

BHP Billiton Carbon Steel Materials

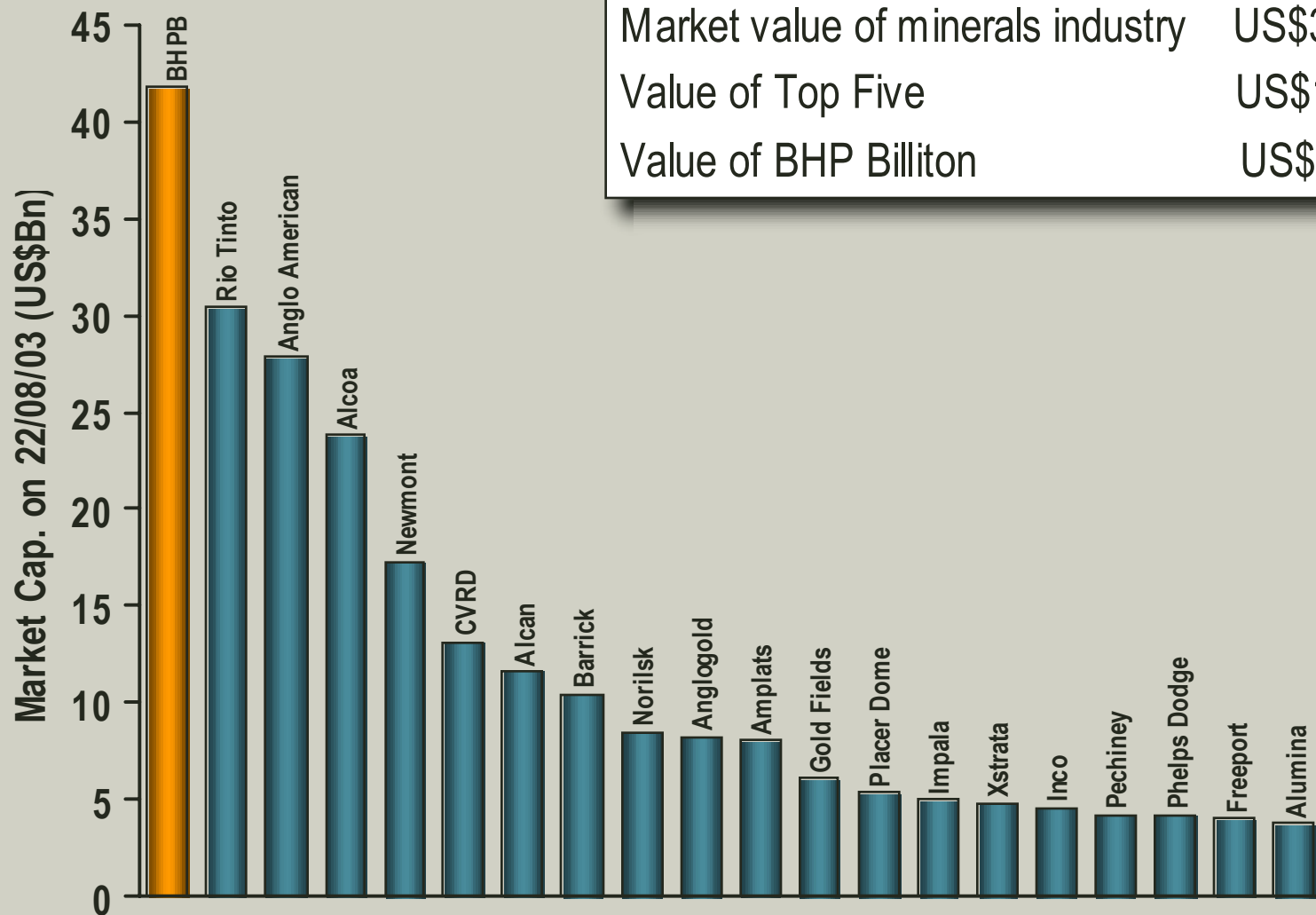
Meeting the China Challenge

JP Morgan Mining & Metals Sydney Conference
17 November 2003

R.W. Kirkby
President Carbon Steel Materials



BHP Billiton - The largest company in a consolidating sector



Market value of minerals industry	US\$306 bn
Value of Top Five	US\$141 bn
Value of BHP Billiton	US\$ 42 bn

