is approximately 20% employee owned.

GETTING THE RIGHT FOOD TO THE RIGHT LOCATION AT THE RIGHT TIME

Louis Dreyfus Commodities is a global merchandiser of commodities, a major asset owner and a processor of agricultural goods. With more than 160 years of experience, our portfolio has grown to include Oilseeds, Grains, Feed, Rice, Freight, Finance, Juice, Cotton, Coffee, Sugar, Metals, Dairy and Fertilizers & Inputs.

Our diversified activities span the value chain where we operate from farm to fork. Dedicated to providing sustenance for our planet, today we help to feed and clothe up to 500 million people, originating, processing and transporting approximately 70 million tons of commodities around the world annually.

The Louis Dreyfus Commodities Group is owned approximately 80% by the Louis Dreyfus Group with the balance held by employees. Structured as a matrix organization of 6 geographical regions and 13 business lines or “platforms,” Louis Dreyfus Commodities is present in more than 90 countries and employs more than 20 000 people globally at peak season (38 000 with Biosev).

Our drive to expand and diversify has brought outstanding gains and sustainable year-on-year growth. In 2012 we posted US\$57.1 billion in net sales*.

Louis Dreyfus Commodities is in the privileged position of contributing to the vital growth of agricultural commodities destined to feed much of the earth’s population. With this leadership role comes great responsibility to ensure we minimize the impact of our businesses and industrial operations through sustainable practices. As global appetite for agricultural commodities continues to rise, we are poised and ready to take on the extraordinary task of helping people around the world meet their basic needs through a robust environmental management program.

In the context of an underlying long-term imbalance of supply and demand to feed and clothe the world’s population, we are acutely aware of the challenges that lie ahead. In order to safeguard and enhance the Group’s performance, Louis Dreyfus Commodities has implemented a sophisticated risk management process, allowing us to manage the risk inherent in the complex supply chain from field to end consumer.

*Year ended 31 December 2012

PROFILE

continued...

OUR VISION

We help people around the world meet everyday needs for sustenance: getting the right food to the right location at the right time.

In a world beset by increasingly scarce resources, yet in parallel facing the vital challenge to feed and clothe a growing global population, Louis Dreyfus Commodities stands out as a leading global commodities company ready to service the global community.



OUR ENGAGEMENT

We are committed to delivering compelling solutions to every single customer by providing them with safe and quality products in the most efficient manner.

Our engagement is to provide a safe workplace for our employees and to conduct our business in a way that is ethical and environmentally sustainable.



OUR MISSION

To feed and clothe people around the world, Louis Dreyfus Commodities is deployed globally, across an impressive number of commodities.

We are present all along the value chain, from farm to fork, through farming, origination, logistics, processing, warehousing, risk management, financing, marketing and distribution.

To be a leader in the industry, we leverage our deep market knowledge, our long-term stakeholder partnerships, our superior business and risk management capabilities. Our proven expertise over 162 years, and our ever-growing performance demonstrates our ability to use our existing competitive advantages, and to continually build new ones. Our strength also lies in our deep understanding of – and our connection to – the agriculture world.



We help people around the world meet everyday needs for sustenance: getting the right food to the right location at the right time.



LOUIS DREYFUS COMMODITIES AROUND THE WORLD



OTHER

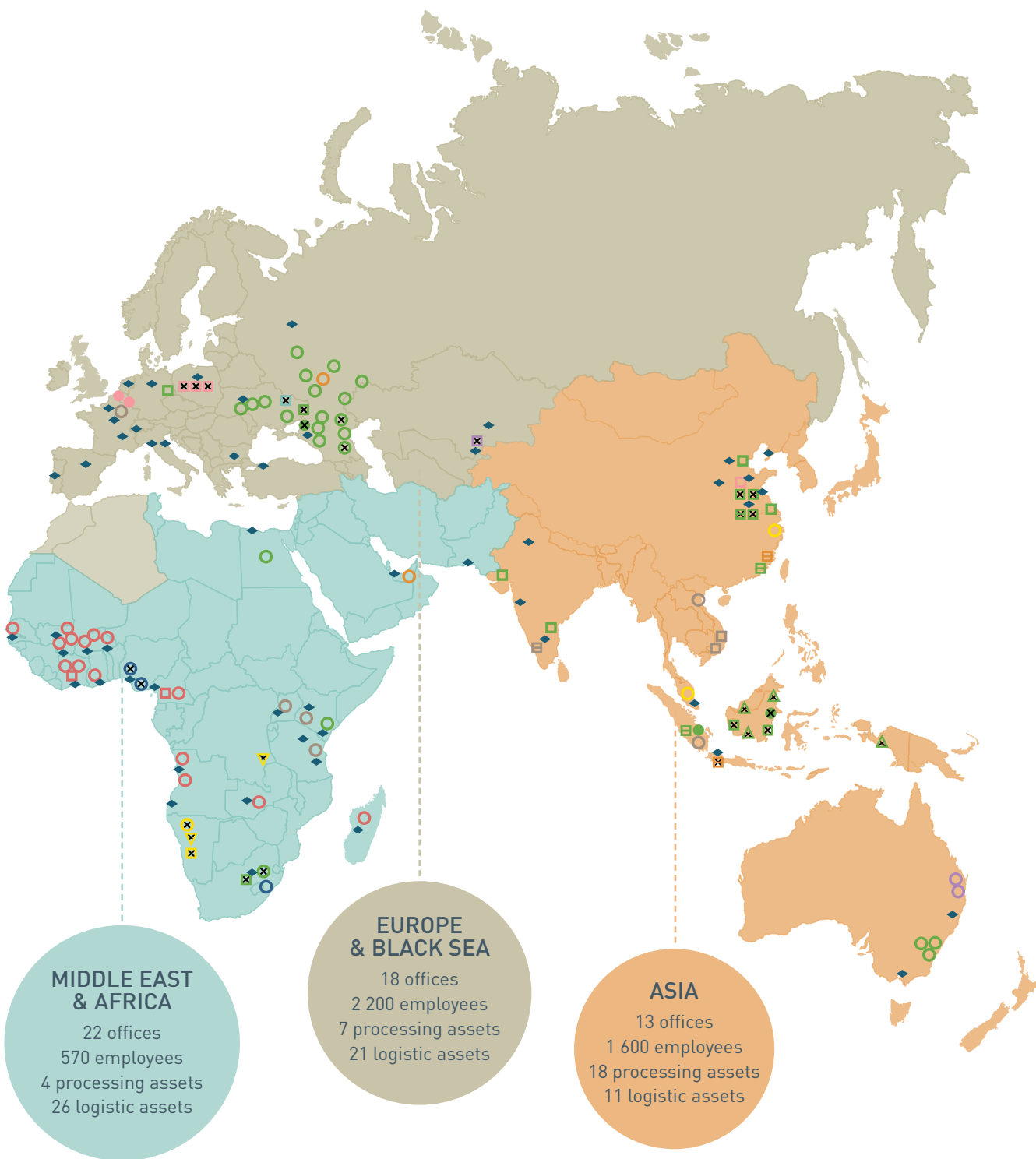
- ◆ Office

PLATFORMS

- Grains & Oilseeds
- Rice
- Coffee
- Cotton
- Sugar
- Juice
- Dairy
- Fertilizers & Inputs
- Metals

ASSETS WHERE WE OPERATE

- △ Farming
- Processing asset
- Logistic asset – storage
- Logistic asset – transport
- ▽ Mining
- Under construction
- ✕ Tolling agreement, off-take contract, minority stake, land lease



VALUE CHAIN

At Louis Dreyfus Commodities we lock in synergies between our asset base and our sales and marketing operations to generate value for all stakeholders.



We originate and produce...

diverse commodities through our global network of producers and joint ventures. We own farms and plantations, notably in North Latin America and South Latin America. Ongoing investments in prime agricultural land support our long-term strategy to secure origination for our processing assets and merchandising activities. Our major farm products are sugarcane, palm oil, oranges and lemons. We also operate farming land for soy, corn, wheat, cotton, sunflower seeds and rice.

We process and refine...

across all continents using strategically-located production and processing assets. Our assets provide a robust industrial base, affording us valuable control over the quality and movement of supplies along the value chain. Each business platform manages the assets that support their product lines. And in each region, synergies between our assets ensure we maximize our distribution flows.



Key fact:

- ▶ Today we own and operate a total of more than **180 000 hectares of farming land** distributed around the world.

Key fact:

- ▶ We have **processing assets** located strategically **across the globe**.

Hand-picked assets anchored at strategic points along the entire length of the value chain protect our supplies and allow us to efficiently serve our customers.



We store and transport...

supplies, leveraging logistic assets in our worldwide distribution network. Our storage assets include warehouses and silos in a number of key locations within the global network, and our products are transported by road, rail, air and sea. Louis Dreyfus Commodities' Freight Platform handles shipments by sea for our own business, as well as for third parties. The efficient integration of our assets allows us to control costs, to mitigate risk, and to create optimum synergies in the value chain.

Key fact:

- ▶ We operate at least one **major port facility** in all our regions.



We research and merchandise...

to collect unparalleled market intelligence for all our platforms. In each country where we operate, dedicated research teams focus on conditions that may influence our products. Their expert knowledge is shared across all our platforms, providing valuable data to ensure we secure the best prices for our customers.

Key fact:

- ▶ We are one of the **world's largest merchandisers** of wheat, corn and rice.



We customize and distribute...

our product portfolio to our broad customer base, from huge multinationals to local manufacturers. We are a leading packager of frozen orange juice in the US, supplying most of the country's grocery store chains. Brands in our Dairy Platform include Jolait®, Milait®, Sunny Farms and Montex. The Group's recent acquisition of US sugar refiner Imperial Sugar added the Imperial Sugar, Dixie Crystals® and Holly® brands to our product range.

Key fact:

- ▶ **Imperial Sugar** is the **second largest standalone sugar refiner** in the US.

HISTORY



Léopold Louis-Dreyfus, the 18-year-old son of a farmer from Sierentz, Alsace, lays down the roots of today's international corporation.

He enters the grain business by buying **wheat** from local Alsatian farmers and commercializes the grains in Basel, Switzerland.



Fast forward a further 50 years and the Group's portfolio has expanded from grains and oilseeds to cotton, sugar, citrus, coffee, metals and rice.

1851

By 1951 – 100 years later – the business has achieved a global footprint with offices in Europe, North and South America, South Africa, India, Indo-China, China, Australia and Russia.



In the **1990s** and early **2000s** the Group backs origination activities, buying processing operations in citrus and oilseeds, as well as sugar production assets.

From our beginnings over 160 years ago to our position today as a world leader in the merchandising of commodities and the processing of agricultural goods, Louis Dreyfus Commodities has skillfully spanned the passage of time. Amid ceaseless global change we have kept a sharp eye on opportunities for growth and diversification, adeptly guiding our business to success.



In **2006** a new era begins for the Group when **Robert Louis-Dreyfus (1946-2009)**, the founder's great-grandson, restructures the different activities into **autonomous subsidiaries**, including the creation of **Louis Dreyfus Commodities**.

The same year **Serge Schoen** becomes CEO of Louis Dreyfus Commodities.



2011
The Group enters the feed milling sector in China, a strategic step marking first entry into the sector.



Expansion of our logistic assets in Africa with the acquisition of fertilizer distributor SSI.

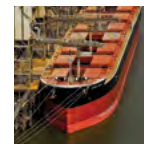
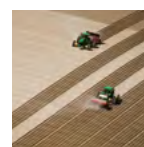
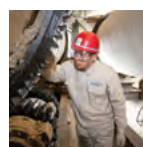
2010
For the past five years, drive, commitment and hard work deliver a consistent performance with sales **CAGR of 28%**.

Our fixed asset base increases fivefold from 2006 to 2010, with a **value exceeding US\$6 billion**.



▶ 2012

Today we help to feed and clothe up to **500 million people**.



- ▶ We pursued our ambitious capital expenditure and improvement strategy through multiple investments throughout the year.
- ▶ We acquired Imperial Sugar, a US listed company, which further expanded our industrial base, added a new consumer product to our Sugar offering and reinforced our presence in North America.
- ▶ We expanded our Dairy portfolio with the acquisition of Ecoval, a leading international dairy trading company. Our activities now include a full range of milk-related products.

OPERATING SUSTAINABLY

Louis Dreyfus Commodities is committed to building robust sustainability principles into the value chain. As a signatory of the United Nations Global Compact, we adhere to the ten principles relating to human rights, labor, the environment and anti-corruption.

We have integrated these principles into our daily business life, establishing vital collaborations with international organizations and stakeholders to advance diverse sustainability themes.

PARTNERS

How we manage sustainability has a direct impact on our business partnerships. Increasingly, regulatory or customer-driven requirements for sustainable practices influence and govern agreements we have entered into with our partners.

It is imperative that relations with customers, suppliers and financial institutions include sustainability commitments. To maintain our commitment to sustainable business practices and ensure we remain a partner of choice, we have set the following objectives:

- ▶ to actively participate in sustainability-related organizations and roundtables, including certification of products where appropriate
- ▶ to make our Corporate Code of Conduct available, and hold our partners to the same level of accountability we demand of ourselves
- ▶ to share our experiences and learn from our stakeholders through open discussions
- ▶ to provide consistent and transparent reports on our progress in implementing the ten principles of the UN Global Compact and in meeting our own sustainability objectives

PEOPLE

At Louis Dreyfus Commodities, we know it is imperative to invest in our people. We want every employee to reach his or her full professional potential.

We have set ourselves the following objectives to protect and invest in our people:

- ▶ to achieve zero fatalities and to minimize serious accidents; our ultimate target is to create an accident-free environment for all our employees and subcontractors
- ▶ to be “best in class” in employee development, notably in training and education
- ▶ to promote discrimination-free working environments
- ▶ to work with our partners to eradicate forced labor and child labor from any entity associated with our value chain



Balikpapan,
Indonesia

COMMUNITY

Due to our origination, transportation, processing and logistics activities, we are integrated with communities all over the world. We are committed to building long-term partnerships with each of them and to effectively contribute to their sustained well-being. Our goal is to have measurable and lasting positive impacts on communities where we operate.

We have set ourselves a series of goals to guide our work with local communities:

- ▶ to assist in the economic development of communities connected to our industrial and agricultural operations, and to improve their quality of life
- ▶ to invest in programs linked to the themes of agriculture, food and children

We respect and comply with the laws and regulations in all of the countries in which we operate, and we apply international conventions regarding our operations. Maintaining an open dialog with stakeholders and communities is essential.

We prefer to sponsor projects with specific objectives and needs versus cash donations, and seek programs where our employees have the opportunity to participate and volunteer.

ENVIRONMENT

Environmental stewardship is at the core of our operational procedures and practices, and we have articulated key objectives in this area:

- ▶ to continually improve our performance and to reduce our environmental footprint
- ▶ to comply with national and subscribed international conventions and to adhere to the principles and criteria of pertinent organizations

Under our Safety, Health and Environment (SHE) program, we have developed the Louis Dreyfus Commodities Environmental Management System (EMS). Working hand-in-hand with industry best practices, EMS is driving environmental management and conservation across all our operations.

Since 2011, many of our platforms have been required to provide audited Greenhouse Gas (GHG) emission calculations for their entire product value chain. Measuring and monitoring our carbon emissions not only helps us to understand the impact of our operations in greater detail, but also to adjust where possible and meet internationally accepted standards for GHG.

