UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014

Commission file number 1-44

ARCHER-DANIELS-MIDLAND COMPANY
(Exact name of registrant as specified in its charter)

Delaware	**41-0129150**
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)
77 West Wacker Drive, Suite 4600 **Chicago, Illinois**	**60601**
(Address of principal executive offices)	(Zip Code)

312-634-8100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, no par value	**New York Stock Exchange** **Frankfurt Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒	Accelerated Filer ☐
Non-accelerated Filer ☐	Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

Common Stock, no par value--$28.0 billion
(Based on the closing sale price of Common Stock as reported on the New York Stock Exchange
as of June 30, 2014)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Common Stock, no par value—634,287,854 shares
(January 30, 2015)

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement for the annual meeting of stockholders to be held May 7, 2015, are incorporated by reference into Part III

SAFE HARBOR STATEMENT

This Form 10-K contains forward-looking information that is subject to certain risks and uncertainties that could cause actual results to differ materially from those projected, expressed, or implied by such forward-looking information. In some cases, you can identify forward-looking statements by our use of words such as "may, will, should, anticipates, believes, expects, plans, future, intends, could, estimate, predict, potential or contingent," the negative of these terms or other similar expressions. The Company's actual results could differ materially from those discussed or implied herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this Form 10-K for the year ended December 31, 2014. Among these risks are legislative acts; changes in the prices of food, feed, and other commodities, including gasoline; and macroeconomic conditions in various parts of the world. To the extent permitted under applicable law, the Company assumes no obligation to update any forward-looking statements as a result of new information or future events.

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PART I

Item 1. BUSINESS

Company Overview

Archer-Daniels-Midland Company (the Company) was incorporated in Delaware in 1923, successor to the Daniels Linseed Co. founded in 1902. The Company is one of the world's largest processors of oilseeds, corn, wheat, cocoa, and other agricultural commodities and is a leading manufacturer of protein meal, vegetable oil, corn sweeteners, flour, biodiesel, ethanol, and other value-added food and feed ingredients. The Company also has an extensive global grain elevator and transportation network to procure, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, and barley, as well as processed agricultural commodities. The Company has significant investments in joint ventures. The Company expects to benefit from these investments, which typically aim to expand or enhance the Company's market for its products or offer other benefits including, but not limited to, geographic or product line expansion.

The Company's vision is to be the most admired global agribusiness while creating value and growing responsibly. The Company's strategy involves expanding the volume and diversity of crops that it merchandises and processes, expanding the global reach of its core model, and expanding its value-added product portfolio. The Company seeks to serve vital needs by connecting the harvest to the home and transforming crops into food and energy products. The Company desires to execute this vision and these strategies by conducting its business in accordance with its core values of operating with integrity, treating others with respect, achieving excellence, being resourceful, displaying teamwork, and being responsible.

On May 3, 2012, the Board of Directors of the Company determined that, in accordance with its Bylaws and upon the recommendation of the Audit Committee, the Company's fiscal year shall begin on January 1 and end on December 31 of each year, starting on January 1, 2013. The required transition period of July 1, 2012 to December 31, 2012 is included in this Form 10-K report. Amounts included in this report for the six months ended December 31, 2011 are unaudited.

On August 25, 2014, the Company opened its new global headquarters and customer center at 77 West Wacker Drive, Suite 4600, Chicago, Illinois, 60601.

Segment Descriptions

Prior to January 1, 2015, the Company's operations were classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are not reportable business segments, as defined by the applicable accounting standard, and are classified as Other. Financial information with respect to the Company's reportable business segments is set forth in Note 17 of "Notes to Consolidated Financial Statements" included in Item 8 herein, "Financial Statements and Supplementary Data."

During the fourth quarter of 2014, the Company completed the acquisitions of the WILD Flavors businesses (Wild Flavors) and Specialty Commodities Inc. (SCI) for a total consideration of $2.9 billion, making the Company one of the world's leading flavors and specialty ingredients companies. Effective January 1, 2015, the Company has formed a fourth reportable business segment, Wild Flavors and Specialty Ingredients.

Oilseeds Processing

The Oilseeds Processing segment includes global activities related to the origination, merchandising, crushing, and further processing of oilseeds such as soybeans and soft seeds (cottonseed, sunflower seed, canola, rapeseed, and flaxseed) into vegetable oils and protein meals. Oilseeds products produced and marketed by the Company include ingredients for the food, feed, energy, and industrial products industries. Crude vegetable oils produced by the segment's crushing activities are sold "as is" or are further processed by refining, blending, bleaching, and deodorizing into salad oils. Salad oils are sold "as is" or are further processed by hydrogenating and/or interesterifying into margarine, shortening, and other food products. Partially refined oils are used to produce biodiesel or are sold to other manufacturers for use in chemicals, paints, and other industrial products. Oilseed protein meals are principally sold to third parties to be used as ingredients in commercial livestock and poultry feeds. In Europe and South America, the Oilseeds Processing segment includes origination and merchandising activities as adjuncts to its oilseeds processing assets. These activities include a network of grain elevators, port facilities, and transportation assets used to buy, store, clean, and transport grains and oilseeds. The Oilseeds Processing segment produces natural health and nutrition products and other specialty food and feed ingredients. In North America, cottonseed flour is produced and sold primarily to the pharmaceutical industry and cotton cellulose pulp is manufactured and sold to the chemical, paper, and filter markets. Prior to December 2014, the Oilseeds Processing segment operated fertilizer blending facilities in South America. In December 2014, the Company completed the sale of its fertilizer blending business.

The Company has a 17.3% ownership interest in Wilmar International Limited (Wilmar), a Singapore publicly listed company. Wilmar, a leading agribusiness group in Asia, is engaged in the businesses of oil palm cultivation, oilseeds crushing, edible oils refining, sugar milling and refining, specialty fats, oleo chemicals, biodiesel and fertilizers manufacturing, and grains processing.

The Oilseeds Processing segment also includes activities related to the procurement, transportation and processing of cocoa beans into cocoa liquor, cocoa butter, cocoa powder, chocolate, and various compounds in North America, South America, Europe, Asia, and Africa for the food industry. On September 2, 2014, the Company announced the sale of its global chocolate business to Cargill, Inc. for $440 million, subject to regulatory approval and customary conditions. On December 15, 2014, the Company also announced that it has reached an agreement to sell its global cocoa business to Olam International Limited for $1.3 billion, subject to customary conditions. Both transactions are expected to close in 2015. The chocolate and cocoa businesses are classified as held for sale as of December 31, 2014.

Golden Peanut and Tree Nuts (Golden Peanut), a wholly owned subsidiary of the Company, is a major supplier of peanuts and tree nuts to both the U.S. and international markets and operator of a peanut shelling facility in Argentina.

Stratas Foods LLC, a joint venture between the Company and ACH Jupiter, LLC, a subsidiary of Associated British Foods, procures, packages, and sells edible oils in North America. The Company has a 50% ownership interest in this joint venture.

The Company has a 50% interest in Edible Oils Limited, a joint venture between the Company and Princes Limited to procure, package, and sell edible oils in the United Kingdom. The Company also formed a joint venture with Princes Limited in Poland to procure, package, and sell edible oils in Poland, Czech Republic, Slovakia, Hungary, and Austria.

The Company is a major supplier of agricultural commodity raw materials to Wilmar, Stratas Foods LLC, and Edible Oils Limited.

Corn Processing

The Company's Corn Processing segment is engaged in corn wet milling and dry milling activities, with its asset base primarily located in the central part of the United States. The Corn Processing segment converts corn into sweeteners and starches, and bioproducts. Its products include ingredients used in the food and beverage industry including sweeteners, starch, syrup, glucose, and dextrose. Dextrose and starch are used by the Corn Processing segment as feedstocks for its bioproducts operations. By fermentation of dextrose, the Corn Processing segment produces alcohol, amino acids, and other specialty food and animal feed ingredients. Ethyl alcohol is produced by the Company for industrial use as ethanol or as beverage grade. Ethanol, in gasoline, increases octane and is used as an extender and oxygenate. The Corn Processing segment also includes amino acids such as lysine and threonine that are vital compounds used in swine feeds to produce leaner animals and in poultry feeds to enhance the speed and efficiency of poultry production. Corn gluten feed and meal, as well as distillers' grains, are produced for use as animal feed ingredients. Corn germ, a by-product of the wet milling process, is further processed into vegetable oil and protein meal. Other Corn Processing products include citric and lactic acids, lactates, sorbitol, xanthan gum, and glycols which are used in various food and industrial products. The Corn Processing segment includes the activities of a propylene and ethylene glycol facility and the Company's Brazilian sugarcane ethanol plant and related activities.

Almidones Mexicanos S.A., in which the Company has a 50% interest, operates a wet corn milling plant in Mexico.

Eaststarch C.V. (Netherlands), in which the Company has a 50% interest, owns interests in companies that operate wet corn milling plants in Bulgaria, Hungary, Slovakia, and Turkey.

Red Star Yeast Company, LLC produces and sells fresh and dry yeast in the United States and Canada. The Company has a 40% ownership interest in this joint venture.

Agricultural Services

The Agricultural Services segment utilizes its extensive U.S. grain elevator, global transportation network, and port operations to buy, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, rice, and barley, and resells these commodities primarily as food and feed ingredients and as raw materials for the agricultural processing industry. Agricultural Services' grain sourcing, handling, and transportation network provides reliable and efficient services to the Company's customers and agricultural processing operations. Agricultural Services' transportation network capabilities include barge, ocean-going vessel, truck, and rail freight services.

The Company has a 32.2% interest in Pacificor (formerly Kalama Export Company LLC). Pacificor owns and operates a grain export elevator in Kalama, WA and a grain export elevator in Portland, OR.

Alfred C. Toepfer International became a wholly owned subsidiary on June 4, 2014, when the Company completed its acquisition of the remaining 20% interest, making the Company an integrated global merchandiser of agricultural commodities and processed products. This global merchandising business operates a network of 36 sales offices worldwide and inland, river, and export facilities in Argentina, Hungary, Romania, Ukraine, and the United States.

The Agricultural Services segment also includes the activities related to the origination and processing of wheat into wheat flour, the processing and distribution of formula feeds and animal health and nutrition products, and the procurement, processing, and distribution of edible beans.

The Company has a 19.8% interest in GrainCorp Limited (GrainCorp), a publicly-listed company on the Australian Stock Exchange. GrainCorp is engaged in grain receival and handling, transportation, port operations, oilseed processing, malt processing, flour processing, and grain marketing activities.

Prior to December 2012, the Company had a 23.2% interest in Gruma S.A.B. de C.V. (Gruma), the world's largest producer and marketer of corn flour and tortillas. Additionally, the Company had joint ventures in corn flour and wheat flour mills with and through Gruma. In December 2012, the Company sold its 23.2% interest in Gruma and the Gruma-related joint ventures.

Other

Prior to January 1, 2015, Other includes the post-acquisition results of Wild Flavors and SCI.

On October 1, 2014, the Company completed the acquisition of Wild Flavors, making the Company one of the world's leading flavors and specialty ingredients companies. Wild Flavors' products include flavors, colors, sweeteners and health ingredients as well as ready-to-market concepts and complete solutions. These products create value and innovation for customers in the beverage, dairy, savory, confectionery, baked goods, ice cream, cereal, snack and oral care markets.

On November 18, 2014, the Company completed the acquisition of SCI, a leading originator, processor and distributor of healthy ingredients, including nuts, fruits, seeds, legumes and ancient grains. SCI provides high-quality, safe ingredients to snack food, dairy, bakery, cereal, energy bar, confectionery and pet food companies throughout the world.

Other also includes the operations of the Company's financial business units, related principally to futures commission merchant activities and captive insurance.

ADM Investor Services, Inc., a wholly owned subsidiary of the Company, is a registered futures commission merchant and a clearing member of all principal commodities exchanges in the U.S. ADM Investor Services International, Limited., a member of several commodity exchanges and clearing houses in Europe, ADMIS Hong Kong Limited, and ADMIS Singapore Pte. Limited, are wholly owned subsidiaries of the Company offering broker services in Europe and Asia. ADMISI Commodities Private Limited, in which the Company owns a 51% interest, and ADMISI Forex India Private Limited, a wholly owned subsidiary of the Company, offer broker services in India.

Captive insurance includes Agrinational Insurance Company (Agrinational) and its subsidiaries. Agrinational, a wholly owned subsidiary of the Company, provides insurance coverage for certain property, casualty, marine, credit, and other miscellaneous risks of the Company. Agrinational also participates in certain third-party reinsurance arrangements and retains a portion of the crop insurance risk written by ADM Crop Risk Services, a wholly owned subsidiary. ADM Crop Risk Services is a managing general agent which sells and services crop insurance policies to farmers.

Corporate

Compagnie Industrielle et Financiere des Produits Amylaces SA (Luxembourg) and affiliates (CIP), of which the Company has a 43.7% interest, is a joint venture which targets investments in food, feed ingredients and bioproducts businesses.

Methods of Distribution

The Company's products are distributed mainly in bulk from processing plants or storage facilities directly to customers' facilities. The Company has developed a comprehensive transportation capability to efficiently move both commodities and processed products virtually anywhere in the world. The Company owns or leases large numbers of the trucks, trailers, railroad tank and hopper cars, river barges, towboats, and ocean-going vessels used to transport the Company's products to its customers.

Concentration of Revenues by Product

The following products account for 10% or more of revenues for the following periods:

	% of Revenues				
	Years Ended December 31,		Six Months Ended December 31,		Year Ended June 30,
	2014	2013	2012	2011	2012
Soybeans	**16%**	18%	20%	17%	19%
Corn	**10%**	9%	10%	12%	11%
Soybean Meal	**13%**	11%	11%	8%	9%

Item 1. BUSINESS (Continued)

Status of New Products

The Company continues to expand the size and global reach of its business through the development of new products. The acquisition of Wild Flavors expands the Company's ability to serve the customers' evolving needs through its offering of natural flavor and ingredient products. The Company does not expect any of its new products to have a significant impact on the Company's revenues in 2015.

Source and Availability of Raw Materials

Substantially all of the Company's raw materials are agricultural commodities. In any single year, the availability and price of these commodities are subject to factors such as changes in weather conditions, plantings, government programs and policies, competition, changes in global demand, changes in standards of living, and global production of similar and competitive crops. The Company's raw materials are procured from thousands of growers, grain elevators, and wholesale merchants in North America, South America, Europe, Asia, Australia, and Africa, pursuant primarily to short-term (less than one year) agreements or on a spot basis. The Company is not dependent upon any particular grower, elevator, or merchant as a source for its raw materials.

Patents, Trademarks, and Licenses

The Company owns patents, trademarks, and licenses, including approximately $240 million of trademarks from the Wild Flavors acquisition in 2014 (see Note 2 in Item 8, Financial Statements and Supplementary Data (Item 8)), but does not consider any segment of its business dependent upon any single or group of patents, trademarks or licenses.

Seasonality, Working Capital Needs, and Significant Customers

Since the Company is widely diversified in global agribusiness markets, there are no material seasonal fluctuations in overall global processing volumes and the sale and distribution of its products and services. There is a degree of seasonality in the growing cycles, procurement, and transportation of the Company's principal raw materials: oilseeds, corn, wheat, cocoa beans, sugarcane, and other grains.

The price of agricultural commodities, which may fluctuate significantly and change quickly, directly affects the Company's working capital requirements. Because the Company has a higher portion of its operations in the northern hemisphere, principally North America and Europe, relative to the southern hemisphere, primarily South America, inventory levels typically peak after the northern hemisphere fall harvest and are generally lower during the northern hemisphere summer months. Working capital requirements have historically trended with inventory levels. No material part of the Company's business is dependent upon a single customer or very few customers. The Company has seasonal financing arrangements with farmers in certain countries around the world. Typically, advances on these financing arrangements occur during the planting season and are repaid at harvest.

Competition

The Company has significant competition in the markets in which it operates based principally on price, quality, and alternative products, some of which are made from different raw materials than those utilized by the Company. Given the commodity-based nature of many of its businesses, the Company, on an ongoing basis, focuses on managing unit costs and improving efficiency through technology improvements, productivity enhancements, and regular evaluation of the Company's asset portfolio.

Research and Development Expenditures

The Company's research and development expenditures are focused on responding to demand from customers' product development or formulation needs, improving processing efficiency, and developing food, feed, fuel, and industrial products from renewable agricultural crops. Research and development expense during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, net of reimbursements of government grants, was approximately $79 million, $59 million, $28 million, $29 million, and $56 million, respectively. The increase in 2014 is due principally to research and development activities of the recently acquired Wild Flavors.

The Company is working with the U.S. Department of Energy's National Energy Technology Laboratory and other key academic and corporate partners on projects to demonstrate carbon capture and sequestration as a viable option for reducing carbon dioxide emissions from manufacturing operations. The first project, Illinois Basin Decatur Project led by Midwest Geological Sequestration Consortium started operations in the first quarter of fiscal year ended June 30, 2012 and successfully completed injecting 1 million tons of CO_2 in the fourth quarter of fiscal year ended December 31, 2014. The second project, the Illinois Industrial Carbon Capture & Sequestration commenced construction in the fourth quarter of fiscal year ended June 30, 2012. This facility obtained the underground injection control permit in November 2014 and is expected to be operational in the third quarter of fiscal year 2015.

The Company is continuing to invest in research to develop a broad range of industrial chemicals with an objective to produce key chemical building blocks that serve as a platform for producing a variety of commodity chemicals. The key chemical building blocks are derived from the Company's starch and oilseed-based feedstocks. Conversion technologies include utilizing expertise in both fermentation and catalysis. The chemicals pipeline includes the development of chemicals and intermediates that are currently produced from petrochemical resources as well as new-to-the-market bio-based products. The Company's current portfolio includes products that are in the early development phase and those that are close to pilot plant demonstration. In an effort to further advance the development of bio-based chemical technologies, the Company has partnered with the Center for Environmentally Beneficial Catalysis and has added research capabilities at the University of Kansas.

Environmental Compliance

During the year ended December 31, 2014, $50 million was spent specifically to improve equipment, facilities, and programs for pollution control and compliance with the requirements of various environmental agencies.

There have been no material effects upon the earnings and competitive position of the Company resulting from compliance with federal, state, and local laws or regulations enacted or adopted relating to the protection of the environment.

The Company's business could be affected in the future by national and global regulation or taxation of greenhouse gas emissions. In the United States, the U.S. Environmental Protection Agency (EPA) has adopted regulations requiring the owners and operators of certain facilities to measure and report their greenhouse gas emissions. The U.S. EPA has also begun to regulate greenhouse gas emissions from certain stationary and mobile sources under the Clean Air Act. For example, the U.S. EPA has proposed rules regarding the construction and operation of boilers, which could indirectly affect the Company by limiting the construction of new coal-fired boilers and significantly increasing the complexity and cost of modifying any existing coal-fired boilers. California is also moving forward with various programs to reduce greenhouse gases. Globally, a number of countries that are parties to the Kyoto Protocol have instituted or are considering climate change legislation and regulations. Most notable is the European Union Greenhouse Gas Emission Trading System. The Company has several facilities in Europe that participate in this system. It is difficult at this time to estimate the likelihood of passage, or predict the potential impact, of any additional legislation. Potential consequences could include increased energy, transportation and raw material costs and may require the Company to make additional investments in its facilities and equipment.

Number of Employees

The number of full-time employees of the Company was approximately 33,900 at December 31, 2014 and 31,100 at December 31, 2013. The net increase in the number of full-time employees is primarily related to acquisitions.

Financial Information About Foreign and U.S. Operations

Item 1A, "Risk Factors," and Item 2, "Properties," includes information relating to the Company's foreign and U.S. operations. Geographic financial information is set forth in Note 17 of "Notes to Consolidated Financial Statements" included in Item 8 herein, "Financial Statements and Supplementary Data".

Item 1. BUSINESS (Continued)

Available Information

The Company's website is http://www.adm.com. The Company makes available, free of charge, through its website, the Company's annual reports on Form 10-K; quarterly reports on Form 10-Q; current reports on Form 8-K; Directors and Officers Forms 3, 4, and 5; and amendments to those reports, as soon as reasonably practicable after electronically filing such materials with, or furnishing them to, the Securities and Exchange Commission (SEC).

In addition, the Company makes available, through its website, the Company's Code of Conduct, Corporate Governance Guidelines, and the written charters of the Audit, Compensation/Succession, Nominating/Corporate Governance, and Executive Committees.

References to our website address in this report are provided as a convenience and do not constitute, or should not be viewed as, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

The public may read and copy any materials filed by the Company with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website which contains reports, proxy and information statements, and other information regarding issuers that file information electronically with the SEC. The SEC's website is http://www.sec.gov.

Item 1A. RISK FACTORS

The availability and prices of the agricultural commodities and agricultural commodity products the Company procures, transports, stores, processes, and merchandises can be affected by weather conditions, disease, government programs, competition, and various other factors beyond the Company's control and could adversely affect the Company's operating results.

The availability and prices of agricultural commodities are subject to wide fluctuations due to changes in weather conditions, crop disease, plantings, government programs and policies, competition, changes in global demand, changes in standards of living, and global production of similar and competitive crops. Additionally, the Company depends globally on farmers to ensure an adequate supply of the agricultural commodities used by the Company in its operations is maintained. These factors have historically caused volatility in the availability and prices of agricultural commodities and, consequently, in the Company's operating results and working capital requirements. Reduced supply of agricultural commodities due to weather-related factors or other reasons could adversely affect the Company's profitability by increasing the cost of raw materials and/or limiting the Company's ability to procure, transport, store, process, and merchandise agricultural commodities in an efficient manner. For example, a drought in North America in 2012 reduced the availability of corn and soybean inventories while prices increased. High and volatile commodity prices can adversely affect the Company's ability to meet its liquidity needs.

The Company has significant competition in the markets in which it operates.

The Company faces significant competition in each of its businesses and has numerous competitors. The company competes for the acquisition of inputs such as agricultural commodities, workforce, and other materials and supplies. Additionally, competitors offer similar products and services, as well as alternative products and services, to the Company's customers. The Company is dependent on being able to generate revenues in excess of cost of products sold in order to obtain margins, profits, and cash flows to meet or exceed its targeted financial performance measures and provide cash for operating, working capital, dividend, or capital expenditure needs. Competition impacts the Company's ability to generate and increase its gross profit as a result of the following factors. Pricing of the Company's products is partly dependent upon industry processing capacity, which is impacted by competitor actions to bring on-line idled capacity or to build new production capacity. Many of the products bought and sold by the Company are global commodities or are derived from global commodities. The markets for global commodities are highly price competitive and in many cases the commodities are subject to substitution. In addition, continued merger and acquisition activities resulting in further consolidations result in greater cost competitiveness and global scale of certain players in the industry that could impact the relative competitiveness of the Company. To compete effectively, the Company focuses on improving efficiency in its production and distribution operations, developing and maintaining appropriate market share, maintaining a high level of product safety and quality, and working with customers to develop new products and tailored solutions. Competition could increase the Company's costs to purchase raw materials, lower selling prices of its products, or reduce the Company's market share, which may result in lower and more inefficient operating rates and reduced gross profit.

Fluctuations in energy prices could adversely affect the Company's operating results.

The Company's operating costs and the selling prices of certain finished products are sensitive to changes in energy prices. The Company's processing plants are powered principally by electricity, natural gas, and coal. The Company's transportation operations are dependent upon diesel fuel and other petroleum-based products. Significant increases in the cost of these items, including any consequences of regulation or taxation of greenhouse gases, could adversely affect the Company's production costs and operating results.

The Company has certain finished products, such as ethanol and biodiesel, which are closely related to, or may be substituted for, petroleum products. Therefore, the selling prices of ethanol and biodiesel can be impacted by the selling prices of gasoline and diesel fuel. A significant decrease in the price of gasoline or diesel fuel could result in a significant decrease in the selling price of the Company's ethanol and biodiesel and could adversely affect the Company's revenues and operating results.

The Company is subject to economic downturns and regional economic volatilities, which could adversely affect the Company's operating results.

The Company conducts its business and has substantial assets located in many countries and geographic areas. While 54 percent of the Company's processing plants and 65 percent of its procurement facilities are located in the United States, the Company also has significant operations in both developed areas (such as Western Europe, Canada, Brazil) and emerging market areas (such as Eastern Europe, Asia, portions of South and Central America, the Middle East, and Africa). One of the Company's strategies is to expand the global reach of its core model which may include expanding or developing its business in emerging market areas such as Asia, Eastern Europe, the Middle East, and Africa. Both developed and emerging market areas are subject to impacts of economic downturns, including decreased demand for the Company's products, and reduced availability of credit, or declining credit quality of the Company's suppliers, customers, and other counterparties. In addition, emerging market areas could be subject to more volatile operating conditions including, but not limited to, logistics limitations or delays, labor-related challenges, limitations or regulations affecting trade flows, local currency concerns, and other economic and political instability. Economic downturns and volatile market conditions could adversely affect the Company's operating results and ability to execute its business strategies.

Government policies, mandates, and regulations, in general; government policies, mandates, and regulations specifically affecting the agricultural sector and related industries; and political instability and other risks of doing business globally could adversely affect the Company's operating results.

Agricultural production and trade flows are subject to government policies, mandates, and regulations. Governmental policies affecting the agricultural industry, such as taxes, tariffs, duties, subsidies, incentives, foreign exchange rates, and import and export restrictions on agricultural commodities and commodity products, including policies related to genetically modified organisms, product safety and labeling, renewable fuels, and low carbon fuel mandates, can influence the planting of certain crops, the location and size of crop production, whether unprocessed or processed commodity products are traded, the volume and types of imports and exports, the availability and competitiveness of feedstocks as raw materials, the viability and volume of production of certain of the Company's products, and industry profitability. For example, changes in government policies or regulations of ethanol and biodiesel, including but not limited to changes in the Renewable Fuel Standard program under the Energy Independence and Security Act of 2007 in the United States, can have a significant impact on the Company's operating results. International trade regulations can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. Regulations of financial markets and instruments, including the Dodd-Frank Wall Street Reform, Consumer Protection Act, and European Market Infrastructure Regulation, create uncertainty and may lead to additional risks and costs, and could adversely affect the Company's agricultural commodity risk management practices as well as the Company's futures commission merchant business. Future government policies may adversely affect the supply of, demand for, and prices of the Company's products; restrict the Company's ability to do business in its existing and target markets; and adversely affect the Company's revenues and operating results.

The Company's operating results could be affected by changes in other governmental policies, mandates, and regulations including monetary, fiscal and environmental policies, laws, regulations, acquisition approvals, and other activities of governments, agencies, and similar organizations. These risks include but are not limited to changes in a country's or region's economic or political conditions, local labor conditions and regulations, reduced protection of intellectual property rights, changes in the regulatory or legal environment, restrictions on currency exchange activities, currency exchange fluctuations, burdensome taxes and tariffs, enforceability of legal agreements and judgments, adverse tax, administrative agency or judicial outcomes, and regulation or taxation of greenhouse gases. International risks and uncertainties, including changing social and economic conditions as well as terrorism, political hostilities, and war, could limit the Company's ability to transact business in these markets and could adversely affect the Company's revenues and operating results.

The Company's strategy involves expanding the volume and diversity of crops it merchandises and processes, expanding the global reach of its core model, and expanding its value-added product portfolio. Government policies, including anti-trust and competition law, trade restrictions, food safety regulations, and other government regulations and mandates, can impact the Company's ability to execute this strategy successfully.

The Company is subject to industry-specific risks which could adversely affect the Company's operating results.

The Company is subject to risks which include, but are not limited to, product safety or quality; shifting consumer preferences; federal, state, and local regulations on manufacturing or labeling; socially acceptable farming practices; environmental, health and safety regulations; and customer product liability claims. The liability which could result from certain of these risks may not always be covered by, or could exceed liability insurance related to product liability and food safety matters maintained by the Company. In addition, negative publicity caused by product liability and food safety matters may damage the Company's reputation. The occurrence of any of the matters described above could adversely affect the Company's revenues and operating results.

Certain of the Company's merchandised commodities and finished products are used as ingredients in livestock and poultry feed. The Company is subject to risks associated with economic or other factors which may adversely affect the livestock and poultry businesses, including the outbreak of disease in livestock and poultry. An outbreak of disease could adversely affect demand for the Company's products used as ingredients in livestock and poultry feed. A decrease in demand for ingredients in livestock and poultry feed could adversely affect the Company's revenues and operating results.

The Company is subject to numerous laws, regulations, and mandates globally which could adversely affect the Company's operating results and forward strategy.

The Company does business globally, connecting crops and markets in 147 countries. The Company is required to comply with the numerous and broad-reaching laws and regulations administered by United States federal, state and local, and foreign governmental authorities. The Company must comply with other general business regulations such as accounting and income taxes, anti-corruption, anti-bribery, global trade, environmental, and handling and production of regulated substances. The Company frequently faces challenges from U.S. and foreign tax authorities regarding the amount of taxes due. These challenges include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various tax filing positions, the Company records reserves for estimates of potential additional tax owed by the Company. As examples, the Company has received large tax assessments from tax authorities in Brazil and Argentina challenging income tax positions taken by subsidiaries of the Company covering various prior periods. Any failure to comply with applicable laws and regulations or appropriately resolve these challenges could subject the Company to administrative penalties and injunctive relief, civil remedies including fines, injunctions, and recalls of its products, and damage to its reputation.

The production of the Company's products requires the use of materials which can create emissions of certain regulated substances, including greenhouse gas emissions. Although the Company has programs in place throughout the organization globally to guard against non-compliance, failure to comply with these regulations can have serious consequences, including civil and administrative penalties as well as a negative impact on the Company's reputation, business, cash flows, and results of operations.

In addition, changes to regulations or implementation of additional regulations, for example the imposition of regulatory restrictions on greenhouse gases or regulatory modernization of food safety laws, may require the Company to modify existing processing facilities and/or processes which could significantly increase operating costs and adversely affect operating results.

The Company is exposed to potential business disruption, including but not limited to disruption of transportation services, supply of non-commodity raw materials used in its processing operations, and other impacts resulting from acts of terrorism or war, natural disasters, severe weather conditions, and accidents which could adversely affect the Company's operating results.

The Company's operations rely on dependable and efficient transportation services. A disruption in transportation services could result in difficulties supplying materials to the Company's facilities and impair the Company's ability to deliver products to its customers in a timely manner. The Company relies on access to navigable rivers and waterways in order to fulfill its transportation obligations more effectively. If access to these navigable waters is interrupted, the Company's operating results could be adversely affected. In addition, if certain non-agricultural commodity raw materials, such as water or certain chemicals used in the Company's processing operations, are not available, the Company's business could be disrupted. Any major lack of available water for use in certain of the Company's processing operations could have a material adverse impact on operating results. Certain factors which may impact the availability of non-agricultural commodity raw materials are out of the Company's control including, but not limited to, disruptions resulting from weather, economic conditions, manufacturing delays or disruptions at suppliers, shortage of materials, and unavailable or poor supplier credit conditions.

The assets and operations of the Company could be subject to extensive property damage and business disruption from various events which include, but are not limited to, acts of terrorism, for example, economic adulteration of the Company's products, or war, natural disasters and severe weather conditions, accidents, explosions, and fires. The potential effects of these conditions could adversely affect the Company's revenues and operating results.

The Company's business is capital-intensive in nature and the Company relies on cash generated from its operations and external financing to fund its growth and ongoing capital needs. Limitations on access to external financing could adversely affect the Company's operating results.

The Company requires significant capital, including access to credit markets from time to time, to operate its current business and fund its growth strategy. The Company's working capital requirements, including margin requirements on open positions on futures exchanges, are directly affected by the price of agricultural commodities, which may fluctuate significantly and change quickly. The Company also requires substantial capital to maintain and upgrade its extensive network of storage facilities, processing plants, refineries, mills, ports, transportation assets and other facilities to keep pace with competitive developments, technological advances, regulations and changing safety standards in the industry. Moreover, the expansion of the Company's business and pursuit of acquisitions or other business opportunities may require significant amounts of capital. Access to credit markets and pricing of the Company's capital is dependent upon maintaining sufficient credit ratings from credit rating agencies. Sufficient credit ratings allow the Company to access tier one commercial paper markets. If the Company is unable to maintain sufficiently high credit ratings, access to these commercial paper and other debt markets and costs of borrowings could be adversely affected. If the Company is unable to generate sufficient cash flow or maintain access to adequate external financing, including as a result of significant disruptions in the global credit markets, it could restrict the Company's current operations and its growth opportunities which could adversely affect the Company's operating results.

The Company's risk management strategies may not be effective.

The Company's business is affected by fluctuations in agricultural commodity cash prices and derivative prices, transportation costs, energy prices, interest rates, and foreign currency exchange rates. The Company has processes in place to monitor exposures to these risks and engages in strategies to manage these risks. The Company's monitoring efforts may not be successful at detecting a significant risk exposure. If these controls and strategies are not successful in mitigating the Company's exposure to these fluctuations, it could adversely affect the Company's operating results.

The Company has limited control over and may not realize the expected benefits of its equity investments and joint ventures.

The Company has $3.9 billion invested in or advanced to joint ventures and investments over which the Company has limited control as to the governance and management activities of these investments. Net sales to unconsolidated affiliates during the year ended December 31, 2014 was $5.8 billion. The Company faces certain risks, including risks related to the financial strength of the investment partner; loss of revenues and cash flows to the investment partner and related gross profit; the inability to implement beneficial management strategies, including risk management and compliance monitoring, with respect to the investment's activities; and the risk that the Company may not be able to resolve disputes with the investment partner. The Company may encounter unanticipated operating issues or financial results related to these investments that may impact the Company's revenues and operating results.

The Company's information technology (IT) systems, processes, and sites may suffer interruptions, security breaches, or failures which may affect the Company's ability to conduct its business.

The Company's operations rely on certain key IT systems, some of which are dependent on services provided by third parties, to provide critical data connectivity, information and services for internal and external users. These interactions include, but are not limited to, ordering and managing materials from suppliers, risk management activities, converting raw materials to finished products, inventory management, shipping products to customers, processing transactions, summarizing and reporting results of operations, human resources benefits and payroll management, complying with regulatory, legal or tax requirements, and other processes necessary to manage the business. Increased IT security threats and more sophisticated computer crime, including advanced persistent threats, pose a potential risk to the security of the Company's IT systems, networks, and services, as well as the confidentiality, availability, and integrity of the Company's data. The Company has put in place security measures to protect itself against cyber-based attacks and disaster recovery plans for its critical systems. However, if the Company's IT systems are breached, damaged, or cease to function properly due to any number of causes, such as catastrophic events, power outages, security breaches, or cyber-based attacks, and the Company's disaster recovery plans do not effectively mitigate on a timely basis, the Company may suffer interruptions in its ability to manage its operations, loss of valuable data, and damage to its reputation, which may adversely impact the Company's revenues, operating results, and financial condition.

Item 1B. UNRESOLVED STAFF COMMENTS

The Company has no unresolved staff comments.

Item 2. PROPERTIES

The Company owns or leases, under operating leases, the following processing plants and procurement facilities:

	Processing Plants			Procurement Facilities		
	Owned	Leased	Total	Owned	Leased	Total
U.S.	157	5	162	283	22	305
International	124	14	138	130	31	161
	281	19	300	413	53	466

The Company's operations are such that most products are efficiently processed near the source of raw materials. Consequently, the Company has many plants strategically located in agricultural commodity producing areas. The annual volume of commodities processed will vary depending upon availability of raw materials and demand for finished products. The Company also owns approximately 250 warehouses and terminals primarily used as bulk storage facilities and 39 innovation centers. Warehouses, terminals, corporate, and sales offices are not included in the tables above. Processing plants and procurement facilities owned or leased by unconsolidated joint ventures are also not included in the tables above.