Source: Datastream

A global footprint

Petroleum



Aluminium



Base Metals



Carbon Steel Materials



Diamonds & Spec Prod



Energy Coal



Stainless Steel Materials





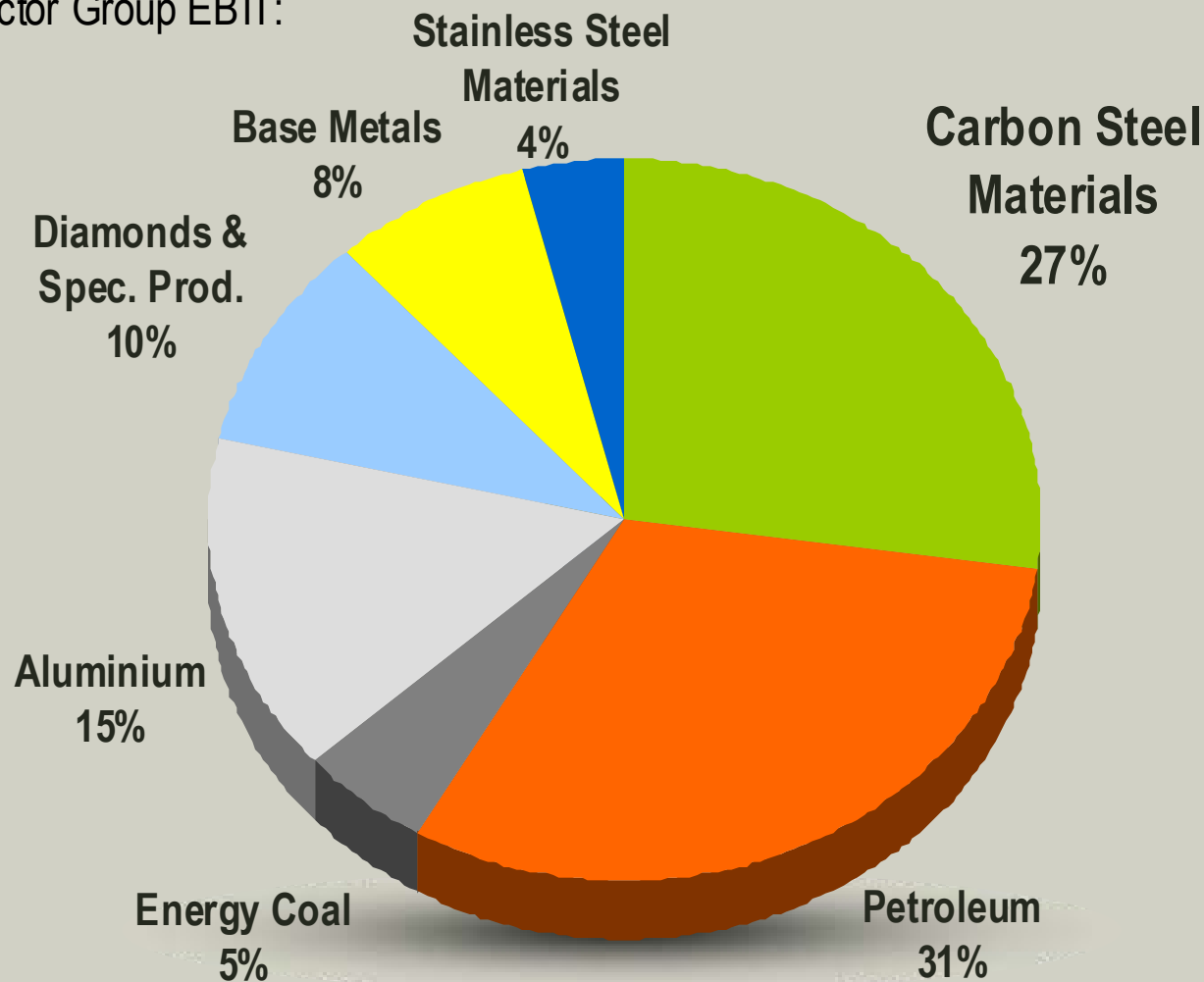
BHP Billiton Carbon Steel Materials

BHP Billiton Carbon Steel Materials

- The world's largest supplier of steelmaking raw materials
- Impressive portfolio of long-life, high-quality and low-cost iron ore, metallurgical coal and manganese assets
- World class supporting infrastructure
- Ranked number one in the seaborne supply of metallurgical coal and manganese and number three in iron ore

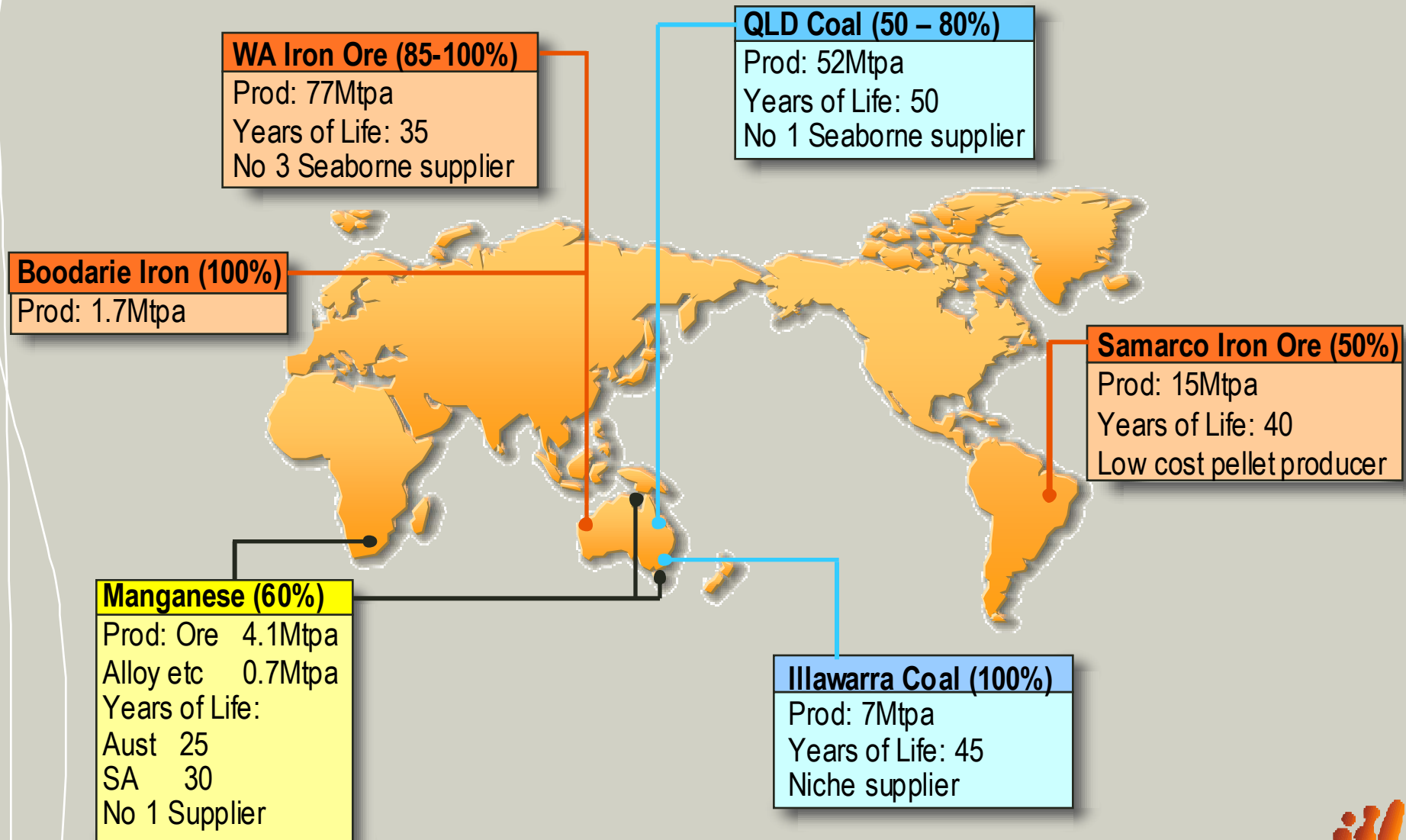
Carbon Steel Materials – 27% of BHPB EBIT

Customer Sector Group EBIT:



Data for year ended 30 June 2003

Carbon Steel Materials Assets



100% nominal production capacity

A map of East Asia with China highlighted in a dark olive green color. Surrounding countries like India, Southeast Asia, and Japan are shown in a lighter grey. The word "China" is written in large orange letters over the map.