Maintaining biodiversity is another important part of our environmental responsibilities. Our platforms are expected to be proactive in choosing suppliers who are active in biodiversity protection. They must also seek assurance from suppliers regarding their land use management.



São Paulo, Brazil
Processing asset

OPERATING SAFELY

Safety at Louis Dreyfus Commodities is a top priority. Our Safety, Health & Environment (SHE) Management System brings the very highest standards into our daily workplace. We are committed to creating a safe and healthy work environment for our employees and for third parties invited to access our premises. With a global approach to managing employees' safety and health, it is our policy to ensure we maintain compliance with all applicable legal requirements.



Regional SHE managers, together with country managers and regional CEOs, are responsible for defining safety and health improvement plans and setting goals at Louis Dreyfus Commodities' offices. Ultimately, standards and objectives are directed by our Senior Executive Committee.

Plant and farm managers as well as SHE managers in our industrial, logistic and agricultural units are responsible for ensuring the rigorous implementation of SHE measures. They also make sure that all employees are adequately trained and equipped to follow our SHE policy and all local safety procedures.

NUMBER OF ACCIDENTS FALLS

In 2012, the frequency of accidents in our plants fell by a significant 33%, and the severity of such accidents by 18%.

Among other initiatives, this year we launched the Group's Behavior-Based Safety program. Based on scientific findings in behavioral psychology, this program is designed to foster and develop a culture of safe behavior. The essence of the program is that each individual is responsible for his, or her, own safety, as well as for the safety of those around them. In addition, we are holding training courses and the first comprehensive safety risk assessment for all processing assets. The Coffee and Juice Platforms have implemented specific SHE trainings which apply our safety management procedures and policies. We have conducted numerous defensive and safe driving courses in Brazil.

On March 14, 2012, we also successfully completed our third annual Safety Day event. This marked a brilliant opportunity to underline the responsibility of each employee to improve site safety. All locations, both office and industrial, organized activities designed to raise safety awareness.

As a further achievement, in 2012 we completed the translation of our SHE policy and management system into our Contractor Safety program. It is now an integral part in the selection process for suppliers working with our installations.





OPERATING EFFICIENTLY

Paraguáçu, Brazil
Processing asset

OPERATING SUSTAINABLY

With more than 200 industrial assets spread across the world, improving their performance is a top priority for Louis Dreyfus Commodities. With new initiatives rolled out in 2012, our plants continue to harvest the fruit of ambitious and continuous improvement programs and multi-year master plans.

Each region now has a dedicated project management team to support our expansive capex growth plan. We continue to strengthen our relationship with industrial partners for the engineering or construction of new assets around the world.

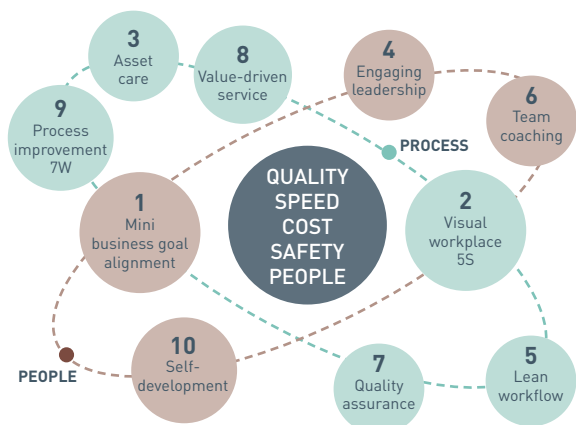
In 2012, we rolled out a practical measurement and control system to support inventory management of our logistics and processing assets. In order to tackle the risks related to

physical inventories of feed stock and finished goods, we have implemented a comprehensive action plan which includes new governance rules, such as mandatory weigh-ups or zero out-of-inventories, and the installation of product flow measuring systems (scales or weighbridges).

We have also created a global maintenance “competency center,” which gathers together our regional and platform industrial maintenance leaders from our operations around the world. In Brazil and Argentina we have implemented a set of Key Performance Indicators, and maintenance management systems, which have led to a reduction in maintenance costs and higher availability of our assets. Our objective is to ensure that more than 60% of our maintenance operations are proactive. This will allow all assets to reach 95%, or more availability, and will reduce our maintenance costs by 20% over the next 3 years.

The first assignment for the global competency center is to focus on new technologies and process improvements. We have started various product mix improvement projects, including the production of lecithin, for instance, or the development of promising new technologies to generate additional yields at our oilseed extraction plants.

Finally, in 2012 the Group continued the global rollout of our Lean Manufacturing Program, called DNA (Develop New Attitudes). DNA is now active in 11 countries, and on 34 industrial sites. The program targets production and maintenance teams in processing plants, and has developed a large number of ongoing improvement initiatives to enhance our operations, through process automation, energy saving plans or yield improvements. By the end of 2014, we aim to see DNA in over 13 countries, with more than 46 industrial sites enrolled.







2012 BUSINESS HIGHLIGHTS

- ▶ Financial Highlights
- ▶ Market Highlights

FINANCIAL HIGHLIGHTS

2012, A RECORD YEAR FOR LOUIS DREYFUS COMMODITIES (EXCLUDING BIOSEV)¹ WITH A NET INCOME GROUP SHARE OF US\$1.1 BILLION

Louis Dreyfus Commodities (excluding Biosev) posted record results in 2012 – an exceptional performance compared to our main peers, given the uncertain economic environment and slow recovery from the sovereign debt crisis that has affected the majority of trade flows. This outstanding performance confirms once again the relevance of Louis Dreyfus Commodities' strategic decisions based on diversification, enabling all our three segments – Tropicals, Other Products and especially Proteins – to perform remarkably last year.



Kandla, India
Processing asset

The Group remained unshaken by the fragility of the global context in 2012. With net sales amounting to US\$57.1 billion and a significant gross margin of US\$2.3 billion, Louis Dreyfus Commodities (without Biosev) recorded its best ever profit. The Group posted a net income group share – excluding Biosev's contribution prior to ring fencing – of US\$1,096 million, a rise of 25% compared to last year, surpassing the previous record of US\$962 million in 2010.

As proof of our healthy business mix and model, we delivered an outstanding ROE² of over 28% for Louis Dreyfus Commodities (without Biosev) and of over 21% for Louis Dreyfus Commodities and Biosev together. As it was the case over the past years, in 2012 Louis Dreyfus Commodities generated positive cash flows after dividends and capex.

Our aim is to be at the right place at the right time within the value chain, offering end-to-end solutions. In 2012 this strategy proved particularly efficient, with best-in-class risk management and selected investments in logistical and industrial assets throughout the world and across all our segments. A key success factor for the Group is our ability to capitalize on logistical assets throughout the value chain, enabling us to better forecast and control risk.

Several acquisitions and especially Imperial Sugar company and Ecoval fueled our balance sheet and led total non-current assets to increase by 25% compared to 2011. With capital expenditure in Louis Dreyfus Commodities (excluding Biosev) rising to US\$652 million, investments in 2012 supported our ambitious plan to enhance our geographic and product diversification. Over the next five years Louis Dreyfus Commodities intends to invest US\$5 billion (an additional US\$2 billion with Biosev) to sustain our healthy and balanced growth strategy with potentially more access to the capital markets.

In September 2012 Louis Dreyfus Commodities BV made its inaugural entry into the capital markets. We issued a hybrid perpetual security of US\$350 million listed in Singapore. The bond was largely oversubscribed and has performed very well since. Our cautious monitoring of cash flows, together with trusted and long-term relationships with more than 170 banks across the world, enabled the Group and Biosev together to enjoy a particularly high level of liquidity with access to approximately US\$20 billion of funding.

Capitalizing on those exceptional results, we are more than ever ready to answer to worldwide fast growing needs for feeding.

1. In December 2012, the 65.9% owned sugar cane production and processing subsidiary Biosev was indirectly upstreamed from Louis Dreyfus Commodities BV (LDC BV) to Louis Dreyfus Commodities Holdings BV (LDCH BV). As a consequence, the consolidated statement of income has been presented as if the operation discontinued during the current year had been discontinued from the start of the comparative year.

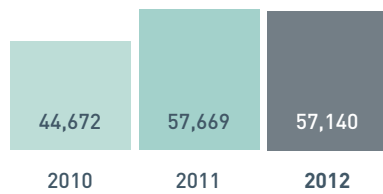
2. Return on Equity, beginning period – Group Share.



Claude Ehlinger
Chief Financial Officer

NET SALES

in US\$ million

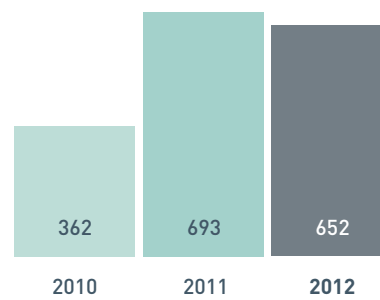


+13%

2010-2012 compounded annual growth rate

CAPEX

in US\$ million

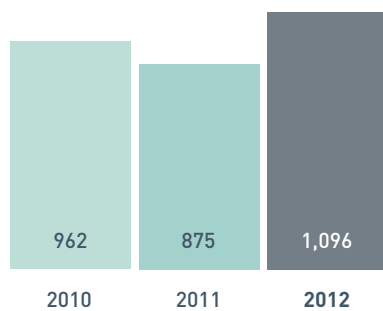


US\$569 million per year

2010-2012 average capex

NET INCOME GROUP SHARE

in US\$ million (excluding Biosev)

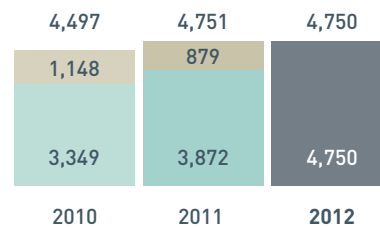


28% ROE (excluding Biosev)

21% ROE

EQUITY GROUP SHARE

in US\$ million



■ LDC BV Group Share

■ Biosev Group Share

MARKET HIGHLIGHTS



MACROECONOMIC AND POLITICAL UNCERTAINTIES PLAGUED THE ECONOMIC SITUATION AND COMMODITIES MARKETS THROUGHOUT 2012

Nervousness about the global macroeconomic climate prevailed in 2012, with significant trepidation over the euro, the impending fiscal cliff in the US, and the relative slowdown of the emerging economies – formerly the powerhouses of world economic growth.

On the political front, 56% of the global population headed to the voting booths, or underwent a leadership change, including the US and China – the world’s leading economies. Instability was rife in North Africa in the aftermath of the Arab Spring.

In July, the president of the European Central Bank calmed the markets by announcing that he would do “whatever it takes.” However, social unrest, sparked by austerity programs, and lack of political leadership impeded Europe’s ability to agree on budgetary processes and on the creation of a banking union. By the end of 2012, while the US and the EU issued a statement of will, the lack of a formal framework was not enough to guarantee stable growth.

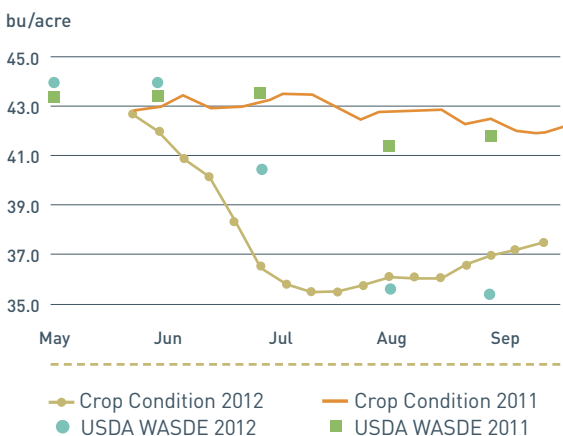
Significant geopolitical instability remains in 2013, threatening economic conditions across the world. Uncertainty dominates in the Middle East, conflicts in Africa accelerated in early 2013 with a war in Mali, and there are territory disputes in Asia between China and Japan. In the US, while the fiscal cliff has been temporarily averted, the threat of the debt ceiling overhangs the economy.

IN THE WORLD OF AGRI-COMMODITIES, PARTICULARLY HARSH WEATHER AND GOVERNMENT INTERVENTION WERE ANOTHER SOURCE OF INSTABILITY

Droughts, hurricanes and protectionist moves exacerbated the macroeconomic and political conditions. At the start of the year, the rain shortage in Latin America impacted production yields, particularly for sugarcane. In the summer, the US recorded the worst drought in 50 years, dramatically reducing corn crops relative to the previous year, and restricting US exports. Compounding the situation, hurricane Sandy wreaked damage across the country, with logistic routes on the East coast particularly battered.

Government intervention and protectionism across the world added further complexity to global trade. For example, China continued its grain and cotton security policies; in India and Thailand the governments actively intervened in the cotton and rice markets respectively, while the Argentinian government carried out contentious expropriation.

DROUGHT IMPACT ON 2012 US SOY CROP YIELD



Source: USDA, Macquarie Research



Ciro Echesortu
Chief Operating Officer

LOUIS DREYFUS COMMODITIES THRIVES UNDER PRESSURE AND CREATES OPPORTUNITIES

Despite the massive global instability, Louis Dreyfus Commodities emerged from 2012 stronger than ever. We leveraged our diversification strategy across multiple platforms and product lines and harnessed the complexity of our flows and routes to weather any regional instability or trade disruption.

We continued to outperform in our ability to secure competitive credit lines so as to be able to pursue our development and trading activities at a global level. We continued to extend our reach at destination with sugar refineries, fertilizer and farm inputs, while in South America and the US, we have extended our origination strengths. In China, the Company seized opportunities for imports particularly in soybeans and cotton, while in Indonesia, we expanded our palm oil footprint in plantations, processing and logistics. In Africa, we expanded our presence, particularly in rice, and made significant leaps in our global dairy and feed mill activities.

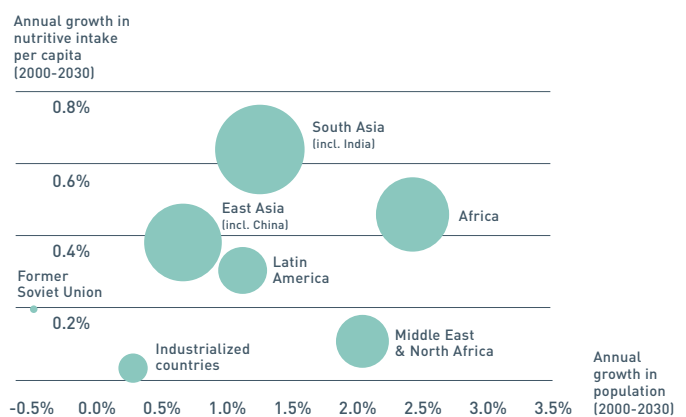
SUSTAINED GROWTH SHOULD ENDURE IN 2013

While our economic outlook for 2013 is mostly positive, global demand for agri-commodities is relatively inelastic, so less sensitive to any hiccups in the economic cycle, and sustained moreover by the increasing prosperity and broadening of the middle class in the emerging markets.

We are well placed to take advantage of these overarching macro drivers influencing demand to an anticipated recovery of momentum in the emerging markets. We intend to invest in ports, warehouses and logistic assets which enable us to seize opportunities in international trading, to fill the gaps between supply and demand in key destinations and to capture optionality between them.

Competition in the marketplace remains steep and further consolidated following waves of sizeable deals in 2012 among some key players. This consolidation trend will likely endure into 2013, calling for continuing effort on our side, as we seek to maintain or gain leadership in all our markets.