To enhance the efficiency of transporting large quantities of raw materials and finished products between the Company's procurement facilities and processing plants and also the final delivery of products to our customers around the world, the Company owns approximately 2,100 barges, 13,500 rail cars, 300 trucks, 1,300 trailers, and 9 ocean going vessels; and leases, under operating leases, approximately 500 barges, 14,600 railcars, 300 trucks, and 32 ocean going vessels.

Item 2. PROPERTIES (Continued)

	Oilseeds Processing Plants							
	Owned					Leased		
	Crushing & Origination	Refining, Packaging, Biodiesel, & Other	Cocoa & Other	Asia	Total	Cocoa & Other	Asia	Total
North America								
U.S.*	25	27	18	—	70	—	—	—
Canada	3	5	1	—	9	1	—	1
Mexico	1	—	—	—	1	—	—	—
Total	29	32	19	—	80	1	—	1
Daily capacity								
Metric tons (in 1,000's)	55	17	13	—	85	—	—	—
South America								
Argentina	—	—	1	—	1	—	—	—
Bolivia	1	2	—	—	3	—	—	—
Brazil	6	9	1	—	16	—	—	—
Paraguay	1	—	—	—	1	—	—	—
Peru	—	1	—	—	1	—	—	—
Total	8	12	2	—	22	—	—	—
Daily capacity								
Metric tons (in 1,000's)	18	4	—	—	22	—	—	—
Europe								
Belgium	—	—	1	—	1	—	—	—
Czech Republic	1	1	—	—	2	—	—	—
France	—	1	—	—	1	—	—	—
Germany	4	12	2	—	18	—	—	—
Netherlands	1	3	2	—	6	—	—	—
Poland	2	5	—	—	7	—	—	—
Switzerland	—	1	—	—	1	—	—	—
Ukraine	2	—	—	—	2	—	—	—
U.K.	1	3	—	—	4	1	—	1
Total	11	26	5	—	42	1	—	1
Daily capacity								
Metric tons (in 1,000's)	34	16	1	—	51	—	—	—
Asia								
India	—	—	—	4	4	—	2	2
Singapore	—	—	—	—	—	1	—	1
Total	—	—	—	4	4	1	2	3
Daily capacity								
Metric tons (in 1,000's)	—	—	—	3	3	—	2	2
Africa/Middle East								
Ghana	—	—	1	—	1	—	—	—
Ivory Coast	—	—	1	—	1	—	—	—
South Africa	—	—	3	—	3	—	—	—
Total	—	—	5	—	5	—	—	—
Daily capacity								
Metric tons (in 1,000's)	—	—	2	—	2	—	—	—
Grand Total	48	70	31	4	153	3	2	5
Total daily capacity								
Metric tons (in 1,000's)	107	37	16	3	163	—	2	2

Item 2. PROPERTIES (Continued)

*The U.S. plants in the table above are located in Alabama, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Carolina, North Dakota, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, and Wisconsin.

	Oilseeds Processing Procurement Facilities					
	Owned			Leased		
	Crushing & Origination	Cocoa & Other	Total	Crushing & Origination	Cocoa & Other	Total
North America						
U.S.*	9	70	79	—	—	—
Canada	6	—	6	—	—	—
Total	15	70	85	—	—	—
Storage capacity						
Metric tons (in 1,000's)	338	300	638	—	—	—
South America						
Argentina	—	1	1	—	1	1
Bolivia	8	—	8	7	—	7
Brazil	35	—	35	3	1	4
Paraguay	28	—	28	7	—	7
Uruguay	1	—	1	6	—	6
Total	72	1	73	23	2	25
Storage capacity						
Metric tons (in 1,000's)	2,270	6	2,276	524	2	526
Europe						
Netherlands	1	—	1	—	—	—
Germany	5	—	5	—	—	—
Poland	5	—	5	—	—	—
Slovakia	3	—	3	—	—	—
Total	14	—	14	—	—	—
Storage capacity						
Metric tons (in 1,000's)	890	—	890	—	—	—
Asia						
Indonesia	—	1	1	—	2	2
Total	—	1	1	—	2	2
Storage capacity						
Metric tons (in 1,000's)	—	8	8	—	7	7
Africa/Middle East						
Cameroon	—	1	1	—	—	—
Ivory Coast	—	4	4	—	—	—
Total	—	5	5	—	—	—
Storage capacity						
Metric tons (in 1,000's)	—	83	83	—	—	—
Grand Total	101	77	178	23	4	27
Total storage capacity						
Metric tons (in 1,000's)	3,498	397	3,895	524	9	533

*The U.S. procurement facilities are located in Alabama, Florida, Georgia, Illinois, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Texas, and Virginia.

Item 2. PROPERTIES (Continued)

	Corn Processing				
	Processing Plants				Procurement Facilities
	Owned				Owned
	Wet Milling	Dry Milling	Other	Total	Wet Milling, Dry Milling, & Other
North America					
Illinois	1	1	6	8	—
Iowa	2	1	2	5	1
Minnesota	1	—	—	1	5
Nebraska	1	1	—	2	—
North Carolina	—	—	1	1	—
Total	5	3	9	17	6
Daily/Storage capacity					
Metric tons (in 1,000's)	43	22	7	72	373
South America					
Brazil	—	—	1	1	—
Total	—	—	1	1	—
Daily/Storage capacity					
Metric tons (in 1,000's)	—	—	4	4	—
Grand Total	5	3	10	18	6
Total daily/storage capacity					
Metric tons (in 1,000's)	43	22	11	76	373

Item 2. PROPERTIES (Continued)

	Agricultural Services Processing Plants			
	Owned			Leased
	Merchandising & Handling	Milling & Other	Total	Milling & Other
North America				
U.S.*	2	60	62	—
Barbados	—	1	1	—
Belize	—	2	2	—
Canada	—	12	12	—
Grenada	—	2	2	—
Jamaica	—	3	3	—
Puerto Rico	—	3	3	—
Trinidad & Tobago	—	1	1	—
Total	2	84	86	—
Daily capacity				
Metric tons (in 1,000's)	2	32	34	—
Europe				
U.K.	—	3	3	4
Total	—	3	3	4
Daily capacity				
Metric tons (in 1,000's)	—	1	1	1
Asia				
China	—	3	3	—
Total	—	3	3	—
Daily capacity				
Metric tons (in 1,000's)	—	—	—	—
Grand Total	2	90	92	4
Total daily capacity				
Metric tons (in 1,000's)	2	33	35	1

*The U.S. plants are located in California, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, Washington, and Wisconsin.

Item 2. PROPERTIES (Continued)

	Agricultural Services Procurement Facilities	
	Merchandising & Handling	
	Owned	Leased
North America		
U.S.*	198	22
Canada	1	—
Dominican Republic	1	—
Mexico	4	—
Total	204	22
Storage capacity		
Metric tons (in 1,000's)	12,438	752
South America		
Argentina	3	—
Total	3	—
Storage capacity		
Metric tons (in 1,000's)	477	—
Europe		
Germany	—	—
Hungary	2	—
Ireland	2	—
Romania	10	4
Ukraine	8	—
Total	22	4
Storage capacity		
Metric tons (in 1,000's)	582	34
Grand Total	229	26
Total storage capacity		
Metric tons (in 1,000's)	13,497	786

*The U.S. procurement facilities are located in Arkansas, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Wisconsin, and Wyoming.

Item 2.   **PROPERTIES (Continued)**

	Other Processing Plants	
	Owned	**Leased**
North America		
U.S.*	8	5
Total	8	5
South America		
Brazil	1	—
Total	1	—
Europe		
France	1	—
Germany	2	1
Netherlands	—	1
Poland	2	—
Spain	1	—
Switzerland	1	—
Turkey	—	1
Total	7	3
Asia/ Middle East		
India	2	2
Total	2	2

*The U.S. plants are located in California, Idaho, Kentucky, Michigan, New Jersey, North Carolina, Ohio, Oregon, Washington, and Wisconsin.

Item 3. LEGAL PROCEEDINGS

The Company is routinely involved in a number of actual or threatened legal actions, including those involving alleged personal injuries, employment law, product liability, intellectual property, environmental issues, alleged tax liability (see Note 13 for information on tax matters), and class actions. The Company also routinely receives inquiries from regulators and other government authorities relating to various aspects of our business, including with respect to our compliance with laws and regulations relating to the environment and, at any given time, the Company has matters at various stages of resolution with the applicable government authorities. The outcomes of these matters are not within our complete control and may not be known for prolonged periods of time. In some actions, claimants seek damages, as well as other relief, including injunctive relief, that could require significant expenditures or result in lost revenues. In accordance with applicable accounting standards, the Company records a liability in its consolidated financial statements for material loss contingencies when a loss is known or considered probable and the amount can be reasonably estimated. If the reasonable estimate of a known or probable loss is a range, and no amount within the range is a better estimate than any other, the minimum amount of the range is accrued. If a material loss contingency is reasonably possible but not known or probable, and can be reasonably estimated, the estimated loss or range of loss is disclosed in the notes to the consolidated financial statements. When determining the estimated loss or range of loss, significant judgment is required to estimate the amount and timing of a loss to be recorded. Estimates of probable losses resulting from litigation and governmental proceedings involving the Company are inherently difficult to predict, particularly when the matters are in early procedural stages, with incomplete facts or legal discovery; involve unsubstantiated or indeterminate claims for damages; potentially involve penalties, fines, disgorgement, or punitive damages; or could result in a change in business practice.

On April 22, 2011, certain manufacturers and distributors of sugar cane and beet sugar products filed suit in the U.S. District Court for the Central District of California against the Company, other manufacturers and marketers of high-fructose corn syrup (HFCS), and the Corn Refiners Association, alleging that the defendants falsely claimed that HFCS is "natural" and nutritionally equivalent to sugar. The defendants have filed counterclaims against the plaintiffs. The parties are currently engaged in pretrial proceedings.

Item 4. MINE SAFETY DISCLOSURES

None.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock Market Prices and Dividends

The Company's common stock is listed and traded on the New York Stock Exchange and the Frankfurt Stock Exchange. The following table sets forth, for the periods indicated, the high and low market prices of the common stock as reported on the New York Stock Exchange and common stock cash dividends declared per share.

	Market Price		Cash Dividends
	High	**Low**	**Per Share**
Fiscal Year 2014-Quarter Ended			
December 31	**$ 53.91**	**$ 41.63**	**$ 0.24**
September 30	**52.36**	**44.15**	**0.24**
June 30	**45.40**	**41.72**	**0.24**
March 31	**43.60**	**37.92**	**0.24**
Fiscal Year 2013-Quarter Ended			
December 31	$ 43.99	$ 36.01	$ 0.19
September 30	38.81	34.11	0.19
June 30	35.04	31.50	0.19
March 31	33.77	27.90	0.19

The number of registered shareholders of the Company's common stock at December 31, 2014, was 11,292. The Company expects to continue its policy of paying regular cash dividends, although there is no assurance as to future dividends because they are dependent on future earnings, capital requirements, and financial condition.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program (2)	Number of Shares Remaining to be Purchased Under the Program (2)
October 1, 2014 to October 31, 2014	2,115,504	$ 46.552	2,080,560	47,575,761
November 1, 2014 to November 30, 2014	857,045	52.063	857,045	46,718,716
December 1, 2014 to December 31, 2014	6,500,414	52.213	6,500,414	40,218,302
Total	9,472,963	$ 50.935	9,438,019	40,218,302

(1) Total shares purchased represent those shares purchased in the open market as part of the Company's publicly announced share repurchase program described below, shares received as payment for the exercise price of stock option exercises, and shares received as payment for the withholding taxes on vested restricted stock awards. During the three-month period ended December 31, 2014, there were 34,944 shares received as payment for the minimum withholding taxes on vested restricted stock awards. During the three-month period ended December 31, 2014, there were no shares received as payment for the exercise price of stock option exercises.

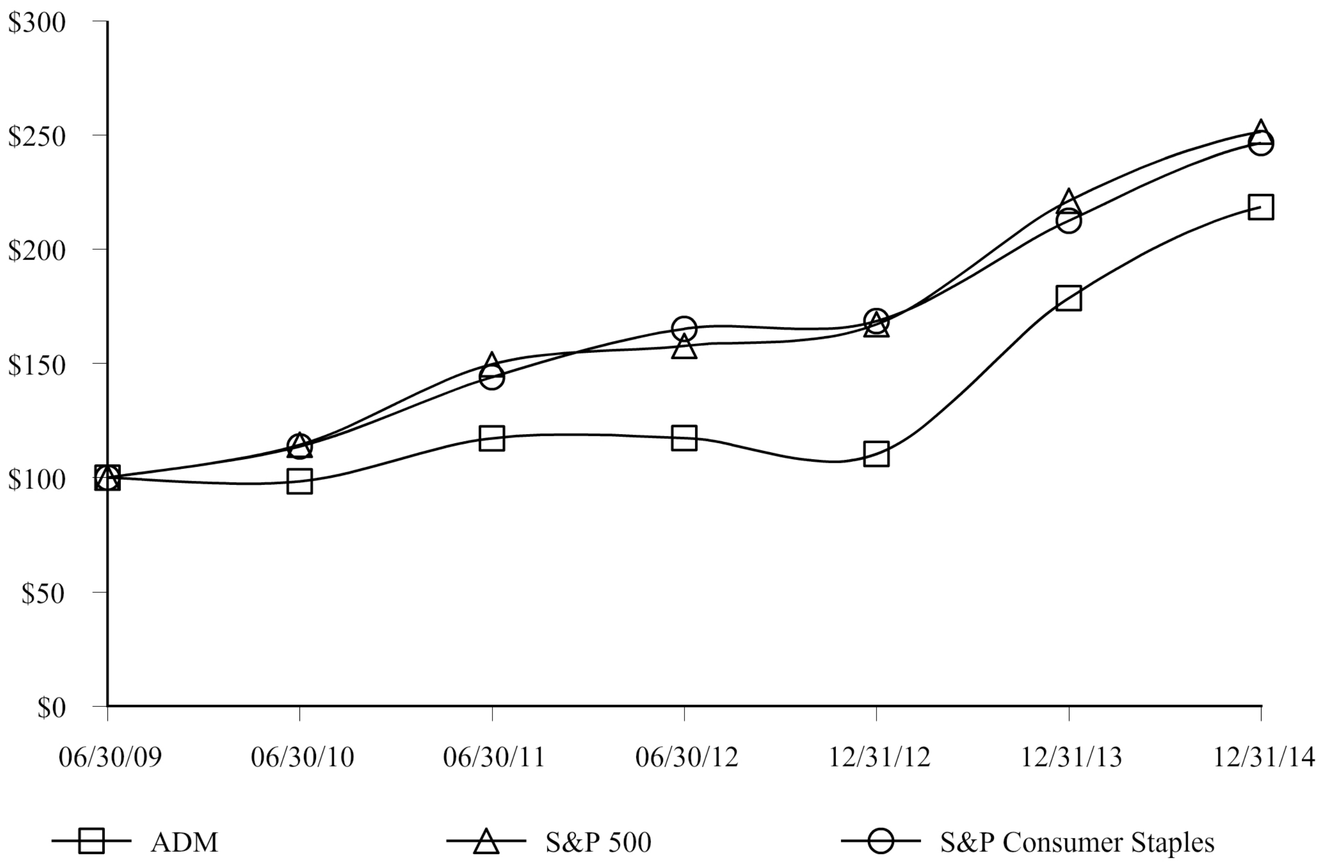
(2) On November 5, 2009, the Company's Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 100,000,000 shares of the Company's common stock during the period commencing January 1, 2010 and ending December 31, 2014. On November 5, 2014, the Company's Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 100,000,000 shares of the Company's common stock during the period commencing January 1, 2015 and ending December 31, 2019.

Performance Graph

The graph below compares the Company's common stock with those of the S&P 500 Index and the S&P Consumer Staples Index. The graph assumes an initial investment of $100 on June 30, 2009 and assumes all dividends have been reinvested through December 31, 2014.

COMPARISON OF 66 MONTH CUMULATIVE TOTAL RETURN

Among Archer Daniels Midland Company (ADM), the S&P 500 Index, and the S&P Consumer Staples



Item 6. SELECTED FINANCIAL DATA

Selected Financial Data
(In millions, except ratio and per share data)

	Years Ended December 31		Six Months Ended December 31		Fiscal Years Ended June 30		
	2014	2013	2012	2011	2012	2011	2010
				(Unaudited)			
Revenues	**$ 81,201**	$ 89,804	$ 46,729	$ 45,208	$ 89,038	$ 80,676	$ 61,682
Depreciation	**850**	827	396	391	793	827	857
Net earnings attributable to controlling interests	**2,248**	1,342	692	540	1,223	2,036	1,930
Basic earnings per common share	**3.44**	2.03	1.05	0.81	1.84	3.17	3.00
Diluted earnings per common share	**3.43**	2.02	1.05	0.81	1.84	3.13	3.00
Cash dividends	**624**	501	230	224	455	395	372
Per common share	**0.96**	0.76	0.35	0.335	0.685	0.62	0.58
Working capital	**$ 10,426**	$ 12,872	$ 12,769	$ 12,395	$ 12,328	$ 14,286	$ 9,561
Current ratio	**1.7**	1.8	1.8	1.8	1.8	2.1	2.1
Inventories	**9,374**	11,441	13,836	12,415	12,192	12,055	7,871
Net property, plant, and equipment	**9,960**	10,137	10,123	9,601	9,812	9,500	8,712
Gross additions to property, plant, and equipment	**1,357**	947	641	1,058	1,719	1,512	1,788
Total assets	**44,027**	43,752	45,136	41,701	41,771	42,352	31,808
Long-term debt, excluding current maturities	**5,558**	5,347	6,456	6,762	6,535	8,266	6,830
Shareholders' equity	**19,630**	20,194	19,131	18,165	18,169	18,838	14,631
Per common share	**30.82**	30.64	29.03	27.44	27.57	27.87	22.89
Weighted average shares outstanding-basic	**653**	661	660	669	665	642	643
Weighted average shares outstanding-diluted	**656**	663	661	670	666	654	644

Significant items affecting the comparability of the financial data shown above are as follows:

- Net earnings attributable to controlling interests for the year ended December 31, 2014 include a gain on sale of assets related to the sale of the fertilizer business and other asset of $135 million ($89 million after tax, equal to $0.14 per share), gain of $156 million ($97 million after tax, equal to $0.15 per share) upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture resulting from the contribution of additional assets by another member in exchange for new equity units, and loss of $102 million ($63 million after tax, equal to $0.10 per share) on Euro foreign currency derivative contracts entered into to economically hedge the Wild Flavors acquisition, as discussed in Note 12 in Item 8, asset impairment charges related to certain fixed assets of $41 million ($26 million after tax, equal to $0.04 per share) and $64 million ($41 million after tax, equal to $0.06 per share) of costs related to the relocation of the global headquarters to Chicago, Illinois, and restructuring charges related to the Wild Flavors acquisition and Toepfer integration following the acquisition of the minority interest and other restructuring charges, as discussed in Note 19 in Item 8, and a charge of $98 million ($61 million after tax, equal to $0.09 per share) related to pension settlements.

- Net earnings attributable to controlling interests for the year ended December 31, 2013 include other-than-temporary impairment charges of $155 million ($155 million after tax, equal to $0.23 per share) on the Company's GrainCorp investment, asset impairment charges of $51 million ($51 million after tax, equal to $0.08 per share) related to the Company's Brazilian sugar milling business, and other impairment charges principally for certain property, plant and equipment assets totaling $53 million ($34 million after tax, equal to $0.05 per share) as discussed in Note 19 in Item 8, realized losses on Australian dollar currency hedges of $40 million ($25 million after tax, equal to $0.04 per share) related to the proposed GrainCorp acquisition, valuation allowance on certain deferred tax assets of $82 million (equal to $0.12 per share), income tax benefit recognized in the current period of $55 million (equal to $0.08 per share) related to biodiesel blending credits earned in the prior periods, charges of $54 million ($37 million after tax, equal to $0.06 per share) related to the FCPA matter, and other charges of $18 million ($12 million after tax, equal to $0.02 per share).

- Net earnings attributable to controlling interests for the six months ended December 31, 2012 include an asset impairment charge of $146 million ($107 million after tax, equal to $0.16 per share) related to the Company’s investments associated with Gruma, a gain of $62 million ($49 million after tax, equal to $0.07 per share) related to the Company’s interest in GrainCorp, a gain of $39 million ($24 million after tax, equal to $0.04 per share) related to the sale of certain of the Company’s exchange membership interests, and charges of $68 million ($44 million after tax, equal to $0.07 per share) related to pension settlements.

- Net earnings attributable to controlling interests for the six months ended December 31, 2011 include exit costs and asset impairment charges of $352 million ($222 million after tax, equal to $0.33 per share) related primarily to the writedown of the Company’s Clinton, IA bioplastics facility.

- Net earnings attributable to controlling interests for the year ended June 30, 2012 include exit costs and asset impairment charges of $437 million ($274 million after tax, equal to $0.41 per share) related primarily to the bioplastics facility and global workforce reduction program.

- Net earnings attributable to controlling interests for the year ended June 30, 2011 include a gain of $71 million ($44 million after tax, equal to $0.07 per share) related to the acquisition of the remaining interest in Golden Peanut (Golden Peanut Gain), start up costs for the Company’s significant new greenfield plants of $94 million ($59 million after tax, equal to $0.09 per share), charges on early extinguishment of debt of $15 million ($9 million after tax, equal to $0.01 per share), gains on interest rate swaps of $30 million ($19 million after tax, equal to $0.03 per share) and a gain of $78 million ($49 million after tax, equal to $0.07 per share) related to the sale of bank securities held by the Company’s equity investee, Gruma. During the second quarter of fiscal year 2011, the Company updated its estimates for service lives of certain of its machinery and equipment assets. The effect of this change in accounting estimate on pre-tax earnings for the year ended June 30, 2011 was an increase of $133 million ($83 million after tax, equal to $0.13 per share). Basic and diluted weighted average shares outstanding for 2011 include 44 million shares issued on June 1, 2011 related to the Equity Unit conversion. Diluted weighted average shares outstanding for 2011 include 44 million shares assumed issued on January 1, 2011 as required using the “if-converted” method of calculating diluted earnings per share for the quarter ended March 31, 2011.

- Net earnings attributable to controlling interests for the year ended June 30, 2010 include a charge of $75 million ($47 million after tax, equal to $0.07 per share) related to loss on extinguishment of debt resulting from the repurchase of $500 million in aggregate principal amount of the Company’s outstanding debentures, and start up costs for the Company’s significant new greenfield plants of $110 million ($68 million after tax, equal to $0.11 per share).

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Company Overview

This MD&A should be read in conjunction with the accompanying consolidated financial statements.

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products. The Company uses its significant global asset base to originate and transport agricultural commodities, connecting to markets in 147 countries. The Company also processes corn, oilseeds, wheat and cocoa into products for food, animal feed, chemical and energy uses. The Company uses its global asset network, business acumen, and its relationships with suppliers and customers to efficiently connect the harvest to the home thereby generating returns for our shareholders, principally from margins earned on these activities.

The Company's operations are organized, managed and classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are not reportable segments, as defined by the applicable accounting standard, and are classified as Other.

During the fourth quarter of 2014, the Company completed the acquisition of Wild Flavors and SCI for a total consideration of $2.9 billion, making the Company one of the world's leading flavors and specialty ingredients companies. Effective January 1, 2015, the Company has formed a fourth reportable business segment, Wild Flavors and Specialty Ingredients. Results of Wild Flavors and SCI were reported in Other as the 2014 results were not material to the Company.

The Oilseeds Processing segment includes global activities related to the origination, merchandising, crushing, and further processing of oilseeds such as soybeans and soft seeds (cottonseed, sunflower seed, canola, rapeseed, and flaxseed) into vegetable oils and protein meals. Oilseeds products produced and marketed by the Company include ingredients for the food, feed, energy, and industrial products industries. Crude vegetable oils produced by the segment's crushing activities are sold "as is" or are further processed by refining, blending, bleaching, and deodorizing into salad oils. Salad oils are sold "as is" or are further processed by hydrogenating and/or interesterifying into margarine, shortening, and other food products. Partially refined oils are used to produce biodiesel or are sold to other manufacturers for use in chemicals, paints, and other industrial products. Oilseed protein meals are principally sold to third parties to be used as ingredients in commercial livestock and poultry feeds. In Europe and South America, the Oilseeds Processing segment includes origination and merchandising activities as adjuncts to its oilseeds processing assets. These activities include a network of grain elevators, port facilities, and transportation assets used to buy, store, clean, and transport grains and oilseeds. The Oilseeds Processing segment produces natural health and nutrition products and other specialty food and feed ingredients. The Oilseeds Processing segment is a major supplier of peanuts and peanut-derived ingredients to both the U.S. and export markets. In North America, cottonseed flour is produced and sold primarily to the pharmaceutical industry and cotton cellulose pulp is manufactured and sold to the chemical, paper, and filter markets. The Oilseeds Processing segment also includes activities related to the procurement, transportation and processing of cocoa beans into cocoa liquor, cocoa butter, cocoa powder, chocolate, and various compounds in North America, South America, Europe, Asia, and Africa for the food processing industry. The Oilseeds Processing segment also includes the Company's share of the results of its equity investment in Wilmar and its share of results for its Stratas Foods LLC and Edible Oils Limited joint ventures. Prior to December 2014, the Oilseeds Processing segment operated fertilizer blending facilities in South America. In December 2014, the Company completed the sale of its fertilizer blending business.

The Company's Corn Processing segment is engaged in corn wet milling and dry milling activities, with its asset base primarily located in the central part of the United States. The Corn Processing segment converts corn into sweeteners and starches, and bioproducts. Its products include ingredients used in the food and beverage industry including sweeteners, starch, syrup, glucose, and dextrose. Dextrose and starch are used by the Corn Processing segment as feedstocks for its bioproducts operations. By fermentation of dextrose, the Corn Processing segment produces alcohol, amino acids, and other specialty food and animal feed ingredients. Ethyl alcohol is produced by the Company for industrial use as ethanol or as beverage grade. Ethanol, in gasoline, increases octane and is used as an extender and oxygenate. Bioproducts also include amino acids such as lysine and threonine that are vital compounds used in swine feeds to produce leaner animals and in poultry feeds to enhance the speed and efficiency of poultry production. Corn gluten feed and meal, as well as distillers' grains, are produced for use as animal feed ingredients. Corn germ, a by-product of the wet milling process, is further processed into vegetable oil and protein meal. Other Corn Processing products include citric and lactic acids, lactates, sorbitol, xanthan gum, and glycols which are used in various food and industrial products. The Corn Processing segment includes the activities of a propylene and ethylene glycol facility and the Company's Brazilian sugarcane ethanol plant and related operations. This segment also includes the Company's share of the results of its equity investments in Almidones Mexicanos S.A., Eaststarch C.V., and Red Star Yeast Company LLC.

The Agricultural Services segment utilizes its extensive U.S. grain elevator, global transportation network, and port operations to buy, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, rice, and barley, and resells these commodities primarily as food and feed ingredients and as raw materials for the agricultural processing industry. The Agricultural Services' grain sourcing, handling, and transportation network provides reliable and efficient services to the Company's customers and agricultural processing operations. Agricultural Services' transportation network capabilities include barge, ocean-going vessel, truck, and rail freight services. Agricultural Services segment also includes the activities related to the processing of wheat into wheat flour, the processing and distribution of formula feeds, animal health and nutrition products, and the procurement, processing, and distribution of edible beans. The Agricultural Services segment includes the activities of Toepfer, a global merchant of agricultural commodities and processed products. On June 6, 2014, the Company announced that it has completed its acquisition of the remaining 20% interest in Toepfer. The Agricultural Services segment also includes the Company's 32.2% share of the results of its Pacificor (formerly Kalama Export Company LLC) joint venture and returns associated with the Company's 19.8% investment in GrainCorp. Prior to December 2012, the Company had a 23.2% interest in Gruma S.A.B. de C.V. (Gruma), the world's largest producer and marketer of corn flour and tortillas. Additionally, the Company had joint ventures in corn flour and wheat flour mills with and through Gruma. In December 2012, the Company sold its 23.2% interest in Gruma and the Gruma-related joint ventures.

Other includes the activities of Wild Flavors, SCI, and the Company's remaining operations, primarily its financial business units, related principally to futures commission merchant and insurance activities.

Corporate results principally include the impact of LIFO-related inventory adjustments, unallocated corporate expenses, interest cost net of investment income, and the Company's share of the results of an equity investment. Corporate results also include the after-tax elimination of income attributable to the minority shareholder of Toepfer except during the calendar year 2012 when the put options related to these interests expired and the results were included in noncontrolling interest. The Company acquired the remaining 20% interest in Toepfer during the second quarter of 2014, thus no longer requiring the elimination of income attributable to the minority shareholder as of June 30, 2014.

Significant Ongoing Portfolio Management Actions

The Company's recently announced additional significant actions in its portfolio management include:

- completing the sale of its fertilizer blending business in Brazil and Paraguay on December 17, 2014 following the announcement of a signed agreement with The Mosaic Company to sell the business on April 15, 2014;
- announcing the sale of its global chocolate business to Cargill, Inc. for $440 million on September 2, 2014;
- announcing the sale of its global cocoa business to Olam International Limited for $1.3 billion on December 15, 2014; and
- signing an agreement with Glencore plc to sell a 50 percent stake in its export terminal in Barcarena, in the northern Brazilian state of Pará on February 3, 2015.

The chocolate, cocoa, and export terminal transactions are expected to close in 2015, subject to completion of customary closing conditions, including regulatory approvals, which are in process. The chocolate and cocoa businesses are classified as held for sale as of December 31, 2014.

Operating Performance Indicators

The Company's oilseeds processing and agricultural services operations are principally agricultural commodity-based businesses where changes in selling prices move in relationship to changes in prices of the commodity-based agricultural raw materials. Therefore, changes in agricultural commodity prices have relatively equal impacts on both revenues and cost of products sold. Thus, changes in revenues of these businesses do not necessarily correspond to the changes in margins or gross profit.

The Company's corn processing operations and certain other food and animal feed processing operations also utilize agricultural commodities (or products derived from agricultural commodities) as raw materials. However, in these operations, agricultural commodity market price changes do not necessarily equal changes in cost of products sold. Thus, changes in revenues of these businesses may correspond to changes in margins or gross profit.

The Company has consolidated subsidiaries in 79 countries. For the majority of the Company's subsidiaries located outside the United States, the local currency is the functional currency. Revenues and expenses denominated in foreign currencies are translated into U.S. dollars at the weighted average exchange rates for the applicable periods. For the majority of the Company's business activities in Brazil, the functional currency is the U.S. dollar; however, certain transactions, including taxes, occur in local currency and require conversion to the functional currency. Fluctuations in the exchange rates of foreign currencies, primarily the Euro, British pound, Canadian dollar, and Brazilian real, as compared to the U.S. dollar can result in corresponding fluctuations in the U.S. dollar value of revenues and expenses reported by the Company.

The Company measures its performance using key financial metrics including net earnings, segment operating profit, return on invested capital, EBITDA, economic value added, and cost per metric ton. The Company's operating results can vary significantly due to changes in factors such as fluctuations in energy prices, weather conditions, crop plantings, government programs and policies, changes in global demand, general global economic conditions, changes in standards of living, and global production of similar and competitive crops. Due to these unpredictable factors, the Company undertakes no responsibility for updating any forward-looking information contained within "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

As an agricultural commodity-based business, the Company is subject to a variety of market factors which affect the Company's operating results. Demand for global protein meal and vegetable oil remained strong and steady. Demand for export of North American corn and soybeans was strong, but logistical challenges during the winter months, including rail delays and river freezes, caused higher costs making U.S. exports less competitive. Despite a large harvest in South America, U.S. grain exports continued for longer than normal in 2014 due to slow South American farmer selling. U.S. corn and wheat storage and merchandising opportunities were limited for much of the year until the 2014 record fall harvest. Corn sweetener demand was steady. Strong U.S. ethanol demand from both domestic and export markets, combined with industry logistical and production challenges in the winter months, led to volatile but strong overall 2014 ethanol margins. South American grain and oilseed origination volumes and margins were challenged by the slow farmer selling. Cocoa press margins have continued to improve from last year when margins were negatively impacted by excess capacity.

Net earnings attributable to controlling interests increased $0.9 billion to $2.2 billion. Segment operating profit was $3.9 billion, up 45%, due primarily to improved corn processing and grain merchandising and handling results. Included in this year's segment operating profit was a gain of approximately $156 million upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture, resulting from the contribution of additional assets by another member in exchange for new equity units, a gain of $126 million on the sale of the fertilizer business, long-lived asset impairment charges of $35 million, and Wild Flavors restructuring charges and acquisition costs of $33 million. In 2013, segment operating profit included a $155 million write-down related to the Company's GrainCorp investment, a $51 million impairment of certain long-lived assets at its Brazilian sugar mill, and approximately $27 million of other long-lived asset impairment charges principally in the Corn Processing segment. Excluding these unique items, segment operating profit improved approximately 26% in 2014. Corporate costs of $785 million in 2014 were higher by $101 million. Included in 2014 costs were losses of $102 million on Euro foreign currency derivative contracts entered into to economically hedge the anticipated Wild Flavors acquisition and $98 million of non-cash pension settlement charges. The prior year period included $54 million of charges related to an anti-corruption settlement, losses of $40 million on Australian dollar foreign currency derivative contracts entered into to economically hedge the proposed GrainCorp acquisition, $21 million costs related to strategic projects, and costs of $32 million primarily related to asset write-downs and allocations of costs between corporate and the operating segments. In 2014, LIFO inventory reserves declined resulting in pretax LIFO credits to earnings of $245 million compared to LIFO credits of $225 million in 2013. Excluding LIFO and these other items, corporate costs increased $68 million, which is primarily due to higher enterprise resource planning project, I.T., and other project-related costs. Partially offsetting the increase was lower interest expense due principally to lower outstanding long-term debt balances.

The Company's effective tax rate for 2014 was 28.0% compared to 33.1% for 2013. The 2014 rate was positively impacted by $47 million of positive discrete tax adjustments and a slight favorable shift in the geographic mix of earnings. The 2013 rate was negatively impacted by valuation allowances on deferred tax assets, partially offset by favorable discrete income tax benefits related to amounts received from the U.S. government in the form of biodiesel credits. Excluding these factors, the effective tax rate for 2013 was approximately 30%.

Analysis of Statements of Earnings

Processed volumes by product for the years ended December 31, 2014 and 2013 are as follows (in metric tons):

(In thousands)	**2014**	**2013**	**Change**
Oilseeds	**32,208**	31,768	440
Corn	**23,668**	23,688	(20)
Milling and cocoa	**7,318**	7,226	92
Total	**63,194**	62,682	512

The Company continued to operate its production facilities, on an overall basis, at or near capacity, adjusting facilities individually, as needed, to react to current and seasonal local supply and demand conditions.