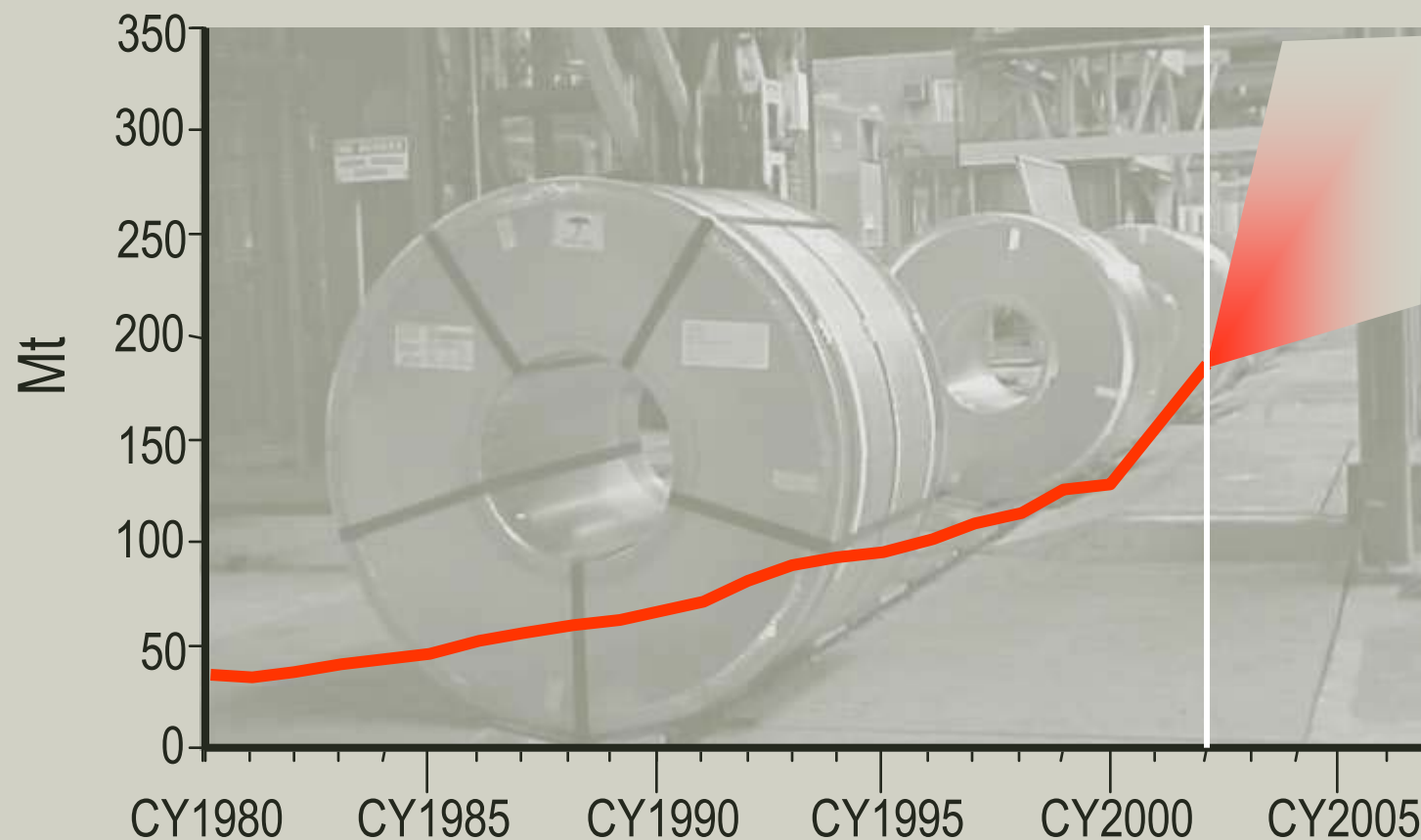
China

***A Key Opportunity For
Carbon Steel Materials***

China – A Key Opportunity For CSM

- Global steel production was >900Mt in 2002 – with China the driving force
- Over the past decade Chinese steel production has grown by 8.4% per annum – This rate has doubled since 2000
- China is now the world's number one producer of steel with production expected to exceed 210Mt in 2003