CHANGING CONSUMPTION HABITS AND POPULATION GROWTH ARE GENERATING GROWING DEMAND IN ASIA AND AFRICA



Bubble size represents total additional demand in 2030 relative to 2000

Source: United Nations, FAO, Louis Dreyfus Commodities Analysis

2012: A YEAR OF ACHIEVEMENTS

- ▶ We successfully expanded along the value chain, securing origination strongholds in key markets such as coffee, and securing metals offtakes in strategic mines. Downstream we added new lines of packaged products, both for sugar and oilseeds.
- ▶ We acquired and achieved the seamless integration of a leading dairy company in Europe, and a top three sugar refinery in North America.
- ▶ The Group underwent significant investments in logistics and assets across the platforms throughout the world, with numerous examples in the Black Sea, Southeast Asia, and South America.
- ▶ The excellent management of our joint ventures throughout our platforms – including palm, oilseeds, rice – brought significant gains.

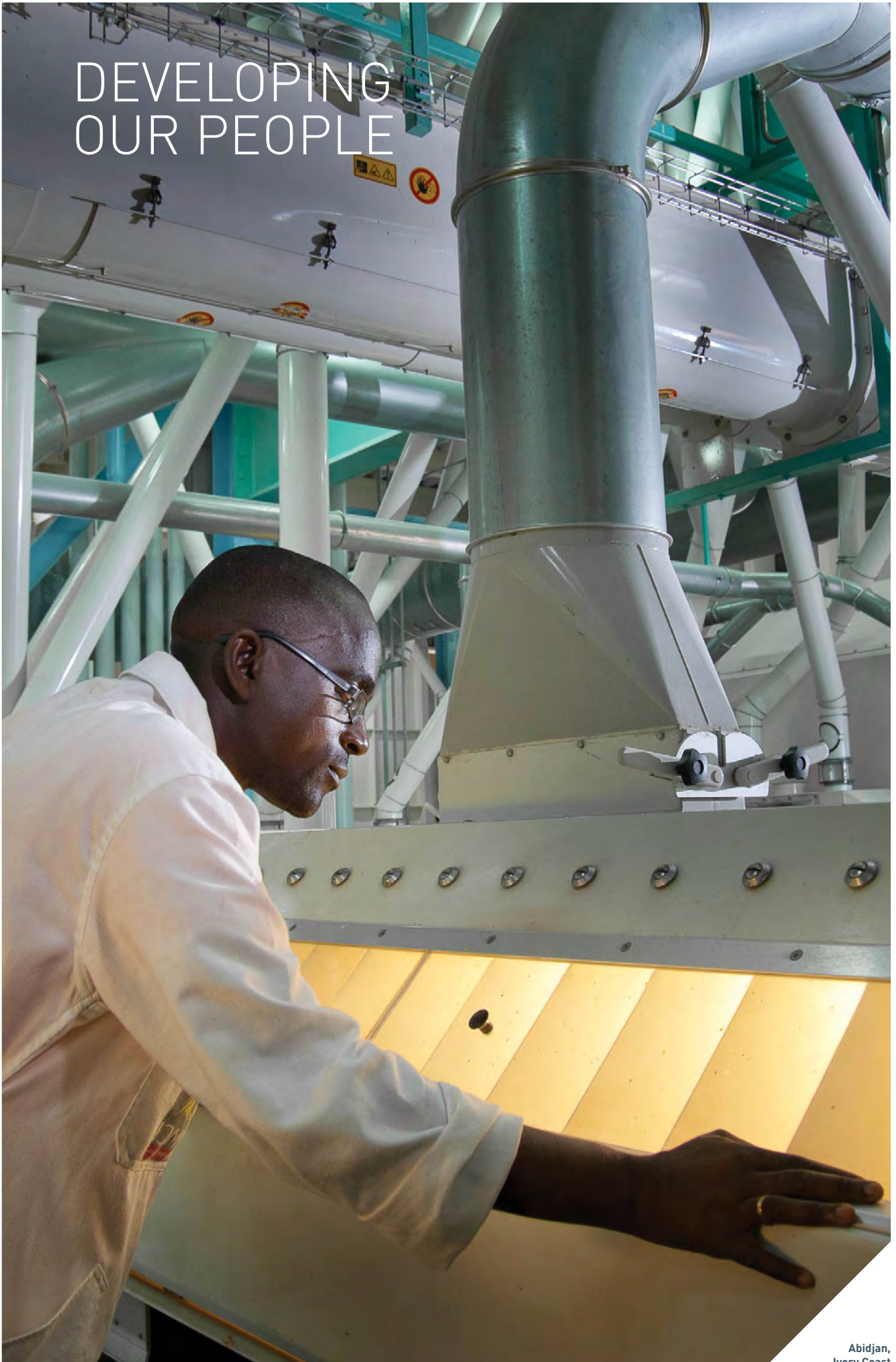




ADDING VALUE THROUGH OUR PEOPLE

▶ Developing our People

DEVELOPING OUR PEOPLE



Abidjan,
Ivory Coast

“A comprehensive talent management program that is connected to business objectives is a powerful lever in the hands of management. Our leaders recognize the benefits, more effectively managing and planning their human capital resources to support the successful implementation of our strategy.”

AT LOUIS DREYFUS COMMODITIES, OUR PEOPLE ARE ESSENTIAL TO BUILDING AND SUSTAINING OUR SUCCESS

Entrepreneurship, a core value within the Louis Dreyfus Commodities culture, along with diversity, humility and commitment, is inherent to our manner of operating, including how we recruit and develop people. This entrepreneurial spirit allows for speed and reactivity in response to dynamic business needs. However, without structured processes to support management, leaders are not able to leverage the benefits of global shared human resources in terms of recruitment, talent management, compensation and rewards, and training and development.

In the context of our organization that now employs a growing number of managers and professionals, the challenge is preserving this organic approach so fundamental to our culture in a larger, more structured context. **The Group is investing in improved people processes, aiming to capitalize on our longstanding values while ensuring we maintain speed and agility in alignment and integration with our worldwide business.**

The strategy for supporting our business in building a **high performing** organization is based on three integrated pillars that serve as a common foundation supporting the organization: **performance and leadership management, talent management and compensation and rewards.** Initiatives under these programs are designed to align with strategic business goals. Nowhere is this more evident than in our compensation and reward structure for key people in the Company participating in our equity plan – approximately 20% of our professional population is paid a bonus based on their contributions to the overall success of the Company.

ASSESSING PERFORMANCE AND LEADERSHIP TO IDENTIFY AND REWARD TALENT

The backbone of an effective workforce that supports business needs is a strong performance and leadership management process. Now in its third year, Louis Dreyfus Commodities' performance management process has proven to be enduring.

For the 2012 year-end performance and leadership review we assessed more than 5 000 employees. Our leadership model requires that leaders demonstrate their skills and abilities in two areas: **leading business and leading people.** In addition, last year we expanded the scope to include non-professional workers – **an additional 500 employees were assessed using a simplified format.** The performance assessment is a unique opportunity during the year to have a compulsory dialog surrounding individual performance for the previous year and objectives for the coming year.

The performance assessment process has proven to be a vital tool for managers to better know, understand and monitor the strengths of our workforce. It serves as a dashboard of human capital assets shared globally among the management teams. The possibility to view our people in such a way allows us to more effectively and efficiently fill positions and plan for succession across regions and functions.

The senior managers in the various functions, platforms and regions were personally involved in over **200 calibration meetings** where the performance of all professional employees was discussed and agreed upon. This opportunity to share and discuss feedback gives them a broad view on people and performance cross-function and cross-platform within the region and enables them to make better decisions concerning human capital. Even our most senior managers are involved in discussions related to key talent across the organization, proving that the calibration process is now an embedded feature in our culture.

The results of the calibration sessions are used to not only identify talent across the organization, but also to identify gaps in performance and set follow up actions to improve employee performance, including training and development actions such as management courses.

DEVELOPING OUR PEOPLE

continued...

“Promoting from within where possible and attracting top talent externally for new markets or businesses are means to reinforce our bench strength and ensure continuity for the long-term.”

STRENGTHENING THE BENCH THROUGH A COMPREHENSIVE TALENT MANAGEMENT PROGRAM

Instilling a talent culture and effectively identifying and managing talent on a global basis are essential to the successful execution of Louis Dreyfus Commodities' growth strategy. Our objective is to build a strong talent pool so as to ensure the sustainability of our organization primarily through internal growth.

One of the challenges of a successful organization is to effectively attract and retain the best people. While we will continue to seek candidates externally as needed and on a case-by-case basis – and we believe that outside perspectives also support our value of diversity in viewpoints and in people – our preferred approach is to motivate and reward high performing employees beyond just

compensation, through internal promotion in their professional areas, lateral growth and international mobility.

An effective talent management program speeds up the value to key positions. It is the process and mindset by which we identify high potential employees and invest in their accelerated development with the ultimate goal of retaining them and positively impacting business results.

In 2012 we ran a pilot in each function, region and platform, identifying talented individuals within these areas and initiating a three-point action plan to support their career development: **define individual development plans, establish succession plans, review and obtain approval by relevant managers.** Following this successful launch, we are extending the pilot through the end of 2013 to all functions, platforms and regions.

An essential component to our talent management process is the graduate trainee program which aims to promote internal growth and reinforce our pipeline for succession planning. The profile of these candidates ensures a viable pool to move into internal vacancies, and ultimately management roles over time.



COMPENSATING AND REWARDING BASED ON MERIT

Our twofold compensation and rewards system of salary and merit-based bonus has evolved as an integral part of the overall performance management program. It is designed to reward strong performers, with annual pay increases that are closely tied to business results and market references. The majority of our global professional population receives an annual variable component linked to their individual and Company achievements.

Further to our merit-based salary and bonus system, **approximately 500 people own approximately 20% of the Company through an equity plan.** This compensation lever serves to retain and motivate a significant portion of our employee population, and ensures that personal objectives of key people are aligned with the success of the Company. The senior management team is therefore also incentivized to maintain a long-term view and address strategic matters that are in the best interests of the Group.

IMPLEMENTING TOOLS AND PROCESSES FOR AN AGILE HR

To ensure the longevity of our performance and leadership program we have put in place new processes to better manage our global workforce, and common systems that contain important data about our people – we are building **employee CVs, job catalogs and a grading system** to facilitate and improve organizational agility. Additional accomplishments include implementation of **Key Performance Indicators for the HR function and a system for monitoring headcount and employment cost.**

These processes serve to increase efficiency, consistency and agility across our diverse businesses and locations. In a context of global workforce planning and a review of the role of the functions globally, **an agile approach to human capital is essential for organizational effectiveness.**



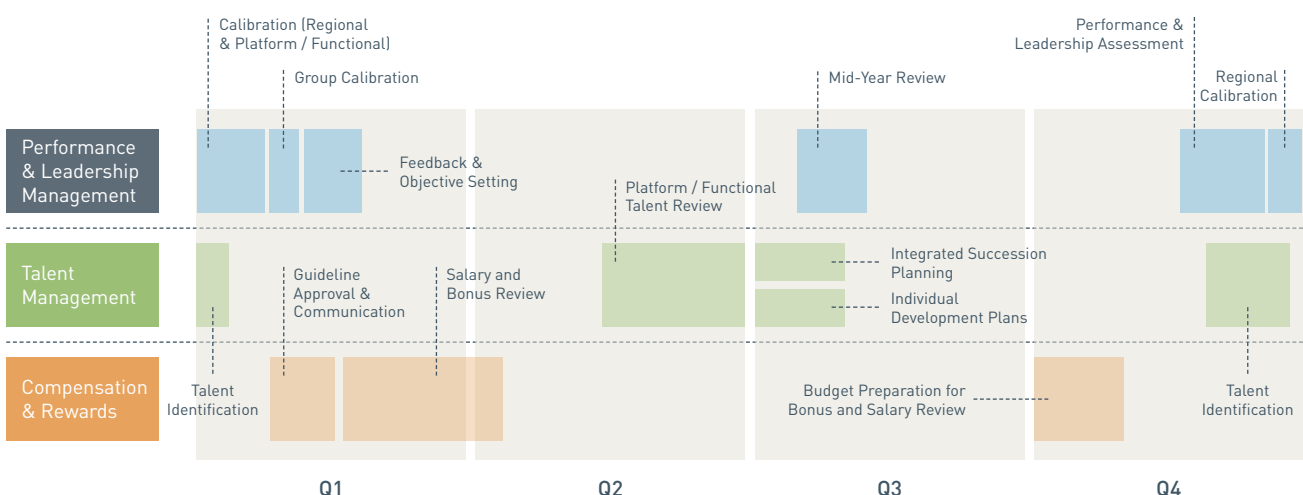
POSITIVELY IMPACTING BUSINESS RESULTS THROUGH AN ENGAGED WORKFORCE

Communication is a powerful enabler for improving engagement. **An engaged workforce is more loyal and invested in the future of the Company** – ideal for ensuring the sustainability of the talent pool. Effective communication with employees increases understanding of the Group's strategy and objectives, so they can most effectively contribute to the business' success at their level and in their unique position.

Open lines of communication in a global company also are a powerful lever for leadership to more effectively manage the multiple layers of such a complex matrix organization like Louis Dreyfus Commodities. By providing clear, consistent and continuous messages across the various dimensions of the Group we increase people's understanding of what we are trying to accomplish and how they can help us meet those goals.

In 2012, as part of our increased effort to directly engage our management in strategic matters with our most senior executives, we **launched a set of forums targeting 300 senior people in both regional and global positions.** We achieved an outstanding overall attendance rate of 97% and will continue the series in 2013, expanding the program to also include regional forums with a broader audience.

LOUIS DREYFUS COMMODITIES PERFORMANCE & TALENT MANAGEMENT CALENDAR





MANAGING RISKS

► Managing Risks



Bazhou, China
Processing asset

MANAGING RISKS



Kandla, India
Processing asset

“Efficient risk management tools and unequivocal ethical standards are engraved in the DNA of Louis Dreyfus Commodities.”

MANAGING RISKS AND COMPLYING WITH THE HIGHEST BUSINESS STANDARDS

2012 was another eventful year both in terms of the general environment and in the progress made internally on our continuous improvement plan within the Compliance and Risk Department.

AN ERRATIC CONTEXT FOR COMMODITIES

In 2012 again, global imbalances in supply and demand as well as uncertain macroeconomic conditions continued to drive a volatile environment.

Farmers globally reacted to the strong price signals of the previous year, and plentiful supply of commodities generally drove prices lower. Prices of coffee, sugar, juice, rice, fertilizers and cotton, for instance, declined between 15% and 40% over the course of 2012. The freight market in particular – generally a good indicator of global demand – suffered from relative oversupply, with daily hire rates remaining close to, or below, variable costs for much of the year.

On the other hand, historic droughts in the Americas, particularly in the US Midwest, significantly reduced supply for soybeans and corn and forced prices higher mid-year, although they ended the year with more modest gains.

This contrasted and volatile picture in the commodities markets was a mirror image of the global macro environment. The seemingly unending European sovereign debt crisis and the resulting call for orthodox and austere fiscal policies in Europe, weighed heavily on global growth at the same time as the political handover in China contributed to faltering demand in the world's principal economic growth powerhouse.

In addition, rolling unrest in the Middle East and government intervention in various forms continue to fuel volatility in the world's commodity markets.