Revenues by segment for the years ended December 31, 2014 and 2013 are as follows:

(In millions)	2014	2013	Change
Oilseeds Processing			
Crushing and Origination	**$ 18,542**	$ 20,522	$ (1,980)
Refining, Packaging, Biodiesel, and Other	**9,111**	10,375	(1,264)
Cocoa and Other	**3,439**	3,281	158
Asia	**454**	705	(251)
Total Oilseeds Processing	**31,546**	34,883	(3,337)
Corn Processing			
Sweeteners and Starches	**3,749**	4,717	(968)
Bioproducts	**7,937**	8,422	(485)
Total Corn Processing	**11,686**	13,139	(1,453)
Agricultural Services			
Merchandising and Handling	**33,061**	36,968	(3,907)
Milling and Other	**4,001**	4,284	(283)
Transportation	**265**	228	37
Total Agricultural Services	**37,327**	41,480	(4,153)
Other			
Processing	**312**	—	312
Financial	**330**	302	28
Total Other	**642**	302	340
Total	**$ 81,201**	$ 89,804	$ (8,603)

Revenues in 2014 decreased 10% to $81.2 billion due principally to lower average sales prices ($8.0 billion) related to a decrease in underlying commodity prices, lower overall sales volumes ($0.7 billion), and changes in foreign currency exchange rates of $0.2 billion partially offset by higher revenues in Other ($0.3 billion) due to recent acquisitions. The decrease in underlying commodity prices did not result in a significant decrease in margins or gross profit as lower underlying commodity prices had a relatively equal impact on cost of products sold. Oilseeds Processing revenues decreased 10% to $31.5 billion due principally to lower sales volumes for soybeans and soybean meal ($1.9 billion) and lower average sales prices ($1.4 billion). Corn Processing revenues decreased 11% to $11.7 billion due principally to lower average sales prices ($1.6 billion) partially offset by higher sales volumes ($0.1 billion). Agricultural Services revenues decreased 10% to $37.3 billion due principally to lower average sales prices ($5.2 billion) and partially offset by higher sales volumes ($1.1 billion).

Cost of products sold decreased 11% to $76.4 billion due principally to lower average commodity costs partially offset by higher manufacturing costs. Included in 2014 cost of products sold is a credit of $245 million from the effect of decreasing agricultural commodity prices on LIFO inventory valuation reserves compared to a credit of $225 million in 2013. Manufacturing expenses increased $0.2 billion mostly due to higher energy costs and higher maintenance costs. Higher energy costs were driven by unusually high volatility of natural gas prices during the winter months early in the year due primarily to supply interruptions impacted by the severe winter weather conditions.

Selling, general, and administrative expenses (SG&A) increased $148 million to $1.9 billion due principally to a $98 million non-cash pretax pension settlement charge related to settling certain U.S. retiree liabilities with lump sum payments and incremental SG&A expenses of $73 million related to the acquired Wild Flavors and SCI businesses, partially offset by the absence of the prior year charge of $54 million related to an anti-corruption settlement. In addition, salaries and benefits and enterprise resource planning project, information technology, and other project-related costs were higher year over year.

Asset impairment, exit, and restructuring costs of $105 million include $16 million of costs associated with the relocation of the Company's global headquarters to Chicago, Illinois, $48 million of restructuring charges related primarily to the Wild Flavors acquisition and Toepfer integration following the acquisition of the minority interest, other-than-temporary investment writedown of $6 million, and property, plant, and equipment asset impairments of $35 million. The 2013 charges of $259 million were comprised of other-than-temporary impairment charges of $155 million on the Company's GrainCorp investment, asset impairment charges of $51 million related to the Company's Brazilian sugar milling business, and other impairment charges principally for certain property, plant, and equipment assets totaling $53 million.

Interest expense decreased $76 million to $337 million primarily due to lower outstanding long-term debt balances. During February 2014, the Company repaid $1.15 billion principal amount of convertible senior notes with available funds.

Equity in earnings of unconsolidated affiliates decreased $39 million to $372 million primarily due to lower earnings from the Company's investments in CIP and Wilmar.

Other income increased $194 million to $247 million due principally to a gain of $156 million upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture, resulting from the contribution of additional assets by another member in exchange for new equity units, a gain of $126 million on the sale of the South American fertilizer business, and the absence of prior year losses of $40 million on Australian dollar foreign currency derivative contracts entered into to economically hedge the proposed GrainCorp acquisition, partially offset by current period losses of $102 million on Euro foreign currency derivative contracts entered into to economically hedge the Wild Flavors acquisition.

Operating profit by segment and earnings before income taxes for the year ended December 31, 2014 and 2013 are as follows:

(In millions)	2014	2013	Change
Oilseeds Processing			
Crushing and Origination	**$ 868**	$ 835	$ 33
Refining, Packaging, Biodiesel, and Other	**478**	454	24
Cocoa and Other	**92**	(33)	125
Asia	**167**	217	(50)
Total Oilseeds Processing	**1,605**	1,473	132
Corn Processing			
Sweeteners and Starches	**484**	492	(8)
Bioproducts	**704**	322	382
Total Corn Processing	**1,188**	814	374
Agricultural Services			
Merchandising and Handling	**653**	33	620
Milling and Other	**249**	270	(21)
Transportation	**187**	77	110
Total Agricultural Services	**1,089**	380	709
Other			
Processing	**(46)**	—	(46)
Financial	**79**	41	38
Total Other	**33**	41	(8)
Total Segment Operating Profit	**3,915**	2,708	1,207
Corporate	**(785)**	(684)	(101)
Earnings Before Income Taxes	**$ 3,130**	$ 2,024	$ 1,106

Corporate results are as follows:

(In millions)	2014	2013	Change
LIFO credit (charge)	**$ 245**	$ 225	$ 20
Interest expense - net	**(318)**	(408)	90
Unallocated corporate costs	**(414)**	(331)	(83)
Other charges	**(228)**	(147)	(81)
Minority interest and other	**(70)**	(23)	(47)
Total Corporate	**$ (785)**	$ (684)	$ (101)

Oilseeds Processing operating profit increased $132 million to $1.6 billion. Included in the current year operating profit is a charge of approximately $17 million for cocoa hedge timing effects compared to a charge of approximately $13 million in the prior year. Crushing and Origination operating profit increased $33 million to $868 million. Included in the current year results is a gain on sale of the fertilizer business of $126 million. Excluding this gain the Crushing and Origination operating profit decreased by $93 million primarily due to lower South American grain origination results caused by year-over-year slower farmer-selling, reduced crush margins and lower fertilizer results partially offset by strong soybean and softseed volumes and margins in North America and Europe. Refining, Packaging, Biodiesel, and Other results improved $24 million to $478 million on good demand and improved margins for refined and packaged oils and improved European biodiesel results. Cocoa and Other results, including the mark-to-market timing effects discussed above, improved $125 million to $92 million as cocoa press margins significantly increased. Asia results declined $50 million to $167 million, principally reflecting a decrease from the Company's share of its results from its equity investee, Wilmar.

Corn Processing operating profit increased $374 million to $1.2 billion. Included in the current period operating profit is a gain of approximately $25 million for corn hedge timing effects and $15 million of asset impairment charges; while the prior period included a charge of approximately $15 million for corn hedge time effects and $71 million of asset impairment charges. Excluding these items, Sweeteners and Starches operating profit decreased $39 million primarily due to lower average selling prices partially offset by lower net corn costs. Also contributing to the decrease were decreased co-products income, an additional $8 million in bad debt reserve and $7 million of startup costs related to the new sweetener facility in Tianjin, China. Excluding corn hedge timing effects and asset impairment charges, Bioproducts profit in the current year improved by $317 million as solid demand for U.S. ethanol from domestic and export markets, lower net corn costs, and lower industry production volumes early in the year caused by logistical and production challenges combined to drive volatile but overall strong margins.

Agricultural Services operating profit increased $709 million to $1.1 billion. Current year results in Merchandising and Handling include a gain of $156 million upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture, resulting from the contribution of additional assets by another member in exchange for new equity units and asset impairment charges of $14 million. Prior year results included an approximately $30 million intercompany insurance-related gain and a $155 million asset impairment charge related to the other than temporary impairment of the Company's GrainCorp investment. Excluding these items, Merchandising and Handling operating profit increased $353 million due principally to higher U.S. grain export volumes and improvement in international merchandising results. Transportation operating profit improved $110 million to $187 million due to higher volumes and freight rates in barge operations. Milling and Other results declined $21 million to $249 million on lower margins and volumes in the milling business for most of the year reducing opportunities for grain and feed merchandising.

Other processing operating profit reflects a loss of $46 million due primarily to the results of Wild Flavors and SCI which were acquired by the Company in the fourth quarter of 2014. Wild Flavors' results include $33 million in restructuring charges and acquisition costs and $23 million in additional expense for the amortization of fair value adjustments primarily related to inventories. Other financial operating profit increased $38 million to $79 million mainly due to the absence of an approximately $30 million insurance-related loss in the prior year which offset the insurance-related gain reported in the Agricultural Services segment.

Corporate results were a net charge of $785 million in the current year compared to a net charge of $684 million in the prior year. The effects of decreasing commodity prices on LIFO inventory valuations resulted in a credit of $245 million in the current year compared to a credit of $225 million in the prior year. Interest expense - net declined $90 million due principally to lower outstanding long-term debt balances. Unallocated corporate costs increased $83 million primarily due to higher expenses related to the enterprise resource planning project, special strategic projects, and compensation accruals. Other charges in the current year of $228 million consisted of losses of $102 million on Euro foreign currency derivative contracts entered into to economically hedge the anticipated Wild Flavors acquisition, global headquarters relocation costs of $16 million, Toepfer integration and other restructuring charges of $15 million, and pension settlement of $98 million. Other charges in the prior year of $147 million consisted of a $54 million provision related to an anti-corruption settlement, losses of $40 million on Australian dollar foreign currency derivative contracts entered into to economically hedge the proposed GrainCorp acquisition, $21 million of costs related to strategic merger and acquisition projects, and $32 million of costs primarily related to asset write-downs and reallocations of costs from the operating segments to corporate. Minority interest and other expense increased $47 million primarily due to changes in the elimination of the income attributable to the minority shareholder of Toepfer.

Six Months Ended December 31, 2012 Compared to Six Months Ended December 31, 2011 (Unaudited)

Net earnings attributable to controlling interests increased $152 million to $692 million. Asset impairment, exit, and restructuring costs in the 2012 period decreased $115 million after tax ($206 million pretax). The 2012 period results also include gains of $49 million after tax related to the Company's interest in GrainCorp and a gain of $24 million after tax related to the sale of certain of the Company's exchange membership interests, partially offset by charges of $44 million after tax related to pension settlements.

Income taxes increased $66 million due to higher earnings before income taxes. The effective income tax rate of 30.4% in 2012 compares to the rate of 30.3% in the prior period.

Segment operating profit in the 2012 period increased $243 million due to a $318 million improvement in operating results in the Oilseeds Processing segment, the absence of the prior period asset impairment charges of $339 million in the Corn Processing segment related primarily to the write-down of assets at its Clinton, IA bioplastics facility, and higher results of the Company's Financial operations of $76 million, in part due to a gain on sale of certain of the Company's exchange membership interests and favorable captive insurance loss reserve adjustments. Partially offsetting these improvements were lower results in the 2012 period in Corn Processing's bioproducts business of $408 million, excluding the Clinton, IA asset impairment charge discussed above, and the 2012 period loss of $146 million in the Agricultural Services segment related to the disposal of Gruma.

Corporate expenses were $27 million higher in the 2012 period, due primarily to $68 million of pension settlement charges, partially offset by higher returns on the Company's equity method investment in CIP.

Analysis of Statements of Earnings

Processed volumes by product for the six months ended December 31, 2012 and 2011 are as follows (in metric tons):

	Six Months Ended December 31,		
(In thousands)	**2012**	**2011**	**Change**
Oilseeds	15,868	15,209	659
Corn	12,307	12,408	(101)
Milling and cocoa	3,603	3,736	(133)
Total	31,778	31,353	425

The Company continued to operate its production facilities, on an overall basis, at or near capacity, adjusting facilities individually, as needed, to react to current and seasonal local supply and demand conditions.

Revenues by segment for the six months ended December 31, 2012 and 2011 are as follows:

	Six Months Ended December 31,		
(In millions)	2012	2011	Change
		(Unaudited)	
Oilseeds Processing			
Crushing and Origination	$ 10,784	$ 8,927	$ 1,857
Refining, Packaging, Biodiesel and Other	5,256	6,218	(962)
Cocoa and Other	1,746	1,952	(206)
Asia	266	240	26
Total Oilseeds Processing	18,052	17,337	715
Corn Processing			
Sweeteners and Starches	2,405	2,316	89
Bioproducts	3,762	4,135	(373)
Total Corn Processing	6,167	6,451	(284)
Agricultural Services			
Merchandising and Handling	20,159	19,061	1,098
Transportation	128	149	(21)
Milling and Other	2,154	2,154	—
Total Agricultural Services	22,441	21,364	1,077
Other			
Financial	69	56	13
Total Other	69	56	13
Total	$ 46,729	$ 45,208	$ 1,521

As an agricultural commodity-based business, the Company is subject to a variety of market factors which affect the Company's operating results. From a demand perspective, protein meal demand continued to increase, particularly for U.S. domestic and export markets. Demand for soybeans was solid. Weaker U.S. gasoline demand and unfavorable global ethanol trade flows resulted in continued excess industry ethanol capacity. From a supply perspective, following below-average harvests in the 2011/2012 crop year in North and South America, corn and soybean supplies were tight and commodity market prices were generally higher. In South America, farmers responded to high crop prices with record soybean plantings for the 2012/2013 crop year. The lower corn harvest in the U.S. due to the drought led to higher corn prices and higher demand for corn from South America.

Revenues increased $1.5 billion to $46.7 billion. Higher average selling prices increased revenues by $4.9 billion, primarily due to increases in underlying commodity prices, while lower sales volumes, inclusive of the effects of acquisitions, reduced revenues by $2.4 billion. Changes in foreign currency exchange rates decreased revenues by $1.0 billion. Oilseeds Processing sales increased 4% to $18.1 billion due principally to higher average selling prices of protein meal and soybeans and higher sales volumes of corn, primarily in South America, and protein meal. Corn Processing sales decreased 4% to $6.2 billion due principally to lower average selling prices of ethanol. Agricultural Services sales increased 5% to $22.4 billion, due to higher average selling prices of soybeans and wheat partially offset by lower sales volumes of corn.

Cost of products sold increased $1.6 billion to $44.9 billion due principally to higher prices of agricultural commodities partially offset by lower manufacturing costs and $1.1 billion related to the effects of changing foreign currency rates. Manufacturing expenses decreased $102 million or 3%, due principally to lower energy and repairs and maintenance costs, and savings in employee and benefit-related costs.

Selling, general and administrative expenses increased $39 million to $869 million. Included in selling, general, and administrative expenses are pension settlement charges of $68 million for the six months ended December 31, 2012. Excluding these pension settlement charges, selling, general, and administrative expenses declined $29 million or 3% due principally to lower employee and benefit-related costs.

Asset impairment charges in the 2012 period represent impairments of $146 million related to the Company's divestment of its equity method investments in Gruma and Gruma-related joint ventures. The prior year charges relate to the Company's Clinton, IA bioplastics facility. Property, plant, and equipment were written down to estimated fair value resulting in impairment charges of $320 million. In addition, charges of $32 million were recognized for exit activities and to impair other assets.

Other income increased $97 million to $109 million due primarily to $62 million of gains related to the Company's interest in GrainCorp and $39 million of gains on the sale of certain of the Company's exchange membership interests.

Operating profit by segment and earnings before income taxes for the six months ended December 31, 2012 and 2011 are as follows:

	Six Months Ended December 31,		
(In millions)	2012	2011	Change
		(Unaudited)	
Oilseeds Processing			
Crushing and Origination	$ 517	$ 227	$ 290
Refining, Packaging, Biodiesel, and Other	78	132	(54)
Cocoa and Other	65	(28)	93
Asia	87	98	(11)
Total Oilseeds Processing	747	429	318
Corn Processing			
Sweeteners and Starches	191	105	86
Bioproducts	(120)	(51)	(69)
Total Corn Processing	71	54	17
Agricultural Services			
Merchandising and Handling	299	315	(16)
Transportation	67	81	(14)
Milling and Other	29	167	(138)
Total Agricultural Services	395	563	(168)
Other			
Financial	93	17	76
Total Other	93	17	76
Total Segment Operating Profit	1,306	1,063	243
Corporate	(309)	(282)	(27)
Earnings Before Income Taxes	$ 997	$ 781	$ 216

Corporate results are as follows:

(In millions)	Six Months Ended December 31, 2012	2011	Change
		(Unaudited)	
LIFO credit (charge)	$ 60	$ 67	$ (7)
Interest expense - net	(219)	(197)	(22)
Unallocated corporate costs	(140)	(155)	15
Charges from debt buyback and exchange	(5)	(4)	(1)
Pension settlements	(68)	—	(68)
Other	63	7	56
Total Corporate	$ (309)	$ (282)	$ (27)

Oilseeds Processing operating profit increased $318 million to $747 million. Crushing and Origination operating profit increased $290 million to $517 million as results in North America, Europe and South America improved. The Company's U.S. soybean operations delivered strong results, with high seasonal utilization amid good U.S. and export meal demand. In Europe, rapeseed and soybean crushing earnings improved significantly. In South America, results benefited from improved soybean crushing margins. Refining, Packaging, Biodiesel, and Other results decreased $54 million to $78 million primarily due to weaker European and U.S. biodiesel results. Cocoa and Other results increased $93 million as weaker cocoa press margins were offset by the absence of the prior period's net unrealized mark-to-market losses related to certain forward purchase and sales commitments accounted for as derivatives. Asia results decreased $11 million to $87 million principally reflecting the Company's share of its results from equity investee, Wilmar.

Corn Processing operating profit increased $17 million to $71 million. The prior period results include $339 million in asset impairment charges and exit costs related to the Company's Clinton, IA bioplastics facility. Excluding the bioplastics charges and exit costs, Corn Processing operating profit declined $322 million. Sweeteners and Starches operating profit increased $86 million to $191 million, as tight sweetener industry capacity supported higher average selling prices. The prior period Sweeteners and Starches results were negatively impacted by higher net corn costs related to the mark-to-market timing effects of economic hedges. Bioproducts profit decreased $69 million to a $120 million loss. Excluding the $339 million prior year asset impairment charges, Bioproducts profit decreased $408 million. Weak domestic gasoline demand and unfavorable global ethanol trade flows resulted in continued excess industry capacity, keeping ethanol margins negative.

Agricultural Services operating profit, including the 2012 period $146 million Gruma asset impairment charge and $62 million gain on the Company's interest in GrainCorp, decreased $168 million to $395 million. Merchandising and Handling earnings decreased $16 million mostly due to weaker U.S. merchandising results impacted by the smaller U.S. harvest. Merchandising and Handling earnings in the 2012 period include the $62 million gain on the Company's interest in GrainCorp. Earnings from transportation operations decreased $14 million to $67 million due to increased barge operating expenses caused by low water on the Mississippi River partially offset by higher freight rates. Milling and Other operating profit decreased $138 million to $29 million due principally to a $146 million impairment charge on the disposal of the Company's equity method investments in Gruma and Gruma-related joint ventures. Milling results remained strong, and the Company's feed business saw improved margins amid stronger demand.

Other financial operating profit increased $76 million to $93 million mainly due to asset disposal gains for certain of the Company's exchange membership interests and improved results of the Company's captive insurance subsidiary.

Corporate expenses increased $27 million to $309 million in the 2012 period. The Company incurred $68 million in pension settlement charges related to a one-time window for lump sum distributions in the U.S. and the conversion of a Dutch pension plan to a multi-employer plan. Excluding these pension charges, corporate expenses declined by $41 million. Corporate interest expense - net increased $22 million mostly due to the absence of interest income received in the prior period related to a contingent gain settlement. Unallocated corporate costs were lower by $15 million primarily due to lower employee and employee benefit-related costs. The increase in other income of $56 million is primarily due to improved equity earnings from corporate affiliate investments.

Year Ended June 30, 2012 Compared to Year Ended June 30, 2011

As an agricultural commodity-based business, the Company is subject to a variety of market factors which affect the Company's operating results. From a demand perspective, global protein meal consumption has continued to grow although at a slower rate. Excess industry crushing production capacity has pressured oilseeds margins, and the Company has adjusted production rates regionally to balance supply with current market demand. Biodiesel markets supported global demand for refined and crude vegetable oils. In the U.S., high biodiesel inventories associated with the December 31, 2011, expiration of blender's incentives dampened margins in the second half of the fiscal year. U.S. corn sweetener exports continue to support sales volumes and margins. Ethanol sales volumes were supported by favorable gasoline blending economics in the U.S. However, excess industry production of ethanol, together with recently reduced U.S. ethanol export demand, has negatively impacted ethanol margins. From a supply perspective, crop supplies in certain key growing regions at the beginning of fiscal 2012, including South America and the Black Sea region, were adequate, but a smaller-than-normal harvest in North America in the fall of 2011 resulted in low U.S. carryover stocks for corn and soybeans. Because of the smaller than expected South American harvest, global supplies of corn and soybeans were more dependent on the North American harvest. While plantings of corn increased in the U.S. during fiscal 2012, the drought conditions late in the fiscal year decreased expectations for the size of the harvest. These factors, combined with concerns about the European debt situation and ongoing geopolitical uncertainties, contributed to volatile commodity market price movements during fiscal 2012.

Net earnings attributable to controlling interests decreased $0.8 billion to $1.2 billion. Segment operating profit declined $1.6 billion to $2.5 billion amid more challenging conditions generally affecting all reportable segments. Segment operating profit in fiscal 2012 included $349 million of asset impairment charges and exit costs comprised of $335 million to exit the Company's Clinton, IA, bioplastics plant and $14 million to shut down its Walhalla, ND, ethanol dry mill. Earnings before income taxes included a credit of $10 million from the effect on LIFO inventory valuation reserves, including the liquidation of LIFO inventory layers, partially offset by increasing agricultural commodity prices, compared to charges of $368 million in the prior year. Fiscal 2012 unallocated corporate expenses included $71 million of charges related to the Company's global workforce reduction program.

Income taxes decreased $0.5 billion due to lower earnings before income taxes and a lower effective income tax rate. The Company's effective income tax rate declined to 29.6% compared to 33.1% in the prior year primarily due to income tax benefits associated with foreign currency re-measurement of non-monetary assets partially offset by a geographic mix of earnings that shifted more to foreign jurisdictions.

Analysis of Statements of Earnings

Processed volumes by product for the years ended June 30, 2012 and 2011 are as follows (in metric tons):

(In thousands)	**2012**	**2011**	**Change**
Oilseeds	31,161	29,630	1,531
Corn	24,618	23,412	1,206
Milling and cocoa	7,156	7,179	(23)
Total	62,935	60,221	2,714

The Company continued to operate its production facilities, on an overall basis, at or near capacity, adjusting facilities individually, as needed, to react to current and seasonal local supply and demand conditions.

Revenues by segment are as follows:

(In millions)	2012	2011	Change
Oilseeds Processing			
Crushing and Origination	$ 18,794	$ 16,518	$ 2,276
Refining, Packaging, Biodiesel, and Other	11,628	9,476	2,152
Cocoa and Other	3,715	3,652	63
Asia	578	262	316
Total Oilseeds Processing	34,715	29,908	4,807
Corn Processing			
Sweeteners and Starches	4,793	3,766	1,027
Bioproducts	7,321	6,142	1,179
Total Corn Processing	12,114	9,908	2,206
Agricultural Services			
Merchandising and Handling	37,631	36,852	779
Transportation	269	222	47
Milling and Other	4,182	3,676	506
Total Agricultural Services	42,082	40,750	1,332
Other			
Financial	127	110	17
Total Other	127	110	17
Total	$ 89,038	$ 80,676	$ 8,362

Revenues increased $7.0 billion due to higher average selling prices, primarily related to higher underlying commodity prices, and $2.1 billion due to increased sales volumes, including sales volumes from acquisitions, partially offset by changes in foreign currency exchange rates of $0.7 billion. The increase in underlying commodity prices did not result in a significant increase in margins or gross profit as higher underlying commodity prices had a relatively equal impact on cost of products sold. Oilseeds Processing sales increased 16% to $34.7 billion due principally to higher average selling prices of vegetable oils, merchandised commodities, protein meal, and biodiesel and increased sales volumes of biodiesel, protein meal, and peanuts, in part due to the acquisition of Golden Peanut in December 2010. Corn Processing sales increased 22% to $12.1 billion due principally to higher average selling prices of ethanol and sweeteners as well as higher sales volumes of sugar and ethanol. Agricultural Services sales increased 3% to $42.1 billion, due to higher average selling prices of corn and wheat flour partially offset by lower sales volumes, in part due to lower export volumes from the U.S.

Cost of products sold increased 12% to $85.4 billion due principally to higher prices of agricultural commodities and, to a lesser extent, increased sales volumes. Changes in foreign currency exchange rates reduced fiscal 2012 cost of products sold by $0.7 billion. Manufacturing expenses increased $0.2 billion due to higher costs for maintenance, employee and benefit-related expenses, energy, and chemicals. These higher costs were primarily due to higher production volumes, acquisitions, and higher unit costs for fuels and certain chemicals. Partially offsetting these higher costs was lower depreciation expense, in part due to the Company's change in estimated service lives for machinery and equipment during the second quarter of fiscal 2011.

Selling, general, and administrative expenses remained steady at $1.6 billion. Loss provisions mainly due to an unfavorable arbitration award in the Company's Agricultural Services operating segment were partially offset by lower overhead expenses.

Asset impairment, exit, and restructuring costs of $449 million were comprised of $349 million in the Corn Processing segment related to the Company's exit from its Clinton, IA, bioplastics business and ethanol dry mill in Walhalla, ND, $71 million in Corporate for the global workforce reduction, and $29 million in Corporate for investment write-downs and other facility exit-related costs.

Interest expense decreased 9% to $441 million primarily due to lower long-term debt balances, higher interest expense capitalized on construction projects in progress, and lower interest expense related to uncertain income tax positions.

Equity in earnings of unconsolidated affiliates decreased 13% to $472 million principally due to decreased equity earnings from the Company's equity investee, Gruma, which included a $78 million gain in the prior year related to Gruma's disposal of certain assets.

Interest income declined 18% to $112 million primarily related to the sale and deconsolidation of the Hickory Point Bank and Trust Company, fsb, effective September 30, 2011.

Other income – net declined $101 million to $17 million due primarily to the absence of income recognized in the prior year period of $71 million for the Golden Peanut Gain and $30 million for gains on interest rate swaps.

Operating profit by segment is as follows:

(In millions)	2012	2011	Change
Oilseeds Processing			
Crushing and Origination	$ 641	$ 925	$ (284)
Refining, Packaging, Biodiesel, and Other	295	342	(47)
Cocoa and Other	183	240	(57)
Asia	183	183	—
Total Oilseeds Processing	1,302	1,690	(388)
Corn Processing			
Sweeteners and Starches	335	330	5
Bioproducts	(74)	749	(823)
Total Corn Processing	261	1,079	(818)
Agricultural Services			
Merchandising and Handling	493	807	(314)
Transportation	125	117	8
Milling and Other	329	399	(70)
Total Agricultural Services	947	1,323	(376)
Other			
Financial	15	39	(24)
Total Other	15	39	(24)
Total Segment Operating Profit	2,525	4,131	(1,606)
Corporate (see below)	(760)	(1,116)	356
Earnings Before Income Taxes	$ 1,765	$ 3,015	$ (1,250)

Corporate results are as follows:

(In millions)	2012	2011	Change
LIFO credit (charge)	$ 10	$ (368)	$ 378
Interest expense - net	(423)	(445)	22
Unallocated corporate costs	(360)	(326)	(34)
Charges on early extinguishment of debt	(4)	(8)	4
Gains (losses) on interest rate swaps	—	30	(30)
Other	17	1	16
Total Corporate	$ (760)	$ (1,116)	$ 356

Oilseeds Processing operating profit decreased $0.4 billion to $1.3 billion. Crushing and Origination operating profit decreased $284 million to $641 million primarily due to weaker results in European softseeds, lower results in North American softseeds, and lower North American positioning results. Partially offsetting these lower results, were higher grain origination results in South America driven by higher volumes and favorable positioning. Poor European softseed results were driven by a small prior year rapeseed crop, positioning losses, and weaker demand for protein meal and oils. North American softseed results declined primarily as a result of lower margins generated from a tight cottonseed supply. Refining, Packaging, Biodiesel, and Other results declined $47 million to $295 million due primarily to declines in biodiesel margins in South America and Europe and lower margins for specialty fats and oils in Europe. These declines were partially offset by improved North American protein specialties and natural health and nutrition results due to higher margins and volumes. Cocoa and Other results declined $57 million to $183 million. Fiscal 2012 results in Cocoa and Other were reduced by $100 million for net unrealized mark-to-market losses related to certain forward purchase and sales commitments accounted for as derivatives. The prior year included $9 million of net unrealized mark-to-market losses. Excluding these timing effects, cocoa results improved in fiscal 2012 driven by improved press margins caused by strong cocoa powder demand. The prior year included the $71 million Golden Peanut Gain which was partially offset in fiscal 2012 by higher earnings in the Company's peanut business in part due to the first full year of consolidated results for Golden Peanut being reported by the Company in fiscal 2012. Asia results remained steady at $183 million, principally reflecting the Company's share of its results from equity investee, Wilmar.

Corn Processing operating results decreased $818 million to $261 million due principally to poor ethanol margins and $349 million in asset impairment charges and exit costs. Excluding the asset impairment and exit costs related to the Company's bioplastics business and Walhalla, ND, ethanol dry grind facility, Corn Processing operating profit of $610 million in fiscal 2012 represented a decline of $469 million compared to the prior year. Processed volumes were up 5 percent while net corn costs increased compared to the prior year. Sweeteners and Starches operating profit increased $5 million to $335 million, as higher average selling prices more than offset higher net corn costs. Bioproducts profit decreased $823 million to a loss of $74 million, including the $349 million asset impairment and exit charges. Lower ethanol margins were caused by excess supply as previously offline production restarted while industry demand declined, in part due to slowing export demand. Prior year bioproducts results were enhanced by favorable corn ownership positions, which lowered net corn costs in that period. Bioproducts results in the prior year were negatively impacted by startup costs of $94 million related to the Company's new dry-grind ethanol, bioplastics, and glycol plants.

Agricultural Services operating profits decreased $376 million to $947 million. Merchandising and Handling earnings decreased primarily due to lower results from U.S. operations. Lower sales volumes were principally the result of the relatively higher cost of U.S. grains and oilseeds in the global market due to lower stocks caused by a smaller U.S. harvest in 2011. This relatively weaker position led to reduced U.S. grain exports. In the prior year, Merchandising and Handling results were positively impacted by higher quantities of U.S. grain exports by the Company. In addition, fiscal 2012 included $40 million of increased loss provisions mainly due to an unfavorable arbitration award. Earnings from Transportation were steady. Prior year's operating results in Milling and Other operations included a $78 million gain related to Gruma's disposal of certain assets.

Other financial operating profit decreased $24 million to $15 million mainly due to higher loss provisions at the Company's captive insurance subsidiary related to property and crop risk reserves.

Corporate expenses declined $356 million to $760 million in fiscal 2012. The effects of a liquidation of LIFO inventory layers partially offset by increasing commodity prices on LIFO inventory valuations resulted in a credit of $10 million in fiscal 2012 compared to a charge of $368 million in the prior year primarily due to higher prices. Corporate interest expense decreased $22 million primarily due to lower interest expense on lower long-term debt balances. Unallocated corporate costs include $71 million of costs related to the global workforce reduction program. Excluding these costs, unallocated corporate costs declined $37 million due primarily to lower administrative costs. Corporate other income increased due to higher investment income partially offset by $29 million for investment writedown and facility exit-related costs. Also, in the prior year the Company recognized $30 million of gains on interest rate swaps.

Liquidity and Capital Resources

A Company objective is to have sufficient liquidity, balance sheet strength, and financial flexibility to fund the operating and capital requirements of a capital intensive agricultural commodity-based business. The Company's strategy involves expanding the volume and diversity of crops that it merchandises and processes, expanding the global reach of its core model, and expanding its value-added product portfolio. The Company depends on access to credit markets, which can be impacted by its credit rating and factors outside of the Company's control, to fund its working capital needs and capital expenditures. The primary source of funds to finance the Company's operations, capital expenditures, and advancement of its growth strategy is cash generated by operations and lines of credit, including a commercial paper borrowing facility. In addition, the Company believes it has access to funds from public and private equity and debt capital markets in both U.S. and international markets.

Cash provided by operating activities was $5.0 billion for 2014 compared to $5.2 billion in 2013. Working capital changes increased cash by $2.3 billion in the current year and by $2.9 billion in the prior year. Inventories declined approximately $1.3 billion at December 31, 2014 compared to December 31, 2013 due to lower prices. Cash used in investing activities was $3.4 billion this year compared to $0.6 billion last year primarily due to capital expenditures and net assets of businesses acquired of $3.7 billion this year compared to $1.0 billion last year. Cash used in financing activities was $3.6 billion this year compared to $3.2 billion last year. In the current period, long-term debt payments increased as the $1.15 billion convertible debt matured in February 2014 and was paid with available cash.

At December 31, 2014, the Company had $1.6 billion of cash, cash equivalents, and short-term marketable securities and a current ratio, defined as current assets divided by current liabilities, of 1.7 to 1. Included in working capital is $5.9 billion of readily marketable commodity inventories. At December 31, 2014, the Company's capital resources included shareholders' equity of $19.6 billion and lines of credit totaling $6.6 billion which was unused. The Company's ratio of long-term debt to total capital (the sum of long-term debt and shareholders' equity) was 22% at December 31, 2014 and 21% at December 31, 2013. The Company uses this ratio as a measure of the Company's long-term indebtedness and an indicator of financial flexibility. The Company's ratio of net debt (the sum of short-term debt, current maturities of long-term debt, and long-term debt less the sum of cash and cash equivalents and short-term marketable securities) to capital (the sum of net debt and shareholders' equity) was 17% at December 31, 2014 and 14% at December 31, 2013. Of the Company's total lines of credit, $4.0 billion support a commercial paper borrowing facility, against which there was no commercial paper outstanding at December 31, 2014.

As of December 31, 2014, the Company had $1.1 billion of cash and cash equivalents, $0.5 billion of which is cash held by foreign subsidiaries whose undistributed earnings are considered permanently reinvested. Based on the Company's historical ability to generate sufficient cash flows from its U.S. operations and unused and available U.S. credit capacity of $4.0 billion, the Company has asserted that these funds are permanently reinvested outside the U.S.

The Company has accounts receivable securitization programs (the "Programs") with certain commercial paper conduit purchasers and committed purchasers. The Programs provide the Company with up to $1.6 billion in funding against accounts receivable transferred into the Programs and expands the Company's access to liquidity through efficient use of its balance sheet assets (see Note 20 in Item 8 for more information and disclosures on the Programs). As of December 31, 2014, the Company utilized $1.6 billion of its facility under the Programs.

On November 5, 2009, the Company's Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 100,000,000 shares of the Company's common stock during the period commencing January 1, 2010 and ending December 31, 2014. The Company has acquired approximately 59.8 million shares under this program, including 25.4 million shares acquired in 2014. On November 5, 2014, the Company's Board of Directors approved a new stock repurchase program authorizing the Company to repurchase up to 100,000,000 shares of the Company's common stock during the period commencing January 1, 2015 and ending December 31, 2019.

The Company expects capital expenditures of $1.1 billion to $1.3 billion during 2015. In 2015, the Company expects an additional cash outlay of approximately $0.7 billion in dividends and $1.5 billion to $2.0 billion in share repurchases target, subject to strategic capital requirements.

The Company's credit facilities and certain debentures require the Company to comply with specified financial and non-financial covenants including maintenance of minimum tangible net worth as well as limitations related to incurring liens, secured debt, and certain other financing arrangements. The Company is in compliance with these covenants as of December 31, 2014.

The three major credit rating agencies have maintained the Company's credit ratings at solid investment grade levels with stable outlooks.