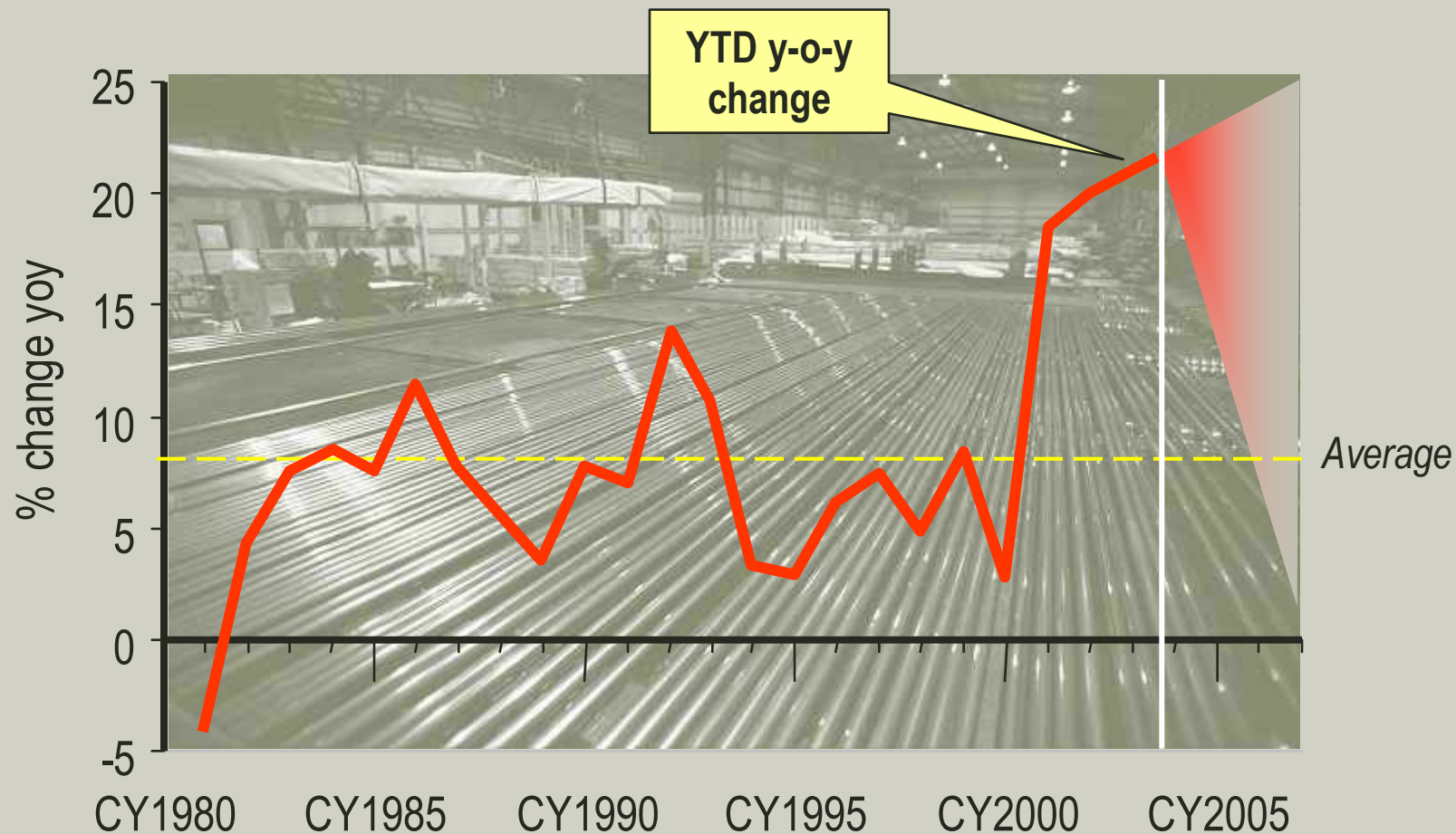
Chinese Crude Steel Production



Crude Steel Production CAGR

CY82 - 92	CY92-02
8.1%	8.4%

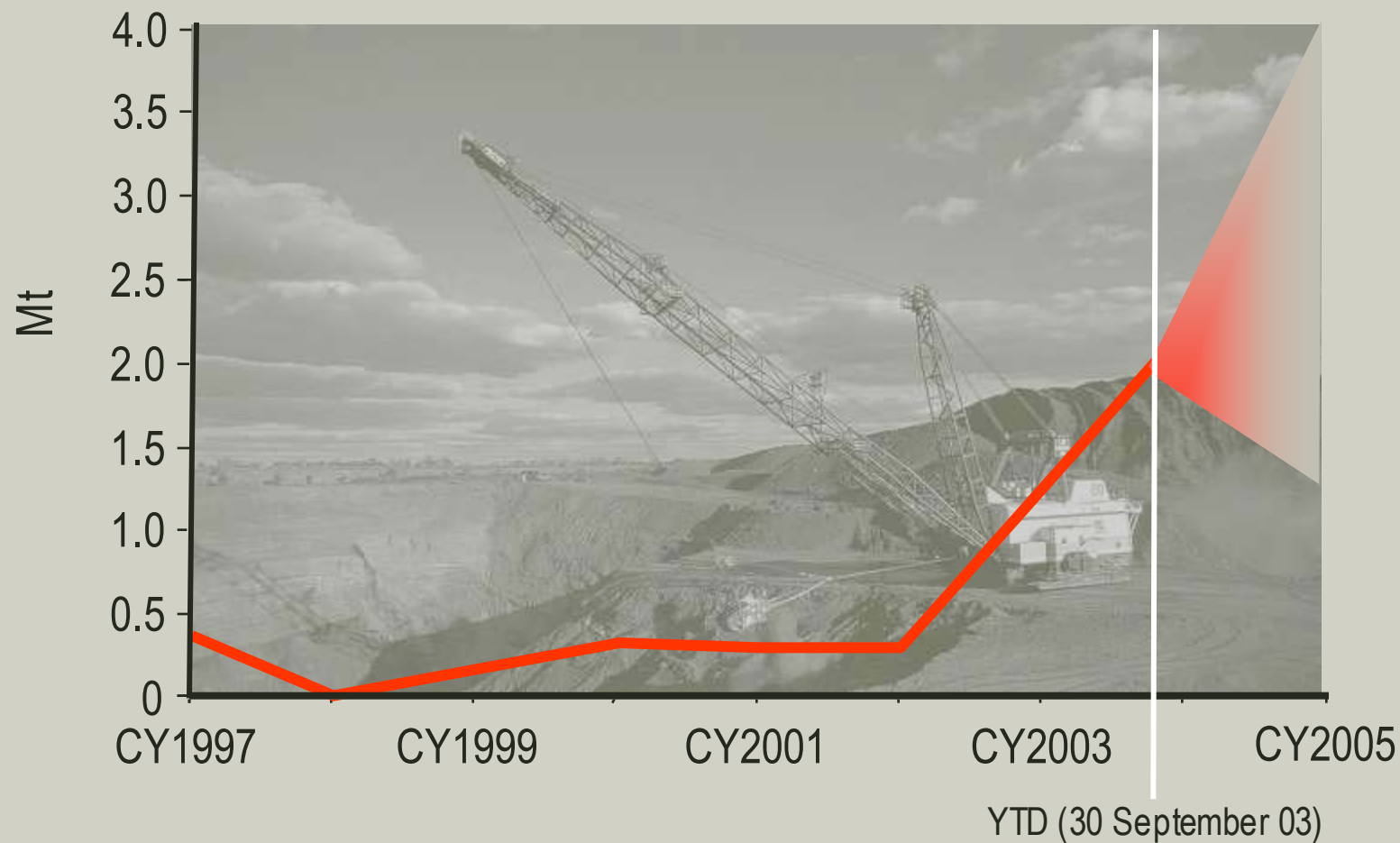
Chinese Crude Steel Production - % Change YOY