The continued generous provision of liquidity by the world's central banks, the maintenance of a virtually zero interest rate policy, together with political continuity in the US, all combined to create the first sparks of moderate growth which have started to somewhat offset the otherwise gloomy global growth picture.

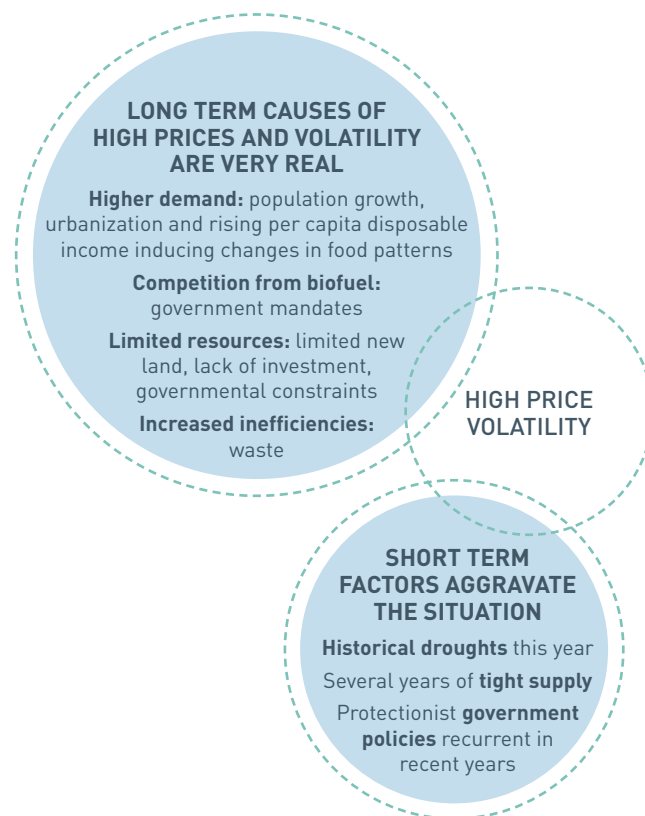
While high price volatility underscores the Group's role as risk manager in the global commodity supply chain, supporting intermediation margins, it also represents a significant challenge when merchandising in excess of 70 MMT of product. Our risk systems have continued to respond well to these challenges and allowed our Company to continue its rapid growth despite the uncertain global environment.

A GLOBAL FOCUS ON COMPLIANCE

In the wake of the 2008 financial crisis, legislation and regulation changes continued apace this year with the accelerated implementation of the Dodd-Frank Act in the US, and the potential restructuring of major futures exchanges. These imperatives reinforce the Group's desire to promote strong values, and to call for far-reaching ethical business standards. We continue to adapt our monitoring and control processes to ensure maximum security for the Group: our processes are in full compliance with diverse national legislation, and with our own corporate values.

Governments and international organizations across the world are increasingly turning to trade sanctions. At Louis Dreyfus Commodities we can effectively tap into our intricate network of global trade flows to ensure we remain strictly compliant with all relevant trade legislation.

A HIGHLY VOLATILE ENVIRONMENT IN 2012



While high price volatility underscores the Group's role as the risk manager in the world food chain, supporting intermediation margins, it also represents a significant challenge when merchandising more than 70 million tons. In 2012 our risk systems once again admirably faced the challenge, responding well and improving the Group's performance.

MANAGING RISKS

continued...



Varginha, Brazil
Processing asset

MILESTONES IN 2012

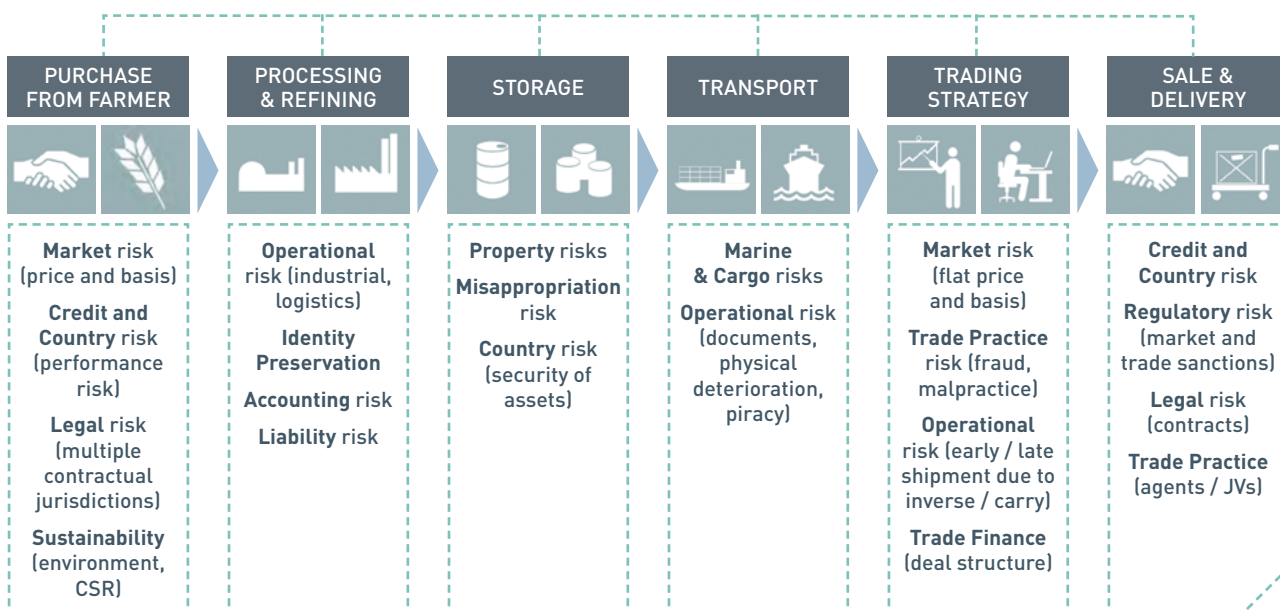
Placing a particular focus on control and monitoring, in 2012 the Group continued to reinforce its complete suite of compliance policies. And following the significant expansion of the Compliance and Risk department in 2011 – with the support of the Board and the Group’s Senior Executive Committee – this year we focused on training and control.

Major achievements include an enhancement of the Group Code of Conduct, the rollout of a global compliance awareness and training program, alignment with major regulatory changes (Dodd-Frank Act in the US), the globalization and harmonization of the Internal Control structure and Continuous Monitoring Program.

CODE OF CONDUCT

Louis Dreyfus Commodities is highly proactive in ensuring our employees and partners understand there is only one way to conduct business – ethically. In 2012, the Group Code of Conduct was reviewed, enhanced, and launched by the Group’s Chief Executive Officer, together with the Chief Compliance and Risk Officer. In a statement our Chief Executive Officer Serge Schoen emphasized to employees and partners that our Group’s success depends on our ability to remain aligned with our historical ethical standards.

COMPLIANCE AND RISK



The function of the Compliance and Risk division is to identify, quantify, manage and control all identified risks that arise from the Group’s activities along a complex value chain, from farm gate to end user.

COMPLIANCE AWARENESS AND TRAINING

The Group uses a number of different approaches to ensure employees are adequately and correctly trained for the functions they perform. We also ensure they are fully aware of legislation that affects the Group's business. E-learning modules have been designed to address compliance-related topics, such as the Group's Code of Conduct, trade sanctions, trade practice (anti-bribery and corruption rules) and anti money-laundering. Training materials and additional guidelines are made available to specific teams for presentations during formal awareness and training sessions.

REGULATORY ALIGNMENT

In 2012 Dodd Frank Act's first major rules came into force. Our Regulatory Compliance function made certain all necessary changes were made in our organization to comply with the new rules.

INTERNAL CONTROL AND CONTINUOUS MONITORING

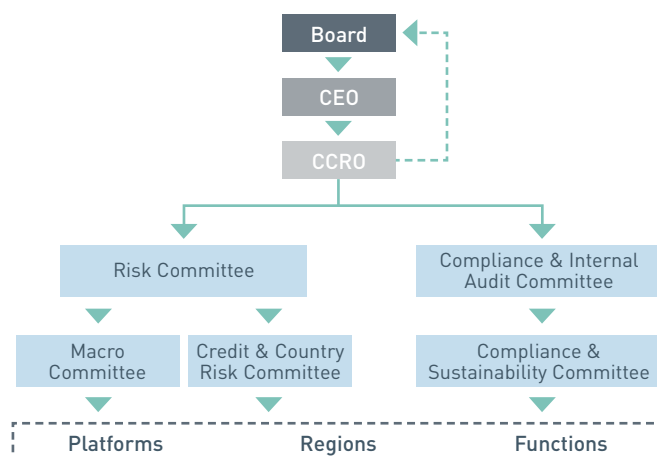
A standard and common control environment mitigates the risk generated by the Group's organization and processes. Totally redesigned in 2012, the environment will be fully operational by the end of 2015. The first set of automatic tests has been developed to monitor key controls. As a general principle, operational risk stems from inefficient or sub-optimally structured organizations, processes and systems. Therefore, mitigating operational risk also generates major efficiency gains, such as cost savings and process improvement.

RISK FUNCTIONS AND INDICATORS

TYPE OF RISK	DESCRIPTION	ASSOCIATED FUNCTION	KEY INDICATOR
Market Risk	Refers potential changes in the market value of the commodities to which Louis Dreyfus Commodities is exposed (includes exposures to price, volatility, time, geography, quality and inter- and intra-commodity spreads)	▶ Market Risk	▶ Value-at-Risk ▶ Stress Tests
Credit and Financing Risk	Risk of incurring losses due to counterparties failing to perform under their contractual obligations	▶ Credit Risk ▶ Trade Finance ▶ Commercial Disputes	▶ Payment, MtM & Fluctuation Risk ▶ Residual Risk ▶ Grading ▶ Recovery Rates
Country Risk	Any firm, or individual, conducting cross-border transactions is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situation	▶ Country Risk ▶ Trade Finance	▶ Country Residual Risk ▶ Country Grading
Physical Risk	Risk of physical loss that can be insured	▶ Insurance	▶ Policy Loss Ratio (Claims / Premiums)
Compliance and Regulatory Risk	Risk related to non-respect of regulations, trade sanctions and trade practices	▶ Regulatory compliance (Exchange and Trade Sanctions) ▶ Trade practice compliance ▶ Internal Audit	▶ Training ▶ Custom-built Internal KPIs
Operational Risk	Risk of loss resulting from inadequate or failed internal policies, processes, people and systems	▶ Operational Risk (Internal Control) ▶ Internal Audit	▶ Incidents Report ▶ Logs ▶ Internal Control Indicators
Environment, Social Impact, Reputation Risks	Risk of direct or indirect loss due to the actual or perceived impact of our activities	▶ Sustainability	▶ Measurement of footprints...
Liquidity Risk	Risk of financing availability linked to margin calls	▶ Treasury ▶ Market Risk	▶ Value-at-Risk ▶ Stress Tests ▶ Cash Flow Forecast

Louis Dreyfus Commodities has defined risks that may be retained, and has set up the appropriate organization and state-of-the-art indicators to mitigate and manage them.

COMPLIANCE AND RISK GOVERNANCE



Compliance and risk governance relies on two management bodies that report to the Board, via our Chief Compliance and Risk Officer and our Chief Executive Officer.

The **Risk Committee** ensures all risks – market, credit, physical, financial et al – are identified, limited, monitored and controlled at every single level of our organization. Two sub-committees ensure that risk is

monitored from both quantitative and qualitative perspectives.

The **Compliance and Internal Audit Committee** is responsible for the management of all compliance: regulatory, trade practice, and trade sanctions, as well as internal audit. In addition, the Committee monitors processes and ensures continual improvement plans are implemented through the Operational Risk department.



GROWING OUR DIVERSIFIED PORTFOLIO

- ▶ Highlights
- ▶ Platforms

HIGHLIGHTS

PROTEINS TROPICALS OTHER PRODUCTS

- ▶ Oilseeds
 - ▶ Grains
 - ▶ Rice
 - ▶ Feed
 - ▶ Freight
 - ▶ Finance
- ▶ Coffee
 - ▶ Cotton
 - ▶ Sugar
 - ▶ Juice
- ▶ Dairy
 - ▶ Fertilizers & Inputs
 - ▶ Metals

FEED

We operate mills and merchandise feed.

- ▶ From 0 to 3 feed mills in 2012
- ▶ Aiming to operate 10 feed mills by 2014



OILSEEDS

We process and merchandise: soybeans, soybean meal and oil, seeds (rapeseed, sunflower, cottonseed), seed meal and oil, palm oil, biodiesel, and glycerin.

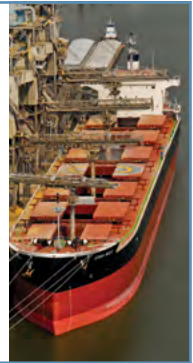
- ▶ Export and distribute to more than 35 major destinations across the world
- ▶ Strategic assets include 17 logistic facilities and 15 processing assets



FREIGHT

Developed over 100 years, our growing fleet of vessels serves destinations around the world.

- ▶ Developing logistics capabilities for over 100 years
- ▶ Over 170 vessels service global destinations



GRAINS

We originate and merchandise wheat, corn, sorghum, barley, rye, oats and ethanol.

- ▶ One of the world's largest merchandisers of wheat and corn
- ▶ The Group's longest standing business



FINANCE

We support our platforms by providing foreign exchange risk mitigation.

- ▶ Expanding our footprint across the world
- ▶ Financial instruments include foreign exchange hedges, interest rates hedges, options, equities and fixed income securities



RICE

We merchandise paddy, brown and milled rice from multiple origins.

- ▶ A top rice merchandiser
- ▶ Entry into non-African markets



“Thirteen dedicated platforms are organized into three segments. Today, our diverse platforms cover the complete value chain, driving volume growth and successfully feeding our expansion strategy.”

COFFEE

We merchandise and mill Arabica and Robusta qualities in our fully-integrated supply chain.

- ▶ Sales rise for sustainable coffees
- ▶ 17 warehouses with milling facilities across 11 countries



DAIRY

We merchandise regular whole, full cream, instant whole, fat-filled and skim milk powders.

- ▶ Now a global leader in dairy ingredients
- ▶ Expansion of our global customer and supplier base



COTTON

We source cotton from all major producers, and we serve all key global consumer markets.

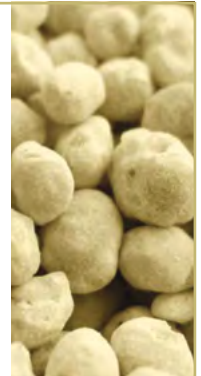
- ▶ One of the top 3 global cotton merchandisers
- ▶ 25 warehouses around the world



FERTILIZERS & INPUTS

We distribute nitrogen, phosphate and potash fertilizers and crop protection products.

- ▶ One of top 3 distributors of fertilizers in West Africa
- ▶ New entry in Asia



SUGAR

We originate raw and white sugar, mainly from Brazil, Thailand and Central America.

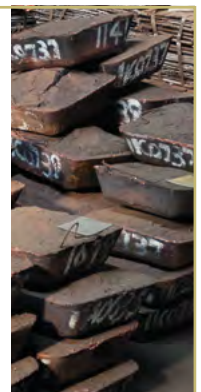
- ▶ One of the largest cane sugar refiners in the world
- ▶ A top 3 worldwide sugar merchandiser



METALS

We originate, consolidate, export and transport copper, zinc, lead concentrates, copper cathodes and cobalt.