Contractual Obligations

In the normal course of business, the Company enters into contracts and commitments which obligate the Company to make payments in the future. The following table sets forth the Company's significant future obligations by time period. Purchases include commodity-based contracts entered into in the normal course of business, which are further described in Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," energy-related purchase contracts entered into in the normal course of business, and other purchase obligations related to the Company's normal business activities. The following table does not include unrecognized income tax benefits of $72 million as of December 31, 2014 as the Company is unable to reasonably estimate the timing of settlement. Where applicable, information included in the Company's consolidated financial statements and notes is cross-referenced in this table.

			Payments Due by Period			
Contractual Obligations	**Item 8 Note Reference**	**Total**	**Less than 1 Year**	**1 - 3 Years**	**3 - 5 Years**	**More than 5 Years**
				(In millions)		
Purchases						
Inventories		$ 12,948	$ 12,426	$ 391	$ 1	$ 130
Energy		810	394	331	85	—
Other		294	162	111	15	6
Total purchases		14,052	12,982	833	101	136
Short-term debt		108	108			
Long-term debt	Note 10	5,582	24	321	721	4,516
Estimated interest payments		5,730	316	616	519	4,279
Operating leases	Note 14	987	226	356	165	240
Estimated pension and other postretirement plan contributions [1]	Note 15	178	50	26	27	75
Total		$ 26,637	$ 13,706	$ 2,152	$ 1,533	$ 9,246

[1] Includes pension contributions of $38 million for fiscal 2015. The Company is unable to estimate the amount of pension contributions beyond fiscal year 2015. For more information concerning the Company's pension and other postretirement plans, see Note 15 in Item 8.

At December 31, 2014, the Company estimates it will spend approximately $1.7 billion through fiscal year 2019 to complete currently approved capital projects which are not included in the table above.

The Company also has outstanding letters of credit and surety bonds of $980 million at December 31, 2014.

The Company has entered into agreements, primarily debt guarantee agreements related to equity-method investees, which could obligate the Company to make future payments. The Company's liability under these agreements arises only if the primary entity fails to perform its contractual obligation. The Company has collateral for a portion of these contingent obligations. At December 31, 2014, these contingent obligations totaled approximately $27 million.

Off Balance Sheet Arrangements

Accounts Receivable Securitization Programs

Since March 2012, the Company has an accounts receivable securitization program (the "Program") with certain commercial paper conduit purchasers and committed purchasers (collectively, the "Purchasers"). Under the Program, certain U.S.-originated trade accounts receivable are sold to a wholly-owned bankruptcy-remote entity, ADM Receivables, LLC ("ADM Receivables"). ADM Receivables in turn transfers such purchased accounts receivable in their entirety to the Purchasers pursuant to a receivables purchase agreement. In exchange for the transfer of the accounts receivable, ADM Receivables receives a cash payment of up to $1.2 billion, as amended, billion and an additional amount upon the collection of the accounts receivable (deferred consideration). The Program terminates on June 26, 2015, unless extended.

In March 2014, the Company entered into a second accounts receivable securitization program (the "Second Program") with certain commercial paper conduit purchasers and committed purchasers (collectively, the "Second Purchasers"). Under the Second Program, certain non-U.S.-originated trade accounts receivable are sold to a wholly-owned bankruptcy-remote entity, ADM Ireland Receivables Company ("ADM Ireland Receivables"). ADM Ireland Receivables in turn transfers such purchased accounts receivable in their entirety to the Second Purchasers pursuant to a receivables purchase agreement. In exchange for the transfer of the accounts receivable, ADM Ireland Receivables receives a cash payment of up to $0.4 billion and an additional amount upon the collection of the accounts receivable (deferred consideration). The Second Program terminates on March 20, 2015, unless extended.

Under the Program and Second Program (collectively, the "Programs"), ADM Receivables and ADM Ireland Receivables use the cash proceeds from the transfer of receivables to the Purchasers and Second Purchasers and other consideration to finance the purchase of receivables from the Company and the ADM subsidiaries originating the receivables.

The Company accounts for these transfers as sales. The Company has no retained interests in the transferred receivables, other than collection and administrative responsibilities and its right to the deferred consideration. At December 31, 2014 and 2013, the Company did not record a servicing asset or liability related to its retained responsibility, based on its assessment of the servicing fee, market values for similar transactions and its cost of servicing the receivables sold.

As of December 31, 2014 and 2013, the fair value of trade receivables transferred to the Purchasers and Second Purchasers under the Programs and derecognized from the Company's consolidated balance sheet was $2.1 billion, and $1.9 billion, respectively. In exchange for the transfer, as of December 31, 2014 and 2013, the Company received cash of $1.6 billion and $1.1 billion, respectively, and recorded a receivable for deferred consideration included in other current assets of $0.5 billion and $0.8 billion, respectively. Cash collections from customers on receivables sold were $36.4 billion, $39.8 billion, $21.9 billion, and $8.9 billion for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, respectively. Of this amount, $35.1 billion, $39.8 billion, $21.9 billion, and $8.9 billion pertain to cash collections on the deferred consideration for the years ended December 31, 2014 and 2013, respectively, the six months ended December 31, 2012 and the year ended June 30, 2012, respectively. Deferred consideration is paid to the Company in cash on behalf of the Purchasers and Second Purchasers as receivables are collected; however, as these are revolving facilities, cash collected from the Company's customers is reinvested by the Purchasers and Second Purchasers daily in new receivable purchases under the Programs.

The Company's risk of loss following the transfer of accounts receivable under the Program is limited to the deferred consideration outstanding. The Company carries the deferred consideration at fair value determined by calculating the expected amount of cash to be received and is principally based on observable inputs (a Level 2 measurement under applicable accounting standards) consisting mainly of the face amount of the receivables adjusted for anticipated credit losses and discounted at the appropriate market rate. Payment of deferred consideration is not subject to significant risks other than delinquencies and credit losses on accounts receivable transferred under the program which have historically been insignificant.

Transfers of receivables under the Program during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, resulted in an expense for the loss on sale of $5 million, $4 million, $4 million, and $4 million, respectively, which is classified as selling, general, and administrative expenses in the consolidated statements of earnings.

The Company reflects all cash flows related to the Program as operating activities in its consolidated statement of cash flows because the cash received from the Purchasers upon both the sale and collection of the receivables is not subject to significant interest rate risk given the short-term nature of the Company's trade receivables.

Synthetic Leasing Program

The Company is a party to lease agreements under synthetic leasing programs for certain of its U.S. barge and trucking assets for periods ranging from 5 to 7 years. As of December 31, 2014, outstanding lease balances, including the value of the underlying assets of $143 million, were off-balance sheet. These agreements provide the Company with the right to use these assets for specified periods in exchange for an obligation to make rental payments. The agreements are accounted for as operating leases, such that the rent expense is recorded in the consolidated statement of earnings. The future lease payments pertaining to these lease agreements are included in the contractual obligations table in Item 7. These leasing programs are utilized primarily to diversify funding sources and to retain flexibility. The Company recorded $5 million and $3 million of rent expense pertaining to synthetic lease payments for the years ended December 31, 2014 and 2013.

Critical Accounting Policies

The process of preparing financial statements requires management to make estimates and judgments that affect the carrying values of the Company's assets and liabilities as well as the recognition of revenues and expenses. These estimates and judgments are based on the Company's historical experience and management's knowledge and understanding of current facts and circumstances. Certain of the Company's accounting policies are considered critical, as these policies are important to the depiction of the Company's financial statements and require significant or complex judgment by management. Management has discussed with the Company's Audit Committee the development, selection, disclosure, and application of these critical accounting policies. Following are the accounting policies management considers critical to the Company's financial statements.

Fair Value Measurements - Inventories and Commodity Derivatives

Certain of the Company's inventory and commodity derivative assets and liabilities as of December 31, 2014 are valued at estimated fair values, including $4.7 billion of merchandisable agricultural commodity inventories, $0.9 billion of derivative assets, $0.9 billion of derivative liabilities, and $0.7 billion of inventory-related payables. Commodity derivative assets and liabilities include forward fixed-price purchase and sale contracts for agricultural commodities. Merchandisable agricultural commodities are freely traded, have quoted market prices, and may be sold without significant additional processing. Management estimates fair value for its commodity-related assets and liabilities based on exchange-quoted prices, adjusted for differences in local markets. The Company's inventory and derivative commodity fair value measurements are mainly based on observable market quotations without significant adjustments and are therefore reported as Level 2 within the fair value hierarchy. Level 3 fair value measurements of approximately $1.7 billion of assets and $0.3 billion of liabilities represent fair value estimates where unobservable price components represent 10% or more of the total fair value price. For more information concerning amounts reported as Level 3, see Note 3 in Item 8. Changes in the market values of these inventories and commodity contracts are recognized in the statement of earnings as a component of cost of products sold. If management used different methods or factors to estimate market value, amounts reported as inventories and cost of products sold could differ materially. Additionally, if market conditions change subsequent to year-end, amounts reported in future periods as inventories and cost of products sold could differ materially.

Derivatives – Designated Hedging Activities

The Company, from time to time, uses derivative contracts designated as cash flow hedges to fix the purchase price of anticipated volumes of commodities to be purchased and processed in a future month, to fix the purchase price of the Company's anticipated natural gas requirements for certain production facilities, and to fix the sales price of anticipated volumes of ethanol. These designated hedging programs principally relate to the Company's Corn Processing operating segment. Assuming normal market conditions, the change in the market value of such derivative contracts has historically been, and is expected to continue to be, highly effective at offsetting changes in price movements of the hedged item. Gains and losses arising from open and closed hedging transactions are deferred in other comprehensive income, net of applicable income taxes, and recognized as a component of cost of products sold and revenues in the statement of earnings when the hedged item is recognized. If it is determined that the derivative instruments used are no longer effective at offsetting changes in the price of the hedged item, then the changes in the market value of these exchange-traded futures and exchange-traded and over-the-counter option contracts would be recorded immediately in the statement of earnings as a component of cost of products sold. See Note 4 in Item 8 for additional information.

Investments in Affiliates

The Company applies the equity method of accounting for investments over which the Company has the ability to exercise significant influence, including its 17.3% investment in Wilmar. These investments in affiliates are carried at cost plus equity in undistributed earnings and are adjusted, where appropriate, for amortizable basis differences between the investment balance and the underlying net assets of the investee. Generally, the minimum ownership threshold for asserting significant influence is 20% ownership of the investee. However, the Company considers all relevant factors in determining its ability to assert significant influence including but not limited to, ownership percentage, board membership, customer and vendor relationships, and other arrangements. If management used a different accounting method for these investments, then the amount of earnings from affiliates the Company recognizes may materially differ.

Income Taxes

The Company accounts for its income tax positions in accordance with the applicable accounting standards. These standards prescribe a minimum threshold a tax position is required to meet before being recognized in the consolidated financial statements. The Company recognizes in its consolidated financial statements tax positions determined more likely than not to be sustained upon examination, based on the technical merits of the position. The Company frequently faces challenges from U.S. and foreign tax authorities regarding the amount of taxes due. These challenges include questions regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various tax filing positions, the Company records reserves for estimates of potential additional tax owed by the Company. For example, the Company has received tax assessments from tax authorities in Brazil and Argentina challenging income tax positions taken by subsidiaries of the Company. The Company evaluated its tax positions for these matters and concluded, based in part upon advice from legal counsel, that it was appropriate to recognize the tax benefits of these positions (see Note 13 in Item 8 for additional information).

Deferred tax assets represent items to be used as tax deductions or credits in future tax returns, and the related tax benefit has already been recognized in the Company's income statement. The realization of the Company's deferred tax assets is dependent upon future taxable income in specific tax jurisdictions, the timing and amount of which are uncertain. The Company evaluates all available positive and negative evidence including estimated future reversals of existing temporary differences, projected future taxable income, tax planning strategies, and recent financial results. Valuation allowances related to these deferred tax assets have been established to the extent the realization of the tax benefit is not likely. During 2014, the Company increased valuation allowances by approximately $18 million primarily related to net operating loss carryforwards. To the extent the Company were to favorably resolve matters for which valuation allowances have been established or be required to pay amounts in excess of the aforementioned valuation allowances, the Company's effective tax rate in a given financial statement period may be impacted.

Undistributed earnings of the Company's foreign subsidiaries and the Company's share of the undistributed earnings of affiliated corporate joint venture companies accounted for on the equity method amounting to approximately $8.6 billion at December 31, 2014, are considered to be permanently reinvested, and accordingly, no provision for U.S. income taxes has been provided thereon. If the Company were to receive distributions from any of these foreign subsidiaries or affiliates or determine the undistributed earnings of these foreign subsidiaries or affiliates to not be permanently reinvested, the Company could be subject to U.S. tax liabilities which have not been provided for in the consolidated financial statements.

Property, Plant, and Equipment and Asset Abandonments and Write-Downs

The Company is principally engaged in the business of procuring, transporting, storing, processing, and merchandising agricultural commodities and products. This business is global in nature and is highly capital-intensive. Both the availability of the Company's raw materials and the demand for the Company's finished products are driven by factors such as weather, plantings, government programs and policies, changes in global demand, changes in standards of living, and global production of similar and competitive crops. These aforementioned factors may cause a shift in the supply/demand dynamics for the Company's raw materials and finished products. Any such shift will cause management to evaluate the efficiency and cash flows of the Company's assets in terms of geographic location, size, and age of its facilities. The Company, from time to time, will also invest in equipment, technology, and companies related to new, value-added products produced from agricultural commodities and products. These new products are not always successful from either a commercial production or marketing perspective. Management evaluates the Company's property, plant, and equipment for impairment whenever indicators of impairment exist. Assets are written down to fair value after consideration of the ability to utilize the assets for their intended purpose or to employ the assets in alternative uses or sell the assets to recover the carrying value. If management used different estimates and assumptions in its evaluation of these assets, then the Company could recognize different amounts of expense over future periods. During the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, impairment charges for property, plant, and equipment were \$35 million, \$84 million, \$0 million, \$337 million, and \$367 million, respectively (see Note 19 in Item 8 for additional information).

Business Combinations

The Company's acquisitions are accounted for as purchases in accordance with ASC Topic 805, *Business Combinations,* as amended. Assets acquired and liabilities assumed, based on preliminary purchase price allocations , are adjusted to fair values at acquisition date with the remainder of the purchase price, if any, recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets. Critical estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows and discount rates. Although management's estimates of fair value are based upon assumptions believed to be reasonable, actual results may differ.

Goodwill and Other Intangible Assets

Goodwill and intangible assets deemed to have indefinite lives are not amortized but are subject to annual impairment tests. The Company evaluates goodwill for impairment at the reporting unit level annually on October 1 or whenever there are indicators that the carrying value of the assets may not be fully recoverable. Critical estimates in the determination of the fair value of each reporting unit include, but are not limited to, future expected cash flows and discount rates. As of December 31, 2014, no impairment of goodwill has been identified. For fiscal years ended on June 30, 2012 and prior, the Company performed its annual goodwill impairment test on April 1 (see Note 1 in Item 8 for additional information regarding this change in accounting policy). Definite-lived intangible assets are amortized over their estimated useful lives of 2 to 25 years and are reviewed for impairment whenever there are indicators that the carrying value of the assets may not be fully recoverable. If management used different estimates and assumptions in its impairment tests, then the Company could recognize different amounts of expense over future periods.

Employee Benefit Plans

The Company provides substantially all U.S. employees and employees at certain international subsidiaries with retirement benefits including defined benefit pension plans and defined contribution plans. The Company provides eligible U.S. employees who retire under qualifying conditions with access to postretirement health care, at full cost to the retiree (certain employees are "grandfathered" into subsidized coverage while others are provided with Health Care Reimbursement Accounts). In order to measure the expense and funded status of these employee benefit plans, management makes several estimates and assumptions, including interest rates used to discount certain liabilities, rates of return on assets set aside to fund these plans, rates of compensation increases, employee turnover rates, anticipated mortality rates, and anticipated future health care costs. These estimates and assumptions are based on the Company's historical experience combined with management's knowledge and understanding of current facts and circumstances. Management also uses third-party actuaries to assist in measuring the expense and funded status of these employee benefit plans. If management used different estimates and assumptions regarding these plans, the funded status of the plans could vary significantly, and the Company could recognize different amounts of expense over future periods. At December 31, 2014, a new mortality table was used to estimate anticipated mortality rates that contributed to an increase in projected benefit obligations of approximately \$0.2 billion. See Note 15 in Item 8 for additional information.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The market risk inherent in the Company's market risk sensitive instruments and positions is the potential loss arising from adverse changes in: commodity market prices as they relate to the Company's net commodity position, foreign currency exchange rates, and interest rates as described below.

Commodities

The availability and prices of agricultural commodities are subject to wide fluctuations due to factors such as changes in weather conditions, crop disease, plantings, government programs and policies, competition, changes in global demand, changes in customer preferences and standards of living, and global production of similar and competitive crops.

The Company manages its exposure to adverse price movements of agricultural commodities used for, and produced in, its business operations, by entering into derivative and non-derivative contracts which reduce the Company's overall short or long commodity position. Additionally, the Company uses exchange-traded futures and exchange-traded and over-the-counter option contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly impacted by factors such as the correlation between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, counterparty contract defaults, and volatility of freight markets. In addition, the Company, from time-to-time, enters into derivative contracts which are designated as hedges of specific volumes of commodities that will be purchased and processed, or sold, in a future month. The changes in the market value of such futures contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in price movements of the hedged item. Gains and losses arising from open and closed designated hedging transactions are deferred in other comprehensive income, net of applicable taxes, and recognized as a component of cost of products sold or revenues in the statement of earnings when the hedged item is recognized.

The Company's commodity position consists of merchandisable agricultural commodity inventories, related purchase and sales contracts, energy and freight contracts, and exchange-traded futures and exchange-traded and over-the-counter option contracts including contracts used to hedge portions of production requirements, net of sales.

The fair value of the Company's commodity position is a summation of the fair values calculated for each commodity by valuing all of the commodity positions at quoted market prices for the period, where available, or utilizing a close proxy. The Company has established metrics to monitor the amount of market risk exposure, which consist of volumetric limits, and value-at-risk (VaR) limits. VaR measures the potential loss, at a 95% confidence level, that could be incurred over a one year period. Volumetric limits are monitored daily and VaR calculations and sensitivity analysis are monitored weekly.

In addition to measuring the hypothetical loss resulting from an adverse two standard deviation move in market prices (assuming no correlations) over a one year period using VaR, sensitivity analysis is performed measuring the potential loss in fair value resulting from a hypothetical 10% adverse change in market prices. The highest, lowest, and average weekly position for the years ended December 31, 2014 and 2013 together with the market risk from a hypothetical 10% adverse price change is as follows:

	December 31, 2014		December 31, 2013	
Long/(Short)	**Fair Value**	**Market Risk**	**Fair Value**	**Market Risk**
	(In millions)			
Highest position	**$ (97)**	**$ (10)**	$ 660	$ 66
Lowest position	**(1,672)**	**(167)**	(1,833)	(183)
Average position	**(837)**	**(84)**	(959)	(96)

The decrease in fair value of the average position for December 31, 2014 was the result of the decrease in commodity prices and the decrease in average quantities underlying the weekly commodity position.

Currencies

The Company has consolidated subsidiaries in 79 countries. For the majority of the Company's subsidiaries located outside the United States, the local currency is the functional currency except certain significant subsidiaries in Switzerland and Brazil where the Euro and U.S. dollar are the functional currencies, respectively. To reduce the risks associated with foreign currency exchange rate fluctuations, the Company enters into currency exchange contracts to minimize its foreign currency position related to transactions denominated primarily in Euro, British pound, Canadian dollar, and Brazilian real currencies. These currencies represent the major functional or local currencies in which recurring business transactions occur. The Company does not use currency exchange contracts as hedges against amounts permanently invested in foreign subsidiaries and affiliates. The currency exchange contracts used are forward contracts, swaps with banks, exchange-traded futures contracts, and over-the-counter options. The changes in market value of such contracts have a high correlation to the price changes in the currency of the related transactions. The potential loss in fair value for such net currency position resulting from a hypothetical 10% adverse change in foreign currency exchange rates is not material.

The amount the Company considers permanently invested in foreign subsidiaries and affiliates and translated into dollars using the year-end exchange rates is $8.0 billion at December 31, 2014, and $7.8 billion at December 31, 2013. This increase is due to the increase in retained earnings of the foreign subsidiaries and affiliates partially offset by the depreciation of foreign currencies versus the U.S. dollar of $0.9 billion. The potential loss in fair value, which would principally be recognized in Other Comprehensive Income, resulting from a hypothetical 10% adverse change in quoted foreign currency exchange rates is $802 million and $779 million for December 31, 2014 and 2013, respectively. Actual results may differ.

Interest

The fair value of the Company's long-term debt is estimated using quoted market prices, where available, and discounted future cash flows based on the Company's current incremental borrowing rates for similar types of borrowing arrangements. Such fair value exceeded the long-term debt carrying value. Market risk is estimated as the potential increase in fair value resulting from a hypothetical 50 basis points decrease in interest rates. Actual results may differ.

	December 31, 2014	**December 31, 2013**
	(In millions)	
Fair value of long-term debt	**$ 6,872**	$ 6,272
Excess of fair value over carrying value	**1,314**	925
Market risk	**337**	326

The increase in fair value of long-term debt at December 31, 2014 is primarily due to decreased interest rates.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Archer-Daniels-Midland Company

Consolidated Statements of Earnings

(In millions, except per share amounts)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Revenues	**$ 81,201**	$ 89,804	$ 46,729	$ 45,208	$ 89,038
Cost of products sold	**76,433**	85,915	44,927	43,361	85,370
Gross Profit	**4,768**	3,889	1,802	1,847	3,668
Selling, general and administrative expenses	**1,907**	1,759	869	830	1,626
Asset impairment, exit, and restructuring costs	**105**	259	146	352	449
Interest expense	**337**	413	213	209	441
Equity in earnings of unconsolidated affiliates	**(372)**	(411)	(255)	(251)	(472)
Interest income	**(92)**	(102)	(59)	(62)	(112)
Other (income) expense - net	**(247)**	(53)	(109)	(12)	(29)
Earnings Before Income Taxes	**3,130**	2,024	997	781	1,765
Income taxes	**877**	670	303	237	523
Net Earnings Including Noncontrolling Interests	**2,253**	1,354	694	544	1,242
Less: Net earnings (losses) attributable to noncontrolling interests	**5**	12	2	4	19
Net Earnings Attributable to Controlling Interests	**$ 2,248**	$ 1,342	$ 692	$ 540	$ 1,223
Average number of shares outstanding – basic	**653**	661	660	669	665
Average number of shares outstanding – diluted	**656**	663	661	670	666
Basic earnings per common share	**$ 3.44**	$ 2.03	$ 1.05	$ 0.81	$ 1.84
Diluted earnings per common share	**$ 3.43**	$ 2.02	$ 1.05	$ 0.81	$ 1.84

See notes to consolidated financial statements.

Archer-Daniels-Midland Company

Consolidated Statements of Comprehensive Income (Loss)

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Net earnings including noncontrolling interests	**$ 2,253**	$ 1,354	$ 694	$ 544	$ 1,242
Other comprehensive income (loss):					
Foreign currency translation adjustment	**(954)**	125	371	(707)	(751)
Tax effect	**30**	2	(51)	—	60
Net of tax amount	**(924)**	127	320	(707)	(691)
Pension and other postretirement benefit liabilities adjustment	**(464)**	411	292	11	(565)
Tax effect	**164**	(154)	(100)	(3)	202
Net of tax amount	**(300)**	257	192	8	(363)
Deferred gain (loss) on hedging activities	**68**	2	(72)	3	36
Tax effect	**(26)**	(1)	26	(2)	(15)
Net of tax effect	**42**	1	(46)	1	21
Unrealized gain (loss) on investments	**(5)**	—	(1)	(65)	(90)
Tax effect	**2**	(1)	—	24	34
Net of tax effect	**(3)**	(1)	(1)	(41)	(56)
Other comprehensive income (loss)	**(1,185)**	384	465	(739)	(1,089)
Comprehensive income (loss)	**1,068**	1,738	1,159	(195)	153
Less: Comprehensive income (loss) attributable to noncontrolling interests	**4**	3	10	4	13
Comprehensive income (loss) attributable to controlling interests	**$ 1,064**	$ 1,735	$ 1,149	$ (199)	$ 140

See notes to consolidated financial statements.

Archer-Daniels-Midland Company
Consolidated Balance Sheets

(In millions)	December 31, 2014	December 31, 2013
Assets		
Current Assets		
Cash and cash equivalents	**$ 1,099**	$ 3,121
Short-term marketable securities	**515**	433
Segregated cash and investments	**4,877**	3,961
Trade receivables	**2,704**	3,224
Inventories	**9,374**	11,441
Current assets held for sale	**1,403**	—
Other current assets	**6,056**	6,350
Total Current Assets	**26,028**	28,530
Investments and Other Assets		
Investments in and advances to affiliates	**3,892**	3,538
Long-term marketable securities	**485**	508
Goodwill and other intangible assets	**3,283**	561
Other assets	**379**	478
Total Investments and Other Assets	**8,039**	5,085
Property, Plant, and Equipment		
Land	**441**	408
Buildings	**4,668**	4,877
Machinery and equipment	**17,044**	17,472
Construction in progress	**819**	773
	22,972	23,530
Accumulated depreciation	**(13,012)**	(13,393)
Net Property, Plant, and Equipment	**9,960**	10,137
Total Assets	**$ 44,027**	$ 43,752
Liabilities and Shareholders' Equity		
Current Liabilities		
Short-term debt	**$ 108**	$ 358
Trade payables	**4,326**	4,513
Payables to brokerage customers	**5,874**	4,832
Accrued expenses and other payables	**5,040**	4,790
Current maturities of long-term debt	**24**	1,165
Current liabilities held for sale	**230**	—
Total Current Liabilities	**15,602**	15,658
Long-Term Liabilities		
Long-term debt	**5,558**	5,347
Deferred income taxes	**1,662**	1,448
Other	**1,575**	1,105
Total Long-Term Liabilities	**8,795**	7,900
Shareholders' Equity		
Common stock	**5,115**	6,136
Reinvested earnings	**15,701**	14,077
Accumulated other comprehensive income (loss)	**(1,241)**	(57)
Noncontrolling interests	**55**	38
Total Shareholders' Equity	**19,630**	20,194
Total Liabilities and Shareholders' Equity	**$ 44,027**	$ 43,752

See notes to consolidated financial statements.

Archer-Daniels-Midland Company

Consolidated Statements of Cash Flows

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011** (Unaudited)	**2012**
Operating Activities					
Net earnings including noncontrolling interests	**$ 2,253**	$ 1,354	$ 694	$ 544	$ 1,242
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities					
Depreciation and amortization	**894**	909	435	414	848
Asset impairment charges	**41**	259	146	350	392
Deferred income taxes	**(59)**	161	118	28	45
Equity in earnings of affiliates, net of dividends	**(215)**	(285)	(201)	(106)	(243)
Stock compensation expense	**55**	43	30	34	48
Pension and postretirement accruals (contributions), net	**13**	10	78	59	37
Gain on sale of assets and equity dilution	**(351)**	(41)	(51)	(17)	(30)
Other – net	**71**	(117)	23	104	216
Changes in operating assets and liabilities					
Segregated cash and investments	**(935)**	(322)	(365)	(61)	128
Trade receivables	**425**	296	38	(741)	974
Inventories	**1,274**	2,541	(1,512)	(480)	(272)
Other current assets	**220**	227	209	958	(954)
Trade payables	**(94)**	(291)	2,310	1,545	(117)
Payables to brokerage customers	**1,167**	231	437	(195)	(89)
Accrued expenses and other payables	**203**	251	89	605	670
Total Operating Activities	**4,962**	5,226	2,478	3,041	2,895
Investing Activities					
Purchases of property, plant, and equipment	**(894)**	(913)	(615)	(852)	(1,477)
Net assets of businesses acquired	**(2,758)**	(44)	(26)	(206)	(241)
Proceeds from sale of business and assets	**414**	86	521	49	48
Cash divested from deconsolidation	**(12)**	—	—	(130)	(130)
Purchases of marketable securities	**(1,344)**	(891)	(1,629)	(889)	(1,297)
Proceeds from sales of marketable securities	**1,239**	995	731	1,084	1,945
Other – net	**(52)**	190	45	10	30
Total Investing Activities	**(3,407)**	(577)	(973)	(934)	(1,122)
Financing Activities					
Long-term debt borrowings	**1**	23	106	91	97
Long-term debt payments	**(1,251)**	(275)	(1,423)	(173)	(358)
Net borrowings (payments) under lines of credit agreements	**(458)**	(2,461)	660	(1,076)	197
Debt repurchase premium and costs	—	(1)	(197)	(32)	(44)
Purchases of treasury stock	**(1,183)**	(101)	—	(427)	(527)
Cash dividends	**(624)**	(501)	(230)	(224)	(455)
Acquisition of noncontrolling interests	**(157)**	—	(1)	(19)	(19)
Other – net	**95**	74	3	2	12
Total Financing Activities	**(3,577)**	(3,242)	(1,082)	(1,858)	(1,097)
Increase (decrease) in cash and cash equivalents	**(2,022)**	1,407	423	249	676
Cash and cash equivalents – beginning of year	**3,121**	1,714	1,291	615	615
Cash and cash equivalents – end of year	**$ 1,099**	$ 3,121	$ 1,714	$ 864	$ 1,291
Cash paid for interest and income taxes were as follows:					
Interest	**$ 338**	$ 380	$ 205	$ 206	$ 411
Income taxes	**720**	556	115	118	479

See notes to consolidated financial statements.

Archer-Daniels-Midland Company

Consolidated Statements of Shareholders' Equity

	Common Stock Shares	Common Stock Amount	Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Shareholders' Equity
				(In millions)		
Balance June 30, 2011	676	6,636	11,996	176	30	18,838
Comprehensive income						
Net earnings			1,223		19	
Other comprehensive loss				(1,083)	(6)	
Total comprehensive income						153
Cash dividends paid-$.685 per share			(455)			(455)
Treasury stock purchases	(18)	(527)				(527)
Stock compensation expense		48				48
Noncontrolling interests previously associated with mandatorily redeemable instruments			10		174	184
Acquisition of noncontrolling interests		(40)			(14)	(54)
Other	1	(15)			(3)	(18)
Balance June 30, 2012	659	6,102	12,774	(907)	200	18,169
Comprehensive income						
Net earnings			692		2	
Other comprehensive income				457	8	
Total comprehensive income						1,159
Cash dividends paid-$.35 per share			(230)			(230)
Stock compensation expense		30				30
Other		2			1	3
Balance December 31, 2012	659	$ 6,134	$ 13,236	$ (450)	$ 211	$ 19,131
Comprehensive income						
Net earnings			1,342		12	
Other comprehensive income				393	(9)	
Total comprehensive income						1,738
Cash dividends paid-$.76 per share			(501)			(501)
Treasury stock purchases	(3)	(101)				(101)
Stock compensation expense		43				43
Noncontrolling interests associated with mandatorily redeemable instruments					(180)	(180)
Other	3	60			4	64
Balance December 31, 2013	**659**	**$ 6,136**	**$ 14,077**	**$ (57)**	**$ 38**	**$ 20,194**
Comprehensive income						
Net earnings			**2,248**		**5**	
Other comprehensive income				**(1,184)**	**(1)**	
Total comprehensive income						**1,068**
Cash dividends paid-$.96 per share			**(624)**			**(624)**
Treasury stock purchases	**(25)**	**(1,183)**				**(1,183)**
Stock compensation expense		**55**				**55**
Acquisition of noncontrolling interests		**(12)**				**(12)**
Noncontrolling interests from business combinations					**19**	**19**
Other	**3**	**119**			**(6)**	**113**
Balance December 31, 2014	**637**	**$ 5,115**	**$ 15,701**	**$ (1,241)**	**$ 55**	**$ 19,630**

See notes to consolidated financial statements.

Archer-Daniels-Midland Company

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Business

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products.

Change in Fiscal Year

On May 3, 2012, the Board of Directors of the Company determined that, in accordance with its Bylaws and upon the recommendation of the Audit Committee, the Company's fiscal year shall begin on January 1 and end on December 31 of each year, starting on January 1, 2013. The required transition period of July 1, 2012 to December 31, 2012 is included in this Form 10-K report. Amounts included in this report for the six months ended December 31, 2011 are unaudited.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated. The Company consolidates all entities, including variable interest entities (VIEs), in which it has a controlling financial interest. For VIEs, the Company assesses whether it is the primary beneficiary as defined under the applicable accounting standard. Investments in affiliates, including VIEs through which the Company exercises significant influence but does not control the investee and is not the primary beneficiary of the investee's activities, are carried at cost plus equity in undistributed earnings since acquisition and are adjusted, where appropriate, for basis differences between the investment balance and the underlying net assets of the investee. The Company's portion of the results of certain affiliates and results of certain VIEs are included using the most recent available financial statements. In each case, the financial statements are within 93 days of the Company's year end and are consistent from period to period.

The Company consolidates Alfred C. Toepfer International (Toepfer), a wholly owned subsidiary, in which prior to June 6, 2014, the Company had an 80% interest, for which the minority interest was subject to a mandatorily redeemable put option. As a result of the put option, the associated minority interest was reported in other long-term liabilities. On December 31, 2011, the put option expired and the Company reclassified $174 million of minority interest from other long-term liabilities to noncontrolling interests in shareholders' equity at that date. During 2013, Toepfer became subject to a new mandatorily redeemable put option; and as a result, the Company reclassified $180 million of noncontrolling interest in shareholders' equity to long-term liabilities. On June 6, 2014, the Company completed its acquisition of the remaining 20% interest in Toepfer for $157 million. The excess of the purchase price over the carrying value of the associated noncontrolling interest of $12 million was recorded as a reduction in additional paid in capital.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in its consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Reclassifications

Affiliates goodwill of $198 million in 2013, previously included in goodwill and other intangible assets, have been reclassified to investments in and advances to affiliates. There was no change in total investments and other assets as a result of this reclassification.

Cash Equivalents

The Company considers all non-segregated, highly-liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Note 1. Summary of Significant Accounting Policies (Continued)

Segregated Cash and Investments

The Company segregates certain cash and investment balances in accordance with regulatory requirements, commodity exchange requirements, insurance arrangements, and lending arrangements. These segregated balances represent deposits received from customers of the Company's registered futures commission merchant, securities pledged to commodity exchange clearinghouses, and cash and securities pledged as security under certain insurance or lending arrangements. Segregated cash and investments primarily consist of cash, United States government securities, and money-market funds.

Receivables

The Company records accounts receivable at net realizable value. This value includes an allowance for estimated uncollectible accounts of $81 million at December 31, 2014 and 2013, to reflect any loss anticipated on the accounts receivable balances. The Company estimates this allowance based on its history of write-offs, level of past-due accounts, and its relationships with, and the economic status of, its customers. Portions of the allowance for uncollectible accounts are recorded in trade receivables, other current assets, and other assets.

Credit risk on receivables is minimized as a result of the large and diversified nature of the Company's worldwide customer base. The Company manages its exposure to counter-party credit risk through credit analysis and approvals, credit limits, and monitoring procedures. Collateral is generally not required for the Company's receivables.

Accounts receivable due from unconsolidated affiliates as of December 31, 2014 and 2013 was $15 million and $73 million, respectively.

Inventories

Inventories of certain merchandisable agricultural commodities, which include inventories acquired under deferred pricing contracts, are stated at market value. In addition, the Company values certain inventories using the lower of cost, determined by either the first-in, first-out (FIFO) or last-in, first-out (LIFO) methods, or market.