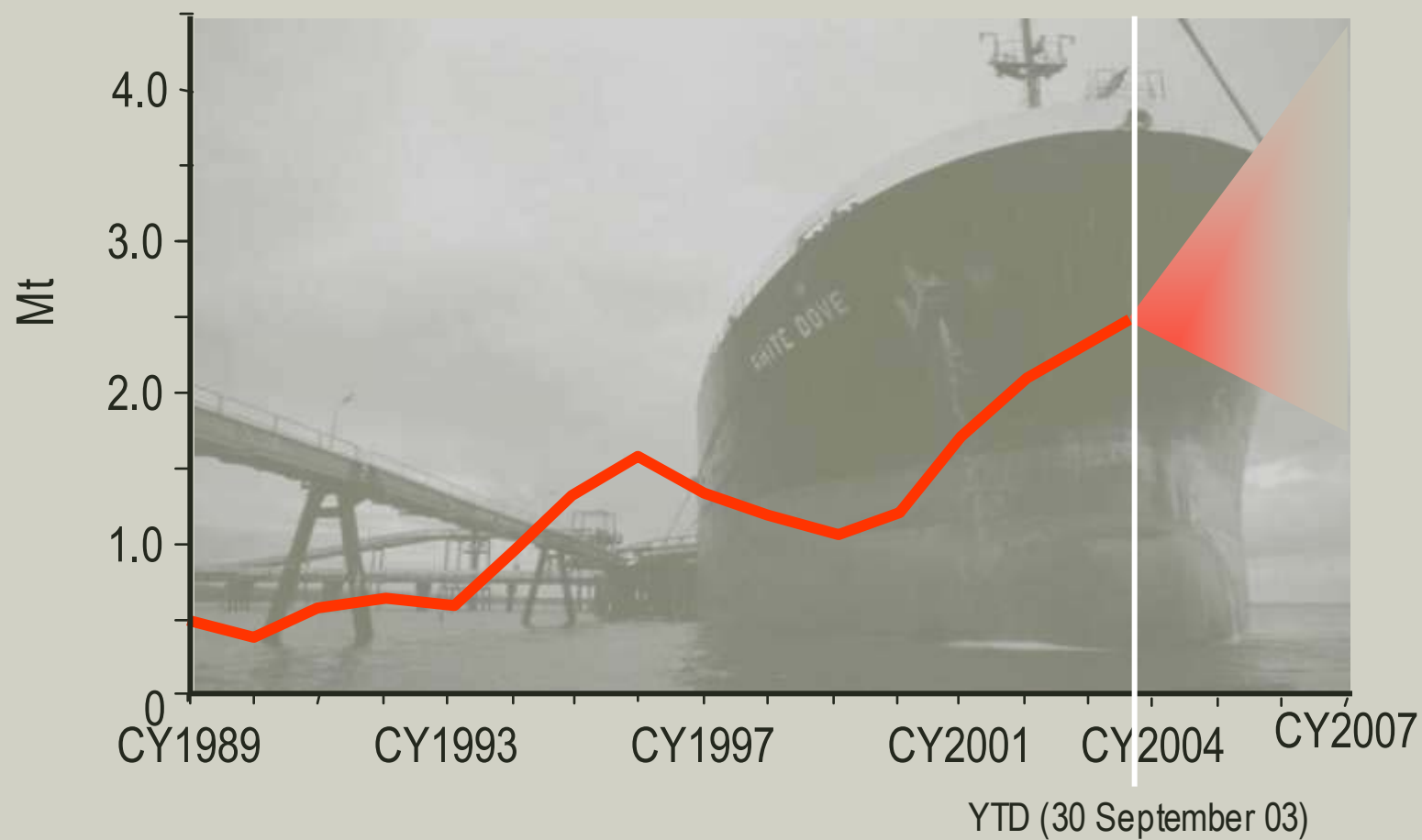
Chinese Iron Ore Imports



Chinese Metallurgical Coal Imports



Chinese Manganese Ore Imports

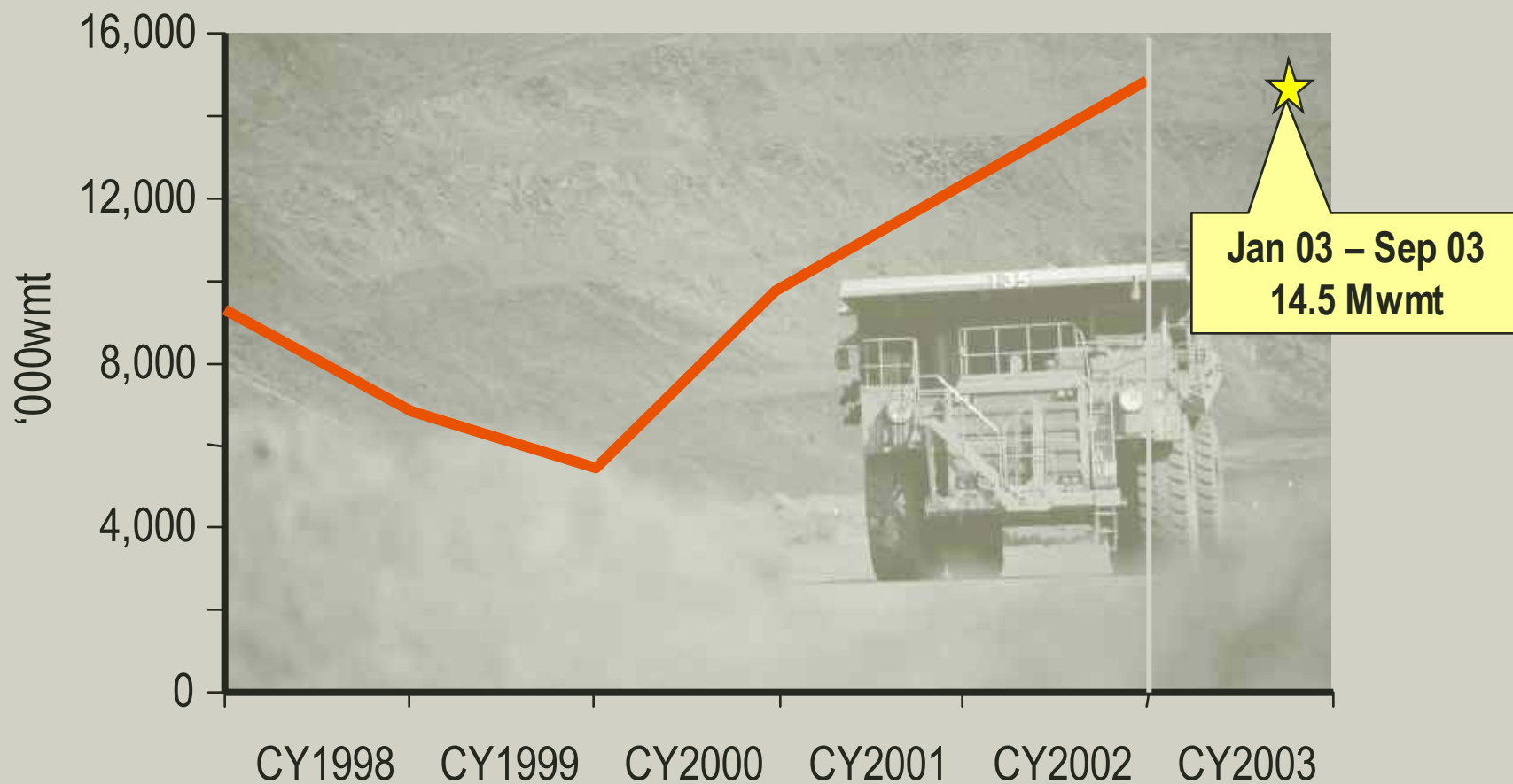


A map of China and surrounding regions, including parts of Russia, Mongolia, and Southeast Asia. China is highlighted in a dark