Q1 2017 Results

11 May 2017

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Financial Highlights
Three months ended 31 March 2017

- Core franchise continues to be strong with positive contributions from underlying physical flows
- 17% year on year decline in Group tonnage largely due to roll-off of an existing contract, as well as price increases and liquidity management
- Profitability in Energy Coal and Carbon Steel Materials impacted by market dislocation and decoupling of key indices
- Clear progress made on cost reduction with close to 45% decline in quarterly Selling, Administrative & Operating expenses
- Net debt to capital at 46%, within the Group's leverage target of 45-50%
- Disciplined management of cost, liquidity and leverage will be essential to sustainable underlying profitability

Key Priorities

Franchise

Strong customer and supplier relationships

Returns

Focused and targeted allocation of capital into high return businesses

Cost

Reduce overhead and operational costs, and reset cost base

Balance Sheet & Liquidity

Disciplined balance sheet and liquidity management

Sustainable underlying profitability to meet target operating income from supply chains

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Consolidated Income Statement Summary

Three months ended

(Tonnes M/ US$ M)	31 Mar 2017	31 Mar 2016
Tonnage[1]	**46.9**	**56.8**
Revenue[1]	**12,489**	**11,076**
Operating income from supply chains, net[1]	**(3)**	**290**
Operating income margin (%)	*-*	*2.62%*
Losses on supply chain assets[1]	(10)	(13)
Share of profits & losses of joint ventures & associates[1]	(5)	(16)
Total operating income/(loss)[1]	**(18)**	**261**
Other income net of other expenses[1]	1	2
Selling, administrative and operating expenses[1]	(91)	(138)
Profit/(loss) before interest & tax[1]	**(107)**	**125**
Net finance costs[1]	(44)	(37)
Taxation[1]	21	(5)
Adjusted net profit/(loss) for the period[1]	**(130)**	**83**
Exceptional items, net of tax[2]	8	(3)
Losses from discontinuing businesses and other expenses, net of tax[3]	(8)	(40)
Non-controlling interests	0	0
Net profit/(loss)	**(129)**	**40**

(1) Adjusted for exceptional items and losses from discontinuing or to be discontinued businesses and other expenses. See notes 2 and 3 below and refer to SGX results announcement note 1(a)(i)(A) for additional disclosure.

(2) Includes exceptional items in the Group's Operating Income from Supply Chains along with other non-operational items such as impairment losses on supply chain assets, re-measurement gains on pre-existing interests in joint ventures and share of profits and losses of disposed joint ventures and associates.

(3) Represents results of businesses which are discontinuing or are to be discontinued in the near future and costs associated with repositioning the Group's cost structure, including headcount reductions. These businesses include certain energy and metals, minerals and ores product divisions in North America and Europe. There has not been any significant variance or notable items during the period related to these businesses.

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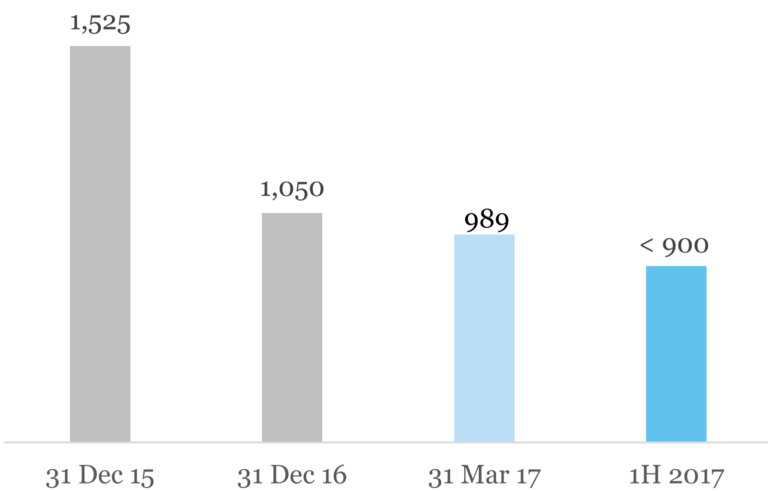
Cost Discipline

Substantial progress made with quarterly SAO down by almost 45%

- Substantial progress made to reduce cost and streamline the organization with quarterly SAO expenses falling by almost 45%
- Headcount reduced by approximately 30% in 2016 with a further 5% reduction through 31 March 2017
- Continue to focus driving operational and overhead costs down while looking to increase revenue drivers
- Committed to resetting cost structure to underpin future profitability