- ▶ 25% year-on-year volume growth, consolidating our position as one of the 3 largest merchants of concentrates
- ▶ Promising start for our participation in the Chinese domestic market



JUICE

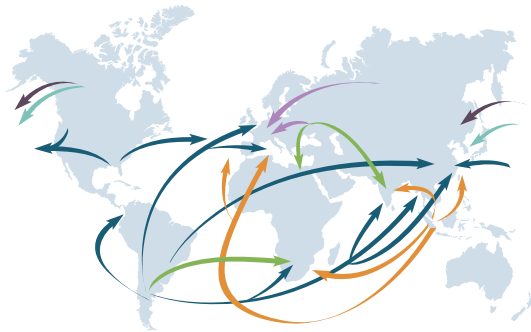
We process and merchandise orange, grapefruit, lime, lemon and apple juices, and citrus by-products.

- ▶ Our business accounts for over 15% of the world's consumption of orange juice
- ▶ Significant presence across the entire value chain, merchandising in more than 70 countries



OILSEEDS





OILSEEDS EXPORT FLOWS
 ▶ Soybeans, Soybean oil, Soymeal ▶ Palm oil ▶ Canola
 ▶ Canola oil ▶ Sunoil ▶ Sunmeal

EXTENSIVE PRODUCT PORTFOLIO AND INTEGRATED VALUE CHAIN OFFER DIVERSIFICATION

Established in the **19th century**, our Oilseeds Platform has since developed strong positions in the world’s major producing and consuming regions. Today we originate, handle, store, transform and merchandise the full spectrum of oilseeds products. Our wide-ranging portfolio includes soybeans, other seeds (rapeseed, canola, cottonseed, sunflower), seed oil, protein meal, palm oil, biodiesel and other by-products (for example olein, stearin, lecithin, hull pellets). We enjoy an excellent reputation in the market thanks to our meticulous analysis, our integrated value chain, outstanding risk management tools and an entrepreneurial “can-do” attitude to meet customer requirements.

Despite a significantly reduced crop size caused by droughts, the Platform recorded an exceptionally profitable year in 2012 thanks to an excellent understanding of the markets’ needs and evolution. In 2013, we will continue to build on this stellar success by efficiently combining key assets, deep origination and distribution roots in order to access the relevant oilseeds flows.

The Platform upholds and demonstrates an ongoing commitment to **sustainability and responsible sourcing** throughout the supply chain.

GAINING GROUND IN ASIA

Due to booming demand, our business in Asia continued to expand both **upstream and downstream**. Upstream developments included the expansion of palm activities in

Indonesia while downstream, we further broadened the branding and packaging of vegetable oils.

We continue to be one of the **leading distributors of soybeans and soybean meal in China**. Further consolidating our position, we have leased a new crushing and refining plant in China, with production due in 2013/2014. Elsewhere, we continue to strengthen our assets, building two refineries in Indonesia, operating a newly commissioned refinery in India, and pursuing investment projects in strategic assets.

MEA: CAPTURING MARKET SHARE

We continue to increase our footprint in the Mediterranean countries and East Africa, mostly due to our expanding palm business. Investments in port-based tanks in Kenya helped us to consolidate our position as one of the largest suppliers of palm-based oils there. In 2012, we also effectively leveraged our global distribution networks to become a leading supplier of soybean meal in West Africa.

EBS: EXPANDING OUR FOOTPRINT

In the Black Sea, we shifted from being an opportunistic merchandiser of sunflower oil, to becoming a significant originator and a major supplier of sunflower oil from Ukraine to key destination markets.

ROBUST PERFORMANCE IN THE AMERICAS

In 2012, we began to export flows from our port at Bahía Blanca, Argentina. We commissioned a second biodiesel plant in Argentina and made significant progress in the construction of our crushing plant in Paraguay. Critical for transporting our expanding crops, **our origination and logistics footprint continues to grow in the North and South Latin America Regions, particularly in Brazil**.

In North America, the Platform also gained significant market share for oilseeds crushing in Canada. The construction of our elevator in Port Allen, Louisiana (US), is in progress, and we continue to optimize our interior logistic assets.

HIGHLIGHTS:

- ▶ Strategic assets include 17 logistic facilities and 15 processing assets
- ▶ Export and distribute to more than 35 major destinations across the world
- ▶ More than 4 000 people work for Oilseeds



GRAINS





GRAINS FLOWS

► Wheat and feedgrains

HIGHLY DEVELOPED NETWORK CAPTURES GLOBAL BUSINESS

Over the course of **162 years** our Grains Platform has gained an unrivaled and deep understanding of consumer needs across the world, and achieved strong penetration into all key destination markets. We originate in all of the world's major grain producing regions – North America, South America, Australia and Black Sea countries – and manage a major import and distribution network in key consuming regions, including Europe, Asia, Africa, and the Middle East.

Our network of processing, storage and distribution assets across the globe is highly developed, increasing our control of product flow from farm to fork. Our excellent geographical coverage and robust fundamental understanding of the grains market – combined with our risk management practices and market insights – all support our leadership position.

FOOD BASKET FOR THE WORLD

The Grains Platform handles **wheat, corn, sorghum, barley, rye, and oats** and **ethanol**. Cultivated worldwide, grains are an indispensable source of food in many developing nations; they also play a significant role in the diet of developed nations.

North America, the European Union, Russia, Argentina, and Australia are the primary origins for wheat exports. The US, Brazil, Argentina, and Ukraine are the primary origins for corn exports. The Middle East, Africa and Asia are the largest importers of wheat and corn. In 2012, China was only a nominal importer of corn due to sufficient wheat stocks and corn production.

HIGHLIGHTS:

- New record levels in export volumes year-on-year
- One of the world's largest merchandisers of wheat and corn
- Grains: the Group's longest standing business

SEVERE DROUGHTS MARK 2012

During the US growing season a historic drought significantly impacted the production, supply and exports of US corn in 2012. The Grains Platform adjusted to lower US corn exports by supplying customers with corn originating from Brazil, Argentina, and Ukraine. Logistic constraints were challenging in Brazil, but were handled by Louis Dreyfus Commodities, with dedicated interior origination capacity in Brazil's major producing states, and with port capacity in Santos.

Due to the drought, our Platform's US assets underperformed in 2012. Export elevation margins for corn through the export elevator in Seattle, Washington – and margins to process ethanol and distillers dried grains from corn at our ethanol plants in Grand Junction, Iowa and Norfolk, Nebraska – were at their lowest levels for several years.

SPECIALTY GRAINS EXCEL

Our Specialty Grains business within the Platform had its most profitable year, marked by the exceptional coordination of white corn merchandising between the US, Mexico and South Africa.

BUILDING ON OUR STRENGTHS

Our Grains Platform continues to **seek and develop well-positioned origination and export assets** to complement our existing asset base. In 2012, the Canadian Wheat Board's monopoly on Canadian wheat exports ended, opening the possibility for us to use our prairie-wide network of elevators and experience in Canada to become a leading player in the liberalized Canadian wheat market.

Elsewhere, additional port and origination capacity in Brazil will be required to handle larger Brazilian corn and soybean production, and to leverage our position as a **multi-origin, global supplier of corn**. In the US, the reconstruction of the Port Allen (Baton Rouge), Louisiana export facility continued in 2012 with the facility due to be operational in 2013.

Planned expansion into **feed milling** in China and Southeast Asia will facilitate better outlets for our origination and export base and an enhanced understanding of Asian demand.



RICE



RICE FLOWS

► Major flow ► Minor flow



HIGHLIGHTS:

- A top rice merchandiser
- Entry into non-African markets
- Trading about 10% of world rice flows

MULTIPLE SOURCING MEETS NEW DEMAND

About 465 million tons of rice are grown annually across the world, with **Asia representing about 90% of global production and 85% of global demand.**

We are a world leader in rice merchandising, and we source **rice from multiple origins** to satisfy the world's **rising demand for imports.**

Synergizing with the Group's ocean freight capabilities, we serve the burgeoning global market with competitively priced, quality products.

Operating since 1999, our Rice Platform has entrenched its position in the world market, supplying **paddy, brown and milled rice** from Thailand, Vietnam, Pakistan, India, the US, Brazil, Argentina and Uruguay.

STRONG GROWTH CONTINUES IN 2012

In 2012 we achieved strong growth due to our ingrained merchandising culture, a resilient client base, robust relations with suppliers and strong risk management skills. **In terms of traded volumes, our business accounted for approximately 10% of the total world rice trade.**

AFRICA: OUR NUMBER ONE MARKET

Africa, an importer of between 10 to 11 MMT of rice, remained our top market in 2012. We established our own **distribution networks in Africa to strengthen our position there.** We anticipate the market will grow in Africa where rice consumption continues to rise on the back of rapid growth in population.

The Americas will continue to add volumes as we actively participate in the intra-Americas rice flow. In Latin America, merchandising (both in exports and intra volumes) rose by 10% in 2012 compared to 2011.

BUILDING VOLUMES IN ASIA

Asia is a major rice exporter, providing about 75% of the world's supply. We are **moving upstream towards establishing our own processing and port terminal assets** to secure origination. Concurrently, we are tapping into the Asian network to expand our volumes. In 2012, **our Asian business grew to 350 KMT.**

FEED



NEW PLATFORM EXTENDS OUR VALUE CHAIN

Our recent entrance into feed brings us closer to the end user and provides valuable market information to provide synergies to our upstream origination and marketing activities. Today, we are a small player in the feed industry but our aim is to reach a total feed milling production capacity of **6.0 MMT by 2017**.

Through our recent joint ventures in China, **our Platform operates three feed mills, primarily producing hog, poultry and layer feed**. We have broken ground on our fourth and fifth feed mills and, by the end of 2014, we aim to operate ten feed mills in the Henan province.

With a robust presence in the key macro-ingredients for feed – corn, wheat and soybean meal which make up 70% to 80% of the feed formulation – extending our presence downstream is a natural step.

SYNERGIES AND STRENGTHS

Undoubtedly, the Feed Platform's close ties to our Grains and Oilseeds Platforms is an advantage in the marketplace. Valuable risk management skills at Louis Dreyfus Commodities also enable the Platform to be agile in light of recent volatility in the world's raw material markets.

FEEDING THE FUTURE

While our current feed activities are currently only in China, **we plan to expand into Southeast Asia in 2013 and 2014**. The major challenge going forward is to establish a solid asset footprint in these key growth markets.

We are confident we can leverage our strength in originating and merchandising grains and oilseeds to reduce the cost of raw materials in feed. With raw materials absorbing 85% of feed costs, a small advantage in raw material costs can quickly lead to improved business results.

HIGHLIGHTS:

- ▶ From 0 to 3 feed mills in 2012
- ▶ Aiming to operate 10 feed mills by 2014

FREIGHT

FINANCE

A LEADER IN FREIGHT SOLUTIONS

Since 1851 we have provided innovative solutions to the ocean freight industry. Today, our Freight Platform is one of the world's largest chartering entities, supporting our global commodity processing and trading activities as well as our diverse third party customer base.

A CHALLENGING YEAR

The maritime industry – in particular the dry bulk segment – faced a difficult year in 2012. Market prices collapsed and all segments saw lower average price levels versus 2011. The continued oversupply of new ships weakened freight markets. While demand for bulk freight grew by less than 5%, net annual fleet growth was 10.5% over the same period.

DROUGHT IMPACTS SHIPPING VOLUMES

Tonnage shipped in 2012 fell marginally compared to 2011, impacted by smaller grain harvests across the world. Despite these conditions, our effective hedging strategies facilitated considerable protection of the Company's sizeable fleet operations, resulting in **significant outperformance versus our publicly-traded benchmarked peer groups**.

FINE TUNING OUR PROCESSES

In 2012, we took a close look at structure, processes and systems to optimize and scale our business to support future growth. We launched trading and operations desks in Singapore, and we **enhanced relationships with key partners**. We also started the reorganization of our European vessel operations to lower costs and improve controls.

FOCUS TO IMPROVE FUEL EFFICIENCY

Today and tomorrow, we are committed to continue matching our internal freight flows with external freight flows. Our **merchandising capabilities, global market presence and risk management expertise** will continue to enhance business development opportunities. We shall also seek to build on our technical know-how with **a continued focus on fuel efficiency and cutting-edge designs** for tomorrow's shipping fleet.



FINANCIAL INSTRUMENTS MATCH GEOGRAPHICAL SCOPE

Our Finance Platform has a strategic geographic presence in Buenos Aires, Geneva, São Paulo and Singapore. Collectively, our Finance offices provide **foreign exchange risk management support** to our commodity platforms. The Platform also benefits from our trading experience and has diversified into other financial instruments, including **interest rates hedges, options, equities and fixed income securities**.

As the business has grown and extended to new regions, the Finance Platform has continued to leverage key relationships – notably for emerging markets – in order to bolster our knowledge of local markets.

Undoubtedly, our well-informed and dynamic global perception complements our strong local reach, empowering the Platform to benefit from **opportunities in global markets**.

24/7 TEAM CLINCHES OPPORTUNITIES

A lean and round-the-clock trading team, which **actively hedged the Group's currency flows**, played a key role in enabling our Finance Platform to seize market opportunities across the different regions.

CONNECTING THE DOTS

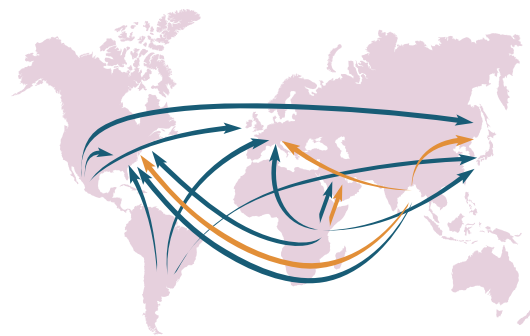
Consolidating our four offices in Argentina, Brazil, Switzerland and Singapore created synergies with other platforms and regions in the Group and boosted market intelligence to local markets.

TURNING TO THE FUTURE

Our strategy is to continue exploring new markets that match the Group's expansion plan and to increase our understanding and knowledge of markets where we operate, enabling us to diversify profits and reduce risks. Selected countries in Africa, the Middle East and Latin America will become future targets.



COFFEE



COFFEE FLOWS

- ▶ Arabica
- ▶ Robusta



GROWING FOOTPRINT REINFORCES SUPPLY CHAIN

One of the top three coffee supply chain trader-managers in the world, we manage and merchandise all major Arabica and Robusta qualities. We serve a diversified range of customers, from specialty roasters to multinational food companies across the globe.

Our Platform is active in all major coffee producing areas, managing the flow of coffee from source to destination and operating from regional trading centers in Switzerland, Brazil, the US, Kenya and Singapore. Our assets include **processing, warehousing and logistics facilities**.

With market consolidation diminishing our local supplier base, we continue to successfully expand our origination footprint to mitigate the threat of a reduced base.

We are also addressing the rising demand for **roaster-specific grades** and meeting the rapidly growing need for **traceable and sustainable supply chains**. We make significant contributions to sustainability developments at grass roots level in various origins as well as through our membership in the 4C Association, UTZ, Rainforest Alliance, Café Practices and the Fair Trade Certification program.