olive green color, while the surrounding areas are in a lighter grey. The word "China" is written in large, bold, orange letters across the center of the map.

China

***Carbon Steel Materials
Ready to Meet the Challenge***

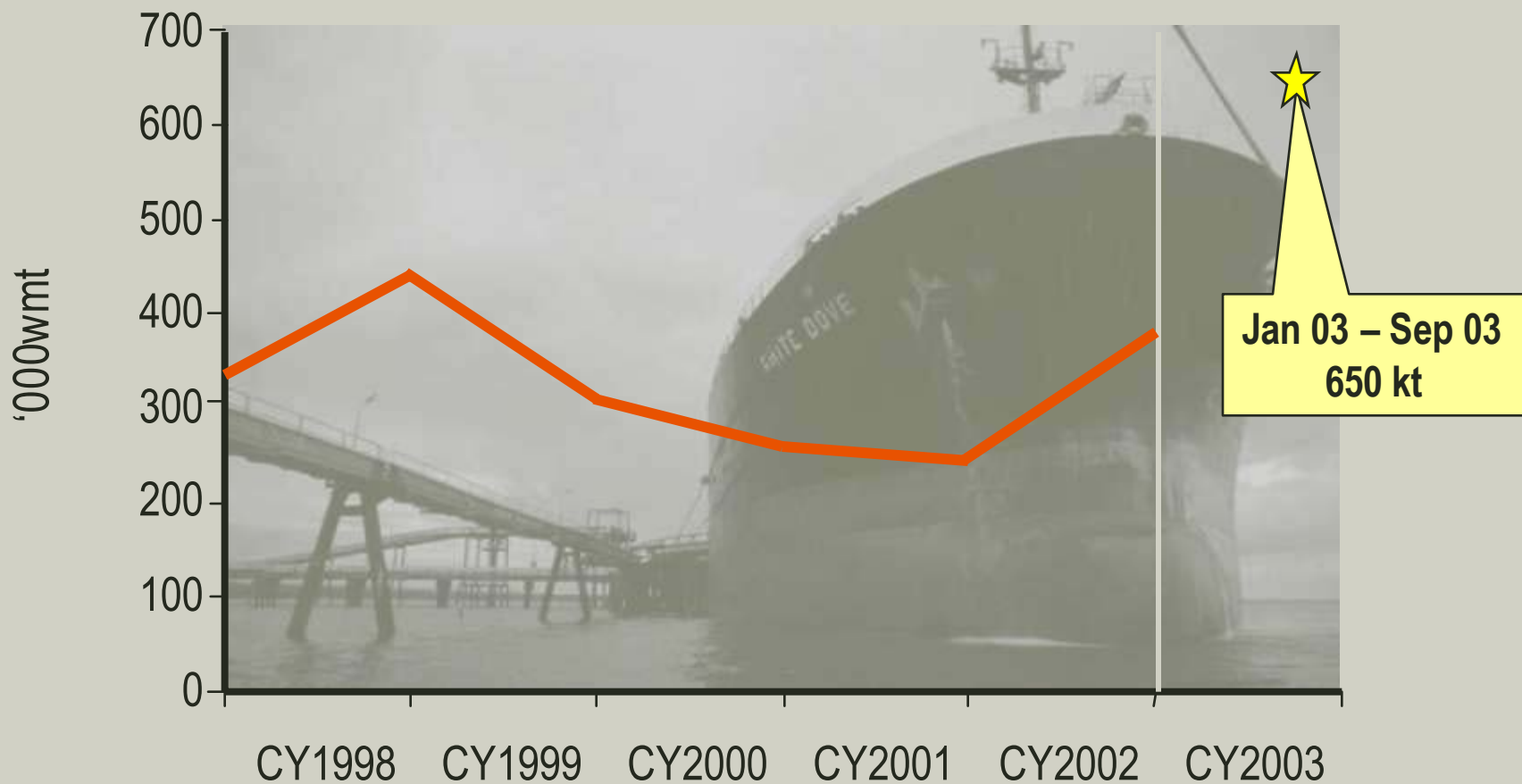
BHP Billiton Exports to China – Iron Ore