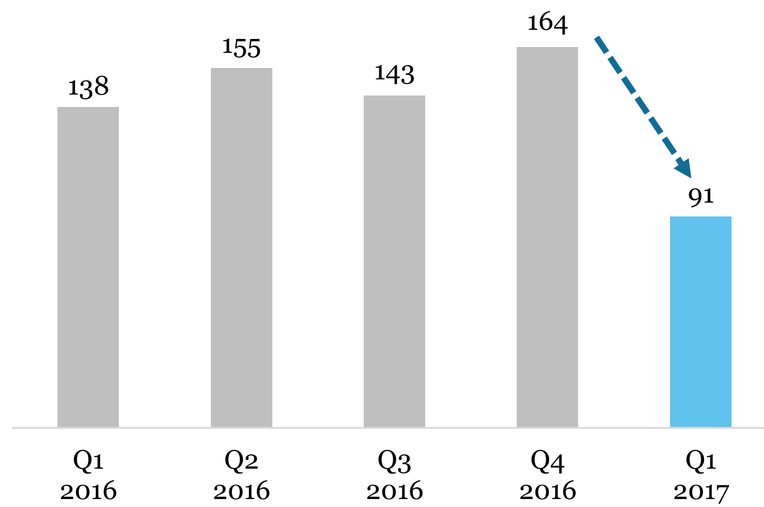
Further Rationalization of Headcount

(Headcount)



SAO Expenses Down Significantly [1]

(US$ Millions)



(1) Adjusted for discontinued or to be discontinued businesses and other expenses

Segment Results

Energy

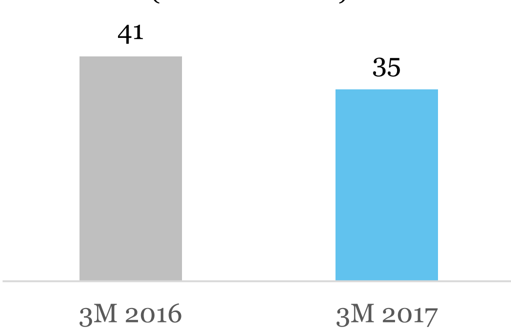
- **Oil Liquids** saw a 19% decline in volumes but an 18% year-on-year increase in revenue as prices increased. Performance was impacted by the sustained low volatility as well as the continued focus on managing liquidity. The underlying customer franchises in our largest products such as gasoline and distillates continue to exhibit solid performance.

- **Energy Coal** saw a 14% quarter to quarter increase in volumes with 10% increase in revenue. The business is benefitting from the strong portfolio of offtake and marketing agreements as the market stabilizes. However, it was impacted by the market dislocation and the decoupling of key indices used to hedge current and future exposures. The portfolio has been restructured to reflect what we consider to be a permanent and fundamental change in the coal markets.

- **Gas & Power** showed solid results with the North American Gas & Power business continuing to execute on its transport and supply deals while taking advantage of the volatility seen in certain regions in the US. The LNG business is involved in selective flows and is carefully navigating its build out of the customer network while developing longer term contracts.

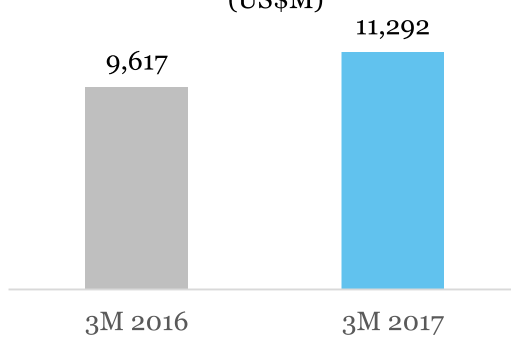
Volume(1)(2)

(Million Tonnes)



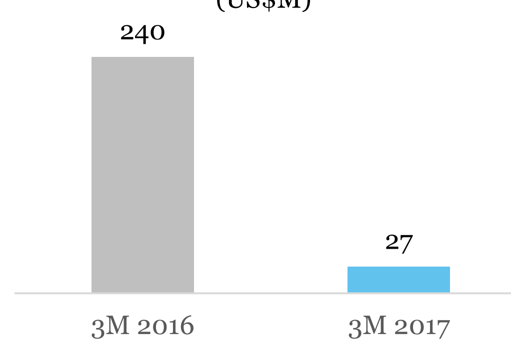
Revenue(1)

(US$M)



Operating Income from Supply Chains(1)

(US$M)



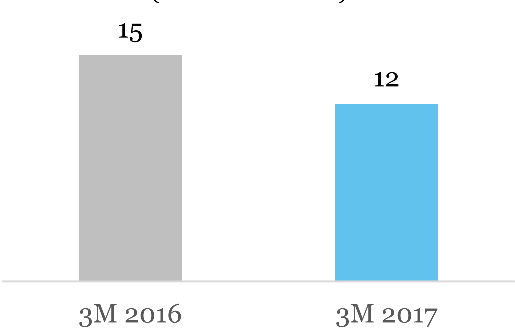
(1) Adjusted for exceptional items, discontinuing or to be discontinued business and other expenses
(2) Excluding Gas & Power