The following table sets forth the Company's inventories as of December 31, 2014 and 2013.

	December 31, 2014	December 31, 2013
	(In millions)	
LIFO inventories		
FIFO value	**$ 1,199**	$ 1,408
LIFO valuation reserve	**(53)**	(297)
LIFO inventories carrying value	**1,146**	1,111
FIFO inventories	**3,058**	3,741
Market inventories	**4,699**	6,059
Supplies and other inventories	**471**	530
Total inventories	**$ 9,374**	$ 11,441

Note 1. Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses the market approach valuation technique to measure the majority of its assets and liabilities carried at fair value. Three levels are established within the fair value hierarchy that may be used to report fair value: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2: Observable inputs, including Level 1 prices that have been adjusted; quoted prices for similar assets or liabilities; quoted prices in markets that are less active than traded exchanges; and other inputs that are observable or can be substantially corroborated by observable market data. Level 3: Unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities. In evaluating the significance of fair value inputs, the Company generally classifies assets or liabilities as Level 3 when their fair value is determined using unobservable inputs that individually or when aggregated with other unobservable inputs, represent more than 10% of the fair value of the assets or liabilities. Judgment is required in evaluating both quantitative and qualitative factors in the determination of significance for purposes of fair value level classification. Level 3 amounts can include assets and liabilities whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as assets and liabilities for which the determination of fair value requires significant management judgment or estimation.

Based on historical experience with the Company's suppliers and customers, the Company's own credit risk and knowledge of current market conditions, the Company does not view nonperformance risk to be a significant input to fair value for the majority of its forward commodity purchase and sale contracts. However, in certain cases, if the Company believes the nonperformance risk to be a significant input, the Company records estimated fair value adjustments, and classifies the contract in Level 3.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of input that is a significant component of the fair value measurement determines the placement of the entire fair value measurement in the hierarchy. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

The Company's policy regarding the timing of transfers between levels, including both transfers into and transfers out of Level 3, is to measure and record the transfers at the end of the reporting period.

Derivatives

The Company recognizes all of its derivative instruments as either assets or liabilities at fair value in its consolidated balance sheet. Unrealized gains are reported as other current assets and unrealized losses are reported as accrued expenses and other payables. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and on the type of hedging relationship. The majority of the Company's derivatives have not been designated as hedging instruments; and as such, changes in fair value of these derivatives are recognized in earnings immediately. For those derivative instruments that are designated and qualify as hedging instruments, the Company designates the hedging instrument, based upon the exposure being hedged, as a fair value hedge or a cash flow hedge.

For derivative instruments that are designated and qualify as cash flow hedges (i.e., hedging the exposure to variability in expected future cash flows that is attributable to a particular risk), the effective portion of the gain or loss on the derivative instrument is reported as a component of accumulated other comprehensive income (AOCI) and reclassified into earnings in the same line item affected by the hedged transaction and in the same period or periods during which the hedged transaction affects earnings. The remaining gain or loss on the derivative instrument that is in excess of the cumulative change in the cash flows of the hedged item, if any (i.e., the ineffective portion), hedge components excluded from the assessment of effectiveness, and gains and losses related to discontinued hedges are recognized in the consolidated statement of earnings during the current period.

For derivative instruments that are designated and qualify as fair value hedges, changes in the fair value of the hedging instrument and changes in the fair value of the underlying are recognized in the consolidated statement of earnings during the current period.

Note 1. Summary of Significant Accounting Policies (Continued)

Marketable Securities

The Company classifies its marketable securities as available-for-sale. Available-for-sale securities are carried at fair value, with the unrealized gains and losses, net of income taxes, reported as a component of other comprehensive income. The Company monitors its investments for impairment periodically, and recognizes an impairment charge when the decline in fair value of an investment is judged to be other-than-temporary. The Company uses the specific identification method when securities are sold or reclassified out of accumulated other comprehensive income into earnings. The Company considers marketable securities maturing in less than one year as short-term. All other marketable securities are classified as long-term.

Property, Plant, and Equipment

Property, plant, and equipment is recorded at cost. Repair and maintenance costs are expensed as incurred. The Company generally uses the straight-line method in computing depreciation for financial reporting purposes and generally uses accelerated methods for income tax purposes. The annual provisions for depreciation have been computed principally in accordance with the following ranges of asset lives: buildings - 10 to 40 years; machinery and equipment - 3 to 30 years. The Company capitalized interest on major construction projects in progress of $18 million, $16 million, $12 million, $9 million, and $21 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively.

Income Taxes

The Company accounts for its income tax positions in accordance with the applicable accounting standards. The liability method is used in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and reported amounts in the consolidated financial statements using statutory rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recorded in the results of operations in the period that includes the enactment date under the law. Applicable accounting standards prescribe a minimum threshold a tax position is required to meet before being recognized in the consolidated financial statements. The Company recognizes in its consolidated financial statements tax positions determined more likely than not to be sustained upon examination, based on the technical merits of the position.

The Company classifies interest on income tax-related balances as interest expense and classifies tax-related penalties as selling, general and administrative expenses.

Goodwill and other intangible assets

Goodwill and other intangible assets deemed to have indefinite lives are not amortized but are subject to annual impairment tests. Definite-lived intangible assets are amortized over their estimated useful lives of 2 to 25 years and are reviewed for impairment whenever there are indicators that the carrying value of the assets may not be fully recoverable. Prior to the fiscal year end change transition period, the Company's accounting policy was to evaluate goodwill and other intangible assets with indefinite lives for impairment on April 1 of each fiscal year or whenever there were indicators that the carrying value of the assets may not be fully recoverable. Effective in the transition period ended December 31, 2012, the Company voluntarily changed its accounting policy to begin conducting the annual goodwill and indefinite life intangible assets impairment tests on October 1. The change to the annual goodwill and indefinite life intangible assets impairment testing date is preferable under the circumstances as the new impairment testing date is better aligned with the timing of the Company's annual strategic, planning, and budgeting process, and the timing is more closely aligned with the Company's annual financial reporting process as a result of the change in year end. The resulting change in accounting principle related to the annual testing date did not delay, accelerate, or avoid an impairment charge of the Company's goodwill. As it is impracticable to objectively determine the estimates and assumptions necessary to perform the annual goodwill impairment test as of October 1 for periods prior to October 1, 2012, the Company prospectively applied the annual goodwill impairment testing date effective October 1, 2012. During the year ended December 31, 2013, the Company recorded an impairment charge for goodwill of $9 million related to the Company's Brazilian sugar milling business. There were no impairment charges recorded for goodwill and indefinite-lived intangible assets during the year ended December 31, 2014, the six months ended December 31, 2012 and the year ended June 30, 2012.

Note 1. Summary of Significant Accounting Policies (Continued)

Asset Abandonments and Write-Downs

The Company evaluates long-lived assets for impairment whenever indicators of impairment exist. Assets are written down to fair value after consideration of the Company's ability to utilize the assets for their intended purpose, employ the assets in alternative uses, or sell the assets to recover the carrying value. During the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011 and the year ended June 30, 2012, impairment charges were $35 million, $84 million, $0 million, $337 million, and $367 million, respectively (see Note 19 for additional information).

Payables to Brokerage Customers

Payables to brokerage customers represent the total of customer accounts at the Company's futures commission merchant with credit or positive balances. Customer accounts are used primarily in connection with commodity transactions and include gains and losses on open commodity trades as well as securities and other deposits made for margins or other purpose as required by the Company or the exchange-clearing organizations or counterparties. Payables to brokerage customers have a corresponding balance in segregated cash and investments and customer omnibus receivable in other current assets.

Revenues

The Company follows a policy of recognizing sales revenue at the time of delivery of the product and when all of the following have occurred: a sales agreement is in place, pricing is fixed or determinable, and collection is reasonably assured. The Company has sales contracts that allow for pricing to occur after title of the goods has passed to the customer. In these cases, the Company continues to report the goods in inventory until it recognizes the sales revenue once the price has been determined. Freight costs and handling charges related to sales are recorded as a component of cost of products sold.

Net sales to unconsolidated affiliates during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, were $5.8 billion, $6.9 billion, $4.0 billion, $4.5 billion, and $7.7 billion, respectively.

Stock Compensation

The Company recognizes expense for its stock compensation based on the fair value of the awards that are granted. The Company's stock compensation plans provide for the granting of restricted stock, restricted stock units, performance stock units, and stock options. The fair values of stock options and performance stock units are estimated at the date of grant using the Black-Scholes option valuation model and a lattice valuation model, respectively. These valuation models require the input of highly subjective assumptions. Measured compensation cost, net of estimated forfeitures, is recognized ratably over the vesting period of the related stock compensation award.

Research and Development

Costs associated with research and development are expensed as incurred. Such costs incurred, net of expenditures subsequently reimbursed by government grants, were $79 million, $59 million, $28 million, $29 million, and $56 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively.

Per Share Data

Basic earnings per common share are determined by dividing net earnings attributable to controlling interests by the weighted average number of common shares outstanding. In computing diluted earnings per share, average number of common shares outstanding is increased by common stock options outstanding with exercise prices lower than the average market price of common shares using the treasury share method.

Note 1. Summary of Significant Accounting Policies (Continued)

Business Combinations

The Company's acquisitions are accounted for as purchases in accordance with ASC Topic 805, *Business Combinations,* as amended. Assets acquired and liabilities assumed, based on preliminary purchase price allocations , are adjusted to fair values at acquisition date with the remainder of the purchase price, if any, recorded as goodwill. During the measurement period, which may take up to one year from the acquisition date, adjustments to the assets acquired and liabilities assumed may be recorded with a corresponding offset to goodwill. Upon the conclusion of the measurement period or the final determination of the values of assets acquired and liabilities assumed, whichever comes first, any subsequent adjustments are charged to the consolidated statements of earnings.

Adoption of New Accounting Standards

Effective January 1, 2014, the Company adopted the amended guidance of Accounting Standards Codification (ASC) Topic 740, *Income Taxes*, which requires the Company to present an unrecognized tax benefit in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward. In situations where a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction or if the Company does not intend to use the deferred tax asset for such purpose, the unrecognized tax benefit should be presented as a liability in the financial statements and should not be combined with deferred tax assets. The adoption of this amended guidance does not have an impact on the Company's financial results.

Effective January 1, 2014, the Company adopted the amended guidance of ASC Topic 830, *Foreign Currency Matters* (Topic 830), which requires the Company to transfer currency translation adjustments from other comprehensive income into net income in certain circumstances. The amended guidance aims to resolve diversity in practice as to whether ASC Topic 810, *Consolidation* or Topic 830 applies to the release of the cumulative translation adjustment into net income when a parent either sells a part or all of its investment in a foreign entity, or no longer holds a controlling financial interest in a subsidiary or group of assets that is a nonprofit activity or a business. The adoption of this amended guidance did not have an impact on the Company's current period results. If the Company disposes all or part of a qualifying foreign entity, it will be required to release the portion of cumulative translation adjustment applicable to the disposed entity.

Effective January 1, 2014, the Company adopted the amended guidance of ASC Topic 405, *Liabilities*, which addresses the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements, for which the total amount under the arrangement is fixed at the reporting date. The amended guidance aims to resolve diversity in practice among companies that are subject to joint and several liabilities. The retrospective adoption of this amended guidance did not have an impact on current and prior period results and is not expected to have any material impact on the Company's financial results.

Effective October 1, 2014, the Company early adopted the amended guidance of ASC Topic 205, *Presentation of Financial Statements* (Topic 205) and ASC Topic 360, *Property, Plant, and Equipment*, which limit the definition of discontinued operations as only those disposals of components of an entity that represent a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The amended guidance also expands the definition of discontinued operations to include a business or nonprofit activity that, on acquisition, meets the criteria to be classified as held for sale and a disposal of an equity method investment that meets the definition of discontinued operations. The amended guidance requires the Company to report discontinued operations if (1) the component of an entity or group of components of an entity meets the criteria in Topic 205 to be classified as held for sale; (2) the component of an entity or group of components of an entity is disposed of by sale; or (3) the component of an entity or group of components of an entity is disposed other than by sale. As a result of the prospective adoption of this amended guidance, the global chocolate and cocoa businesses that were classified as held for sale at December 31, 2014 (see Note 18 for more information) were not reported as discontinued operations. The Company does not believe the sale of these businesses to have a major effect on an entity's operations and financial results.

Note 1. Summary of Significant Accounting Policies (Continued)

Pending Accounting Standards

Effective January 1, 2016, the Company will be required to adopt the amended guidance of ASC Topic 718, *Compensation - Stock Compensation* (Topic 718), which seeks to resolve the diversity in practice that exists when accounting for share-based payments. The amended guidance requires a performance target that affects vesting and that could be achieved after the requisite service period to be treated as a performance condition. The Company will be required to adopt the amended guidance either prospectively to all awards granted or modified after the effective date or retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. The Company does not expect the adoption of this amended guidance to impact financial results.

Effective January 1, 2017, the Company will be required to adopt the new guidance of ASC Topic 606, *Revenue from Contracts with Customers* (Topic 606), which will supersede the revenue recognition requirements in ASC Topic 605, *Revenue Recognition*. Topic 606 requires the Company to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance requires the Company to apply the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the Company satisfies a performance obligation. The Company will be required to adopt Topic 606 either on a full retrospective basis to each prior reporting period presented or on a modified retrospective basis with the cumulative effect of initially applying the new guidance recognized at the date of initial application. If the Company elects the modified retrospective approach, it will be required to provide additional disclosures of the amount by which each financial statement line item is affected in the current reporting period, as compared to the guidance that was in effect before the change, and an explanation of the reasons for significant changes. The Company has not yet completed its assessment of the impact of the new guidance on its consolidated financial statements.

Note 2. Acquisitions

Operating results of acquisitions are included in the Company’s financial statements from the date of acquisition and are not significant to the Company’s consolidated operating results.

Fiscal Year 2014 acquisitions

On October 1, 2014 and November 18, 2014, the Company completed the acquisitions of the WILD Flavors businesses (Wild Flavors) and Specialty Commodities Inc. (SCI), respectively. Both acquisitions are in line with the Company's strategy to increase returns and reduce earnings volatility through the growth of its specialty ingredient offerings. The 2014 post acquisition financial results of Wild Flavors and SCI are reported in the Other segment.

Note 2. Acquisitions (Continued)

During the year ended December 31, 2014, the Company acquired six businesses, including Wild Flavors and SCI, for a total cost of $3.0 billion. The purchase price net of cash acquired of $280 million was preliminarily allocated as follows:

(In millions)	Wild Flavors	SCI	Others	Total
Trade receivables	$ 176	$ 48	$ 8	$ 232
Inventories	286	72	25	383
Other current assets	64	2	—	66
Goodwill	1,698	59	15	1,772
Other intangible assets	1,103	46	35	1,184
Property, plant, and equipment	423	10	30	463
Other assets	68	6	—	74
Short-term debt	(215)	—	(1)	(216)
Trade payables	(128)	(25)	(1)	(154)
Accrued expenses and other payables	(214)	(14)	(10)	(238)
Long-term debt	(238)	—	(3)	(241)
Deferred income taxes	(378)	(16)	—	(394)
Other liabilities	(173)	—	—	(173)
Total purchase price, net of cash acquired	**$ 2,472**	**$ 188**	**$ 98**	**$ 2,758**

Goodwill recorded in connection with the acquisitions is primarily attributable to the synergies expected to arise after the Company's acquisition of the businesses.

Of the $1.8 billion preliminarily allocated to goodwill, $15 million is expected to be deductible for tax purposes.

The following table sets forth the preliminary fair values and weighted average useful lives of the other intangible assets acquired.

	Weighted Average Useful Life	Wild Flavors	SCI	Others	Total
	(In years)		(In millions)		
Intangible assets with indefinite lives:					
Trademarks/brands		$ 238	$ —	$ 12	$ 250
Intangible assets with finite lives:					
Patents	15	—	3	—	3
Customer lists	15	552	36	21	609
Recipes and other	15	313	7	2	322
Total other intangible assets acquired		**$ 1,103**	**$ 46**	**$ 35**	**$ 1,184**

The Company's consolidated statement of earnings for the year ended December 31, 2014 includes the post acquisition results of Wild Flavors which were immaterial.

Note 2. Acquisitions (Continued)

Fiscal Year 2013 acquisitions

During the year ended December 31, 2013, the Company acquired four businesses for a total cost of $44 million and recorded a preliminary allocation of the purchase price related to these acquisitions. The net cash purchase price for the acquisitions of $44 million was preliminarily allocated to working capital, property, plant, and equipment, goodwill, and other long-term assets for $6 million, $29 million, $2 million, and $7 million, respectively. The finalization of the purchase price allocations related to these acquisitions did not result in material adjustments.

Transition Period 2012 Acquisitions

During the six months ended December 31, 2012, the Company made eight acquisitions for a total cost of $26 million in cash and recorded a preliminary allocation of the purchase price related to these acquisitions. The net cash purchase price for these eight acquisitions of $26 million was preliminarily allocated to working capital, property, plant, and equipment, goodwill, and other long-term assets for $4 million, $24 million, $2 million, and $(4) million, respectively. The finalization of the purchase price allocations related to these acquisitions did not result in material adjustments.

Fiscal Year 2012 Acquisitions

During fiscal year 2012, the Company made nine acquisitions for a total cost of $241 million in cash and recorded a preliminary allocation of the purchase price related to these acquisitions. The net cash purchase price for these nine acquisitions of $241 million was allocated to working capital, property, plant, and equipment, goodwill, other long-term assets, and long-term liabilities for $(12) million, $199 million, $51 million, $6 million, and $3 million, respectively. The finalization of the purchase price allocations related to these acquisitions did not result in material adjustments. There was no single material acquisition during the year.

Note 3. Fair Value Measurements

The following tables set forth, by level, the Company's assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2014 and 2013.

	Fair Value Measurements at December 31, 2014			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(In millions)			
Assets:				
Inventories carried at market	$ —	$ 3,208	$ 1,491	$ 4,699
Unrealized derivative gains:				
Commodity contracts	—	487	203	690
Foreign exchange contracts	—	186	—	186
Interest rate contracts	—	21	—	21
Cash equivalents	491	—	—	491
Marketable securities	860	80	—	940
Segregated investments	2,158	—	—	2,158
Deferred consideration	—	511	—	511
Total Assets	$ 3,509	$ 4,493	$ 1,694	$ 9,696
Liabilities:				
Unrealized derivative losses:				
Commodity contracts	$ —	$ 564	$ 212	$ 776
Foreign exchange contracts	—	150	—	150
Inventory-related payables	—	612	40	652
Total Liabilities	$ —	$ 1,326	$ 252	$ 1,578

Note 3. Fair Value Measurements (Continued)

	Fair Value Measurements at December 31, 2013			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(In millions)			
Assets:				
Inventories carried at market	$ —	$ 4,247	$ 1,812	$ 6,059
Unrealized derivative gains:				
Commodity contracts	31	540	279	850
Foreign exchange contracts	30	88	—	118
Interest rate contracts	—	1	—	1
Cash equivalents	2,518	—	—	2,518
Marketable securities	881	26	—	907
Segregated investments	1,707	—	—	1,707
Deferred consideration	—	757	—	757
Total Assets	$ 5,167	$ 5,659	$ 2,091	$ 12,917
Liabilities:				
Unrealized derivative losses:				
Commodity contracts	$ 45	$ 343	$ 261	$ 649
Foreign exchange contracts	—	166	—	166
Interest rate contracts	—	9	—	9
Inventory-related payables	—	708	34	742
Total Liabilities	$ 45	$ 1,226	$ 295	$ 1,566

Estimated fair values for inventories carried at market are based on exchange-quoted prices, adjusted for differences in local markets, broker or dealer quotations or market transactions in either listed or over-the-counter (OTC) markets. Market valuations for the Company's inventories are adjusted for location and quality because the exchange-quoted prices represent contracts that have standardized terms for commodity, quantity, future delivery period, delivery location, and commodity quality or grade. When unobservable inputs have a significant impact on the measurement of fair value, the inventory is classified in Level 3. Changes in the fair value of inventories are recognized in the consolidated statements of earnings as a component of cost of products sold.

Note 3. Fair Value Measurements (Continued)

Derivative contracts include exchange-traded commodity futures and option contracts, forward commodity purchase and sale contracts, and OTC instruments related primarily to agricultural commodities, energy, interest rates, and foreign currencies. Exchange-traded futures and options contracts are valued based on unadjusted quoted prices in active markets and are classified in Level 1. The majority of the Company's exchange-traded futures and options contracts are cash-settled on a daily basis and, therefore, are not included in these tables. Fair value for forward commodity purchase and sale contracts is estimated based on exchange-quoted prices adjusted for differences in local markets. These differences are generally determined using inputs from broker or dealer quotations or market transactions in either the listed or OTC markets. When observable inputs are available for substantially the full term of the contract, it is classified in Level 2. When unobservable inputs have a significant impact on the measurement of fair value, the contract is classified in Level 3. Except for certain derivatives designated as cash flow hedges, changes in the fair value of commodity-related derivatives are recognized in the consolidated statements of earnings as a component of cost of products sold. Changes in the fair value of foreign currency-related derivatives are recognized in the consolidated statements of earnings as a component of revenues, cost of products sold, and other (income) expense–net. The effective portions of changes in the fair value of derivatives designated as cash flow hedges are recognized in the consolidated balance sheets as a component of accumulated other comprehensive income (loss) until the hedged items are recorded in earnings or it is probable the hedged transaction will no longer occur.

The Company's cash equivalents are comprised of money market funds valued using quoted market prices and are classified as Level 1.

The Company's marketable securities are comprised of equity investments, U.S. Treasury securities, obligations of U.S. government agencies, and other debt securities. Publicly traded equity investments and U.S. Treasury securities are valued using quoted market prices and are classified in Level 1. U.S. government agency obligations and corporate and municipal debt securities are valued using third-party pricing services and substantially all are classified in Level 2. Unrealized changes in the fair value of available-for-sale marketable securities are recognized in the consolidated balance sheets as a component of accumulated other comprehensive income (loss) unless a decline in value is deemed to be other-than-temporary at which point the decline is recorded in earnings.

The Company's segregated investments are comprised of U.S. Treasury securities. U.S. Treasury securities are valued using quoted market prices and are classified in Level 1.

The Company has deferred consideration under its accounts receivable securitization programs (the "Programs") which represents a note receivable from the purchasers under the Programs. This amount is reflected in other current assets on the consolidated balance sheet (see Notes 6 and 20). The Company carries the deferred consideration at fair value determined by calculating the expected amount of cash to be received. The fair value is principally based on observable inputs (a Level 2 measurement) consisting mainly of the face amount of the receivables adjusted for anticipated credit losses and discounted at the appropriate market rate. Payment of deferred consideration is not subject to significant risks other than delinquencies and credit losses on accounts receivable transferred under the program which have historically been insignificant.

Note 3. Fair Value Measurements (Continued)

The following tables present a rollforward of the activity of all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the years ended December 31, 2014 and 2013.

	Level 3 Fair Value Assets Measurements at December 31, 2014		
	Inventories Carried at Market	Commodity Derivative Contracts Gains	Total
	(In millions)		
Balance, December 31, 2013	$ 1,812	$ 279	$ 2,091
Total increase (decrease) in unrealized gains included in cost of products sold*	15	544	559
Purchases	16,114	—	16,114
Sales	(16,384)	—	(16,384)
Settlements	—	(948)	(948)
Transfers into Level 3	44	395	439
Transfers out of Level 3	(110)	(67)	(177)
Ending balance, December 31, 2014	$ 1,491	$ 203	$ 1,694

* Includes gains of $602 million that are attributable to the change in unrealized gains relating to Level 3 assets still held at December 31, 2014.

	Level 3 Fair Value Liabilities Measurements at December 31, 2014		
	Inventory-related Payables	Commodity Derivative Contracts Losses	Total
	(In millions)		
Balance, December 31, 2013	$ 34	$ 261	$ 295
Total increase (decrease) in unrealized losses included in cost of products sold*	22	534	556
Purchases	29	—	29
Sales	(45)	—	(45)
Settlements	—	(785)	(785)
Transfers into Level 3	—	256	256
Transfers out of Level 3	—	(54)	(54)
Ending balance, December 31, 2014	$ 40	$ 212	$ 252

* Includes losses of $558 million that are attributable to the change in unrealized losses relating to Level 3 liabilities still held at December 31, 2014.

Note 3. Fair Value Measurements (Continued)

	Level 3 Fair Value Assets Measurements at December 31, 2013		
	Inventories Carried at Market	Commodity Derivative Contracts Gains	Total
		(In millions)	
Balance, December 31, 2012	$ 1,745	$ 143	$ 1,888
Total increase (decrease) in unrealized gains included in cost of products sold*	(645)	474	(171)
Purchases	14,638	—	14,638
Sales	(14,107)	—	(14,107)
Settlements	—	(567)	(567)
Transfers into Level 3	231	323	554
Transfers out of Level 3	(50)	(94)	(144)
Ending balance, December 31, 2013	$ 1,812	$ 279	$ 2,091

* Includes gains of $700 million that are attributable to the change in unrealized gains relating to Level 3 assets still held at December 31, 2013.

	Level 3 Fair Value Liabilities Measurements at December 31, 2013		
	Inventory-related Payables	Commodity Derivative Contracts Losses	Total
		(In millions)	
Balance, December 31, 2012	$ 33	$ 138	$ 171
Total increase (decrease) in unrealized losses included in cost of products sold*	(191)	524	333
Purchases	219	—	219
Sales	(26)	—	(26)
Settlements	—	(550)	(550)
Transfers into Level 3	—	197	197
Transfers out of Level 3	(1)	(48)	(49)
Ending balance, December 31, 2013	$ 34	$ 261	$ 295

* Includes losses of $380 million that are attributable to the change in unrealized losses relating to Level 3 liabilities still held at December 31, 2013.

For all periods presented, the Company had no transfers between Levels 1 and 2. Transfers into Level 3 of assets and liabilities previously classified in Level 2 were due to the relative value of unobservable inputs to the total fair value measurement of certain products and derivative contracts rising above the 10% threshold. Transfers out of Level 3 were primarily due to the relative value of unobservable inputs to the total fair value measurement of certain products and derivative contracts falling below the 10% threshold and thus permitting reclassification to Level 2.

Note 3. Fair Value Measurements (Continued)

In some cases, the price components of inventories and commodity purchase and sale contracts are observable based upon available quotations for these pricing components, and in some cases, the differences are unobservable. These price components primarily include transportation costs and other adjustments required due to location, quality, or other contract terms. In the table below, these other adjustments are referred to as Basis. The changes in unobservable price components are determined by specific local supply and demand characteristics at each facility and the overall market. Factors such as substitute products, weather, fuel costs, contract terms, and futures prices also impact the movement of these unobservable price components.

The following table sets forth the weighted average percentage of the unobservable price components included in the Company's Level 3 valuations as of December 31, 2014 and 2013. The Company's Level 3 measurements may include Basis only, transportation cost only, or both price components. As an example, for Level 3 inventories with Basis, the unobservable component is a weighted average 23.4% of the total price for assets and 43.4% for liabilities.

	Weighted Average % of Total Price			
	December 31, 2014		December 31, 2013	
Component Type	Assets	Liabilities	Assets	Liabilities
Inventories				
Basis	**23.4%**	**43.4%**	21.9%	13.2%
Transportation cost	**4.9%**	**15.2%**	12.3%	—%
Commodity Derivative Contracts				
Basis	**13.5%**	**13.6%**	22.8%	17.6%
Transportation cost	**10.2%**	**19.5%**	32.5%	12.3%

In certain of the Company's principal markets, the Company relies on price quotes from third parties to value its inventories and physical commodity purchase and sale contracts. These price quotes are generally not further adjusted by the Company in determining the applicable market price. In some cases, availability of third-party quotes is limited to only one or two independent sources. In these situations, absent other corroborating evidence, the Company considers these price quotes as 100 percent unobservable and, therefore, the fair value of these items is reported in Level 3.

Note 4. Derivative Instruments & Hedging Activities

Derivatives Not Designated as Hedging Instruments

The majority of the Company's derivative instruments have not been designated as hedging instruments. The Company uses exchange-traded futures and exchange-traded and OTC options contracts to manage its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts to reduce price risk caused by market fluctuations in agricultural commodities and foreign currencies. The Company also uses exchange-traded futures and exchange-traded and OTC options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly impacted by factors such as the correlation between the value of exchange-traded commodities futures contracts and the value of the underlying commodities, counterparty contract defaults, and volatility of freight markets. Derivatives, including exchange traded contracts and physical purchase or sale contracts, and inventories of certain merchandisable agricultural commodities, which include amounts acquired under deferred pricing contracts, are stated at market value. Inventory is not a derivative and therefore fair values of and changes in fair values of inventories are not included in the tables below.

Note 4. Derivative Instruments & Hedging Activities (Continued)

The following table sets forth the fair value of derivatives not designated as hedging instruments as of December 31, 2014 and 2013.

	December 31, 2014		December 31, 2013	
	Assets	Liabilities	Assets	Liabilities
	(In millions)			
Foreign Currency Contracts	**$ 186**	**$ 150**	$ 118	$ 166
Interest Contracts	**—**	**—**	1	—
Commodity Contracts	**690**	**776**	850	649
Total	**$ 876**	**$ 926**	$ 969	$ 815

The following table sets forth the pre-tax gains (losses) on derivatives not designated as hedging instruments that have been included in the consolidated statements of earnings for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012.

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	2013	2012	2011	2012
				(Unaudited)	
Interest Contracts					
Other income (expense) - net	**$ —**	$ 1	$ —	$ —	$ —
Foreign Currency Contracts					
Revenues	**$ (1)**	$ 108	$ 129	$ 33	$ 117
Cost of products sold	**131**	(157)	(49)	(116)	(255)
Other income (expense) - net	**(171)**	61	94	(69)	(21)
Commodity Contracts					
Cost of products sold	**$ (263)**	$ 301	$ 136	$ (4)	$ (527)
Other Contracts					
Other income (expense) - net	**$ —**	$ —	$ 58	$ —	$ (1)
Total gain(loss) recognized in earnings	**$ (304)**	$ 314	$ 368	$ (156)	$ (687)

During the quarter ended September 30, 2014, the Company recognized $102 million of pre-tax foreign exchange hedging losses on Euro foreign currency derivative contracts entered into to economically hedge the Wild Flavors acquisition.

During December 2012, the Company entered into two transactions with investment bank counterparties resulting in an economic interest in GrainCorp shares. The purpose of these transactions was to facilitate the Company's planned acquisition of GrainCorp, which was rejected by the Australian Federal Treasurer in November 2013. One of the transactions was accounted for as an unfunded derivative instrument. The other transaction was a hybrid financial instrument, as defined by applicable accounting standards, whereby the accounting rules required the Company to account for a funded host instrument and a separate embedded derivative instrument. In December 2012, the Company settled the derivative instruments known as "Total Return Swaps", and recognized pre-tax gains reported as "Other Contracts" in the table above. After the settlement of these transactions, the interest in GrainCorp is recorded as a long-term marketable security.

Note 4. Derivative Instruments & Hedging Activities (Continued)

Inventories of certain merchandisable agricultural commodities, which include amounts acquired under deferred pricing contracts, are stated at market value. Changes in the market value of inventories of certain merchandisable agricultural commodities, forward cash purchase and sales contracts, exchange-traded futures and exchange-traded and OTC options contracts are recognized in earnings immediately.

Derivatives Designated as Cash Flow or Fair Value Hedging Strategies

As of December 31, 2014 and 2013, the Company has certain derivatives designated as cash flow hedges and fair value hedges.

The Company uses interest rate swaps designated as fair value hedges to protect the fair value of fixed-rate debt due to changes in interest rates. The changes in the fair value of the interest rate swaps and the underlying fixed-rate debt are recorded in other (income) expense - net. The terms of the interest rate swaps match the terms of the underlying debt resulting in no ineffectiveness. At December 31, 2014, the Company has $21 million in other current assets representing the fair value of the interest rate swaps and a corresponding increase in the underlying debt for the same amount with no impact to earnings.

For each of the commodity hedge programs described below, the derivatives are designated as cash flow hedges. Assuming normal market conditions, the changes in the market value of such derivative contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in price movements of the hedged item. Once the hedged item is recognized in earnings, the gains/losses arising from the hedge are reclassified from AOCI to either revenues, cost of products sold, interest expense or other (income) expense – net, as applicable. As of December 31, 2014, the Company has $30 million of after-tax gains in AOCI related to gains and losses from commodity cash flow hedge transactions. The Company expects to recognize the $30 million of gains in its consolidated statement of earnings during the next 12 months.

The Company uses futures or options contracts to fix the purchase price of anticipated volumes of corn to be purchased and processed in a future month. The objective of this hedging program is to reduce the variability of cash flows associated with the Company's forecasted purchases of corn. The Company's corn processing plants currently grind approximately 76 million bushels of corn per month. During the past 12 months, the Company hedged between 24% and 71% of its monthly anticipated grind. At December 31, 2014, the Company has designated hedges representing between 0.3% to 23% of its anticipated monthly grind of corn for the next 12 months.

The Company, from time to time, also uses futures, options, and swaps to fix the sales price of certain ethanol sales contracts. The Company has established hedging programs for ethanol sales contracts that are indexed to unleaded gasoline prices and to various exchange-traded ethanol contracts. The objective of these hedging programs is to reduce the variability of cash flows associated with the Company's sales of ethanol. During the past 12 months, the Company hedged between 9 million and 121 million gallons of ethanol sales per month under these programs. At December 31, 2014, the Company has designated hedges representing between 1 million to 30 million gallons of ethanol sales per month over the next 6 months.

The following tables set forth the fair value of derivatives designated as hedging instruments as of December 31, 2014 and 2013.

	December 31, 2014		December 31, 2013	
	Assets	Liabilities	Assets	Liabilities
	(In millions)			
Interest Contracts	$ 21	$ —	$ —	$ 9
Total	$ 21	$ —	$ —	$ 9

Note 4. Derivative Instruments & Hedging Activities (Continued)

The following table sets forth the pre-tax gains (losses) on derivatives designated as hedging instruments that have been included in the consolidated statement of earnings for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012.

(In millions)	Consolidated Statement of Earnings Locations	Year Ended December 31 2014	Year Ended December 31 2013	Six Months Ended December 31 2012	Six Months Ended December 31 2011	Year Ended June 30 2012
					(Unaudited)	
Effective amounts recognized in earnings						
FX Contracts	Other income/expense -net	**$ 5**	$ (1)	$ (1)	$ (1)	$ (1)
Interest Contracts	Interest expense	**1**	1	—	—	1
Commodity Contracts	Cost of products sold	**(124)**	(41)	158	11	5
	Revenues	**(69)**	4	2	8	3
Ineffective amount recognized in earnings						
Interest contracts	Interest expense	**—**	—	—	—	—
Commodity contracts	Cost of products sold	**(4)**	(120)	(30)	39	49
	Revenues	**(34)**	—	—	—	—
Total amount recognized in earnings		**$ (225)**	$ (157)	$ 129	$ 57	$ 57

Hedge ineffectiveness for commodity contracts results when the change in the price of the underlying commodity in a specific cash market differs from the change in the price of the derivative financial instrument used to establish the hedging relationship. As an example, if the change in the price of a corn futures contract is strongly correlated to the change in the cash price paid for corn, the gain or loss on the derivative instrument is deferred and recognized at the time the corn grind occurs. If the change in price of the derivative does not strongly correlate to the change in the cash price of corn, in the same example, some portion or all of the derivative gains or losses may be required to be recognized in earnings prior to the corn grind occurring.