BHP Billiton Exports to China – Metallurgical Coal



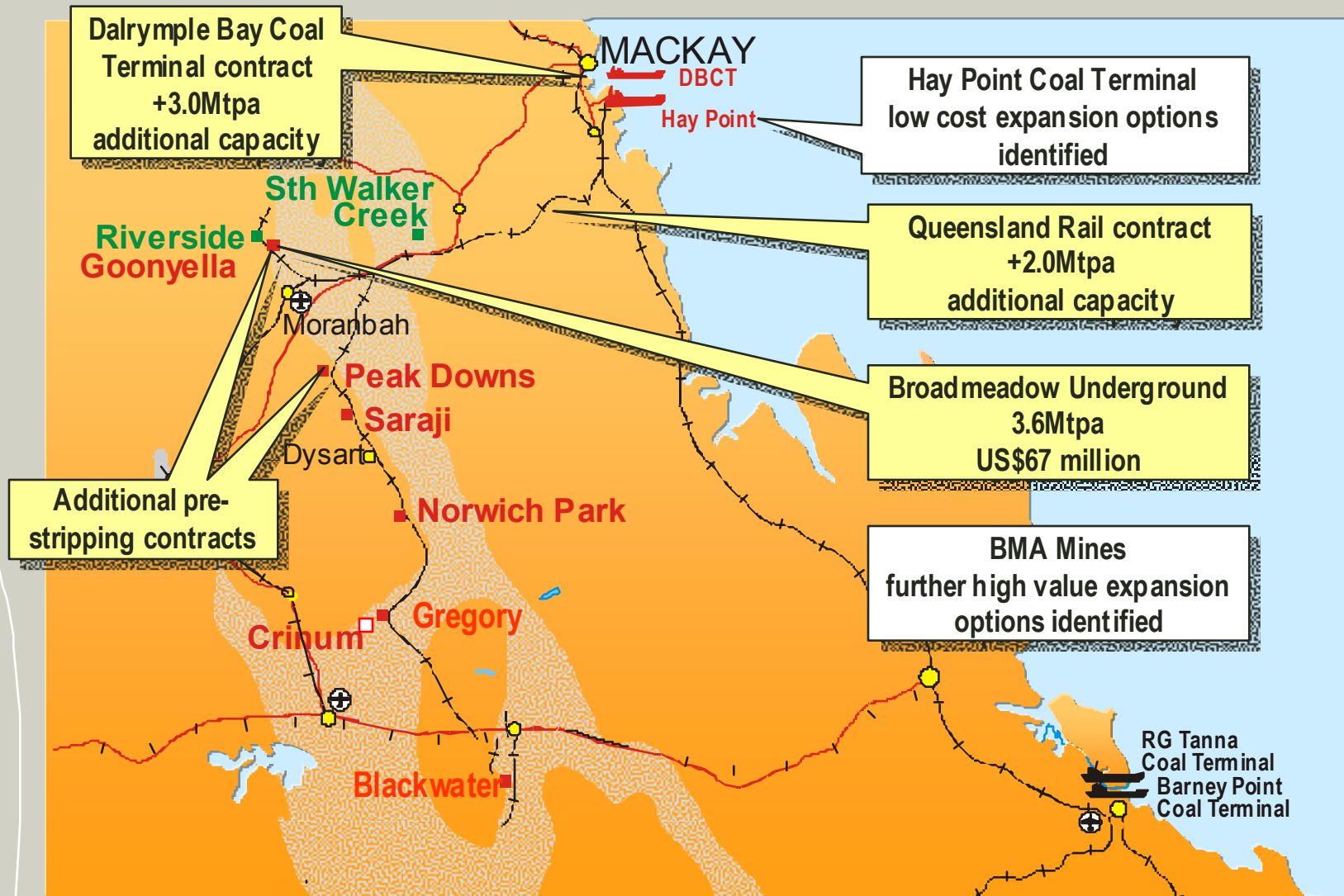
BHP Billiton Exports to China – Manganese Ore