Segment Results
Metals, Minerals & Ores

- **Metals** was impacted by the liquidity constraints with a fall in volumes but profitability improved compared to the same period in 2016 due to the stronger performance of the aluminium business and the results of the cost reduction initiatives implemented at Jamalco.
- **Carbon Steel Materials** While special ores continued to outperform, the business had a challenging start to the year due to the sharp correction in metallurgical coal and coke prices, given the challenges faced in efficiently implementing a comprehensive hedging strategy due to the depth of liquidity in the market, especially on the back of prevailing volatility and market uncertainty.
- **Logistics** took advantage of the market strength to lengthen the tenor of charters and lock in profits.

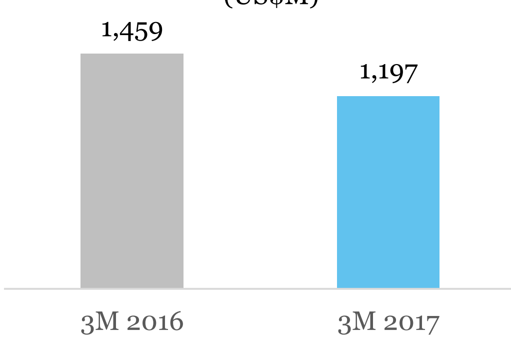
Volume[1]

(Million Tonnes)



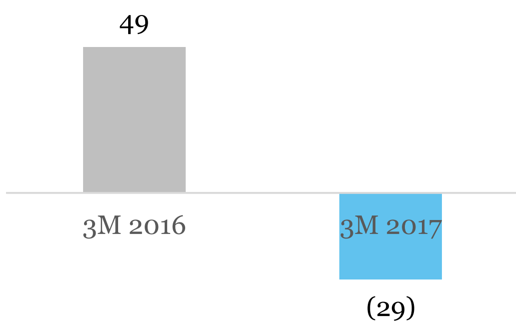
Revenue[1]

(US$M)



Operating Income from Supply Chains[1]

(US$M)



(1) Adjusted for exceptional items, discontinuing or to be discontinued business and other expenses

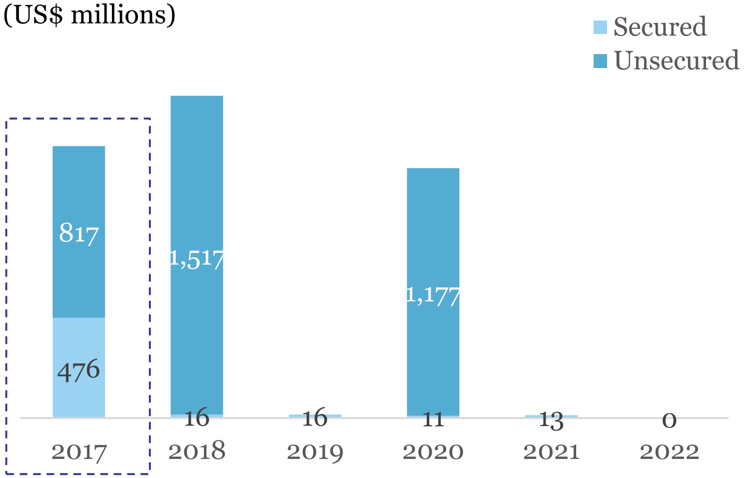
Debt Profile

Added liquidity post year-end and extended maturity profile

- In February 2017, a US$1 billion revolving borrowing base facility was successfully closed to support the business of Noble Clean Fuels Limited. The facility allows for working capital loans as well as the issuance of trade finance instruments.
- In March 2017, the Group successfully raised US$750 million in 5 year senior notes due 2022. The final order book at US$2.4 billion and more than 3 times oversubscribed. The proceeds have been used for refinancing.
- The bond allows the Group to diversify its funding sources and extend its maturity profile.
- Net Debt to Capital stood at 46% as of 31 March 2017, in line with the Group's stated leverage target of between 45-50%.

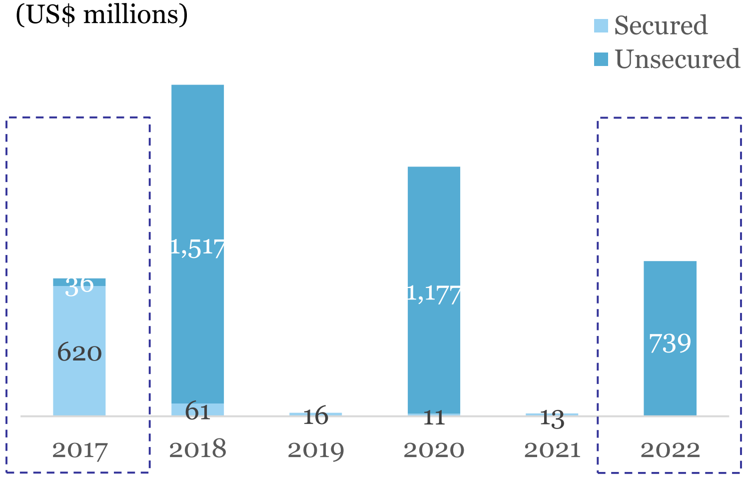
Maturity Profile at 31 Dec 2016

(US$ millions)