OUR ACHIEVEMENTS IN 2012

Investments at origin strengthened our core positioning, providing **geographical diversification** while allowing us to capture margins **both upstream and downstream**. We strengthened the Platform through the acquisition of warehouses with milling facilities in Brazil, Indonesia, Colombia and India.

In 2012, we also successfully leveraged our research to capitalize on market conditions and to extract additional margins. We successfully expanded our global marketing reach, particularly increasing penetration in Russia, Eastern Europe and Asia.

We also leveraged **strategic alliances with our key logistic and supply chain providers**.

EXPANSION UPSTREAM/DOWNSTREAM TIPPED FOR 2013

We plan to continue to consolidate our sustainable supply chain by focusing on upstream expansion in all of the four major producing countries – Brazil, Vietnam, Indonesia and Colombia – and also by acquiring strategic assets in the next six largest origins (Honduras, India, Peru, Mexico, Ethiopia and Guatemala).

Combined with investments in warehousing and logistics, our capex program will drive the expansion of our origin footprint even further.

HIGHLIGHTS:

- ▶ 17 warehouses with milling facilities across 11 countries
- ▶ Sales rise for sustainable coffees

COTTON





COTTON FLOWS

WE SERVE ALL KEY GLOBAL CONSUMER MARKETS

Louis Dreyfus Commodities entered the global cotton business more than 30 years ago. A primary raw material for textiles, cotton is grown in tropical and sub-tropical regions. Today, we have achieved **leading positions in markets across the world.**

We manage origination in key producing areas which include China, Brazil, West Africa, India, Pakistan, Australia and the US. Extending the value chain, our operations in key cotton producing regions possess storage, merchandising, marketing and logistic facilities.

Asia is pivotal for both cotton production and consumption; India is one of the largest exporters, and China is a leading consumer and importer.

The US is the world's largest exporter and the third largest producer. Remaining world production is spread over 50 other countries.

TRADING CONDITIONS STABILIZE IN 2012

Compared to a record surge in prices and volatility in 2011, we saw a return to more normalized trading conditions in 2012. Furthermore, the cotton market saw an increase in government intervention as trade policies in countries such as India and China, drove market conditions.

Despite a complex environment, the Platform successfully leveraged our **technical research capabilities** and our **merchandising expertise**, together with logistic assets, to realize **strong results** for the Group.

COMPETITIVE EDGE EXPANDS VOLUMES

Superior customer service, best-in-class risk management services and just-in-time delivery capability provided a competitive edge in 2012. From 2011 to 2012 an increase in volumes drove a growth in market share.

ALL EYES ON ASIA

Asia remains the focal point of the global cotton industry, with **China** and **India** producing half of the world's cotton and accounting for approximately 60% of global use. As a result, we continued to grow our Asian office in Beijing, and we expanded our presence in other markets in the Region.

US: FLOURISHING OPPORTUNITIES IN A BOOMING MARKET

As the number one cotton exporter in the world, the US is critical to our Cotton Platform. The US currently oversees a very large percentage of our cotton handling. In 2012, we continued to delve deeper into the sourcing opportunities present in this Region. Further south, we have **major cotton sourcing, storage and logistic operations** in Brazil that have leveraged our cotton business to a leading position in South America.

BOLDLY FACING NEW CHALLENGES

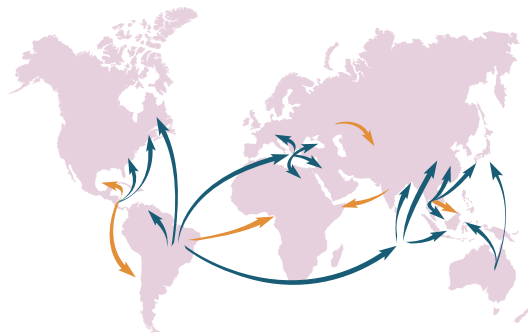
The Platform faces uncertainty in the future concerning trade policies, consumer demand for cotton and increased competition from global players in the marketplace. We firmly believe growth is best achieved by **continuing to expand market share in domestic trading** in markets such as China, India, and Turkey. We will also **seek out opportunities to expand our presence along the value chain** in key export markets, such as the US, Brazil and Australia. The Platform will continue to focus efforts on leveraging our talent and our ability to grow in these areas through opportunity-led **strategic investments.**

HIGHLIGHTS:

- ▶ One of the top 3 global cotton merchandisers
- ▶ 25 warehouses around the world
- ▶ Global coverage to better meet customer needs



SUGAR



SUGAR FLOWS

- ▶ Raw sugar
- ▶ White (crystal and/or refined) sugar



INVESTMENT IN TRADE FLOW RESEARCH PAYS OFF

Louis Dreyfus Commodities is a worldwide leader in sugar merchandising with a presence in 16 trading centers. Our Sugar Platform originates **raw and white sugar**, mainly from Brazil, Thailand and Central America, and markets principally to the **Middle East, Southeast Asia, East European countries and East Africa**.

Thanks to continued investment in production and trade flow research, we have a reputation as one of the most reliable sources of supply. Indeed, our reliability has helped us significantly increase volumes and consolidate our leading global position.

NEW BUY BOOSTS US NAFTA MARKET SHARE

In 2012 our dynamic team continued to expand the Platform's core business. We made a major investment in the US through the purchase of **Imperial Sugar** and its basket of reputable brands, including **Dixie Crystals®** and **Holly®**. This asset gives us a major presence in the NAFTA sugar market, strengthens our presence in global sugar refining and expands our customer base and product range. This investment will also contribute significantly to overall volumes and margins.

Looking east, our two greenfield sugar refineries in Indonesia and China are scheduled for start-up in the second quarter of 2013. They will increase the Platform's presence in Asia, together with the Platform's ability to service downstream and upstream business partners.

GLOBAL PRESENCE SUPPORTS EXPANSION

We maintain our focus on the major import and export markets and have their addressable markets in our sight. The Platform retains a long-term view to capture new investments in refining, logistics and distribution in Asia, East European countries and the Middle East and Africa.

HIGHLIGHTS:

- ▶ Poised to become one of the largest cane sugar refiners in the world
- ▶ One of the top 3 worldwide sugar merchandisers

BIOSEV

A STRONG GROWTH POTENTIAL ON THE BACK OF COMPETITIVE ASSETS

Biosev, our sister company, is the **second largest sugarcane processor** in the world. With a crushing capacity of **40 million tons** of sugarcane per crop, Biosev has **13 units¹**, spread across **4 strategically located clusters**, in Brazil's most fertile sugarcane production regions.



Christophe Akti
CEO Biosev

Biosev's cluster organization brings strong benefits, helping to mitigate **agricultural and climate risk, optimize sugarcane planting and harvests and reduce transportation costs.**

Biosev's products include **sugar, ethanol, energy, molasses** and yeast, among others. They also have a portfolio of high-return projects in brownfields and cogeneration.

By filling up its spare capacity, Biosev will benefit from its operating leverage.

AN INTEGRATED SUPPLY CHAIN

Together with its crushing capacity, Biosev plants almost two thirds of its cane, and has a high storage capacity. **TEAG**, a sugar terminal located in the Santos port, has the capacity to elevate **3.2 million tons** of sugar a year. TEAG is a joint venture, in which Biosev owns approximately 50%.



Rio Brilhante, Brazil
Processing asset

With a clear focus on sugar, ethanol and electricity production, Biosev is positioned to achieve market leadership through asset optimization and scale.

HIGHLIGHTS:

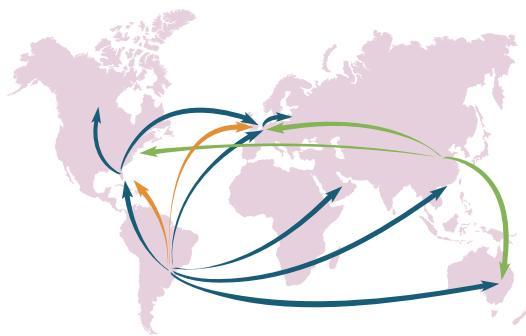
- ▶ The 2nd largest sugarcane processor in the world
- ▶ More than 17 500 employees at peak season

1. On December 17th, 2012, Biosev entered into an Asset Sale Agreement with a Brazilian company, by which Biosev agreed to sell the biological assets of the São Carlos mill and, upon closing of such transaction, to discontinue the industrial operation of such unit. On March 15, 2013 Biosev closed the transaction. The crushing capacity of Biosev is now 37.9 million tons of sugarcane per crop and it has 12 units.



Brazil

JUICE



JUICE FLOWS

- ▶ Frozen concentrate orange juice
- ▶ Non-frozen concentrate orange juice ▶ Apple juice concentrate



EXTENSIVE PRODUCT RANGE ATTRACTS GLOBAL MARKET

In the business for over two decades, we provide one of the broadest product lines in the global fruit juice processing industry. The Platform's asset base includes about **30 000 hectares of citrus groves in Brazil**. From these groves, we process over **one billion liters of orange juice** each season. Louis Dreyfus Commodities also processes **lemon and lime** in Brazil, **orange and grapefruit** in Florida and **apple** in China and Poland. Sales of these product lines **made 2012 the largest gross revenue year in our history**.

Utilizing our global asset base has brought success to the Group's international fruit juice business. With activities ranging from growing seedling citrus trees and nurturing over 14 million trees in São Paulo, to packaging frozen concentrated juices in Florida for retail distribution, to processing apple juice in China – and **merchandising all these juices in more than 70 countries** – we are present all across the value chain.

In addition to the farms in Brazil, **seven state-of-the-art processing facilities** in Brazil, the US and China support the business. Our citrus terminals in the Port of Santos, Brazil and in Ghent, Belgium for both not-from-concentrate (NFC) and concentrates underpin the Platform's juice business.

BRAZILIAN ASSETS PLAY A PIVOTAL ROLE

Producers in Brazil and the US supply almost all of the world's thirst for orange juice. Florida, Mexico and Costa Rica supply about 75% of the North American market. Brazil provides the other 25% and supplies the rest of the world with the majority of its needs. We have a strong foothold in the EU-27 bloc, which is Brazil's primary market.

In 2012, we increased our orange juice processing capacity in Brazil with the **purchase of an industrial juice operation** in Paranavaí. The acquisition adds 7 million boxes of annual processing capacity to our Brazilian business. Broadening our reach, this new asset expands our business into the state of Parana, a new location for the Platform, as well as introducing a **Fair Trade certification** for Orange Juice.

CHINA – “THE BRAZIL” OF APPLE JUICE

Much as Brazil produces the lion's share of global orange juice exports, China is the largest global exporter of apple juice concentrate. Through our industrial facility and commercial relationships in China, Louis Dreyfus Commodities has expanded its presence as a **significant supplier of Chinese apple juice concentrate**.

In addition, thanks to our commercial relationships, today we are a meaningful player in the production and distribution of higher acid European apple juice concentrate (AJC).

HIGHLIGHTS:

- ▶ Account for over 15% of the world's consumption of orange juice
- ▶ Annual processing capacity increased by 7 million boxes thanks to acquisition in Paranavaí, Brazil
- ▶ Significant presence across the value chain, merchandising in more than 70 countries

DAIRY



DAIRY FLOWS



OMNIPRESENT IN GLOBAL DAIRY FLOWS

We have global marketing, distribution and logistics capabilities in all major world dairy flows, and use our own brands **Jolait®**, **Milait®**, **Sunny Farms** and **Montex** to supply the market. Major producing and exporting regions in which the Dairy Platform has a strong presence are the EU, US, Oceania and Argentina.

Principal products supplied to the global food, drink and animal feed industries include milk powders, milk fats, whey concentrates and isolates, whey powders, milk protein concentrates and cheeses.

ECOVAL ACQUISITION EXPANDS DAIRY PLATFORM

Following our acquisition of dairy supplier Ecoval Dairy Trade in October 2012, we are now a **leader in the global dairy ingredients** trade and have reinforced the Platform across the entire value chain. **Our ambition is to invest strategically in low-cost producing areas and high-growth destination markets.**

DEMAND EXCEEDS SUPPLY

The global dairy market is dominated by ongoing **growth in demand in Asia**, currently rising by 5% to 15% annually and largely driven by China. Major importing countries – including Algeria, Mexico, Russia and Venezuela – have all seen more modest growth.

In 2012, global milk collection grew on average by 2.5%, insufficient to keep up with the rise in global demand. And while farm gate milk prices have risen across the world, they have failed to match the rising costs of production, particularly for feed and energy. In order to ensure milk collection rises in step with global demand, milk prices will have to increase further to cover the hike in input costs for farmers.

STRATEGY TO MATCH GROWING DAIRY DEMAND

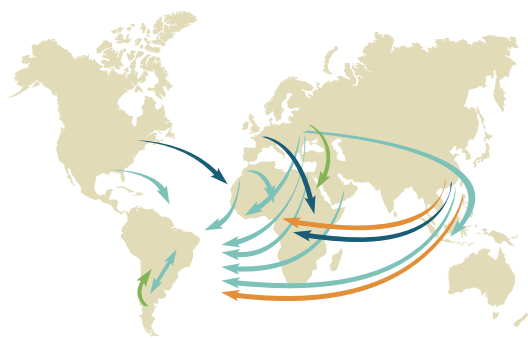
Looking forward, our Dairy Platform **aims to secure supplies of key dairy ingredients in all major producing regions** in order to meet anticipated growth in demand. Our mapping of global supply and demand enables us to determine long-term market projections and to better match the needs of our customers.

We aim to reinforce relations with our suppliers and customers; we know our strengthened Platform offers them valuable business insights in **marketing, risk management, strategic cooperation and market intelligence.**

HIGHLIGHTS:

- ▶ A global leader in dairy ingredients following the 2012 acquisition of Ecoval
- ▶ Expansion of our global customer and supplier base

FERTILIZERS & INPUTS



FERTILIZERS & INPUTS FLOWS

► Chemicals ► Agro-Chemicals ► Fertilizers ► Seeds



ACCESS TO FARMERS AND THE WORLD'S LARGEST SUPPLIERS

Our primary business includes importing and distributing fertilizers and harnessing the use of our strategic ports across the world. We clear the goods through customs and store, blend, bag, bottle and transport them to our customers.

Our diverse customer base includes **large farms, cooperatives, government associations**, as well as **food, mining and industrial firms**.

We have clear synergies with other Platforms at Louis Dreyfus Commodities, and we sell fertilizers to our customers from whom we also buy agricultural products. These synergies create mutually beneficial relationships with the world's largest suppliers and farmers across multiple soft commodities.

TAPPING INTO A SOARING MARKET

Set against a tough market environment, in 2012 key targets for our Fertilizers and Inputs Platform revolved around stabilizing flows and building new locations. Today, we have warehouses and blenders all over Latin America and West Africa.

Significantly, we took our first steps into Asia, developing teams and distribution in Indonesia. Strong relations with major producers of fertilizers, combined with our established presence at destinations, supported growth for the Platform throughout the year.

MATURITY FAVORS GROWTH

The Platform continues to benefit from historically close relations with farmers, our key customer base. In 2012, fertilizer volumes rose significantly, driven by our understanding of global and local markets. The maturity of our existing organization supported growth in South and North Latin America and new flows rose in the Asia, Europe and Black Sea, Middle East and Africa Regions.