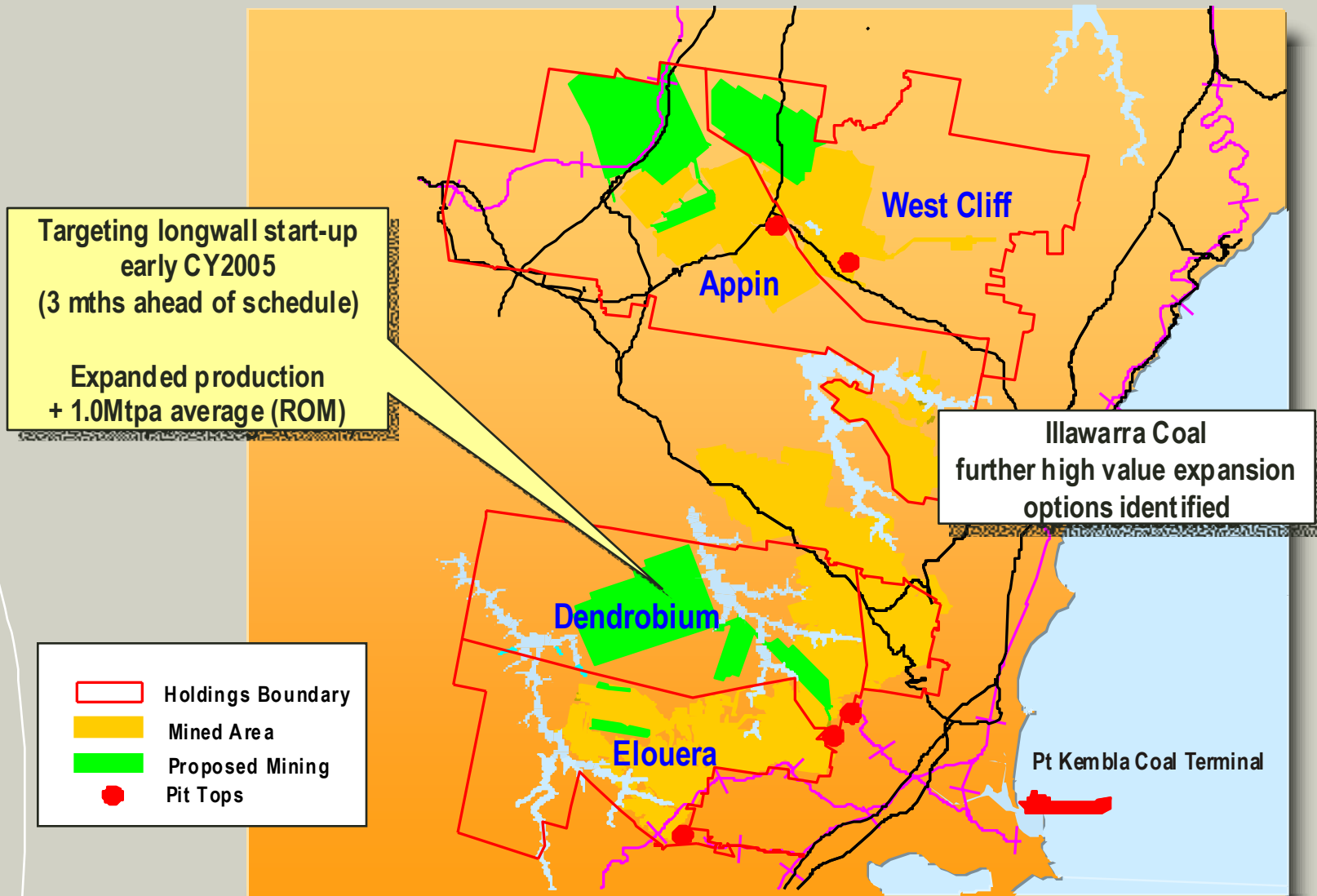
CSM – Meeting the China Challenge

- China Impact on CSM
- High Value, Low Cost Expansions
- Customer-Focussed Marketing

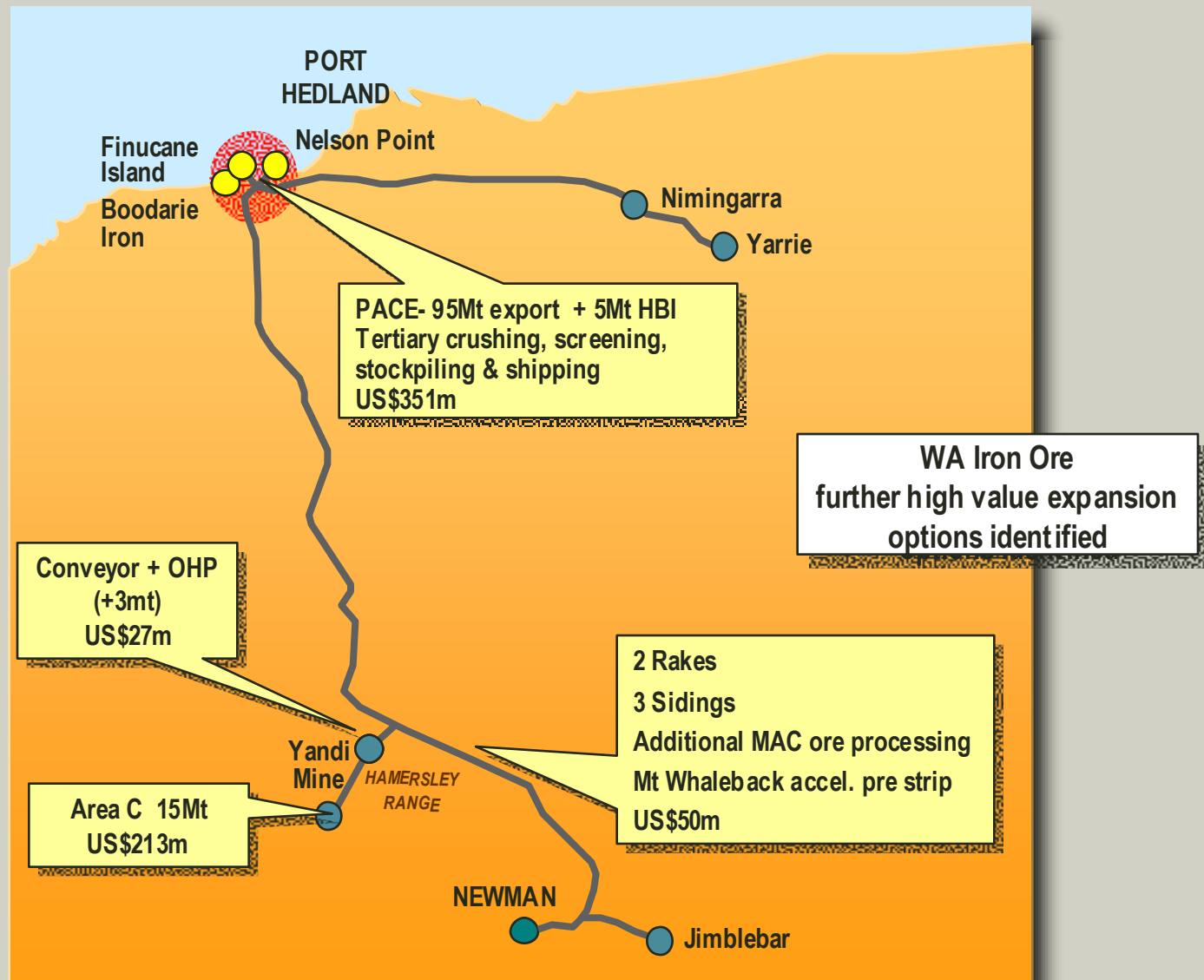
Queensland Coal Expanded Capacity



Dendrobium – Accelerated Ramp-Up & Expanded Production



Western Australian Iron Ore System Capacity: Area C & PACE → 100Mt



CSM – Meeting the China Challenge

- China Impact on CSM
- High Value, Low Cost Expansions
- **Customer-Focussed Marketing**

Customer Focussed Marketing – Response to China Opportunities

- Consolidating and building our capabilities in China:
 - Five offices to two
 - Employed specialists in various disciplines
 - Upgraded systems
 - Established “WOFE”
 - Leveraging our position

China - Challenges Remain

- Maintaining supply to traditional markets
- Preparing for the inevitable downturn
- Appreciating A\$ and SA Rand impact on margins

Conclusion

- Carbon Steel Materials is in a unique position to take advantage of meteoric Chinese growth:
 - **Low cost, low risk expansion options**
 - Flexible supply
 - Diverse product range
 - World class resource base
 - Proximity to key markets

A large industrial crane is shown in silhouette, lifting a heavy, dark object. The crane's lattice structure is prominent against a vibrant, orange-hued sky filled with clouds. The sun is low on the horizon, creating a strong backlighting effect. The overall scene conveys a sense of industrial scale and power.

Carbon Steel Materials

*The premier supplier of raw materials
to the global steel making industry*