Proforma Maturity Profile at 31 March 2017(1)

(US$ millions)



(1) Proforma following repayment of maturing term loan on 2 May 2017

Priorities and Targets

Progress to date in 2017

Completed to date in 2017

- ✓ Closed US$1 billion revolving borrowing base facility to support the businesses of Noble Clean Fuels Limited
- ✓ Raised US$750 million in 5 year senior notes due 2022 to diversify funding sources and extend maturity profile
- ✓ Repaid maturing revolving credit facility and term loan in May in line with reduced requirements for large syndicated facilities and smaller business structure
- ✓ Significant progress on cost reduction initiatives with 45% decline in selling, administrative and operating expenses for the 3 months ended 31 March 2017
- ✓ Realigned Board of Directors following the repositioning of the Group and the succession planning announced in FY2016 with Paul Brough appointed Chairman

Significant progress to date in 2017 on initiatives to address 2017 debt maturities and reducing the Group's cost structure

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Priorities and Targets

Focus for the remainder of 2017

Focus for the remainder 2017

1. Perform strategic review of business under direction of incoming Chairman
2. Continue to review strategic alternatives
3. Continue execution of cost reduction plan to achieve target levels
4. Ensure disciplined balance sheet and liquidity management
5. Maintain existing strong customer and supplier relationships
6. Focused and targeted allocation of capital into high return businesses

Sustainable underlying profitability to meet target operating income from supply chains

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Appendix

Change in Segment Presentation

- Following the repositioning of the Group in 2016, including the sale of Noble Americas Energy Solutions, European Gas & Power and a reduction in global Metals, the Group has revised its segmental breakdown for reporting purposes to appropriately reflect its business structure.
- The segments have been revised to include those businesses that operate in a similar market environment and to reflect the common business drivers of the respective businesses along with their product and service similarity.
- Group results will now be reported under two segments – namely, the Energy Segment and the Metals, Minerals and Ores Segment.

Energy

Oil Liquids: a global business which trades and provides supply chain and risk management services in crude oil, distillates, gasoline, renewables and other refined products.

Gas & Power: comprised of our North American business which trades and provides supply chain management services in gas and power and our global LNG business.

Energy Coal: a global business which trades and provides supply chain and risk management services in bituminous and sub-bituminous energy coal.

Metals, Minerals & Ores

Metals: comprised of our Asian base metals business which trades and provides supply chain management services in copper, zinc, lead, nickel and other raw materials and our global aluminium business which trades and provides supply chain management services in aluminium, alumina and bauxite.

Carbon Steel Materials: an Asia and EMEA focused business which trades and provides risk management and logistics services for the steel complex in iron ore, metallurgical coal, metallurgical coke and specialty ores and alloys.

Logistics: which provides internal and external customers with ocean transport in the dry bulk segment, long term freight solutions and freight market guidance.

Change in Segment Presentation

FY2016 Restated

Q1 2016

(US$ million)	Energy	Metals, Minerals and Ores	Total
Volume (million tonnes)(1)	41.5	15.3	56.8
Revenue(1)(2)	9,617	1,459	11,076
Operating income from supply chains(1)(2)	240	49	290

Q2 2016

(US$ million)	Energy	Metals, Minerals and Ores	Total
Volume (million tonnes)(1)	39.0	16.0	55.0
Revenue(1)(2)	10,555	1,507	12,062
Operating income from supply chains(1)(2)	196	8	203

Q3 2016

(US$ million)	Energy	Metals, Minerals and Ores	Total
Volume (million tonnes)(1)	38.9	17.9	56.8
Revenue(1)(2)	10,404	1,037	11,442
Operating income from supply chains(1)(2)	86	116	202

Q4 2016

(US$ million)	Energy	Metals, Minerals and Ores	Total
Volume (million tonnes)(1)	35.5	18.1	53.6
Revenue(1)(2)	9,698	1,246	10,945
Operating income from supply chains(1)(2)(3)	58	55	113

(1) Excluding volume in the Gas & Power business. Adjusted for businesses which have been discontinued or are to be discontinued in the near future and other expenses.
(2) Energy segment results include Noble Americas Energy Solutions to the date of sale on 1 December 2016.
(3) Adjusted for exceptional items.

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