Note 5. Marketable Securities

The following table sets forth items in short-term and long-term investments.

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
	(In millions)			
December 31, 2014				
United States government obligations				
Maturity less than 1 year	**$ 385**	**$ —**	**$ —**	**$ 385**
Maturity 1 to 5 years	**93**	**—**	**—**	**93**
Corporate debt securities				
Maturity 1 to 5 years	**72**	**—**	**—**	**72**
Other debt securities				
Maturity less than 1 year	**130**	**—**	**—**	**130**
Maturity 1 to 5 years	**3**	**—**	**—**	**3**
Equity securities				
Available-for-sale	**328**	**1**	**(12)**	**317**
	$ 1,011	**$ 1**	**$ (12)**	**$ 1,000**

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
	(In millions)			
December 31, 2013				
United States government obligations				
Maturity less than 1 year	$ 395	$ —	$ —	$ 395
Maturity 1 to 5 years	124	—	—	124
Government-sponsored enterprise obligations				
Maturity 1 to 5 years	4	—	—	4
Corporate debt securities				
Maturity 1 to 5 years	16	—	—	16
Other debt securities				
Maturity less than 1 year	38	—	—	38
Maturity 1 to 5 years	3	—	—	3
Equity securities				
Available-for-sale	362	1	(2)	361
	$ 942	$ 1	$ (2)	$ 941

All of the $12 million in unrealized losses at December 31, 2014 arose within the last 12 months and is related to the Company's investment in two available for sale equity securities with a fair value of $310 million. The Company evaluated the near-term prospects of the issuer in relation to the severity and duration of the impairment. Based on that evaluation and the Company's ability and intent to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired at December 31, 2014.

For information on other-than-temporary impairment charges, see Note 19.

Note 6. Other Current Assets

The following table sets forth the items in other current assets:

	December 31, 2014	December 31, 2013
	(In millions)	
Unrealized gains on derivative contracts	**$ 897**	$ 969
Deferred receivables consideration	**511**	757
Customer omnibus receivable	**1,532**	1,298
Financing receivables - net [(1)]	**402**	576
Other current assets	**2,714**	2,750
	$ 6,056	$ 6,350

[(1)] The Company provides financing to suppliers, primarily Brazilian farmers, to finance a portion of the suppliers' production costs. The amounts are reported net of allowances of $11 million and $15 million at December 31, 2014 and 2013, respectively. Changes in the allowance for 2014 included an increase of $4 million for additional bad debt provisions and a reduction in the allowance for adjustments of $8 million, respectively. Interest earned on financing receivables of $23 million, $26 million, $15 million, $12 million, and $26 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011 and the year ended June 30, 2012, respectively, is included in interest income in the consolidated statements of earnings.

Note 7. Accrued Expenses and Other Payables

The following table sets forth the items in accrued expenses and other payables:

	December 31, 2014	December 31, 2013
	(In millions)	
Unrealized losses on derivative contracts	**$ 926**	$ 824
Other accruals and payables	**4,114**	3,966
	$ 5,040	$ 4,790

Note 8. Investments in and Advances to Affiliates

The Company applies the equity method for investments in investees over which the Company has the ability to exercise significant influence, including the Company's 17.3% and 16.4% share ownership in Wilmar as of December 31, 2014 and 2013, respectively. The Company had 60 unconsolidated domestic and foreign affiliates as of December 31, 2014 and 2013, respectively. The following table summarizes the combined balance sheets as of December 31, 2014 and 2013, and the combined statements of earnings of the Company's unconsolidated affiliates for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012.

	December 31	
(In millions)	**2014**	**2013**
Current assets	**$ 27,307**	$ 30,966
Non-current assets	**21,624**	20,846
Current liabilities	**(19,370)**	(27,423)
Non-current liabilities	**(9,882)**	(5,515)
Noncontrolling interests	**(897)**	(890)
Net assets	**$ 18,782**	$ 17,984

	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
(In millions)	**2014**	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Net Sales	**$ 50,591**	$ 51,967	$ 28,314	$ 29,767	$ 58,068
Gross profit	**4,558**	4,373	2,847	3,291	6,458
Net income	**1,561**	1,762	855	1,022	1,940

The Company's share of the undistributed earnings of its unconsolidated affiliates as of December 31, 2014, is $2.1 billion. The Company has a direct investment in a foreign equity method investee with a carrying value of $2.4 billion as of December 31, 2014, and a market value of $2.7 billion based on active market quoted prices converted to U.S. dollars at applicable exchange rates at December 31, 2014.

The Company provides credit facilities totaling $168 million to five unconsolidated affiliates. One facility that is due on demand and bears interest at the one month British pound LIBOR rate plus 1.5% has an outstanding balance of $17 million. The other four facilities have no outstanding balances as of December 31, 2014. The outstanding balance is included in other current assets in the accompanying consolidated balance sheet.

For information on the Company's former equity method interest in Gruma, see Note 19.

Note 9. Goodwill and Other Intangible Assets

Goodwill balances attributable to consolidated businesses, by segment, are set forth in the following table.

	December 31, 2014	December 31, 2013
	(In millions)	
Oilseeds Processing	**$ 130**	$ 192
Corn Processing	**81**	81
Agricultural Services	**79**	81
Other	**1,720**	10
Total	**$ 2,010**	$ 364

The changes in goodwill during the year ended December 31, 2014 related primarily to acquisitions (see Note 2) and assets classified as held for sale (see Note 18).

The following table sets forth the other intangible assets:

		December 31, 2014			December 31, 2013		
	Useful Life	Gross Amount	Accumulated Amortization	Net	Gross Amount	Accumulated Amortization	Net
	(In years)	(In millions)					
Intangible assets with indefinite lives:							
Trademarks/brands		**$ 267**	**$ —**	**$ 267**	$ 5	$ —	5
Other		**1**	**—**	**1**	2	—	2
Intangible assets with definite lives:							
Trademarks/brands	8 to 25	**25**	**(5)**	**20**	44	(11)	33
Customer lists	9 to 20	**663**	**(32)**	**631**	130	(34)	96
Patents	15 to 20	**44**	**(29)**	**15**	43	(27)	16
Recipes and other	2 to 25	**372**	**(33)**	**339**	73	(28)	45
Total		**$ 1,372**	**$ (99)**	**$ 1,273**	$ 297	$ (100)	$ 197

The change in the gross carrying amount of intangible assets during the year ended December 31, 2014 is primarily related to acquisitions as discussed in Note 2 partially offset by reclassification for held for sale presentation and foreign currency translation adjustments.

Aggregate amortization expense was $27 million, $22 million, $10 million, $14 million, and $28 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively. The estimated future aggregate amortization expense for the next five years are $81 million, $78 million, $74 million, $72 million, and $72 million.

Note 10. Debt Financing Arrangements

	December 31, 2014	December 31, 2013
	(In millions)	
4.479% Debentures $750 million face amount, due in 2021	**773**	746
5.45% Notes $700 million face amount, due in 2018	**701**	699
5.765% Debentures $596 million face amount, due in 2041	**600**	600
5.375% Debentures $600 million face amount, due in 2035	**589**	588
5.935% Debentures $420 million face amount, due in 2032	**417**	416
4.016% Debentures $570 million face amount, due in 2043	**378**	376
4.535% Debentures $528 million face amount due in 2042	**375**	373
8.375% Debentures $295 million face amount, due in 2017	**294**	294
7.5% Debentures $187 million face amount, due in 2027	**186**	186
7.0% Debentures $185 million face amount, due in 2031	**184**	184
6.625% Debentures $182 million face amount, due in 2029	**182**	182
6.95% Debentures $172 million face amount, due in 2097	**170**	170
6.45% Debentures $154 million face amount, due in 2038	**153**	153
6.75% Debentures $124 million face amount, due in 2027	**122**	122
0.875% Convertible Senior Notes $1.15 billion face amount, due in 2014	**—**	1,144
Other	**458**	279
Total long-term debt including current maturities	**5,582**	6,512
Current maturities	**(24)**	(1,165)
Total long-term debt	**$ 5,558**	$ 5,347

Note 10. Debt Financing Arrangements (Continued)

In February 2007, the Company issued $1.15 billion principal amount of convertible senior notes due in 2014 (the Notes) in a private placement. The Notes were issued at par and bear interest at a rate of 0.875% per year, payable semiannually. In accordance with applicable accounting standards, the Company recognized the Notes proceeds received in 2007 as long-term debt of $853 million and equity of $297 million. The discount on the long-term debt was amortized over the life of the Notes using the effective interest method. Discount amortization expense of $6 million, $49 million, $24 million, $22 million, and $45 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively, were included in interest expense related to the Notes.

On February 18, 2014, the Notes were repaid with available funds.

Discount amortization expense net of premium of $11 million, $54 million, $23 million, $26 million, and $49 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively, were included in interest expense related to the Company's long-term debt.

At December 31, 2014, the fair value of the Company’s long-term debt exceeded the carrying value by $1.3 billion, as estimated using quoted market prices (a Level 2 measurement under applicable accounting standards).

The aggregate maturities of long-term debt for the five years after December 31, 2014, are $24 million, $14 million, $307 million, $711 million, and $10 million, respectively.

At December 31, 2014, the Company had lines of credit totaling $6.6 billion which was unused. The weighted average interest rates on short-term borrowings outstanding at December 31, 2014 and 2013, were 3.76% and 4.24%, respectively. Of the Company’s total lines of credit, $4.0 billion support a commercial paper borrowing facility, against which there was no commercial paper outstanding at December 31, 2014.

The Company’s credit facilities and certain debentures require the Company to comply with specified financial and non-financial covenants including maintenance of minimum tangible net worth as well as limitations related to incurring liens, secured debt, and certain other financing arrangements. The Company is in compliance with these covenants as of December 31, 2014.

The Company has outstanding standby letters of credit and surety bonds at December 31, 2014 and 2013, totaling $980 million and $795 million, respectively.

The Company has accounts receivable securitization programs (the “Programs”). The Programs provide the Company with up to $1.6 billion in funding resulting from the sale of accounts receivable. As of December 31, 2014, the Company utilized $1.6 billion of its facility under the Programs (see Note 20 for more information on the Programs).

Note 11. Stock Compensation

The Company’s employee stock compensation plans provide for the granting of options to employees to purchase common stock of the Company pursuant to the Company’s 2002 and 2009 Incentive Compensation Plans. These options are issued at market value on the date of grant, vest incrementally over one to five years, and expire ten years after the date of grant.

The fair value of each option grant is estimated as of the date of grant using the Black-Scholes single option pricing model. The volatility assumption used in the Black-Scholes single option pricing model is based on the historical volatility of the Company’s stock. The volatility of the Company’s stock was calculated based upon the monthly closing price of the Company’s stock for the period immediately prior to the date of grant corresponding to the average expected life of the grant. The average expected life represents the period of time that option grants are expected to be outstanding. The risk-free rate is based on the rate of U.S. Treasury zero-coupon issues with a remaining term equal to the expected life of option grants. The assumptions used in the Black-Scholes single option pricing model are as follows.

Note 11. Stock Compensation (Continued)

	Year Ended December 31		Six Months Ended December 31	Year Ended June 30
	2014	**2013**	**2012**	**2012**
Dividend yield	**2%**	2%	3%	2%
Risk-free interest rate	**2%**	1%	1%	2%
Stock volatility	**37%**	38%	30%	32%
Average expected life (years)	**6**	6	7	8

A summary of option activity during 2014 is presented below:

	Shares	Weighted-Average Exercise Price
	(In thousands, except per share amounts)	
Shares under option at December 31, 2013	**13,304**	**$ 28.31**
Granted	**1,253**	**40.65**
Exercised	**(3,376)**	**27.63**
Forfeited or expired	**(68)**	**27.50**
Shares under option at December 31, 2014	**11,113**	**$ 29.91**
Exercisable at December 31, 2014	**6,835**	**$ 29.01**

The weighted-average remaining contractual term of options outstanding and exercisable at December 31, 2014, is 6 years and 5 years, respectively. The aggregate intrinsic value of options outstanding and exercisable at December 31, 2014, is $248 million and $158 million, respectively. The weighted-average grant-date fair values of options granted during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, were $12.80, $10.02, $5.89, and $6.98, respectively. The total intrinsic values of options exercised during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, were $66 million, $29 million, $1 million, and $5 million, respectively. Cash proceeds received from options exercised during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, were $93 million, $73 million, $2 million, and $7 million, respectively.

At December 31, 2014, there was $21 million of total unrecognized compensation expense related to option grants. Amounts to be recognized as compensation expense during the next four years are $10 million, $6 million, $3 million, and $2 million, respectively.

The Company's 2002 and 2009 Incentive Compensation Plans provide for the granting of restricted stock and restricted stock units (Restricted Stock Awards) at no cost to certain officers and key employees. In addition, the Company's 2002 and 2009 Incentive Compensation Plans also provide for the granting of performance stock units (PSUs) at no cost to certain officers and key employees. Restricted Stock Awards are made in common stock or stock units with equivalent rights and vest at the end of a three-year restriction period. The awards for PSUs are made in common stock units and vest at the end of a three-year vesting period subject to the attainment of certain future performance criteria based on the Company's adjusted return on invested capital compared to the weighted average cost of capital. During the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, 1.4 million, 0.9 million, 1.3 million, and 1.2 million common stock or stock units, respectively, were granted as Restricted Stock Awards and PSUs. At December 31, 2014, there were 17.3 million shares available for future grants pursuant to the 2009 plan.

The fair value of Restricted Stock Awards and PSUs is determined based on the market value of the Company's shares on the grant date. The weighted-average grant-date fair values of awards granted during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012 were $40.78, $32.96, $26.34, and $26.75, respectively.

Note 11. Stock Compensation (Continued)

A summary of Restricted Stock Awards and PSUs activity during 2014 is presented below:

	Restricted Stock Awards and PSUs	Weighted Average Grant-Date Fair Value
	(In thousands, except per share amounts)	
Non-vested at December 31, 2013	**3,557**	**$ 28.86**
Granted	**1,396**	**40.78**
Vested	**(1,250)**	**27.86**
Forfeited	**(147)**	**33.68**
Non-vested at December 31, 2014	**3,556**	**$ 34.17**

At December 31, 2014, there was $44 million of total unrecognized compensation expense related to Restricted Stock Awards and PSUs. Amounts to be recognized as compensation expense during the next three years are $27 million, $15 million, and $2 million, respectively. At the vesting date, the total fair value of Restricted Stock Awards vested during the year ended December 31, 2014 was $35 million.

Compensation expense for option grants, Restricted Stock Awards and PSUs granted to employees is generally recognized on a straight-line basis during the service period of the respective grant. Certain of the Company's option grants, Restricted Stock Awards and PSUs continue to vest upon the recipient's retirement from the Company and compensation expense related to option grants and Restricted Stock Awards granted to retirement-eligible employees is recognized in earnings on the date of grant. Compensation expense for PSUs is based on the probability of meeting the performance criteria.

Total compensation expense for option grants, Restricted Stock Awards and PSUs recognized during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012 was $55 million, $43 million, $31 million, $34 million, and $48 million, respectively.

Note 12. Other (Income) Expense – Net

The following table sets forth the items in other (income) expense:

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
(Gain) loss on derivatives	**102**	40	(62)	—	—
Gain on sale of assets and equity dilution	**(351)**	(41)	(51)	(17)	(30)
Charges from early extinguishment of debt	**—**	—	5	12	12
Gain on marketable securities transactions	**—**	(8)	(6)	(16)	(37)
Other – net	**2**	(44)	5	9	26
	$ (247)	$ (53)	$ (109)	$ (12)	$ (29)

Note 12. Other (Income) Expense – Net (Continued)

Individually significant items included in the table above are:

The loss on derivatives for the year ended December 31, 2014 was due to losses on Euro foreign currency derivative contracts entered into to economically hedge the Wild Flavors acquisition. The loss on derivatives for the year ended December 31, 2013 was due to losses on Australian dollar foreign currency derivative contracts entered into to economically hedge the proposed GrainCorp Limited (GrainCorp) acquisition. The gain on derivatives for the six months and year ended December 31, 2012 relates to the settlement of the Total Return Swap instruments related to the Company's investment in GrainCorp (see Note 4 for more information).

Gain on sale of assets for the year ended December 31, 2014 includes a gain of $156 million upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture resulting from the contribution of additional assets by another member in exchange for new equity units and a gain of $126 million on the sale of the fertilizer business. Gain on sale of assets for six months ended December 31, 2012 includes a $39 million gain related to the sale of certain of the Company’s exchange membership interests.

Realized gains on sales of available-for-sale marketable securities totaled $8 million, $8 million, $17 million, and $38 million for the year ended December 31, 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012, respectively. Realized gains on sales of available-for-sale marketable securities were immaterial for the year ended December 31, 2014. Realized losses on sales of available-for-sale marketable securities were immaterial for all periods presented. Impairment losses on securities of $6 million, $166 million, $13 million, and $25 million for the years ended December 31, 2014 and 2013, the six months ended December 31, 2011, and year ended June 30, 2012, respectively, were classified as asset impairment, exit, and restructuring charges in the consolidated statements of earnings (see Note 19 for more information).

Note 13. Income Taxes

The following table sets forth the geographic split of earnings before income taxes:

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
United States	**$ 2,224**	$ 1,509	$ 611	$ 592	$ 1,035
Foreign	**906**	515	386	189	730
	$ 3,130	$ 2,024	$ 997	$ 781	$ 1,765

Significant components of income tax are as follows:

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Current					
Federal	**$ 641**	$ 348	$ 92	$ 179	$ 300
State	**57**	14	9	19	21
Foreign	**235**	146	83	7	118
Deferred					
Federal	**(29)**	112	92	14	66
State	**28**	(5)	20	3	9
Foreign	**(55)**	55	7	15	9
	$ 877	$ 670	$ 303	$ 237	$ 523

Note 13. Income Taxes (Continued)

Significant components of deferred tax liabilities and assets are as follows:

	December 31, 2014	December 31, 2013
	(In millions)	
Deferred tax liabilities		
Property, plant, and equipment	**$ 1,631**	$ 1,286
Equity in earnings of affiliates	**394**	323
Debt exchange	**135**	123
Inventories	**57**	132
Other	**192**	119
	$ 2,409	$ 1,983
Deferred tax assets		
Pension and postretirement benefits	**$ 460**	$ 267
Stock compensation	**55**	60
Foreign tax credit carryforwards	**76**	26
Foreign tax loss carryforwards	**305**	329
Capital loss carryforwards	**21**	24
State tax attributes	**70**	74
Reserves and other accruals	**43**	—
Other	**271**	205
Gross deferred tax assets	**1,301**	985
Valuation allowances	**(347)**	(329)
Net deferred tax assets	**$ 954**	$ 656
Net deferred tax liabilities	**$ 1,455**	$ 1,327
The net deferred tax liabilities are classified as follows:		
Current assets	**$ 17**	$ —
Current assets (foreign)	**137**	17
Current liabilities	**—**	(8)
Current liabilities (foreign)	**(33)**	(22)
Noncurrent assets (foreign)	**86**	134
Noncurrent liabilities	**(1,316)**	(1,404)
Noncurrent liabilities (foreign)	**(346)**	(44)
	$ (1,455)	$ (1,327)

Note 13. Income Taxes (Continued)

Reconciliation of the statutory federal income tax rate to the Company's effective income tax rate on earnings is as follows:

	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Statutory rate	**35.0%**	35.0%	35.0%	35.0%	35.0%
State income taxes, net of federal tax benefit	**2.1**	0.2	2.4	2.4	1.4
Foreign earnings taxed at rates other than the U.S. statutory rate	**(4.8)**	(3.7)	(7.6)	(7.2)	(4.8)
Foreign currency remeasurement	**0.1**	(0.9)	2.6	(0.3)	(3.3)
Income tax adjustment to filed returns	**(2.5)**	0.5	(1.5)	(0.7)	0.9
Tax benefit on U.S. biodiesel credits	**(1.1)**	(5.1)	—	—	—
Tax benefit on U.S. qualified production activity deduction	**(1.8)**	(1.4)	—	—	—
Valuation allowances	**—**	8.0	—	—	—
Other	**1.0**	0.5	(0.5)	1.1	0.4
Effective income tax rate	**28.0%**	33.1%	30.4%	30.3%	29.6%

The Company has historically included amounts received from the U.S. Government in the form of a biodiesel credit as taxable income on its federal and state income tax returns. In the fourth quarter of 2013, the Internal Revenue Service released a Chief Counsel Advice stipulating that biodiesel credits should not be included in taxable income. Based upon the Chief Counsel Advice, the Company changed its position related to these credits and excluded them from income for years 2011 through the current year. Of the total tax benefit recorded in 2013 of $107 million, $55 million relates to years prior to 2013.

The Company has $305 million and $329 million of tax assets related to net operating loss carry-forwards of certain international subsidiaries at December 31, 2014 and 2013, respectively. As of December 31, 2014, approximately $274 million of these assets have no expiration date, and the remaining $31 million expire at various times through fiscal 2032. The annual usage of certain of these assets is limited to a percentage of taxable income of the respective foreign subsidiary for the year. The Company has recorded a valuation allowance of $218 million and $196 million against these tax assets at December 31, 2014 and 2013, respectively, due to the uncertainty of their realization.

During the fourth quarter of 2013, the Company recorded a full valuation allowance on net deferred tax assets of a German subsidiary in the amount of $103 million ($82 million, equal to $0.12 per share, when adjusted for the income attributable to the minority interest holders). Management's establishment of a valuation allowance resulted from a combination of matters, including the absence of financial performance of the subsidiary and its ability to generate sufficient taxable income in the future. Management continues to maintain its view of the subsidiary and the need for the valuation allowance.

During the fourth quarter of 2013, the Company placed a full valuation allowance on the deferred tax asset related to the impairment of its investment in GrainCorp in the amount of $41 million. The Company also placed a full valuation allowance on the impairment of assets related to its sugar business in Brazil in the amount of $17 million.

The Company has $21 million of tax assets related to foreign and domestic capital loss carryforwards at December 31, 2014. The Company has recorded a valuation allowance of $21 million against these tax assets at December 31, 2014.

Note 13. Income Taxes (Continued)

The Company has $76 million and $26 million of tax assets related to excess foreign tax credits at December 31, 2014 and 2013, respectively, which begin to expire in 2015. The Company has $70 million and $74 million of tax assets related to state income tax attributes (incentive credits and net operating loss carryforwards), net of federal tax benefit, at December 31, 2014 and 2013, respectively, which will expire at various times through fiscal 2034. The Company has not recorded a valuation allowance against the excess foreign tax credits at December 31, 2014. Due to the uncertainty of realization, the Company has recorded a valuation allowance of $51 million and $53 million related to state income tax assets net of federal tax benefit as of December 31, 2014 and 2013, respectively.

The Company remains subject to federal examination in the U.S. for the calendar tax years 2013 and 2014.

Undistributed earnings of the Company's foreign subsidiaries and the Company's share of the undistributed earnings of affiliated corporate joint venture companies accounted for on the equity method amounting to approximately $8.6 billion at December 31, 2014, are considered to be permanently reinvested, and accordingly, no provision for U.S. income taxes has been provided thereon. It is not practicable to determine the deferred tax liability for temporary differences related to these undistributed earnings.

The following table sets forth a rollforward of activity of unrecognized tax benefits for the year ended December 31, 2014 and 2013 as follows:

	Unrecognized Tax Benefits	
	December 31, 2014	**December 31, 2013**
	(In millions)	
Beginning balance	**$ 66**	$ 77
Additions related to current year's tax positions	**5**	—
Additions related to prior years' tax positions	**7**	7
Reductions related to prior years' tax positions	**(3)**	—
Reductions related to lapse of statute of limitations	**—**	(6)
Settlements with tax authorities	**(3)**	(12)
Ending balance	**$ 72**	$ 66

The additions and reductions in unrecognized tax benefits shown in the table include effects related to net income and shareholders' equity. The changes in unrecognized tax benefits did not have a material effect on the Company's net income or cash flow.

At December 31, 2014 and 2013, the Company had accrued interest and penalties on unrecognized tax benefits of $21 million and $18 million, respectively.

The Company is subject to income taxation in many jurisdictions around the world. Resolution of the related tax positions, through negotiations with relevant tax authorities or through litigation, may take years to complete. Therefore, it is difficult to predict the timing for resolution of tax positions. However, the Company does not anticipate that the total amount of unrecognized tax benefits will increase or decrease significantly in the next twelve months. Given the long periods of time involved in resolving tax positions, the Company does not expect that the recognition of unrecognized tax benefits will have a material impact on the Company's effective income tax rate in any given period. If the total amount of unrecognized tax benefits were recognized by the Company at one time, there would be a reduction of $62 million on the tax expense for that period.

Note 13. Income Taxes (Continued)

The Company is subject to routine examination by domestic and foreign tax authorities and frequently faces challenges regarding the amount of taxes due. These challenges include positions taken by the Company related to the timing, nature and amount of deductions and the allocation of income among various tax jurisdictions. Resolution of the related tax positions, through negotiation with relevant tax authorities or through litigation, may take years to complete. Therefore, it is difficult to predict the timing for resolution of tax positions. In its routine evaluations of the exposure associated with various tax filing positions, the Company recognizes a liability, when necessary, for estimated potential additional tax owed by the Company in accordance with the applicable accounting standard. However, the Company cannot predict or provide assurance as to the ultimate outcome of these ongoing or future examinations.

The Company's wholly-owned subsidiary, ADM do Brasil Ltda. (ADM do Brasil), has received three separate tax assessments from the Brazilian Federal Revenue Service (BFRS) challenging the tax deductibility of commodity hedging losses and related expenses for the tax years 2004, 2006 and 2007. As of December 31, 2014, these assessments, updated for estimated penalties, interest, and variation in currency exchange rates, totaled approximately $493 million. ADM do Brasil's tax return for 2005 was also audited and no assessment was received. The statute of limitations for 2005 and 2008 has expired. If the BFRS were to challenge commodity hedging deductions in tax years after 2008, the Company estimates it could receive additional tax assessments of approximately $57 million (based on currency exchange rates as of December 31, 2014).

ADM do Brasil enters into commodity hedging transactions that can result in gains, which are included in ADM do Brasil's calculations of taxable income in Brazil, and losses, which ADM do Brasil deducts from its taxable income in Brazil. The Company has evaluated its tax position regarding these hedging transactions and concluded, based upon advice from Brazilian legal counsel, that it was appropriate to recognize both gains and losses resulting from hedging transactions when determining its Brazilian income tax expense. Therefore, the Company has continued to recognize the tax benefit from hedging losses in its financial statements and has not recorded any tax liability for the amounts assessed by the BFRS.

ADM do Brasil filed an administrative appeal for each of the assessments. During the second quarter of fiscal 2011, the appeal panel found in favor of the BFRS on the 2004 assessment and ADM do Brasil filed a second level administrative appeal, which is still ongoing. In January of 2012, the appeal panel found in favor of the BFRS on the 2006 and 2007 assessments and ADM do Brasil filed a second level administrative appeal, which is still ongoing. If ADM do Brasil continues to be unsuccessful in the administrative appellate process, it intends to file appeals in the Brazilian federal courts. While the Company believes its consolidated financial statements properly reflect the tax deductibility of these hedging losses, the ultimate resolution of this matter could result in the future recognition of additional payments of, and expense for, income tax and the associated interest and penalties.

The Company intends to vigorously defend its position against the current assessments and any similar assessments that may be issued for years subsequent to 2008.

The Company's subsidiaries in Argentina have received tax assessments challenging transfer prices used to price grain exports totaling $93 million (inclusive of interest and adjusted for variation in currency exchange rates) for the tax years 2004 through 2007. The Argentine tax authorities have been conducting a review of income and other taxes paid by large exporters and processors of cereals and other agricultural commodities resulting in allegations of income tax evasion. While the Company believes that it has complied with all Argentine tax laws, it cannot rule out receiving additional assessments challenging transfer prices used to price grain exports for years subsequent to 2007, and estimates that these potential assessments would be approximately $325 million (as of December 31, 2014 and subject to variation in currency exchange rates). The Company intends to vigorously defend its position against the current assessments and any similar assessments that may be issued for years subsequent to 2007. The Company believes that it has appropriately evaluated the transactions underlying these assessments, and has concluded, based on Argentine tax law, that its tax position would be sustained, and accordingly, the Company has not recorded a tax liability for these assessments.

In accordance with the accounting requirements for uncertain tax positions, the Company has concluded that it is more likely than not to prevail on the Brazil and Argentina matters based upon their technical merits. The Company has not recorded an uncertain tax liability for these assessments partly because the taxing jurisdictions' processes do not provide a mechanism for settling at less than the full amount of the assessment. The Company's consideration of these tax assessments requires judgments about the application of income tax regulations to specific facts and circumstances. The final outcome of these matters cannot reliably be predicted, may take many years to resolve, and could result in financial impacts of up to the entire amount of these assessments.

Note 14. Leases

The Company leases manufacturing and warehouse facilities, real estate, transportation assets, and other equipment under non-cancelable operating leases, the majority of which expire at various dates through the year 2044. Rent expense for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012 was $224 million, $199 million, $106 million, $103 million, and $209 million, respectively. Additional amounts incurred for charges pertaining to time charters of ocean going vessels accounted for as leases for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012 and 2011, and the year ended June 30, 2012 were $136 million, $147 million, $62 million, $76 million, and $164 million, respectively. Future minimum rental payments for non-cancelable operating leases with initial or remaining terms in excess of one year are as follows:

	Minimum Rental Payments
	(In millions)
2015	$ 226
2016	198
2017	158
2018	106
2019	59
Thereafter	240
Total minimum lease payments	$ 987

Note 15. Employee Benefit Plans

The Company provides substantially all U.S. employees and employees at certain foreign subsidiaries with retirement benefits including defined benefit pension plans and defined contribution plans. The Company provides eligible U.S. employees who retire under qualifying conditions with access to postretirement health care, at full cost to the retiree (certain employees are "grandfathered" into subsidized coverage while others are provided with Health Care Reimbursement Accounts as described below).

On August 5, 2014, the Company amended its U.S. qualified pension plans and began notifying certain eligible individuals of its offer to pay those individuals' pension benefit in a lump sum. Individuals eligible for the voluntary lump sum payment option are generally those who are retirees, surviving joint annuitants, beneficiaries, and alternate payees of the U.S. qualified pension plans who are currently receiving a payment and commenced their benefit prior to June 30, 2014. The voluntary lump sum which amounted to $296 million reduced the Company's global pension benefit obligation by $336 million resulting in a net improvement of its pension underfunding by $40 million. The Company incurred a non-cash pre-tax income statement charge of $98 million in the quarter ended December 31, 2014 as a result of the requirement to expense the unrealized actuarial losses recognized in accumulated other comprehensive income (loss) pertaining to liabilities settled at December 31, 2014.

The Company maintains 401(k) plans covering substantially all U.S. employees. The Company contributes cash to the plans to match qualifying employee contributions, and also provides a non-matching employer contribution of 1% of pay to eligible participants. Under an employee stock ownership component of the 401(k) plans, employees may choose to invest in ADM stock as part of their own investment elections. The employer contributions are expensed when paid. Assets of the Company's 401(k) plans consist primarily of listed common stocks and pooled funds. The Company's 401(k) plans held 11 million shares of Company common stock at December 31, 2014, with a market value of $596 million. Cash dividends received on shares of Company common stock by these plans during the year ended December 31, 2014 were $12 million.

Note 15. Employee Benefit Plans (Continued)

(In millions)	Pension Benefits Year Ended December 31		Postretirement Benefits Year Ended December 31	
	2014	**2013**	**2014**	**2013**
Retirement plan expense				
Defined benefit plans:				
Service cost (benefits earned during the period)	**$ 71**	$ 84	**$ 4**	$ 5
Interest cost	**126**	114	**8**	7
Expected return on plan assets	**(155)**	(144)	**—**	—
Settlement charges	**95**	—	**—**	—
Amortization of actuarial loss	**36**	74	**2**	5
Other amortization expense	**3**	3	**(18)**	(18)
Net periodic defined benefit plan expense	**176**	131	**(4)**	(1)
Defined contribution plans	**50**	44	**—**	—
Total retirement plan expense	**$ 226**	$ 175	**$ (4)**	$ (1)

(In millions)	Pension Benefits Six Months Ended December 31		Postretirement Benefits Six Months Ended December 31	
	2012	**2011**	**2012**	**2011**
		(Unaudited)		(Unaudited)
Retirement plan expense				
Defined benefit plans:				
Service cost (benefits earned during the period)	$ 44	$ 36	$ 4	$ 3
Interest cost	61	65	6	6
Expected return on plan assets	(75)	(70)	—	—
Settlement charges	68	—	—	—
Amortization of actuarial loss	42	24	—	—
Other amortization	2	2	—	—
Net periodic defined benefit plan expense	142	57	10	9
Defined contribution plans	23	23	—	—
Total retirement plan expense	$ 165	$ 80	$ 10	$ 9

Note 15. Employee Benefit Plans (Continued)

	Pension Benefits	Postretirement Benefits
(In millions)	Year Ended June 30	Year Ended June 30
	2012	2012
Retirement plan expense		
Defined benefit plans:		
Service cost (benefits earned during the period)	$ 71	$ 7
Interest cost	130	12
Expected return on plan assets	(141)	—
Remeasurement charge(1)	30	4
Amortization of actuarial loss	52	—
Other amortization	5	(2)
Net periodic defined benefit plan expense	147	21
Defined contribution plans	45	—
Total retirement plan expense	$ 192	$ 21

(1) See Note 19

Note 15. Employee Benefit Plans (Continued)

Prior to December 31, 2012, the Company used a June 30 measurement date for all defined benefit plans. As a result of the change in fiscal year end (see Note 1), the Company changed its measurement date for all defined benefit plans to December 31 effective in the transition period ended December 31, 2012. The following tables set forth changes in the defined benefit obligation and the fair value of defined benefit plan assets for the years ended December 31, 2014 and 2013:

	Pension Benefits		Postretirement Benefits	
	December 31 2014	December 31 2013	December 31 2014	December 31 2013
	(In millions)		(In millions)	
Benefit obligation, beginning	**$ 2,814**	$ 2,954	**$ 174**	$ 208
Service cost	**71**	84	**4**	5
Interest cost	**126**	114	**8**	7
Actuarial loss (gain)	**688**	(236)	**54**	(34)
Employee contributions	**2**	2	**—**	—
Curtailments	**(5)**	—	**—**	—
Settlements	**(304)**	—	**—**	—
Business combinations	**136**	—	**—**	—
Benefits paid	**(109)**	(119)	**(12)**	(12)
Plan amendments	**(4)**	(1)	**3**	—
Actual expenses	**(2)**	(2)	**—**	—
Foreign currency effects	**(108)**	18	**—**	—
Benefit obligation, ending	**$ 3,305**	$ 2,814	**$ 231**	$ 174
Fair value of plan assets, beginning	**$ 2,341**	$ 2,174	**$ —**	$ —
Actual return on plan assets	**292**	222	**—**	—
Employer contributions	**42**	50	**12**	12
Employee contributions	**2**	2	**—**	—
Settlements	**(304)**	—	**—**	—
Business combinations	**10**	—	**—**	—
Benefits paid	**(109)**	(119)	**(12)**	(12)
Actual expenses	**(2)**	(2)	**—**	—
Foreign currency effects	**(78)**	14	**—**	—
Fair value of plan assets, ending	**$ 2,194**	$ 2,341	**$ —**	$ —
Funded status	**$ (1,111)**	$ (473)	**$ (231)**	$ (174)
Prepaid benefit cost	**$ 27**	$ 63	**$ —**	$ —
Accrued benefit liability – current	**(17)**	(15)	**(12)**	(11)
Accrued benefit liability – long-term	**(1,121)**	(521)	**(219)**	(163)
Net amount recognized in the balance sheet	**$ (1,111)**	$ (473)	**$ (231)**	$ (174)

Included in accumulated other comprehensive income for pension benefits at December 31, 2014 is an unrecognized actuarial loss of $983 million that has not yet been recognized in net periodic pension cost. The prior service cost and actuarial loss included in accumulated other comprehensive income expected to be recognized in net periodic pension cost during 2015 is $2 million and $68 million, respectively.