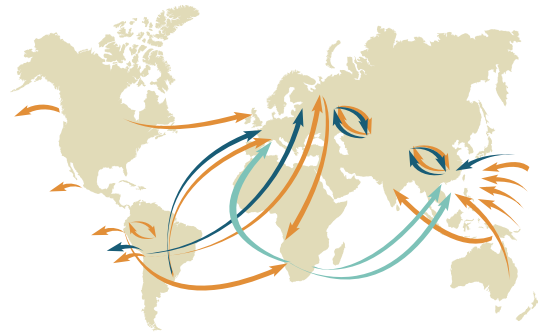
FORWARD FOCUS ON DIVERSIFICATION

In 2013, we will focus on expanding our portfolio by providing **integrated alternatives to fertilizers and chemicals, and by adding crop protection and seeds**. We will also align teams to perform along product lines with a regional approach, managing origination to logistics for customers.

HIGHLIGHTS:

- One of the top 3 distributors of fertilizers in West Africa
- Entry into Asia
- Strong synergies with other platforms

METALS



METAL FLOWS

▶ Copper cathodes ▶ Concentrates ▶ Blister



LEADING MERCHANT IN CONCENTRATES MARKET

We originate, consolidate, export and transport to destination a range of different metals, including **copper, zinc, and lead concentrates, copper blister and refined base metals.**

With a direct presence in all major origination and sales regions, we have the strong network required to meet the needs of our global customers. Our Metals Platform has developed a significant presence in merchandising our three major product lines – **copper concentrates, zinc and lead concentrates and refined metals.**

We are recognized as a trusted customer and supplier to the world's markets, and are bolstered by the financial strength of the Group.

RESILIENCE DESPITE DAMPENING MARKETS

In 2012, the global metals' markets were influenced by growth in supply and a slower than expected demand growth, reflected in lower and less volatile prices for major base metals. The Chinese economic slowdown, and the subsequent inventory "overhang," contributed to the reduced growth in demand.

But despite the dampening of international flows, the Platform maintained its growth momentum, penetrating markets further and **increasing overall volumes by about 25% year-on-year.**

WAREHOUSING PROJECTS SUPPORT EXPANSION

In 2012, our logistic footprint – which supports origination and distribution in key markets – played an important role in expanding volumes for the Platform. **Warehousing projects in Mexico and Africa brought robust growth in origination.**

The acquisition of a majority stake in LME warehouse, and logistics operator GKE Metal Logistics Private Limited, enhanced Louis Dreyfus Commodities' ability to grow its presence in refined metals in the Asia Region, and accelerated the expansion of its domestic activities in China. In addition, Chinese trading, merchandising and warehousing operations under our Wholly Owned Foreign Enterprise (WOFE) license provided valuable access to, and an understanding of, the biggest consumer markets for base metals. **Access to the large Chinese domestic market will be a key area of volume growth for the Platform in 2013 and beyond.**

AMBITIONS EYE BIGGER VOLUMES

Significant growth in multi-year contracting in all product lines globally established a firm foundation for future growth and revenues. Going forward, the Metals Platform plans to continue leveraging strategic logistics and processing assets together with our financial strength and industry commitment to expand our volumes and footprint.

HIGHLIGHTS:

- ▶ 25% year-on-year volume growth, consolidating our position as one of the 3 largest merchants of concentrates
- ▶ Promising start for our participation in the Chinese domestic market



OPERATING A GLOBAL NETWORK

- ▶ Highlights
- ▶ Regions

HIGHLIGHTS

EUROPE AND BLACK SEA

The story of Louis Dreyfus Commodities began in this Region, with the emergence of our grains operations in France in 1851. Today EBS remains the historical heart of the Group and our largest trading hub.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Freight, Finance, Cotton, Juice, Coffee, Sugar, Metals, Dairy, Fertilizers & Inputs

WHERE WE OPERATE:

Belgium, Bulgaria, France, Germany, Italy, Kazakhstan, Netherlands, Poland, Portugal, Russia, Spain, Switzerland, Turkey, Ukraine, Uzbekistan



NORTH AMERICA

Transformed by technology, the North American agricultural sector is one of the most advanced in the world. With our strong origination, processing and logistic capabilities, we are expertly positioned to seize opportunities in this dynamic market. The US is the world's leading exporter of wheat, corn, oilseeds and cotton, and it also has a vibrant domestic market for agricultural commodities.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Freight, Cotton, Juice, Coffee, Sugar, Dairy

WHERE WE OPERATE:

US and Canada



SOUTH LATIN AMERICA

Present in this Region since the end of the nineteenth century, we have forged our business in South Latin America through the integration of our origination, logistics, shipping and industrial processing activities, and diversification into rice, cotton, fertilizers, seeds and metals.

Together with Brazil, the South Latin American Region constitutes one of the world's largest agricultural frontiers and boasts the world's best-in-class soybean facilities.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Finance, Cotton, Coffee, Metals, Dairy, Fertilizers & Inputs

WHERE WE OPERATE:

Argentina, Chile, Paraguay, Peru, Uruguay



Today we are present in more than 90 countries. With a global workforce that reaches more than 20 000 at peak season, our worldwide Group is organized into 6 Regions.

“With ambition and verve, for more than 160 years we have assuredly developed our business to stretch across the world.”

NORTH LATIN AMERICA

We put down roots in this Region in 1942, and since this time we have worked diligently to establish origination activities through close partnerships with local farmers.

Recent investments have extended our comprehensive network of processing, logistics and agricultural assets to grow our businesses in the Region.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Finance, Cotton, Juice, Coffee, Sugar, Metals, Dairy, Fertilizers & Inputs

WHERE WE OPERATE:

Brazil, Colombia, Mexico, Honduras



ASIA

As both the largest producer, and the largest consumer of global agricultural commodities, Asia is a critical Region for our business. Recognizing the potential of a booming Asia, we began to establish assets in this Region over two decades ago. Today, our networks reach across Asia, providing access to valuable and extensive local expertise and helping us to conduct business in widely diverse countries.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Freight, Finance, Cotton, Juice, Coffee, Sugar, Metals, Dairy, Fertilizers & Inputs, Feed

WHERE WE OPERATE:

Australia, Bangladesh, China, India, Indonesia, Singapore, Vietnam, Japan, South Korea, Malaysia, Philippines, Taiwan, Thailand



MIDDLE EAST AND AFRICA

Changing consumption habits and immense agricultural resources are opening up massive opportunities for our Group in the Middle East and Africa. We understand the local challenges, and we are ready and willing to invest in resilient infrastructures. We are convinced our strategy in the Region will deliver strong growth.

PLATFORMS IN THE REGION:

Oilseeds, Grains, Rice, Cotton, Juice, Coffee, Sugar, Metals, Fertilizers & Inputs

WHERE WE OPERATE:

Angola, Bahrain, Benin, Burkina Faso, Burundi, Cameroon, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea – Bissau, Iraq, Ivory Coast, Jordan, Kenya, Kuwait, Lebanon, Lesotho, Liberia, Libya, Madagascar, Mali, Malawi, Mauritania, Mauritius, Mozambique, Nigeria, Oman, Pakistan, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Tanzania, Togo, UAE, Uganda, Zambia





Ghent,
Belgium
Processing asset

EUROPE AND BLACK SEA

THE CRADLE OF OUR BUSINESS

We anchored Louis Dreyfus Commodities in the Europe and Black Sea Region more than **160 years ago**. Today, the strategically vital EBS Region has remained the heart of the Group, merchandising all of our commodities.

In terms of turnover, EBS is **the largest Region** for the Group, with activities that include: origination, warehousing, processing, trading, marketing and distribution. We are proud to boast enduring relationships with key suppliers and customers here.

SUCCESS CONTINUES IN THE BLACK SEA

Due to an active season, the first semester moved us to the forefront of Russian grain exports. In the second half of 2012 the market experienced a slowdown. Logistic complications in the Black Sea deep sea ports and a severe drought in South Russia shrank Russia's grain export potential.

Ukraine corn crop continued to increase in size over 2012, allowing the country to position itself as one of world's top five exporters of corn. We recorded a strong corn export program in Ukraine with our local infrastructure adapting to the new flow.

Our Oilseeds Platform enjoyed a step change in terms of market presence: we leveraged our origination capability for sunflower



oil, sunflower seeds and soybeans, and we signed tolling agreements in Ukraine to consolidate our relationship with local suppliers.

Supported by a successful season and continuous growth of our warehousing activities in 2011-2012 in Russia, we plan to expand our sugar business. **Our cotton activities in Kazakhstan** enjoyed soaring growth; **originated and export volumes more than doubled from the previous year**, thanks to new tolling agreements with local gins.

MARKETS EXPAND ACROSS EUROPE

Louis Dreyfus Commodities took a strategic position **in the global dairy ingredients** trade, following our 2012 acquisition of dairy supplier **Ecoval Dairy Trade**. We witnessed strident growth in Western Europe's palm oil business: **in the last six months of 2012 palm oil flows grew in volume by as much as we had anticipated for 18 months**.

For juice, we expanded storage capacity in Ghent and recorded the biggest throughput ever.

A robust industrial performance and the addition of blending equipment in Wittenberg allowed us to increase the volume of biodiesel deliveries.

DIVERSIFICATION TO UNDERPIN THE FUTURE

Looking beyond 2012 we aim to consolidate our presence in the supply chain through investments in strategic assets and partnerships. We intend to protect our market presence in mature markets, and continue to expand in growing markets, in particular in the Black Sea.

HIGHLIGHTS:

- ▶ Grains and Oilseeds: more than 1 MMT originated and distributed in Poland
- ▶ 2012 cotton volumes in Kazakhstan multiplied by 2.5
- ▶ 2 200 employees



Yorkton,
Canada
Processing asset

AN INTERNATIONAL PRICING POINT

The US is the world's largest export market, extremely important as an international pricing point through the liquidity provided by US futures exchanges. In North America we are present at every step of the value chain, with the exception of farming. Our diversified portfolio includes: 6 processing assets for grains, oilseeds, juice and sugar; 3 packaging assets for juice and sugar; 6 grains and oilseeds export facilities; 10 interior elevators in Western Canada; 18 cotton warehouses and 2 intermodal facilities in US.

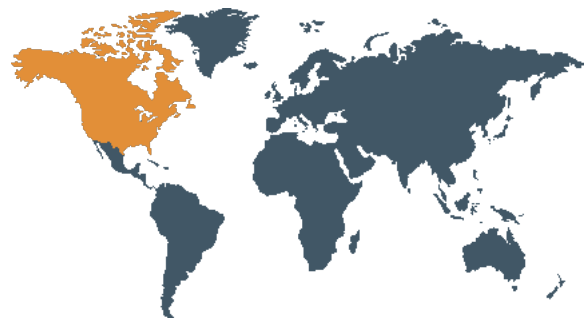
Experienced personnel drive and execute growth across multiple platforms. Our extensive expertise in arbitrage and futures markets plays a pivotal role in risk management, backed by a fundamental research approach to investment and trading.

MACRO UNCERTAINTY AND WEATHER-DRIVEN VOLATILITY

Macro factors contributed uncertainty to both the financial and commodity markets in the first half of the year. Supply and demand dislocation, with droughts in both North and

HIGHLIGHTS:

- ▶ Entered downstream (refining) and branded retail sectors in the US in sugar with the acquisition of Imperial Sugar
- ▶ Important player in US dairy market thanks to acquisition of Dutch-based trading group Ecoval
- ▶ Ongoing diversification of our North American processing and merchandising activities



South America, contributed to a **volatile and elevated price environment**. Oilseeds exports from North America increased due to the South American crop constraints and continued Chinese demand. High prices and volatility continued in the second half of the year as a result of US drought concerns, lowering total export volumes for Grains and Oilseeds.

AN EVER-EXPANDING BUSINESS

The acquisition and integration of Imperial Sugar was the primary focus for the Sugar Platform in 2012, resulting in increased merchandising and a larger asset base in the US. The Region started a major upgrade at the Port Allen (Baton Rouge), Louisiana export facility, and continues to develop grains and oilseeds origination assets and partnerships to expand its capabilities in the US export market.

RAMPING UP GRAINS AND OILSEEDS

In 2013, we plan to continue our interior asset expansion plan in the US for Grains and Oilseeds activities, and to propel exports from our strategically located export facilities. The end of the Canadian Wheat Board's marketing monopoly in 2012 has unlocked opportunities in grain merchandising to ramp up use of our assets.

SOUTH LATIN AMERICA



Timbúes,
Argentina
Logistic and
processing asset

REGION'S BOUNTY BRINGS CONTINUED GAINS

The South Latin American Region produces a significant portion of the world's grain and soybean products. Louis Dreyfus Commodities recognized the potential of this fertile region over 100 years ago, building a business that today has dovetailed to span diverse commodities, including oilseeds, grains, rice, cotton, coffee, metals, milk powder, fertilizers and inputs.

Offices in Buenos Aires, Rosario, Montevideo, Asuncion, Lima and Santiago de Chile are on the ground, supporting our origination, logistics, shipping and industrial processing activities. **With fixed assets in excess of US\$500 million**, the Region operates: 2 oilseed crushing plants in Argentina and 2 in Paraguay; 3 coffee plants and 1 metal warehouse in Peru; barge convoys covering the Parana and Paraguay rivers waterway; 7 country elevators; 5 cotton warehouses in Paraguay and 1 in Argentina. Our enviable asset base is leveraged by 3 strategically placed port facilities in Argentina.

GROWTH ANCHORED IN DIVERSIFICATION

For decades our oilseeds and grains activities have underpinned growth in South Latin America. However, matching the Group's global diversification strategy, we have recently entered rice, as well as the fertilizers and seeds markets.

HIGHLIGHTS:

- ▶ A top 3 exporter in Argentina's grains and oilseeds markets
- ▶ One of Uruguay's and Paraguay's leading oilseeds and grains exporters
- ▶ One of South America's top rice exporters



SOLID PERFORMANCE DELIVERED IN 2012

Despite the challenging context which saw severe droughts hit the Region in 2012, we brought value to our shareholders and stakeholders. We adapted to the scenario and focused on the trade flows, maximizing the use of our resources in the Region. Operations also kicked off at our new Bahía Blanca deep water port in Argentina.

Significant achievements for the year include breaking ground to build one of the **largest soybean crushing complexes in Paraguay**; a joint venture with two leading trading companies in the Region, the crushing plant in Villeta will have a capacity of **4 000 metric tons** per day.

Responding to the growing need for freight capacity, we are ramping up these capabilities in the Region. Accommodating a rise in downriver volumes from Paraguay, Louis Dreyfus Commodities is currently building four liquid barges for Logico, our logistics arm in Hidrovia, Paraguay.

SYNERGIES FOR STRENGTH

Our vision for tomorrow sees a strengthened presence in fertilizers, rice, dairy and cotton at the heart of growth for the Region. We also plan to tap into the ripe potential of our metals businesses in Peru and Chile, and to continue our investments in logistics, strengthening our presence and efficiency in the markets in which we operate.



NORTH LATIN AMERICA

Engenheiro
Coelho,
Brazil
Processing asset

BRAZIL: THE LAND OF PLENTY

Louis Dreyfus Commodities continues to seize the wealth of supply and demand opportunities richly scattered across the North Latin America Region. Thanks to high productivity, low production costs and the availability of land, the Region plays a leading role in the world's agricultural market.

Brazil's rich arable land offers **unparalleled potential across the supply chain for our business**. The country – a leading producer and exporter of sugar, soybeans, orange juice and coffee – is expected to retain its position. We are also a leader in Brazil's cottonseed crushing segment, processing 300 000 tons a year.

