

9 Months Results September 2018

13 November 2018



Financial Highlights

Three and nine months ended 30 September 2018

- Positive underlying business results, amid strong global commodity price environment:
 - Prices supported by growth in demand and factors affecting supply such as production cuts and economic sanctions
- Operating income from supply chains for first nine months of 2018 at US\$140 million, when adjusted for non-cash reserves taken in 1Q 2018:
 - Led by Metals, Mineral and Ores segment results – with solid results from the Jamalco joint venture
 - Energy Coal and Metallurgical Coal and Coke businesses executing on core flows – however, performance continues to be impacted by constraints on liquidity and availability of competitive trade finance
- Volumes (including both offtake and marketing) down 13% quarter-to-quarter as the Group reduced certain Freight business volumes
- SAO expenses lower year-on-year in first nine months of 2018, on track to reach target SAO levels during 4Q 2018
- Group results impacted by expenses associated with implementing the proposed restructuring, finance costs on existing senior debt and losses from discontinued operations
- Cash and cash equivalents at US\$583 million at 30 September 2018 – higher compared to 31 December 2017 due to net proceeds from sale of NAC⁽¹⁾ and positive underlying operating profit before changes in working capital, partially offset by restructuring expenses, interest paid on senior debt prior to signing binding Restructuring Support Agreement and an increase in underlying working capital

(1) Asset disposal programme concluded in 1Q 2018 with sale of Noble Americas Corporation (“NAC”) and wind down of certain remaining Global Oil Liquids working capital balances within Noble Clean Fuels Limited

Consolidated Income Statement Summary

Three and nine months ended 30 September 2018

(US\$ millions / million tonnes)	Nine months ended		Three months ended	
	30 Sep 2018	30 Sep 2017	30 Sep 2018	30 Sep 2017
Tonnage⁽¹⁾	43.9	59.7	12.5	16.9
Revenue⁽¹⁾	3,542	4,854	1,210	1,409
Operating income/(loss) from supply chains, net⁽¹⁾	75	(175)	49	(7)
Gain/(loss) on supply chain assets ⁽¹⁾	(55)	(25)	2	(3)
Share of profits & losses of joint ventures & associates ⁽¹⁾	143	(9)	5	11
Total operating income/(loss)⁽¹⁾	163	(209)	56	1
Other income net of other expenses ⁽¹⁾	21	3	1	1
Selling, administrative and operating expenses ⁽¹⁾	(101)	(216)	(30)	(63)
Profit/(loss) before interest, tax and restructuring expenses⁽¹⁾	83	(421)	27	(61)
Restructuring expenses ⁽²⁾	(147)	-	(33)	-
Net finance costs ⁽¹⁾	(155)	(128)	(29)	(43)
Taxation ⁽¹⁾	(23)	12	(9)	9
Net loss from continuing operations⁽¹⁾	(242)	(537)	(43)	(94)
Post-tax loss from discontinued operations ⁽³⁾	(57)	(814)	(55)	(652)
Exceptional items, net of tax ⁽⁴⁾	-	(1,681)	-	(428)
Other items ⁽⁵⁾	-	(20)	-	3
Non-controlling interests	(0)	0	(0)	0
Net loss	(299)	(3,051)	(99)	(1,171)

(1) 2017 adjusted for exceptional items and other items. See notes 3 and 4 below.

(2) Includes expenses associated with implementing the proposed restructuring. Refer to SGX announcement note 1(b)(i)(B) for additional disclosure.

(3) Includes post-tax loss from discontinued Global Oil Liquids, North American Gas & Power and Agricultural businesses.

(4) Includes exceptional items in the Group's operating income from supply chains from continuing operations along with other non-operational items such as impairment losses on supply chain assets from continuing operations.

(5) Includes the results of businesses which the Group has ceased or wound down their operations, however did not meet the criteria of discontinued operations under IFRS. Other items also includes costs associated with repositioning the Group's cost structure, including headcount reductions. These businesses included certain other energy and metals, minerals and ores product divisions in the Americas and Europe.