Note 15. Employee Benefit Plans (Continued)

Included in accumulated other comprehensive income for postretirement benefits at December 31, 2014, are the following amounts that have not yet been recognized in net periodic pension cost: unrecognized prior service credit of $85 million and unrecognized actuarial loss of $80 million. Prior service credit of $18 million and actuarial loss of $7 million included in accumulated other comprehensive income are expected to be recognized in net periodic benefit cost during 2015.

The following table sets forth the principal assumptions used in developing net periodic pension cost:

	Pension Benefits		Postretirement Benefits	
	December 31 2014	**December 31 2013**	**December 31 2014**	**December 31 2013**
Discount rate	**4.6%**	3.9%	**4.4%**	3.6%
Expected return on plan assets	**7.0%**	7.0%	**N/A**	N/A
Rate of compensation increase	**3.9%**	3.9%	**N/A**	N/A

The following table sets forth the principal assumptions used in developing the year-end actuarial present value of the projected benefit obligations:

	Pension Benefits		Postretirement Benefits	
	December 31 2014	**December 31 2013**	**December 31 2014**	**December 31 2013**
Discount rate	**3.5%**	4.6%	**3.8%**	4.4%
Rate of compensation increase	**3.8%**	3.9%	**N/A**	N/A

At December 31, 2014, a new mortality table was used to estimate anticipated mortality rates that contributed to an increase in projected benefit obligations of approximately $0.2 billion.

The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the pension plans with projected benefit obligations in excess of plan assets were $2.9 billion, $2.6 billion, and $1.7 billion, respectively as of December 31, 2014, and $2.2 billion, $2.0 billion, and $1.6 billion, respectively, as of December 31, 2013. The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets were $2.8 billion, $2.5 billion, and $1.7 billion, respectively, as of December 31, 2014 and $2.1 billion, $1.9 billion, and $1.6 billion, respectively, as of December 31, 2013. The accumulated benefit obligation for all pension plans as of December 31, 2014 and 2013, was $3.0 billion and $2.6 billion, respectively.

For postretirement benefit measurement purposes, a 7.25% annual rate of increase in the per capita cost of covered health care benefits was assumed for the year ended December 31, 2014. The rate was assumed to decrease gradually to 5% by 2024 and remain at that level thereafter. The credits used to fund certain retirees with Health Reimbursement Accounts are indexed up to a maximum of 3% per year.

A 1% change in assumed health care cost trend rates would have the following effects:

	1% Increase	**1% Decrease**
	(In millions)	
Effect on combined service and interest cost components	$ 1	$ (1)
Effect on accumulated postretirement benefit obligations	$ 8	$ (7)

Note 15. Employee Benefit Plans (Continued)

Plan Assets

The Company's employee benefit plan assets are principally comprised of the following types of investments:

Common stock:
Equity securities are valued based on quoted exchange prices and are classified within Level 1 of the valuation hierarchy.

Mutual funds:
Mutual funds are valued at the closing price reported on the active market on which they are traded and are classified within Level 1 of the valuation hierarchy.

Common collective trust (CCT) funds:
The fair values of the CCTs are based on the cumulative net asset value (NAV) of their underlying investments. The investments in CCTs are comprised of international equity funds, a small cap U.S. equity fund, large cap U.S. equity funds, fixed income funds, and other funds. The fund units are valued at NAV based on the closing market value of the units bought or sold as of the valuation date and are classified in Level 2 of the fair value hierarchy. The CCTs seek primarily to provide investment results approximating the aggregate price, dividend performance, total return, and income stream of underlying investments of the funds. Issuances and redemptions of certain of the CCT investments may be restricted by date and/or amount.

Corporate debt instruments:
Corporate debt instruments are valued at the closing price reported on the active market on which they are traded and are classified within Level 2 of the valuation hierarchy.

U.S. Treasury instruments:
U.S. Treasury instruments are valued at the closing price reported on the active market on which they are traded and are classified within Level 1 of the valuation hierarchy.

U.S. government agency, state, and local government bonds:
U.S. government agency obligations and state and municipal debt securities are valued using third-party pricing services and are classified within Level 2 of the valuation hierarchy.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants' methods, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 15. Employee Benefit Plans (Continued)

The following tables set forth, by level within the fair value hierarchy, the fair value of plan assets as of December 31, 2014 and 2013.

	Fair Value Measurements at December 31, 2014			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(In millions)			
Common stock				
U.S. companies	$ 180	$ —	$ —	$ 180
International companies	6	—	—	6
Equity mutual funds				
Emerging markets	62	—	—	62
International	91	—	—	91
Large cap U.S.	362	—	—	362
Common collective trust funds				
International equity	—	370	—	370
Large cap U.S. equity	—	33	—	33
Fixed income	—	500	—	500
Other	—	35	—	35
Debt instruments				
Corporate bonds	—	422	—	422
U.S. Treasury instruments	95	—	—	95
U.S. government agency, state and local government bonds	—	37	—	37
Other	—	1	—	1
Total assets at fair value	$ 796	$ 1,398	$ —	$ 2,194

Note 15. Employee Benefit Plans (Continued)

	Fair Value Measurements at December 31, 2013			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(In millions)			
Common stock				
U.S. companies	$ 221	$ —	$ —	$ 221
International companies	2	—	—	2
Equity mutual funds				
Emerging markets	75	—	—	75
International	111	—	—	111
Large cap U.S.	419	—	—	419
Common collective trust funds				
International equity	—	373	—	373
Large cap U.S. equity	—	51	—	51
Fixed income	—	437	—	437
Other	—	62	—	62
Debt instruments				
Corporate bonds	—	422	—	422
U.S. Treasury instruments	134	—	—	134
U.S. government agency, state and local government bonds	—	32	—	32
Other	—	2	—	2
Total assets at fair value	$ 962	$ 1,379	$ —	$ 2,341

Level 3 Gains and Losses:
There are no Plan assets classified as Level 3 in the fair value hierarchy; therefore there are no gains or losses associated with Level 3 assets.

Note 15. Employee Benefit Plans (Continued)

The following table sets forth the actual asset allocation for the Company's global pension plan assets as of the measurement date:

	December 31 2014(1)(2)	December 31 2013(2)
Equity securities	**51%**	54%
Debt securities	**48%**	45%
Other	**1%**	1%
Total	**100%**	100%

(1) The Company's U.S. pension plans contain approximately 62% of the Company's global pension plan assets. The actual asset allocation for the Company's U.S. pension plans as of the measurement date consists of 60% equity securities and 40% debt securities. The target asset allocation for the Company's U.S. pension plans is approximately the same as the actual asset allocation. The actual asset allocation for the Company's foreign pension plans as of the measurement date consists of 38% equity securities, 60% debt securities, and 2% in other investments. The target asset allocation for the Company's foreign pension plans is approximately the same as the actual asset allocation.

(2) The Company's pension plans did not hold any shares of Company common stock as of the December 31, 2014 and 2013 measurement dates.

Investment objectives for the Company's plan assets are to:

- Optimize the long-term return on plan assets at an acceptable level of risk.
- Maintain a broad diversification across asset classes and among investment managers.
- Maintain careful control of the risk level within each asset class.

Asset allocation targets promote optimal expected return and volatility characteristics given the long-term time horizon for fulfilling the obligations of the pension plans. Selection of the targeted asset allocation for plan assets was based upon a review of the expected return and risk characteristics of each asset class, as well as the correlation of returns among asset classes. The U.S. pension plans target asset allocation is also based on an asset and liability study that is updated periodically.

Investment guidelines are established with each investment manager. These guidelines provide the parameters within which the investment managers agree to operate, including criteria that determine eligible and ineligible securities, diversification requirements, and credit quality standards, where applicable. In some countries, derivatives may be used to gain market exposure in an efficient and timely manner; however, derivatives may not be used to leverage the portfolio beyond the market value of underlying investments.

The Company uses external consultants to assist in monitoring the investment strategy and asset mix for the Company's plan assets. To develop the Company's expected long-term rate of return assumption on plan assets, the Company generally uses long-term historical return information for the targeted asset mix identified in asset and liability studies. Adjustments are made to the expected long-term rate of return assumption when deemed necessary based upon revised expectations of future investment performance of the overall investment markets.

Contributions and Expected Future Benefit Payments

Based on actuarial calculations, the Company expects to contribute $38 million to the pension plans and $12 million to the postretirement benefit plan during 2015. The Company may elect to make additional discretionary contributions during this period.

Note 15. Employee Benefit Plans (Continued)

The following benefit payments, which reflect expected future service, are expected to be paid by the benefit plans:

	Pension Benefits	Postretirement Benefits
	(In millions)	
2015	$ 97	$ 12
2016	103	13
2017	108	13
2018	115	13
2019	122	14
2020 – 2024	721	75

Note 16. Shareholders' Equity

The Company has authorized one billion shares of common stock and 500,000 shares of preferred stock, each with zero par value. No preferred stock has been issued. At December 31, 2014 and 2013, the Company had approximately 79.4 million shares and 57.5 million shares, respectively, of its common shares in treasury. Treasury stock of $2.7 billion and $1.6 billion at December 31, 2014 and 2013, respectively, is recorded at cost as a reduction of common stock.

Included in the foreign currency translation adjustment component of AOCI, is a $43 million net of tax loss pertaining to a foreign currency-denominated debt that was designated as a net investment hedge on October 27, 2014.

The following tables set forth the changes in AOCI by component and the reclassifications out of AOCI for the years ended December 31, 2014 and 2013:

	Foreign Currency Translation Adjustment	Deferred Gain (Loss) on Hedging Activities	Pension and Other Postretirement Benefit Liabilities Adjustment	Unrealized Gain (Loss) on Investments	Accumulated Other Comprehensive Income (Loss)
			(In millions)		
Balance at December 31, 2012	$ 136	$ 4	$ (590)	$ —	$ (450)
Other comprehensive income before reclassifications	131	(35)	354	(157)	293
Amounts reclassified from AOCI	—	37	60	157	254
Tax effect	2	(1)	(154)	(1)	(154)
Net of tax amount	133	1	260	(1)	393
Balance at December 31, 2013	$ 269	$ 5	$ (330)	$ (1)	$ (57)
Other comprehensive income before reclassifications	**(953)**	**(119)**	**(485)**	**(11)**	**(1,568)**
Amounts reclassified from AOCI	**—**	**187**	**21**	**6**	**214**
Tax effect	**30**	**(26)**	**164**	**2**	**170**
Net of tax amount	**(923)**	**42**	**(300)**	**(3)**	**(1,184)**
Balance at December 31, 2014	**$ (654)**	**$ 47**	**$ (630)**	**$ (4)**	**$ (1,241)**

Note 16. Shareholders' Equity (Continued)

Details about AOCI components	Amount reclassified from AOCI Year Ended December 31 2014	2013	Affected line item in the consolidated statement of earnings
	(In millions)		
Deferred loss (gain) on hedging activities			
	$ 124	$ 41	Cost of products sold
	(5)	(1)	Other income/expense
	(1)	1	Interest expense
	69	(4)	Revenues
	187	37	Total before tax
	(70)	(14)	Tax on reclassifications
	$ 117	$ 23	Net of tax
Pension liability adjustment			
Amortization of defined benefit pension items:			
Prior service credit	$ (15)	$ (15)	
Actuarial losses	36	75	
	21	60	Total before tax
	(7)	(23)	Tax on reclassifications
	$ 14	$ 37	Net of tax
Unrealized loss on investments			
	$ 6	$ 157	Asset impairment, exit, and restructuring costs
	(2)	(3)	Tax on reclassifications
	$ 4	$ 154	Net of tax

Note 17. Segment and Geographic Information

The Company is principally engaged in procuring, transporting, storing, processing, and merchandising agricultural commodities and products. The Company's operations are organized, managed and classified into three reportable business segments: Oilseeds Processing, Corn Processing, and Agricultural Services. Each of these segments is organized based upon the nature of products and services offered. The Company's remaining operations are not reportable segments, as defined by ASC Topic 280, *Segment Reporting,* and are classified as Other.

During the fourth quarter of 2014, the Company completed the acquisition of Wild Flavors and SCI, making the Company one of the world's leading flavors and specialty ingredients companies. Effective January 1, 2015, the Company has formed a fourth reportable business segment, Wild Flavors and Specialty Ingredients. Results of Wild Flavors and SCI were reported in Other as the 2014 results were not material to the Company.

Note 17. Segment and Geographic Information (Continued)

The Oilseeds Processing segment includes global activities related to the origination, merchandising, crushing, and further processing of oilseeds such as soybeans and soft seeds (cottonseed, sunflower seed, canola, rapeseed, and flaxseed) into vegetable oils and protein meals. Oilseeds products produced and marketed by the Company include ingredients for the food, feed, energy, and other industrial products industries. Crude vegetable oils produced by the segment’s crushing activities are sold “as is” or are further processed by refining, blending, bleaching, and deodorizing into salad oils. Salad oils are sold “as is” or are further processed by hydrogenating and/or interesterifying into margarine, shortening, and other food products. Partially refined oils are used to produce biodiesel or are sold to other manufacturers for use in chemicals, paints, and other industrial products. Oilseed protein meals are principally sold to third parties to be used as ingredients in commercial livestock and poultry feeds. The Oilseeds Processing segment also includes activities related to the procurement, transportation and processing of cocoa beans into cocoa liquor, cocoa butter, cocoa powder, chocolate, and various compounds in North America, South America, Europe, Asia, and Africa for the food processing industry. In Europe and South America, the Oilseeds Processing segment includes origination and merchandising activities as adjuncts to its oilseeds processing assets. These activities include a network of grain elevators, port facilities, and transportation assets used to buy, store, clean, and transport grains and oilseeds. The Oilseeds Processing segment produces natural health and nutrition products and other specialty food and feed ingredients. The Oilseeds Processing segment is a major supplier of peanuts and peanut-derived ingredients to both the U.S. and export markets. In North America, cottonseed flour is produced and sold primarily to the pharmaceutical industry and cotton cellulose pulp is manufactured and sold to the chemical, paper, and filter markets. In South America, the Oilseeds Processing segment operates fertilizer blending facilities. The Oilseeds Processing segment also includes the Company’s share of the results of its equity investment in Wilmar and its share of results for its Stratas Foods LLC and Edible Oils Limited joint ventures.

The Company’s Corn Processing segment is engaged in corn wet milling and dry milling activities, with its asset base primarily located in the central part of the United States. The Corn Processing segment converts corn into sweeteners and starches, and bioproducts. Its products include ingredients used in the food and beverage industry including sweeteners, starch, syrup, glucose, and dextrose. Dextrose and starch are used by the Corn Processing segment as feedstocks for its bioproducts operations. By fermentation of dextrose, the Corn Processing segment produces alcohol, amino acids, and other specialty food and animal feed ingredients. Ethyl alcohol is produced by the Company for industrial use as ethanol or as beverage grade. Ethanol, in gasoline, increases octane and is used as an extender and oxygenate. Bioproducts also include amino acids such as lysine and threonine that are vital compounds used in swine feeds to produce leaner animals and in poultry feeds to enhance the speed and efficiency of poultry production. Corn gluten feed and meal, as well as distillers’ grains, are produced for use as animal feed ingredients. Corn germ, a by-product of the wet milling process, is further processed into vegetable oil and protein meal. Other Corn Processing products include citric and lactic acids, lactates, sorbitol, xanthan gum, and glycols which are used in various food and industrial products. The Corn Processing segment includes the activities of a propylene and ethylene glycol facility and the Company’s Brazilian sugarcane ethanol plant and related operations. This segment also includes the Company’s share of the results of its equity investments in Almidones Mexicanos S.A., Eaststarch C.V., and Red Star Yeast Company LLC.

The Agricultural Services segment utilizes its extensive U.S. grain elevator, global transportation network, and port operations to buy, store, clean, and transport agricultural commodities, such as oilseeds, corn, wheat, milo, oats, rice, and barley, and resells these commodities primarily as food and feed ingredients and as raw materials for the agricultural processing industry. Agricultural Services’ grain sourcing, handling, and transportation network provides reliable and efficient services to the Company’s customers and agricultural processing operations. Agricultural Services’ transportation network capabilities include barge, ocean-going vessel, truck, and rail freight services. Agricultural Services segment also includes the activities related to the processing of wheat into wheat flour, the processing and distribution of formula feeds, animal health and nutrition products, and the procurement, processing, and distribution of edible beans. The Agricultural Services segment includes the activities of Alfred C. Toepfer International (Toepfer), a global merchant of agricultural commodities and processed products. On June 6, 2014, the Company announced that it has completed its acquisition of the remaining 20% interest in Toepfer. The Agricultural Services segment also includes the Company’s 32.2% share of the results of its Pacificor (formerly Kalama Export Company LLC) joint venture and returns associated with the Company's 19.8% investment in GrainCorp. Prior to December 2012, the Company had a 23.2% interest in Gruma S.A.B. de C.V. (Gruma), the world’s largest producer and marketer of corn flour and tortillas. Additionally, the Company had joint ventures in corn flour and wheat flour mills with and through Gruma. In December 2012, the Company sold its 23.2% interest in Gruma and the Gruma-related joint ventures.

Other includes the activities of Wild Flavors, SCI, and the Company’s remaining operations, primarily its financial business units, related principally to futures commission merchant and insurance activities.

Note 17. Segment and Geographic Information (Continued)

Intersegment sales have been recorded at amounts approximating market. Operating profit for each segment is based on net sales less identifiable operating expenses. Also included in segment operating profit is equity in earnings of affiliates based on the equity method of accounting. Certain Corporate items are not allocated to the Company's reportable business segments. Corporate results principally include the impact of LIFO-related adjustments, unallocated corporate expenses, interest cost net of investment income, and the Company's share of the results of an equity investment. Corporate results also include the after-tax elimination of income attributable to mandatorily redeemable interests in consolidated subsidiaries except during the calendar year 2012 when the put options related to these interests expired and the results were included in noncontrolling interest. The Company acquired the remaining 20% interest in Toepfer during the second quarter of 2014, thus no longer requiring the elimination of income attributable to the minority shareholder as of June 30, 2014.

Note 17. Segment and Geographic Information (Continued)

Segment Information

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Gross revenues					
Oilseeds Processing	**$34,196**	$38,490	$19,465	$ 18,073	$ 36,990
Corn Processing	**11,814**	13,299	6,223	6,564	12,287
Agricultural Services	**41,150**	46,950	25,487	24,115	47,691
Other	**885**	515	151	136	288
Intersegment elimination	**(6,844)**	(9,450)	(4,597)	(3,680)	(8,218)
Total	**$81,201**	$89,804	$46,729	$ 45,208	$ 89,038
Intersegment revenues					
Oilseeds Processing	**$ 2,650**	$ 3,607	$ 1,413	$ 736	$ 2,275
Corn Processing	**128**	160	56	113	173
Agricultural Services	**3,823**	5,470	3,046	2,751	5,609
Other	**243**	213	82	80	161
Total	**$ 6,844**	$ 9,450	$ 4,597	$ 3,680	$ 8,218
Revenues from external customers					
Oilseeds Processing					
Crushing and Origination	**$18,542**	$20,522	$10,784	$ 8,927	$ 18,794
Refining, Packaging, Biodiesel, and Other	**9,111**	10,375	5,256	6,218	11,628
Cocoa and Other	**3,439**	3,281	1,746	1,952	3,715
Asia	**454**	705	266	240	578
Total Oilseeds Processing	**31,546**	34,883	18,052	17,337	34,715
Corn Processing					
Sweeteners and Starches	**3,749**	4,717	2,405	2,316	4,793
Bioproducts	**7,937**	8,422	3,762	4,135	7,321
Total Corn Processing	**11,686**	13,139	6,167	6,451	12,114
Agricultural Services					
Merchandising and Handling	**33,061**	36,968	20,159	19,061	37,631
Transportation	**265**	228	128	149	269
Milling and Other	**4,001**	4,284	2,154	2,154	4,182
Total Agricultural Services	**37,327**	41,480	22,441	21,364	42,082
Other					
Processing	**312**	—	—	—	—
Financial	**330**	302	69	56	127
Total Other	**642**	302	69	56	127
Total	**$81,201**	$89,804	$46,729	$ 45,208	$ 89,038

Note 17. Segment and Geographic Information (Continued)

(In millions)	Year Ended December 31 2014	Year Ended December 31 2013	Six Months Ended December 31 2012	Six Months Ended December 31 2011 (Unaudited)	Year Ended June 30 2012
Depreciation					
Oilseeds Processing	**$ 244**	$ 237	$ 113	$ 108	$ 228
Corn Processing	**323**	325	165	178	345
Agricultural Services	**214**	220	99	90	188
Other	**15**	5	2	2	4
Corporate	**54**	40	17	13	28
Total	**$ 850**	$ 827	$ 396	$ 391	$ 793
Long-lived asset abandonments and write-downs(1)					
Oilseeds Processing	**$ 3**	$ 4	$ —	$ —	$ 1
Corn Processing	**15**	62	—	337	360
Agricultural Services	**17**	3	—	—	2
Corporate	**—**	15	—	—	4
Total	**$ 35**	$ 84	$ —	$ 337	$ 367
Interest income					
Oilseeds Processing	**$ 30**	$ 36	$ 18	$ 16	$ 35
Corn Processing	**10**	3	1	—	1
Agricultural Services	**31**	47	18	10	22
Other	**14**	12	11	14	21
Corporate	**7**	4	11	22	33
Total	**$ 92**	$ 102	$ 59	$ 62	$ 112
Equity in earnings of affiliates					
Oilseeds Processing	**$ 236**	$ 261	$ 96	$ 129	$ 226
Corn Processing	**113**	98	49	53	107
Agricultural Services	**41**	64	49	55	110
Other	**10**	1	—	—	—
Corporate	**(28)**	(13)	61	14	29
Total	**$ 372**	$ 411	$ 255	$ 251	$ 472
Operating Profit					
Oilseeds Processing	**$ 1,605**	$ 1,473	$ 747	$ 429	$ 1,302
Corn Processing	**1,188**	814	71	54	261
Agricultural Services	**1,089**	380	395	563	947
Other	**33**	41	93	17	15
Total operating profit	**3,915**	2,708	1,306	1,063	2,525
Corporate	**(785)**	(684)	(309)	(282)	(760)
Earnings before income taxes	**$ 3,130**	$ 2,024	$ 997	$ 781	$ 1,765

(1) See Note 19 for total asset impairment, exit, and restructuring costs.

Note 17. Segment and Geographic Information (Continued)

	December 31	
	2014	2013
	(In millions)	
Investments in and advances to affiliates		
Oilseeds Processing	**$ 2,596**	$ 2,304
Corn Processing	**426**	438
Agricultural Services	**460**	309
Other	**33**	24
Corporate	**377**	463
Total	**$ 3,892**	$ 3,538
Identifiable assets		
Oilseeds Processing	**$ 12,979**	$ 15,408
Corn Processing	**6,196**	6,558
Agricultural Services	**10,716**	12,358
Other	**10,833**	6,408
Corporate	**3,303**	3,020
Total	**$ 44,027**	$ 43,752

	Year Ended December 31	
	2014	2013
	(In millions)	
Gross additions to property, plant, and equipment		
Oilseeds Processing	**$ 335**	$ 302
Corn Processing	**334**	317
Agricultural Services	**186**	239
Other	**434**	1
Corporate	**68**	88
Total	**$ 1,357**	$ 947

Note 17. Segment and Geographic Information (Continued)

Geographic information: The following geographic data include revenues attributed to the countries based on the location of the subsidiary making the sale and long-lived assets based on physical location. Long-lived assets represent the net book value of property, plant, and equipment.

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	**2013**	**2012**	**2011**	**2012**
				(Unaudited)	
Revenues					
United States	**$39,609**	$41,427	$25,033	$ 24,490	$ 46,593
Switzerland	**10,118**	10,467	4,991	5,237	9,698
Germany	**7,174**	10,029	4,450	4,521	9,656
Other Foreign	**24,300**	27,881	12,255	10,960	23,091
	$81,201	$89,804	$46,729	$ 45,208	$ 89,038

(In millions)	December 31	
	2014	**2013**
Long-lived assets		
United States	**$ 6,693**	$ 7,192
Foreign	**3,267**	2,945
	$ 9,960	$10,137

Note 18. Assets and Liabilities Held for Sale

On September 2, 2014, the Company announced the sale of its global chocolate business to Cargill, Inc. for $440 million, subject to regulatory approval and customary conditions. On December 15, 2014, the Company also announced that it has reached an agreement to sell its global cocoa business to Olam International Limited for $1.3 billion, subject to customary conditions. Both transactions are expected to close in 2015. Assets and liabilities subject to the purchase and sale agreements have been classified as held for sale in the Company's consolidated balance sheet at December 31, 2014. The global chocolate and cocoa businesses do not meet the criteria to be classified as discontinued operations at December 31, 2014 under the amended guidance of ASC Topics 205 and 360 which the Company early adopted on October 1, 2014 because these businesses do not comprise a major component of the Company's operations. Assets and liabilities classified as held for sale are required to be recorded at the lower of carrying value or fair value less any costs to sell. As of December 31, 2014. the carrying value of the cocoa and chocolate assets were less than fair value less costs to sell, and accordingly, no adjustment to the asset value was necessary. The gain or loss on disposal, along with the continuing operations of the disposal group, will be reported in the Oilseeds Processing segment.

Note 18. Assets and Liabilities Held for Sale (Continued)

The major classes of assets and liabilities held for sale were as follows:

	December 31, 2014
	(In millions)
Trade receivables	$ 94
Inventories	742
Other current assets	83
Goodwill	63
Other intangible assets	28
Net property, plant, and equipment	374
Other assets	19
Current assets held for sale	$ 1,403
Trade payables	$ 114
Accrued expenses and other payables	110
Other liabilities	6
Current liabilities held for sale	$ 230

Note 19. Asset Impairment, Exit, and Restructuring Costs

The following table sets forth the charges included in asset impairment, exit, and restructuring costs.

(In millions)	Year Ended December 31		Six Months Ended December 31		Year Ended June 30
	2014	2013	2012	2011	2012
				(Unaudited)	
Relocation and restructuring costs (1)	**$ 64**	$ —	$ —	$ —	$ 71
Asset impairment charge - equity method investment (2)	**—**	—	146	—	—
Asset impairment charge - equity securities(3)	**6**	166	—	13	25
Asset impairment charge - goodwill (4)	**—**	9	—	—	—
Asset impairments (5)	**35**	84	—	339	353
Total asset impairment, exit, and restructuring costs	**$ 105**	$ 259	$ 146	$ 352	$ 449

(1) Relocation and restructuring costs recognized in the year ended December 31, 2014 consisted of costs associated with the relocation of the Company’s global headquarters to Chicago, Illinois, of $16 million and restructuring charges related to the Wild Flavors acquisition and Toepfer integration following the acquisition of the minority interest and other restructuring charges of $48 million. In the year ended June 30, 2012, these costs primarily consisted of $37 million of one-time termination benefits provided to employees who have been involuntarily terminated and $34 million for pension and postretirement remeasurement charges triggered by an amendment of the Company's U.S. plans due to the voluntary early retirement program.

(2) As part of the Company’s ongoing portfolio management, the Company decided to divest its interests in Gruma S.A.B. de C.V. and related joint ventures (“Gruma”). As a result, the Company’s equity method investments in Gruma were evaluated for impairment. In the quarter ended September 30, 2012, the Company recorded a $146 million pre-tax asset impairment charge ($0.16 per share after tax) on its investments in Gruma by comparing the carrying value, including $123 million of cumulative unrealized foreign currency translation losses, to estimated fair value. Fair value was estimated based on negotiations which resulted in the Company entering into a non-binding letter of intent to sell its interests in Gruma to a third party on October 16, 2012. The Company sold its interest in Gruma in December 2012.

Note 19. Asset Impairment, Exit, and Restructuring Costs (Continued)

(3) Asset impairment charge - equity securities for the fiscal year ended December 31, 2014, the six months ended December 31, 2011 and the year ended June 30, 2012 consisted of other-than-temporary investment writedowns of available for sale securities in Corporate. Asset impairment charge - equity securities for the fiscal year ended December 31, 2013 consisted of other-than-temporary impairment charges of $155 million on the Company's GrainCorp investment in the Agricultural Services segment and $11 million on one other available for sale security in Corporate.

(4) The Company recognized a goodwill impairment charge related to its Brazilian sugar milling business in the Corn Processing segment for the fiscal year ended December 31, 2013.

(5) Asset impairments for the fiscal year ended December 31, 2014 consisted of property, plant, and equipment asset impairments of $3 million in the Oilseeds Processing segment, $15 million in the Corn Processing segment, and $17 million in the Agricultural Services segment. Asset impairments for the fiscal year ended December 31, 2013 consisted of property, plant, and equipment asset impairments of $4 million in the Oilseeds Processing segment, $62 million in the Corn Processing segment, $3 million in the Agricultural Services segment, and $15 million in Corporate. Asset impairments for the six months ended December 31, 2011 consisted of asset impairment charges and other costs related to the exit of the Clinton, IA, bioplastics facility in the Corn Processing segment. Asset impairment charges for the fiscal year ended June 30, 2012 consisted of asset impairment charges and other costs of $349 million related to the exit of the Clinton, IA, bioplastics and Walhalla, ND, ethanol facilities in the Corn Processing segment and other facility exit-related costs of $4 million in Corporate.

Note 20. Sale of Accounts Receivable

Since March 2012, the Company has had an accounts receivable securitization program (the “Program”) with certain commercial paper conduit purchasers and committed purchasers (collectively, the “Purchasers”). Under the Program, certain U.S.-originated trade accounts receivable are sold to a wholly-owned bankruptcy-remote entity, ADM Receivables, LLC (“ADM Receivables”). ADM Receivables in turn transfers such purchased accounts receivable in their entirety to the Purchasers pursuant to a receivables purchase agreement. In exchange for the transfer of the accounts receivable, ADM Receivables receives a cash payment of up to $1.2 billion, as amended, and an additional amount upon the collection of the accounts receivable (deferred consideration). The Program terminates on June 26, 2015, unless extended.

In March 2014, the Company entered into a second accounts receivable securitization program (the “Second Program”) with certain commercial paper conduit purchasers and committed purchasers (collectively, the “Second Purchasers”). Under the Second Program, certain non-U.S.-originated trade accounts receivable are sold to a wholly-owned bankruptcy-remote entity, ADM Ireland Receivables Company (“ADM Ireland Receivables”). ADM Ireland Receivables in turn transfers such purchased accounts receivable in their entirety to the Second Purchasers pursuant to a receivables purchase agreement. In exchange for the transfer of the accounts receivable, ADM Ireland Receivables receives a cash payment of up to $0.4 billion and an additional amount upon the collection of the accounts receivable (deferred consideration). The Second Program terminates on March 20, 2015, unless extended.

Under the Program and Second Program (collectively, the “Programs”), ADM Receivables and ADM Ireland Receivables use the cash proceeds from the transfer of receivables to the Purchasers and Second Purchasers and other consideration to finance the purchase of receivables from the Company and the ADM subsidiaries originating the receivables.

The Company accounts for these transfers as sales. The Company has no retained interests in the transferred receivables, other than collection and administrative responsibilities and its right to the deferred consideration. At December 31, 2014 and 2013, the Company did not record a servicing asset or liability related to its retained responsibility, based on its assessment of the servicing fee, market values for similar transactions and its cost of servicing the receivables sold.

Note 20. Sale of Accounts Receivable (Continued)

As of December 31, 2014 and 2013, the fair value of trade receivables transferred to the Purchasers under the Programs and derecognized from the Company's consolidated balance sheet was $2.1 billion and $1.9 billion, respectively. In exchange for the transfer as of December 31, 2014 and 2013, the Company received cash of $1.6 billion and $1.1 billion and recorded a receivable for deferred consideration included in other current assets $0.5 billion and $0.8 billion, respectively. Cash collections from customers on receivables sold were $36.4 billion, $39.8 billion, $21.9 billion, and $8.9 billion for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, respectively. Of this amount, $35.1 billion, $39.8 billion, $21.9 billion, and $8.9 billion pertain to cash collections on the deferred consideration for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, respectively. Deferred consideration is paid to the Company in cash on behalf of the Purchasers as receivables are collected; however, as this is a revolving facility, cash collected from the Company's customers is reinvested by the Purchasers daily in new receivable purchases under the Program.

The Company's risk of loss following the transfer of accounts receivable under the Program is limited to the deferred consideration outstanding. The Company carries the deferred consideration at fair value determined by calculating the expected amount of cash to be received and is principally based on observable inputs (a Level 2 measurement under the applicable accounting standards) consisting mainly of the face amount of the receivables adjusted for anticipated credit losses and discounted at the appropriate market rate. Payment of deferred consideration is not subject to significant risks other than delinquencies and credit losses on accounts receivable transferred under the program which have historically been insignificant.

Transfers of receivables under the Program during the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012 resulted in an expense for the loss on sale of $5 million, $4 million, $4 million, and $4 million, respectively, which is classified as selling, general, and administrative expenses in the consolidated statements of earnings.

The Company reflects all cash flows related to the Program as operating activities in its consolidated statements of cash flows because the cash received from the Purchasers upon both the sale and collection of the receivables is not subject to significant interest rate risk given the short-term nature of the Company's trade receivables.

Note 21. Legal Proceedings, Guarantees, and Commitments

The Company is routinely involved in a number of actual or threatened legal actions, including those involving alleged personal injuries, employment law, product liability, intellectual property, environmental issues, alleged tax liability (see Note 13 for information on tax matters), and class actions. The Company also routinely receives inquiries from regulators and other government authorities relating to various aspects of our business, including with respect to our compliance with laws and regulations relating to the environment and, at any given time, the Company has matters at various stages of resolution with the applicable government authorities. The outcomes of these matters are not within our complete control and may not be known for prolonged periods of time. In some actions, claimants seek damages, as well as other relief, including injunctive relief, that could require significant expenditures or result in lost revenues. In accordance with applicable accounting standards, the Company records a liability in its consolidated financial statements for material loss contingencies when a loss is known or considered probable and the amount can be reasonably estimated. If the reasonable estimate of a known or probable loss is a range, and no amount within the range is a better estimate than any other, the minimum amount of the range is accrued. If a material loss contingency is reasonably possible but not known or probable, and can be reasonably estimated, the estimated loss or range of loss is disclosed in the notes to the consolidated financial statements. When determining the estimated loss or range of loss, significant judgment is required to estimate the amount and timing of a loss to be recorded. Estimates of probable losses resulting from litigation and governmental proceedings involving the Company are inherently difficult to predict, particularly when the matters are in early procedural stages, with incomplete facts or legal discovery; involve unsubstantiated or indeterminate claims for damages; potentially involve penalties, fines, disgorgement, or punitive damages; or could result in a change in business practice.

On April 22, 2011, certain manufacturers and distributors of sugar cane and beet sugar products filed suit in the U.S. District Court for the Central District of California against the Company, other manufacturers and marketers of high-fructose corn syrup (HFCS), and the Corn Refiners Association, alleging that the defendants falsely claimed that HFCS is "natural" and nutritionally equivalent to sugar. The defendants have filed counterclaims against the plaintiffs. The parties are currently engaged in pretrial proceedings.