Our comprehensive network of capabilities in Brazil includes 5 oilseed crushing plants, 4 orange processing plants, 2 river waterways, 4 Grains & Oilseeds port terminals and 1 Juice port terminal, 29 warehouses, 2 coffee facilities and 4 fertilizers blending facilities.

Our main offices in the Region are located in Brazil, Colombia, Honduras and Mexico.

NEW RECORDS FOR RICE AND JUICE

Following an exceptional performance in 2011, the Region continued to blaze ahead in 2012. Rice origination rose, ensuring we retained a top slot in Brazil's rice exportation. As a leading player in juice, the Group processed 18% more boxes of citrus fruit in 2012 than in 2011.

HIGHLIGHTS:

- ▶ Established a leadership role in the imports of refined vegetable oil in Colombia
- ▶ Operate one of the largest coffee warehouse / processing plants in Mexico
- ▶ Present in the Region since 1942



Soy and corn also saw major growth. Soy origination rose by a considerable 10% from 2011 levels, and corn origination witnessed an unprecedented 140% hike from 2011 to 2012.

Investing further in Brazilian grain facilities, a **new grain warehouse** for receiving and drying soy and corn is under construction in Jataí, with a capacity of **145 000 tons**. Funds were also directed for work on the port of Itaqui, in the northeast of Brazil. The operation will open a strategically important corridor for the transportation of grains in the Region.

A STRONGHOLD IN SUSTAINABLE COFFEE

For the third consecutive year we have upheld our industry-leading position in Colombian coffee, with a 13% participation in the export market. Today we are one of the world's largest suppliers of sustainable coffee. In 2012 we expanded our facilities in Colombia and we built a coffee warehouse in Espírito Santo (Brazil) for storing 250 000 coffee bags. In the 2011-2012 crop year we successfully established a coffee exporting operation in Honduras, the fifth largest coffee exporting country in the world, and we expect to further invest in our processing and warehousing capacity.

A FOOTHOLD IN FERTILIZERS

The integration of the fertilizer distribution business Macrofétil, and adapting the new unit to the Group's global standards, formed a focal point for the Region in 2012.

We also started to develop a crop protection business which will allow Louis Dreyfus Commodities to start selling agrochemicals in the Brazilian market in 2013.

ASIA



Bazhou, China
Processing asset

CAPEX FEEDS PHENOMENAL GROWTH

As the world's largest and fastest growing market for commodities, Asia continues to play a substantial role in the growing success of Louis Dreyfus Commodities. We are committed to injecting investments into high-quality assets that enhance our trading leverage, and that capture industrial margins across the full spectrum of the commodity value chains. Reflecting our ambitions, we have earmarked a US\$1.1 billion five-year capex plan for the Region.

Ongoing merger and acquisition activity in China, Indonesia, India, Vietnam, Thailand, Myanmar and Australia has already significantly expanded our regional footprint. And thanks to strategic investments, we can access rapid growth in internal consumption for **grains, oilseeds, sugar, metals, cotton, coffee, feed, rice, fertilizers and dairy commodities**. Asia is also a **strategic origination point** for all of Louis Dreyfus Commodities' major commodity flows.

NEW PLATFORMS ANCHORED IN ASIA

Reaching deeper into the Region, in 2012 we launched two new platforms – Fertilizers & Inputs, and Dairy – with the acquisition of **global dairy trading house Ecoval** and the start of a **fertilizer activity in Indonesia**.

HIGHLIGHTS:

- ▶ US\$1.1 billion 5-year capex plan
- ▶ 18 processing assets and 11 logistics assets
- ▶ 1 600 employees



Taking a major step to promote our **refined metal** activity, we acquired a majority stake in a **metal warehousing** firm in Singapore and majority ownership of a bonded metals warehousing company in Shanghai.

A Foothold in Feed

Reflecting Asia's increasing appetite for meat, in 2012 we set up an **independent Feed Platform**. The driving aim of the new Platform is to develop a network of **feed mills**; with an enhanced network, we will span the value chain for our Grains and Oilseeds Platforms.

By leveraging our logistics facilities in Newcastle, Australia, we expanded our grains origination business in Australia while our **rice origination** capacities blossomed through a joint venture in Thailand.

ASSETS TO QUADRUPLE BY 2017

We have the clear objective to **triple our volumes and quadruple our asset base in Asia by the end of 2017**.

We plan to add refining capacity to the Sugar Platform, and our Coffee Platform will benefit from new projects in Vietnam and Indonesia. In addition, we plan to develop our palm oil assets and merchandising, building additional processing assets in Indonesia over the next five years.

The Region has the driving ambition in 2013 to enhance **intra-Asia rice flows** by leveraging our origination capabilities in Thailand, Myanmar and Vietnam to meet destination markets in Asia.

MIDDLE EAST AND AFRICA



Lichtenburg,
South Africa
Processing asset

POPULATION GROWTH SHAPES NEW OPPORTUNITIES

With annual demographics that outpace the rest of the world, an emerging middle class with growing means, soaring demand for food and raw materials and untapped agricultural resources, the Middle East and Africa Region offers opportunities for our well-positioned Group.

In 2008, we opened a dedicated regional office in Dubai. In 2011, we leapfrogged into a strong agribusiness position with the acquisition of SCPA-SIVEX International, the leading fertilizer, crop protection and chemical products' distributors in West and Central Africa.

Our challenge today is to develop current flows and to carve new flows that reflect local demand in the 67 countries of the Region. Even if production doubles by 2050, it will be insufficient to feed the growing population, which means the **drive to expand agriculture will continue to shape the Region.**

RISK MANAGEMENT PRIMARY IN UNSETTLED REGION

Different conflicts and unrest marked the Region in 2012, including civil war in Mali. As a result, **risk management expertise – situated in our Dubai hub – is crucial for our regional teams.**

HIGHLIGHTS:

- ▶ Home to 1.4 billion people, 2 billion by 2050
- ▶ 570 employees
- ▶ The youngest population in the world: 41% of the population under 15 years old (versus 28% in the rest of the world)



SUB-HUBS REFLECT THE DIVERSITY OF THE REGION

Due to the size and accelerated pace of development of the Region, **the Group created sub-regional hubs** to take into account recent acquisitions – SCPA Sivex International and Gulf Stream Investments Limited – and the economic, political and cultural differences within the Region. Abidjan acts for West Africa, Johannesburg for Southern Africa and Mombasa for the East Africa sub region. Dubai will remain the Middle East and Africa hub.

FOCUS FOR 2013: OIL, RICE, SUGAR, METALS AND LOGISTICS

Looking to 2013, we plan to leverage our network of offices and assets to develop oil and sugar in West Africa and fertilizers in East Africa and Nigeria. We will also take a closer look at farming opportunities in the Ivory Coast, Cameroon and Tanzania. Our teams will seek to develop metal origination and logistics in the South African metal corridor. In addition, our aim is to pursue external growth through logistics partnerships and secondary processing assets, such as crushing plants and refineries. We are planning to roll out new business lines in Pakistan, Zambia and Nigeria.

SOME OF OUR ASSETS

EUROPE AND BLACK SEA



Rakhny, Ukraine



Wittenberg, Germany



Tatsinskiy, Russia

NORTH AMERICA



Port-Cartier, Canada



Grand Junction, Iowa, US



Lyalta, Canada

SOUTH LATIN AMERICA



General Lagos, Argentina



Bahía Blanca, Argentina



Puerto Angostura, Paraguay



Paranavaí, Brazil



São Simão, Brazil



Ponta Grossa, Brazil

NORTH LATIN AMERICA



Henan, China



Krishnapatnam, India



Newcastle, Australia

ASIA



Mombasa, Kenya



Abidjan, Ivory Coast



Douala, Cameroon

MIDDLE EAST AND AFRICA





CORPORATE GOVERNANCE

- ▶ Supervisory Board
- ▶ Executive Group



Wittenberg,
Germany
Processing asset

A MESSAGE FROM THE CHAIRMAN OF THE SUPERVISORY BOARD



Mehdi El Glaoui
Chairman of Louis Dreyfus
Commodities Holdings B.V.

As Louis Dreyfus Commodities closes its most successful year yet, the Supervisory Board is pleased to observe key evolutions within the Group that confirm the resolute approach to manage risk for the safeguard and longevity of the business and continued value for its shareholders. The Board regularly monitors the executive and senior management teams in leading the company to its ambitious vision of feeding and clothing a significant portion of the world's population.

Among the significant activities demonstrating this evolution over the last 12 months, the Board considers the following to be strong examples of sound corporate governance and effective decision making for the best interest of all stakeholders:

► **Ongoing organizational maturity through the professionalization of functional, regional, and platform management.** Initial phases of transformation in the global Human Resources and Information Technology areas took place over the last year. In a context of a high growth, these changes are examples of strategic foresight and sound organizational design. These functions are progressing in line with the more mature Compliance and Risk department that most notably holds over 10 years of experience in cutting edge quantitative risk management.

Always seeking to improve, Louis Dreyfus Commodities is targeting further enhancements in operational risk management with a focus on security and efficiency through consistency in operations and best practice sharing.

► **Financial flexibility and attractiveness demonstrated with the launch of the first public financing for the Group through perpetual bonds that were successfully issued on the Singapore stock exchange.** A landmark transaction in Louis Dreyfus Commodities' long history, the bond marked the company's entry into the capital markets. Given the enthusiastic response from investors, the listing also demonstrates investor confidence in the strength of Louis Dreyfus Commodities' business model and credit profile.

► **The formal ring fencing and internal reorganization of Biosev.** Now a sister company to Louis Dreyfus Commodities, Biosev has its own ownership structure and business profile. The two companies remain under the control of a single entity: Louis Dreyfus Commodities Holdings B.V. (LDCHBV). Biosev is an important part of LDCHBV's portfolio and will continue to benefit from stable corporate governance, vision and support.

The Supervisory Board wishes to not only express its appreciation for the good governance and leadership within the Group, but to also restate its availability to share our diverse experiences and guide Louis Dreyfus Commodities to new success stories for the benefit of our shareholders, partners and stakeholders.

Mehdi El Glaoui
Chairman

BOARD MEMBERS AND COMMITTEES

Supervisory Board

Louis Dreyfus Commodities Holdings B.V.

Mehdi El Glaoui *Chairman*
Margarita Louis-Dreyfus
Serge Schoen
Jean-René Angeloglou
Raymond Creteigny
Aimery Langlois-Meurinne

Supervisory Board Committees

► **Audit Committee**

Jean-René Angeloglou *Chairman*
Mehdi El Glaoui
Raymond Creteigny

► **Strategy Committee**

Serge Schoen *Chairman*
Margarita Louis-Dreyfus
Aimery Langlois-Meurinne

► **Compensation Committee**

Raymond Creteigny *Chairman*
Margarita Louis-Dreyfus
Jean-René Angeloglou

Managing Board

*Louis Dreyfus Commodities Holdings B.V.
and Louis Dreyfus Commodities B.V.*

Claude Ehlinger
Johannes Schol

EXECUTIVE GROUP



Serge Schoen
Chief Executive Officer
Member of the Supervisory Board



Erik Anderson
Senior Platform Head Grains
& Macro



Ciro Echesortu
Chief Operating Officer



Claude Ehlinger
Chief Financial Officer



Kenneth Geld
Senior Platform Head Biosev,
Calyx & Juice



Nigel Mamalis
Chief Compliance & Risk Officer



Andrea Maserati
VP Global Human Resources
& Communication



Joe Nicosia
Senior Platform Head Cotton



François-Philippe Pic
Group Head of Regions
& Operations



Silvia Taurozzi
Senior Platform Head Other
Products, Proteins & Tropicals



Rohit Aggarwal
CEO Asia Region



Paul Akroyd
Metals Platform Head



Miguel Catella
Finance Platform Head



Peter Ensink
Freight Platform Head



Jean-Marc Foucher
CEO Europe & Black Sea Region



Jacques Gillaux
Sugar Platform Head



Jean-Yves Haagen
General Counsel



Peter Hahn
Juice Platform Head



Trishul Mandana
Coffee Platform Head



Frederic Marret
CEO Middle East & Africa Region

Our Executive Group
consists of 28 members
and 10 nationalities



Guy de Montule
Rice Platform Head



Mikael Morn
CEO North America Region



Gaston Nogues
Fertilizers & Inputs Platform Head



David Ohayon
Grains Platform Head



Gonzalo Ramirez Martiarena
CEO South Latin America Region



Andre Roth
CEO North Latin America Region



Anthony Tancredi
Cotton Platform Head



Paul van Wagenveld
Dairy Platform Head

CONDENSED STATEMENT OF INCOME

<i>(US\$ million)</i>	FY-2011	FY-2012	
Net sales	57,669	57,140	
Cost of sales	-55,536	-54,819	
Gross margin	2,132	2,321	9%
Commercial and administrative expenses	-810	-755	
Finance costs net	-218	-195	
Other	28	-31	
Income from operations	1,132	1,340	18%
Tax	-253	-236	
Net income – excluding Biosev	879	1,104	26%
Net income Group share – excluding Biosev	875	1,096	25%
Net income – discontinued operations	-251	-150	
Net income Group share – discontinued operations	-140	-93	
Net Income	628	953	
Net income Group share	735	1,003	36%

CONDENSED STATEMENT OF FINANCIAL POSITION

<i>(US\$ million)</i>	FY-2011	FY-2011 ¹ w/o Biosev	FY-2012	
Non-current assets	7,161	3,510	4,400	25%
PPE, Biological and Intangible assets	6,083	2,729	3,370	
Investments in associates	455	328	338	
Other investments ²	444	274	491	
Others	179	179	201	
Current assets	15,588	14,524	14,719	1%
Inventories	6,125	5,592	5,977	
Accounts receivable and other	7,879	7,657	7,732	
Current financial assets	1,583	1,276	1,010	
Total assets	22,749	18,034	19,119	6%
Equity	5,284	3,912	4,807	23%
Attributable to owners of the parent	4,751	3,872	4,750	
Attributable to non-controlling interests	533	40	57	
Non-current liabilities	4,789	2,717	3,168	17%
Long-term debt	3,849	2,315	2,570	
Others	939	403	598	
Current liabilities	12,676	11,405	11,144	-2%
Short-term debt ³	6,849	5,993	6,195	
Accounts payable and other	5,827	5,412	4,949	
Total equity and liabilities	22,749	18,034	19,119	6%

1. Due to the indirect upstreaming of LDC's shareholding in Biosev to LDCH BV, FY 2012 LDC BV consolidated figures presented compare to FY 2011 LDC BV consolidated figures adjusted from the FY 2011 Biosev contribution.
2. Including non-current assets held-for-sale.
3. Including financial advances from related parties.

REGIONAL HEAD OFFICES

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NORTH LATIN AMERICA


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MIDDLE EAST AND AFRICA

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Louis Dreyfus Commodities B.V. (the “Company”) has made every effort to ensure accuracy of the information contained in this annual report. However, the Company does not guarantee the appropriateness, accuracy, usefulness or any other matter whatsoever regarding this information.

This annual report contains forward looking statements with respect to the financial condition, results of operations and on the business development of the Louis Dreyfus Commodities Group. These statements are based on assumptions relating to the development of the economic and legal environment in individual countries and economic regions, and in particular for the commodities and related businesses, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to print.

No statement in this annual report is intended as a profit forecast or a profit estimate.

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