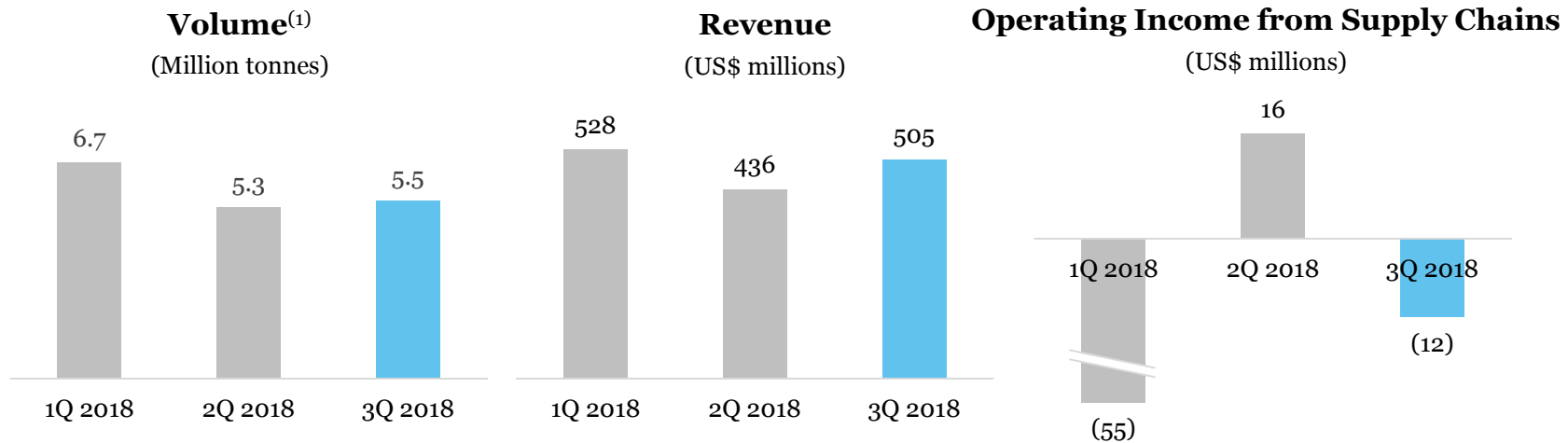
Segment Results

Energy

- **Energy Coal** continues to execute on contracted flows and generated positive returns on its portfolio of long-term contracts. Volumes were broadly inline quarter-to-quarter from 2Q 2018 to 3Q 2018. Overall, total volumes (including both offtake and marketing) down 22% in the first nine months of 2018 as the business exited its business in the United States and continued to focus on core flows in Asia Pacific.

Operating income from supply chains was adversely impacted by non-cash mark-to-market losses due to the impact of contract-specific performance reserves recorded in 1Q 2018.

- **LNG** continues to execute on its existing contracted flows, but was unable to add profitable new business flows given the Group's constrained liquidity and access to trade finance lines. Lack of available trade finance lines to hedge certain contracted deliveries adversely impacted 3Q 2018 performance.