Note 21. Legal Proceedings, Guarantees, and Commitments (Continued)

The Company has entered into agreements, primarily debt guarantee agreements related to equity-method investees, which could obligate the Company to make future payments if the primary entity fails to perform its contractual obligations. The Company has not recorded a liability for payment of these contingent obligations, as the Company believes the fair value of these contingent obligations is immaterial. The Company has collateral for a portion of these contingent obligations. These contingent obligations totaled $27 million at December 31, 2014.

Note 22. Quarterly Financial Data (Unaudited)

	Quarter Ended				
	March 31	**June 30**	**September 30**	**December 31**	**Year**
	(In millions, except per share amounts)				
Fiscal Year Ended December 31, 2014					
Revenues	**$ 20,696**	**$ 21,494**	**$ 18,117**	**$ 20,894**	**$ 81,201**
Gross Profit	**675**	**1,172**	**1,470**	**1,451**	**4,768**
Net Earnings Attributable to Controlling Interests	**267**	**533**	**747**	**701**	**2,248**
Basic Earnings Per Common Share	**0.40**	**0.81**	**1.15**	**1.09**	**3.44**
Diluted Earnings Per Common Share	**0.40**	**0.81**	**1.14**	**1.08**	**3.43**

	Quarter				
	March 31	**June 30**	**September 30**	**December 31**	**Year**
	(In millions, except per share amounts)				
Fiscal Year Ended December 31, 2013					
Revenues	$ 21,727	$ 22,541	$ 21,393	$ 24,143	$ 89,804
Gross Profit	756	807	1,156	1,170	3,889
Net Earnings Attributable to Controlling Interests	269	223	476	374	1,342
Basic Earnings Per Common Share	0.41	0.34	0.72	0.57	2.03
Diluted Earnings Per Common Share	0.41	0.34	0.72	0.56	2.02

Net earnings attributable to controlling interests for the second quarter of the fiscal year ended December 31, 2014 include relocation and restructuring costs associated with the relocation of the Company's global headquarters to Chicago, Illinois, costs related to integration of Toepfer following the acquisition of the noncontrolling interest, and other restructuring charges totaling $20 million after-tax (equal to $0.03 per share) as discussed in Note 19. Net earnings attributable to controlling interests for the third quarter of the fiscal year ended December 31, 2014 include an after-tax gain on sale of $97 million (equal to $0.15 per share) upon the Company's effective dilution in the Pacificor (formerly Kalama Export Company) joint venture, resulting from the contribution of additional assets by another member in exchange for new equity units as discussed in Note 12 and an after-tax loss on Euro foreign exchange hedges of $63 million (equal to $0.10 per share) as discussed in Note 12. Net earnings attributable to controlling interests for the fourth quarter of the fiscal year ended December 31, 2014 include restructuring costs related to the Wild Flavors acquisition of $21 million after-tax (equal to $0.03 per share) as discussed in Note 19, an after-tax gain on sale of assets related to the sale of the fertilizer business and other asset of $89 million (equal to $0.14 per share) as discussed in Note 12, after-tax asset impairment charges related to certain fixed assets of $26 million (equal to $0.04 per share) as discussed in Note 19, an after-tax charge of $61 million (equal to $0.09 per share) related to pension settlements, and after-tax biodiesel blending credits of $61 million (equal to $0.09 per share), recognized upon the approval of the relevant legislation in the fourth quarter, that related to prior quarters in 2014.

Note 22. Quarterly Financial Data (Unaudited) (Continued)

Net earnings attributable to controlling interests for the first quarter of the fiscal year ended December 31, 2013 include an after-tax FCPA charge of $17 million (equal to $0.03 per share). Net earnings attributable to controlling interests for the second quarter of the fiscal year ended December 31, 2013 include an after-tax FCPA charge of $20 million (equal to $0.03 per share) and an after-tax loss on Australian dollar foreign exchange hedges of $32 million (equal to $0.05 per share) as discussed in Note 12. Net earnings attributable to controlling interests for the third quarter of the fiscal year ended December 31, 2013 include an after-tax gain on Australian dollar foreign exchange hedges of $16 million (equal to $0.02 per share) as discussed in Note 12, after-tax asset impairment charges related to certain fixed assets of $8 million (equal to $0.01 per share) as discussed in Note 19, and an after-tax other-than-temporary writedown of an investment of $7 million (equal to $0.01 per share) as discussed in Note 19. Net earnings attributable to controlling interests for the fourth quarter of the fiscal year ended December 31, 2013 include an after-tax loss on Australian dollar foreign exchange hedges of $9 million (equal to $0.01 per share) as discussed in Note 12, after-tax asset impairment charges related to certain fixed assets of $61 million (equal to $0.09 per share), as discussed in Note 19, an after-tax goodwill impairment charge of $9 million (equal to $0.02 per share) as discussed in Note 19, an after-tax other-than-temporary writedown of GrainCorp of $155 million (equal to $0.23 per share) as discussed in Note 19, other after-tax GrainCorp-related charges of $3 million (equal to $0.01 per share), valuation allowance on certain deferred tax assets of $82 million (equal to $0.12 per share), income tax benefit recognized in the current period of $84 million (equal to $0.13 per share) related to biodiesel blending credits in prior periods, effective tax rate adjustment due to the change in annual effective tax rate on prior year-to-date earnings of $21 million (equal to $0.03 per share),and other after-tax charges of $3 million (equal to $0.01 per share).

Note 23. Subsequent Event

On February 3, 2015, the Company announced that it had reached an agreement to sell a 50 percent stake in its export terminal in Barcarena, in the northern Brazilian state of Pará, to Glencore plc.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Archer-Daniels-Midland Company
Decatur, Illinois

We have audited the accompanying consolidated balance sheets of Archer-Daniels-Midland Company (the Company) as of December 31, 2014 and 2013, and the related consolidated statements of earnings, comprehensive income (loss), shareholders' equity, and cash flows for the years ended December 31, 2014 and 2013, the six-month period ended December 31, 2012, and the year ended June 30, 2012. Our audits also included the financial statement schedule listed in the Index at Item 15(a)(2). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Archer-Daniels-Midland Company at December 31, 2014 and 2013, and the consolidated results of its operations and its cash flows for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Archer-Daniels-Midland Company's internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework), and our report dated February 20, 2015, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

St. Louis, Missouri
February 20, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Archer-Daniels-Midland Company
Decatur, Illinois

We have audited Archer-Daniels-Midland Company's (the Company) internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) (the COSO criteria). Archer-Daniels-Midland Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of WILD Flavors Gmbh and Specialty Commodities Inc., which are included in the 2014 consolidated financial statements of Archer-Daniels-Midland Company and constituted 6.4% and 9.1% of total and net assets, respectively, as of December 31, 2014 and 0.4% and 2.8% of revenues and net income, respectively, for the year then ended. Our audit of internal control over financial reporting of Archer-Daniels-Midland Company also did not include an evaluation of the internal control over financial reporting of WILD Flavors Gmbh and Specialty Commodities Inc.

In our opinion, Archer-Daniels-Midland Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Archer-Daniels-Midland Company as of December 31, 2014 and 2013, and the related consolidated statements of earnings, comprehensive income (loss), shareholders' equity, and cash flows for the years ended December 31, 2014 and 2013, the six months ended December 31, 2012, and the year ended June 30, 2012, of Archer-Daniels-Midland Company, and our report dated February 20, 2015, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

St. Louis, Missouri
February 20, 2015

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

As of December 31, 2014, an evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the Exchange Act)). Based on that evaluation, the Company's management, including the Chief Executive Officer and Chief Financial Officer, concluded the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to the Chief Executive Officer and Chief Financial Officer to allow timely decisions regarding required disclosure.

On October 1, 2014 and November 18, 2014, the Company completed the acquisitions of WILD Flavors Gmbh (Wild Flavors) and Specialty Commodities, Inc. (SCI), respectively. As a result of the acquisitions, the Company is in the process of reviewing the internal control structures of Wild Flavors and SCI and, if necessary, will make appropriate changes as the Company incorporates its controls and procedures into the acquired businesses. Except for these acquisitions, there have been no changes in the Company's internal controls over financial reporting during the Company's most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Archer-Daniels-Midland Company's (ADM's) management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). ADM's internal control system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles.

Under the supervision and with the participation of management, including its Chief Executive Officer and Chief Financial Officer, ADM's management assessed the design and operating effectiveness of internal control over financial reporting as of December 31, 2014 based on the framework set forth in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on this assessment, management concluded that ADM's internal control over financial reporting was effective as of December 31, 2014.

Management's assessment of the effectiveness of ADM's internal control over financial reporting did not include the internal controls of Wild Flavors and SCI. In accordance with the SEC guidance regarding the reporting of internal control over financial reporting in connection with an acquisition, management may omit an assessment of an acquired business' internal control over financial reporting from management's assessment of internal control over financial reporting for a period not to exceed one year from the date of acquisition. Management's assessment of the effectiveness of ADM's internal control over financial reporting as of September 30, 2015 will include the internal controls of Wild Flavors and SCI. Wild Flavors and SCI are included in ADM's consolidated financial statements and constituted 6.4% and 9.1% of total and net assets, respectively, as of December 31, 2014, and 0.4% and 2.8% of revenues and net earnings, respectively, for the year then ended.

Ernst & Young LLP, an independent registered public accounting firm, has issued an attestation report on the Company's internal control over financial reporting as of December 31, 2014. That report is included herein.

/s/ Juan R. Luciano	/s/ Ray G. Young
Juan R. Luciano	Ray G. Young
Chief Executive Officer and President	Senior Vice President and Chief Financial Officer

Item 9B. OTHER INFORMATION

None.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information with respect to directors, code of conduct, audit committee and audit committee financial experts of the Company, and Section 16(a) beneficial ownership reporting compliance is set forth in "Proposal No. 1 - Election of Directors," "Director Experiences, Qualifications, Attributes and Skills, and Board Diversity," "Code of Conduct," "Information Concerning Committees and Meetings – Audit Committee," "Report of the Audit Committee," and "Section 16(a) Beneficial Ownership Reporting Compliance," of the definitive proxy statement for the Company's annual meeting of stockholders to be held on May 7, 2015 and is incorporated herein by reference.

Officers of the Company are elected by the Board of Directors for terms of one year and until their successors are duly elected and qualified.

Information with respect to executive officers and certain significant employees of the Company is set forth below. Except as otherwise indicated, all positions are with the Company.

Name	Titles	Age
Ronald S. Bandler	Assistant Treasurer since January 1998.	54
Ben I. Bard	Global Chief Compliance officer since January 2014. Ethics and Compliance Counsel at the Coca-Cola Company from 2006 to January 2014.	41
Mark A. Bemis	Senior Vice President and President, Corn Processing business unit since December 2010. Vice President of the Company from February 2005 to December 2010. President, Cocoa, Milling, and Other business unit from September 2009 to December 2010. President of ADM Cocoa from September 2001 to September 2009.	54
Michael D'Ambrose	Senior Vice President - Human Resources since October 2006.	57
D. Cameron Findlay	Senior Vice President, General Counsel & Secretary since July 2013. Senior Vice President, General Counsel and Secretary of Medtronic, Inc. from 2009 to June 2013. Executive Vice President and General Counsel at Aon Corporation from 2003 to 2009.	55
Stuart E. Funderburg	Chief Corporate and Securities Counsel & Assistant Secretary since August 2014. Assistant Secretary and Associate General Counsel from November 2012 to August 2014. Assistant Secretary and Assistant General Counsel from November 2008 to November 2012.	51
Shannon Herzfeld	Vice President of the Company since February 2005, with responsibility for the Company's Government Affairs function.	62
Kevin L. Hess	Vice President of the Company since November 2008, with responsibility for the Company's Oilseeds Processing production operations.	54
Matthew J. Jansen	Senior Vice President of the Company, President, Oilseeds Processing business unit, and Chief Risk Officer. Senior Vice President of the Company since December 2010. President, Oilseeds Processing business unit since February 2010. Chief Risk Officer since November 2013. Vice President of the Company from January 2003 to December 2010. President, Grain Operations from August 2006 to February 2010.	48
Randall Kampfe	Vice President of the Company since November 2008, with responsibility for the Company's Corn Processing production operations.	67
Mark L. Kolkhorst	Vice President of the Company since December 2010. President of ADM Milling since August 2013. President, Milling and Alliance Nutrition from March 2012 to August 2013. President, Milling and Cocoa from December 2010 to March 2012. President of ADM Milling from September 2007 to November 2010.	50

Domingo A. Lastra	Vice President of the Company since September 2009. Managing Director, Agricultural Services International since June 2014. Chairman of the Management Board of Alfred C. Toepfer International, G.m.b.H. from December 2012 to June 2014. Vice President, Business Growth from August 2011 to December 2012. President, South American Operations from August 2006 to August 2011.	46
Juan R. Luciano	Chief Executive Officer and President since January 2015. President and Chief Operating Officer from February 2014 to December 2014. Executive Vice President and Chief Operating Officer from April 2011 to February 2014. Executive Vice President, Performance Division at Dow Chemical Company from August 2010 to April 2011. Senior Vice President of Hydrocarbons & Basic Plastics Division at Dow Chemical Company from December 2008 to August 2010.	53
Vikram Luthar	CFO, Corn Processing business unit since March 2014. Group Vice President, Finance since January 2012. Vice President, Finance and Treasurer of the Company from August 2010 to January 2012. Vice President and Treasurer of the Company from November 2004 to August 2010.	48
Gregory A. Morris	Senior Vice President since November 2014. Announced in October 2014 as President of the new WILD Flavors and Specialty Ingredients business unit. President, North American Oilseeds Processing from 2008 to December 2014.	43
Douglas R. Ostermann	Vice President and Treasurer of the Company since January 2012. Assistant Treasurer of the Company from November 2009 to December 2011.	47
Victoria Podesta	Vice President of the Company since May 2007. Chief Communications Officer since December 2010.	58
Ismael Roig	Vice President of the Company since December 2004. President, Asia Pacific since August 2011. Vice President and Executive Director, Asia-Pacific from July 2010 to August 2011. Vice President Planning & Business Development from December 2004 to July 2010.	47
John P. Stott	Group Vice President, Finance and Corporate Controller since August 2014. Vice President and Controller of the Company from December 2006 to August 2014.	47
Joseph D. Taets	Senior Vice President of the Company since August 2011. President, Agricultural Services business unit since August 2011. Vice President of the Company from September 2009 to August 2011. President, ADM Grain from December 2010 to August 2011. Vice President, ADM Grain from September 2009 to December 2010. Managing Director, European Oilseeds from September 2007 to September 2009.	49
Gary L. Towne	Vice President of the Company since September 2009. President, Ethanol and Risk Management since February 2013. Vice President, Corn Processing from October 2012 to February 2013. Chairman of the Management Board of Alfred C. Toepfer International, G.m.b.H. from September 2009 to October 2012. Manager, Global Risk from August 2007 to September 2009.	59
Patricia A. Woertz	Chairman of the Board since January 2015. Chairman of the Board & Chief Executive Officer from February 2014 to December 2014. Chairman of the Board, Chief Executive Officer & President from February 2007 to February 2014.	61
Ray G. Young	Senior Vice President of the Company since November 2010. Chief Financial Officer since December 2010. Vice President, International Operations at General Motors from February 2010 to October 2010. Chief Financial Officer at General Motors from March 2008 to January 2010.	53

Item 11. EXECUTIVE COMPENSATION

Information responsive to this Item is set forth in "Compensation Discussion and Analysis," "Compensation/Succession Committee Report," "Compensation/Succession Committee Interlocks and Insider Participation," "Summary Compensation Table," "Grants of Plan-Based Awards During Fiscal 2014," "Outstanding Equity Awards at Fiscal 2014 Year-End," "Option Exercises and Stock Vested During Fiscal 2014," "Pension Benefits," "Nonqualified Deferred Compensation," "Termination of Employment and Change-in-Control Arrangements" and "Director Compensation for Fiscal 2014" of the definitive proxy statement for the Company's annual meeting of stockholders to be held on May 7, 2015, and is incorporated herein by reference.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information responsive to this Item is set forth in "Principal Holders of Voting Securities," "Proposal No. 1 - Election of Directors for a One-year Term," "Executive Officer Stock Ownership," and "Equity Compensation Plan Information" of the definitive proxy statement for the Company's annual meeting of stockholders to be held on May 7, 2015, and is incorporated herein by reference.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information responsive to this Item is set forth in "Certain Relationships and Related Transactions," "Review and Approval of Certain Relationships and Related Transactions," and "Independence of Directors" of the definitive proxy statement for the Company's annual meeting of stockholders to be held on May 7, 2015, and is incorporated herein by reference.

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information responsive to this Item is set forth in "Fees Paid to Independent Auditors" and "Audit Committee Pre-Approval Policies" of the definitive proxy statement for the Company's annual meeting of stockholders to be held on May 7, 2015, and is incorporated herein by reference.

PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) See Item 8, "Financial Statements and Supplementary Data," for a list of financial statements.

(a)(2) Financial statement schedules

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

	Balance at Beginning of Year	Additions	Deductions [(1)]	Other [(2)]	Balance at End of Year
			(In millions)		
Allowance for doubtful accounts					
June 30, 2012	$ 100	13	(13)	(8)	$ 92
December 31, 2012	$ 92	8	(8)	(5)	$ 87
December 31, 2013	$ 87	35	(39)	(2)	$ 81
December 31, 2014	$ 81	37	(32)	(5)	$ 81

(1) Uncollectible accounts written off and recoveries

(2) Impact of reclassifications and foreign currency exchange adjustments

All other schedules are either not required, not applicable, or the information is otherwise included.

(a)(3) List of exhibits

(2) Sale and Purchase agreement dated July 5, 2014, by and among Archer-Daniels-Midland Europe B.V., Archer Daniels Midland Europoort B.V., ADM Worldwide Holdings L.P., Dr. Hans-Peter Wild and KKR Columba Four S.a.r.l., filed on July 8, 2014 as Exhibit 2.1 to Form 8-K (File No. 1-44), is incorporated herein by reference.

(3) (i) Composite Certificate of Incorporation, as amended, filed on November 13, 2001, as Exhibit (3)(i) to Form 10-Q for the quarter ended September 30, 2001 (File No. 1-44), is incorporated herein by reference.

(ii) Bylaws, as amended, filed on February 11, 2013, as Exhibit 3(ii) to Form 8-K (File No. 1-44), are incorporated herein by reference.

(4) Instruments defining the rights of security holders, including:

(i) Indenture dated June 1, 1986, between the Company and The Bank of New York Mellon (successor to JPMorgan Chase, The Chase Manhattan Bank, Chemical Bank, and Manufacturers Hanover Trust Company), as Trustee (incorporated by reference to Exhibit 4(a) to Registration Statement No. 33-6721), and Supplemental Indenture dated as of August 1, 1989 between the registrant and The Bank of New York Mellon (successor to JPMorgan Chase, The Chase Manhattan Bank, Chemical Bank and Manufacturers Hanover Trust Company), as Trustee (incorporated by reference to Exhibit 4(c) to Post-Effective Amendment No. 3 to Registration Statement No. 33-6721), relating to:

the $300,000,000 – 8 3/8% Debentures due April 15, 2017,
the $350,000,000 – 7 1/2% Debentures due March 15, 2027,
the $200,000,000 – 6 3/4% Debentures due December 15, 2027,
the $300,000,000 – 6 5/8% Debentures due May 1, 2029,
the $400,000,000 – 7% Debentures due February 1, 2031,
the $500,000,000 – 5.935% Debentures due October 1, 2032,
the $600,000,000 – 5.375% Debentures due September 15, 2035, and
the $250,000,000 – 6.95% Debentures due 2097.

(ii) Indenture dated September 20, 2006, between the Company and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as Trustee (incorporated by reference to Exhibit 4 to Registration Statement on Form S-3, Registration No. 333-137541), First Supplemental Indenture dated as of June 3, 2008 between the registrant and The Bank of New York Mellon (formerly known as The Bank of New York) (incorporated by reference to Exhibit 4.6 to Form 8-K (File No. 1-44) filed on June 3, 2008), Second Supplemental Indenture, dated as of November 29, 2010 between the registrant and The Bank of New York Mellon (incorporated by reference to Exhibit 4.3 to Form 8-K (File No. 1-44) filed on November 30, 2010), and Third Supplemental Indenture, dated as of April 4, 2011, between the registrant and The Bank of New York Mellon (incorporated by reference to Exhibit 4.4 to Form 8-K (File No. 1-44) filed on April 8, 2011 relating to:

the $500,000,000 – 6.45% Debentures due January 15, 2038,
the $700,000,000 – 5.45% Notes due March 15, 2018,
the $750,000,000 – 4.479% Notes due March 1, 2021,
the $1,000,000,000 – 5.765% Debentures due March 1, 2041, and
the $527,688,000 – 4.535% Debentures due March 26, 2042.

(iii) Indenture dated February 22, 2007, between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as Trustee, including form of 0.875% Convertible Senior Notes due 2014 (incorporated by reference to Exhibit 4.1 to Form 8-K (File No. 1-44) filed on February 22, 2007).

(iv) Indenture dated October 16, 2012, between the Company and The Bank of New York Mellon, as Trustee (incorporated by reference to Exhibit 4.1 to Form 8-K (File No. 1-44) filed on October 17, 2012), relating to the $570,425,000 aggregate principal amount of 4.016% Debentures due April 16, 2043.

(v) Copies of constituent instruments defining rights of holders of long-term debt of the Company and Subsidiaries, other than the Indentures specified herein, are not filed herewith, pursuant to Instruction (b)(4)(iii)(A) to Item 601 of Regulation S-K, because the total amount of securities authorized under any such instrument does not exceed 10% of the total assets of the Company and Subsidiaries on a consolidated basis. The Registrant hereby agrees that it will, upon request by the SEC, furnish to the SEC a copy of each such instrument.

(10) Material Contracts - Copies of the Company's equity compensation plans, deferred compensation plans and agreements with executive officers, pursuant to Instruction (b)(10)(iii)(A) to Item 601 of Regulation S-K, each of which is a management contract or compensation plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K, are incorporated herein by reference as follows:

(i) The Archer-Daniels-Midland Company Deferred Compensation Plan for Selected Management Employees I, as amended (incorporated by reference to Exhibit 10(iii) to the Company's Annual Report on Form 10-K for the year ended June 30, 2010 (File No. 1-44)).

(ii) The Archer-Daniels-Midland Company Deferred Compensation Plan for Selected Management Employees II, as amended and restated (incorporated by reference to Exhibit 10(ii) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 1-44)).

(iii) The Archer-Daniels-Midland Company Supplemental Retirement Plan, as amended (incorporated by reference to Exhibit 10(vi) to the Company's Annual Report on Form 10-K for the year ended June 30, 2010 (File No. 1-44)).

(iv) Second Amendment to ADM Supplemental Retirement Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2010 (File No. 1-44)).

(v) The Archer-Daniels-Midland Company Amended and Restated Stock Unit Plan for Nonemployee Directors, as amended (incorporated by reference to Exhibit 10(vii) to the Company's Annual Report on Form 10-K for the year ended June 30, 2010 (File No. 1-44)).

(vi) The Archer-Daniels-Midland 2002 Incentive Compensation Plan (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on September 25, 2002 (File No. 1-44)).

(vii) Agreement Regarding Terms of Employment dated April 27, 2006 with Patricia A. Woertz (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 1-44) filed on May 1, 2006.

(viii) The Archer-Daniels-Midland Company 2009 Incentive Compensation Plan (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement (File No. 1-44) filed on September 25, 2009).

(ix) Form of Stock Option Agreement for non-NEO employees (U.S.) (incorporated by reference to Exhibit 10(i) to the Company's Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013).

(x) Form of Restricted Stock Unit Award Agreement for non-NEO employees (U.S.) (incorporated by reference to Exhibit 10(ii) to the Company's Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013).

(xi) Form of Stock Option Agreement for NEOs (incorporated by reference to Exhibit 10(iii) to the Company's Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013).

(xii) Form of Restricted Stock Unit Award Agreement for NEOs (incorporated by reference to Exhibit 10(iv) to the Company's Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013.

(xiii) Form of Stock Option Agreement for international employees (incorporated by reference to Exhibit 10 (v) to the Company's Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013.

(xiv) Form of Restricted Stock Unit Award Agreement for international employees (incorporated by reference to Exhibit 10(vi) to the Company Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013.

(xv) Form of Performance Share Unit Award Agreement (incorporated by reference to Exhibit 10(vii) to the Company Quarterly Report on Form 10-Q (File No. 1-44) for the quarter ended March 31, 2013.

(xvi) Form of Performance Share Unit Award Agreement for grant to J. Luciano (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 1-44) filed on March 25, 2011).

(xvii) Form of Performance Share Unit Award Agreement for grant to M. Jansen (incorporated by reference to Exhibit 10(xxvi) to the Company's Transition Report on Form 10-KT (File No. 1-44) for the period ended December 31, 2012.

(12) Calculation of Ratio of Earnings to Fixed Charges.

(21) Subsidiaries of the Company.

(23) Consent of independent registered public accounting firm.

(24) Powers of attorney.

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (Continued)

(31.1) Certification of Chief Executive Officer pursuant to Rule 13a–14(a) and Rule 15d–14(a) of the Securities Exchange Act, as amended.

(31.2) Certification of Chief Financial Officer pursuant to Rule 13a–14(a) and Rule 15d–14(a) of the Securities Exchange Act, as amended.

(32.1) Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(32.2) Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(101) Interactive Data File.

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 20, 2015

ARCHER-DANIELS-MIDLAND COMPANY

By: /s/ D. C. Findlay
D. C. Findlay
Senior Vice President, General Counsel
and Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on February 5, 2015, by the following persons on behalf of the Registrant and in the capacities indicated.

/s/ P. A. Woertz P. A. Woertz*, Chairman of the Board and Director	/s/ T. K. Crews T. K. Crews*, Director	/s/ K. R. Westbrook K. R. Westbrook*, Director
/s/ J.R. Luciano J.R. Luciano*, Chief Executive Officer, President, and Director (Principal Executive Officer)	/s/ P. Dufour P. Dufour*, Director	/s/ D. C. Findlay D. C. Findlay Attorney-in-Fact
	/s/ D. E. Felsinger D. E. Felsinger*, Director	
/s/ R. G. Young R. G. Young Senior Vice President and Chief Financial Officer (Principal Financial Officer)	/s/ A. Maciel A. Maciel*, Director	
/s/ J. P. Stott J. P. Stott Group Vice President, Finance and Corporate Controller (Principal Accounting Officer)	/s/ P. J. Moore P. J. Moore*, Director	
	/s/ T. F. O’Neill T. F. O’Neill*, Director	
/s/ A. L. Boeckmann A. L. Boeckmann*, Director	/s/ F. Sanchez F. Sanchez* Director	
/s/ M. H. Carter M. H. Carter*, Director	/s/ Daniel Shih D. Shih*, Director	

*Powers of Attorney authorizing R. G. Young, J. P. Stott, and D. C. Findlay, and each of them, to sign the Form 10-K on behalf of the above-named officers and directors of the Company, copies of which are being filed with the Securities and Exchange Commission.

Exhibit 12

Calculation of Ratio of Earnings to Fixed Charges
Archer Daniels Midland Company
Expressed in Thousands

	Year Ended June 30			Six Months Ended December 31	Years Ended December 31	
	2010	2011	2012	2012	2013	2014
Earnings						
Earnings Before Income Taxes	$2,585,099	$3,015,311	$1,764,898	$ 997,275	$ 2,023,341	$ 3,129,966
Less: Equity in Earnings of Unconsolidated Affiliates, Net of Dividends	(326,232)	(396,755)	(243,121)	(200,833)	(285,263)	(214,979)
Less: Capitalized Interest Included in Interest Expense Below	(75,060)	(7,211)	(20,869)	(11,548)	(16,434)	(17,863)
Less: Noncontrolling Interest	10,996	17,573	(18,387)	(2,184)	(11,868)	(4,553)
Total Earnings	2,194,803	2,628,918	1,482,521	782,710	1,709,776	2,892,571
Fixed Charges						
Interest Expenses:						
Consolidated Interest Expense	421,461	482,298	441,765	212,527	412,810	336,633
Capitalized Interest	75,060	7,211	20,869	11,548	16,434	17,863
Total Interest Expense	496,521	489,509	462,634	224,075	429,244	354,496
Amortization of Debt Discount(1)	3,805	4,282				
One Third of Rental Expenses	80,682	83,764	69,648	35,295	66,311	64,681
Total Fixed Charges	581,008	577,555	532,282	259,370	495,555	419,177
Earnings Available for Fixed Charges	$2,775,811	$3,206,473	$2,014,803	$1,042,080	$ 2,205,331	$ 3,311,748
Ratio of Earnings to Fixed Charges	4.78	5.55	3.79	4.02	4.45	7.90

(1) Effective fiscal 2012, the Company reclassified amortization of debt discount to interest expense.

EXHIBIT 21--SUBSIDIARIES OF THE REGISTRANT

ARCHER-DANIELS-MIDLAND COMPANY

December 31, 2014

Following is a list of the Registrant's subsidiaries showing the percentage of voting securities owned:

	Organized Under the Laws of	Ownership
ADM Worldwide Holdings LP (A)	Cayman Islands	100
Archer Daniels Midland Europe BV (B)	Netherlands	100
ADM International Sarl (C)	Switzerland	100
ADM Canadian Holdings BV (D)	Netherlands	100
ADM Agri-Industries Company (E)	Canada	100

(A) ADM Worldwide Holdings LP owns Archer Daniels Midland Europe BV and forty-eight subsidiaries. The unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

(B) Archer Daniels Midland Europe BV owns ADM International Sarl, ADM Canadian Holdings BV, and one hundred and one subsidiaries. The unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

(C) ADM International Sarl owns twenty-five subsidiaries. The unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

(D) ADM Canadian Holdings BV owns ADM Agri-Industries Company.

(E) ADM Agri-Industries Company owns sixteen subsidiaries. The unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

There are also sixty-one domestic subsidiaries and fifty-four international subsidiaries whose names have been omitted. The unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements of Archer-Daniels-Midland Company and in the related prospectuses of our reports dated February 20, 2015, with respect to the consolidated financial statements and schedule of Archer-Daniels-Midland Company, and the effectiveness of internal control over financial reporting of Archer-Daniels-Midland Company, included in this Form 10-K for the year ended December 31, 2014.

Registration Statement No. 333-51381 on Form S-8, dated April 30, 1998, relating to the Archer-Daniels-Midland Company 1996 Stock Option Plan.

Registration Statement No. 333-75073 on Form S-8, dated March 26, 1999, relating to the ADM Employee Stock Ownership Plan for Salaried Employees and the ADM Employee Stock Ownership Plan for Hourly Employees.

Registration Statement No. 333-37690 on Form S-8, dated May 24, 2000, relating to the Archer-Daniels-Midland Company Incentive Compensation Plan.

Registration Statement No. 333-37694 on Form S-8, dated May 24, 2000, relating to the ADM Employee Stock Ownership Plan for Salaried Employees and the ADM Employee Stock Ownership Plan for Hourly Employees.

Registration Statement No. 333-42612 on Form S-8, dated July 31, 2000, as amended by Post-Effective Amendment No. 1 dated August 8, 2000, relating to the ADM 401(k) Plan for Salaried Employees and the ADM 401(k) Plan for Hourly Employees.

Registration Statement No. 333-67962 on Form S-8, dated August 20, 2001, relating to the ADM Deferred Compensation Plan for Selected Management Employees.

Registration Statement No. 333-86344 on Form S-8, dated April 16, 2002, relating to the ADM Voluntary Employee Payroll Deduction Stock Purchase Plan.

Registration Statement No. 333-117206 on Form S-8, dated July 7, 2004, relating to the Archer-Daniels-Midland Company 2002 Incentive Compensation Plan.

Registration Statement No. 333-121616 on Form S-8, dated December 23, 2004, relating to the ADM Deferred Compensation Plan for Selected Management Employees I.

Registration Statement No. 333-121631 on Form S-8, dated December 23, 2004, relating to the ADM Deferred Compensation Plan for Selected Management Employees II.

Registration Statement No. 333-169133 on Form S-8, dated August 31, 2010, relating to the Archer-Daniels-Midland 2009 Incentive Compensation Plan.

Registration Statement No. 333-188544 on Form S-3, dated May 10, 2013, relating to debt securities and warrants to purchase debt securities, common stock and warrants to purchase common stock, and stock purchase contracts and stock purchase units of Archer-Daniels-Midland Company.

Registration Statement No. 333-197958 on Form S-3, dated September 22, 2014, relating to debt securities and warrants to purchase debt securities, preferred stock, common stock and warrants to purchase common stock, and stock purchase contracts and stock purchase units of Archer-Daniels-Midland Company.

/s/ Ernst & Young LLP

Saint Louis, Missouri

February 20, 2015

Exhibit 24

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ A. L. Boeckmann
A. L. Boeckmann

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ T. K. Crews
T. K. Crews

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ M. H. Carter
M. H. Carter

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ P. Dufour
P. Dufour

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ D. E. Felsinger
D. E. Felsinger

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ J. R. Luciano
J. R. Luciano

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ A. Maciel
A. Maciel

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ P. J. Moore
P. J. Moore

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ T. F. O'Neill
T. F. O'Neill

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ F. Sanchez
F. Sanchez

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ D. Shih
D. Shih

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ K. R. Westbrook
K. R. Westbrook

ARCHER-DANIELS-MIDLAND COMPANY

Power of Attorney of Director

The undersigned, a director of ARCHER-DANIELS-MIDLAND COMPANY, a Delaware corporation, does hereby make, constitute and appoint R. G. YOUNG, J. P. STOTT and D. C. FINDLAY, and each or any one of them, the undersigned's true and lawful attorneys-in-fact, with power of substitution, for the undersigned and in the undersigned's name, place and stead, to sign and affix the undersigned's name as a director of said company to the Form 10-K for the fiscal year ended December 31, 2014, and all amendments thereto, to be filed by said company with the Securities and Exchange Commission, Washington, D.C., and to file the same, with all exhibits thereto and other supporting documents, with said Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers therein expressly granted.

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this 5th day of February, 2015.

/s/ P. A. Woertz
P. A. Woertz

Exhibit 31.1

RULE 13a – 14(a)/15d-14(a) CERTIFICATION

I, J. R. Luciano, certify that:

1. I have reviewed this annual report on Form 10-K of Archer-Daniels-Midland Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 20, 2015

/s/ J. R. Luciano

J. R. Luciano

Chief Executive Officer and President

Exhibit 31.2

RULE 13a – 14(a)/15d-14(a) CERTIFICATION

I, R. G. Young, certify that:

1. I have reviewed this annual report on Form 10-K of Archer-Daniels-Midland Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 20, 2015

/s/ R. G. Young
R. G. Young
Senior Vice President &
Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION

In connection with the Annual Report of Archer-Daniels-Midland Company (the "Company") on Form 10-K for the fiscal year ended December 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. R. Luciano, Chief Executive Officer and President of the Company, certify that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 20, 2015

/s/ J. R. Luciano
J. R. Luciano
Chief Executive Officer and President

Exhibit 32.2

SECTION 1350 CERTIFICATION

In connection with the Annual Report of Archer-Daniels-Midland Company (the “Company”) on Form 10-K for the fiscal year ended December 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, R. G. Young, Senior Vice President and Chief Financial Officer of the Company, certify that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 20, 2015

/s/ R. G. Young
R. G. Young
Senior Vice President &
Chief Financial Officer