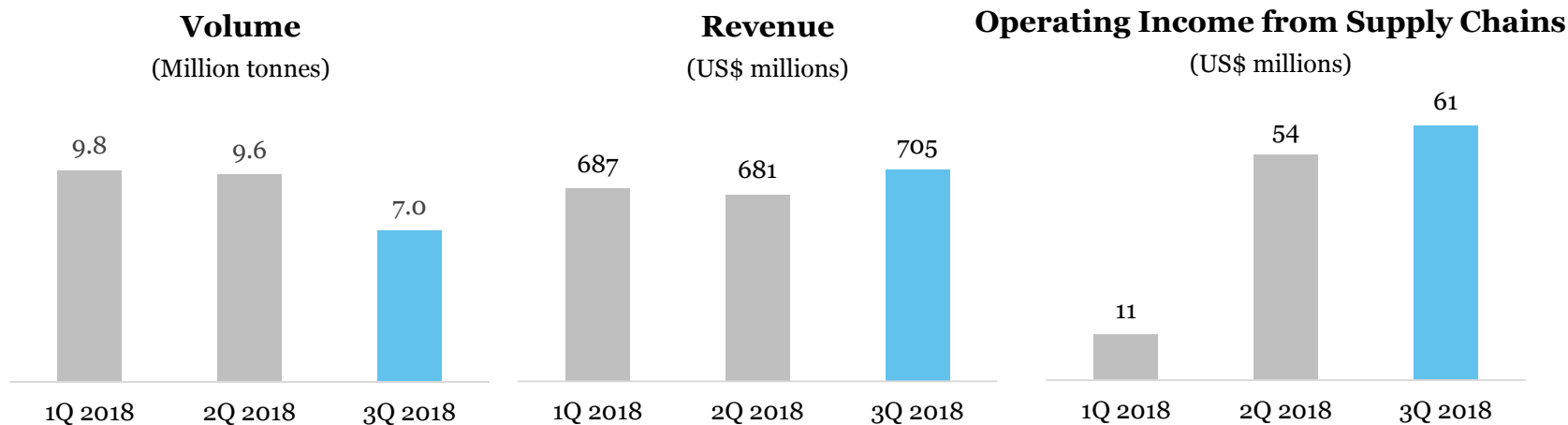


(1) Volumes exclude Energy Coal marketing volumes.

Segment Results

Metals, Minerals & Ores

- **Metals** saw solid results from the Jamalco joint venture in the strong alumina price environment. In Base Metals, the business continued to focus on a measured build out based on existing relationships in key origination markets.
- **Carbon Steel Materials** saw continued stable Special Ores and Industrial Minerals performance, including manganese and chrome, as the business focusses on niche high margin volumes. Met Coal and Coke continued executing on existing customer flows to maintain its leadership position in the seaborne markets. However, results were adversely impacted by non-cash mark-to-market losses due to the impact of contract-specific performance reserves taken in 1Q 2018.
- **Freight** volumes lower in 3Q 2018 as a result of certain vessel sales and redeliveries of certain chartered ships. Challenges faced by the Group have impacted the business' ability to fully take advantage of the current market's improving fundamentals.



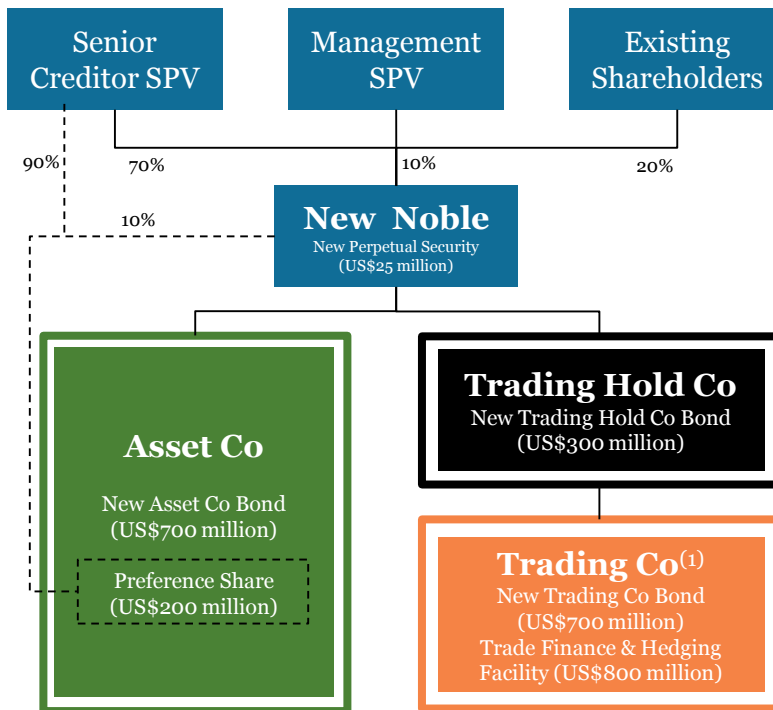
Proposed Financial Restructuring



Proposed Financial Restructuring

Structure & Update

Illustrative Transaction Structure



Key Developments

- Scheme Creditors approved the proposed restructuring on 8 November 2018
- English Court has indicated it will make an order sanctioning the English Scheme on 13 November 2018
- Bermuda Scheme Hearing scheduled 14 November 2018

Proposed restructuring provides a **stable platform for New Noble with a **sustainable capital structure** to deliver **long-term value** to all of its stakeholders**

(1) Main operating company of New Noble, which will control and operate the core business and may hold direct or indirect legal title to certain Asset Co Assets

