

ATO Corporate Transparency Disclosure FY2015

Disclosures (Australian dollars)

Entity	ABN	Total Income (Item 6, Box S)	Taxable income (Item 7, Box T)	Income Tax Payable (T5)	MRRT Payable*	PRRT Payable*
BHP Billiton Aluminium Australia Pty Ltd	65063671349	A\$ 4,955,930,348	A\$ 495,380,720	A\$ 0	n/a	n/a
BHP Billiton Limited	49004028077	A\$ 33,044,169,721	A\$ 6,338,539,254	A\$ 1,718,329,663	n/a	n/a
BHP Iron Ore (Jimblebar) Pty Ltd	95009114210	A\$ 1,119,369,314	A\$ 187,282,205	A\$36,123,840	n/a	n/a
BHP Billiton Mitsui Coal Pty Ltd	34009713875	A\$ 991,959,939	A\$ 120,664,868	A\$ 34,423,409	n/a	n/a
BM Alliance Coal Operations Pty Ltd	67096412752	A\$ 200,414,888	A\$ 0	A\$ 0	n/a	n/a
BHP Billiton Petroleum (Australia) Pty Ltd	39006923879	n/a	n/a	n/a	n/a	A\$ 340,737,757
BHP Billiton Petroleum (Bass Strait) Pty Ltd	29004228004	n/a	n/a	n/a	n/a	A\$ 293,921,172
BHP Billiton Petroleum (Victoria) Pty Ltd	12006466486	n/a	n/a	n/a	n/a	A\$ 28,110,468
Total		A\$ 40,311,844,210	A\$ 7,141,867,047	A\$ 1,788,876,912		A\$ 662,769,397

Explanatory Comments

- **BHP Billiton Aluminium Australia Pty Ltd** is the head company of a multiple entry consolidated group, comprising the wholly-owned Australian tax resident subsidiaries of BHP Billiton plc. Franking credits were applied to reduce its FY2015 tax liability to nil. Tax losses have also been carried forward to later years.
- **BHP Billiton Ltd** is the head company of the BHP Billiton Ltd tax consolidated group in Australia.
- **BHP Iron Ore (Jimblebar) Pty Ltd** is 92.5% indirectly owned by BHP Billiton Limited and is a separate taxpayer.

- **BHP Billiton Mitsui Coal Pty Ltd** is 80% indirectly owned by BHP Billiton Limited.
- **BM Alliance Coal Operations Pty Ltd** is the Joint Venture (JV) Manager for the unincorporated Central Queensland Coal Associates (CQCA) and Gregory (GJV) JV's. BM Alliance Coal Operations Pty Ltd is indirectly owned 50% by BHP Billiton Limited and 50% by Mitsubishi Corporation. As a result of the unincorporated status of the JV, the profit/loss of BM Alliance Coal Operations Pty Ltd are distributed to each JV participant. Accordingly, taxable income and tax payable are nil as these amounts

are included in the disclosure for BHP Billiton Limited, as the ultimate parent entity of BM Alliance Coal Operations Pty Ltd.

- **BHP Billiton Petroleum (Australia) Pty Ltd, BHP Billiton Petroleum (Bass Strait) Pty Ltd and BHP Billiton Petroleum (Victoria) Pty Ltd** are members of the BHP Billiton Ltd tax consolidated group and therefore income tax amounts are included in the BHP Billiton Limited disclosures. These entities continue to be standalone PRRT taxpayers.

* For further details in relation to the MRRT and PRRT regime, please refer to the ATO Website.

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Questions & Answers

Q: Does this table illustrate all BHP Billiton Group companies?

A: The ATO data incorporates the relevant income tax amounts for BHP Billiton Limited and its wholly owned Australian tax resident subsidiaries; BHP Billiton plc's wholly owned Australian tax resident subsidiaries; and any other Australian tax resident entities with total income exceeding \$100 million in which BHP Billiton holds a 50% or greater interest. BHP Billiton does have an interest in a number of entities which do not have total income exceeding \$100 million and which are not subject to these disclosure requirements.

Q: I cannot reconcile these amounts to BHP Billiton's Economic Contribution and Payments to Governments Report 2015. Can you explain the difference?

A: There are several reasons why the ATO data does not reconcile to BHP Billiton's Economic Contribution and Payments to Governments Report 2015 ("the Report") including:

- The ATO data represents the corporate income tax liability related to the FY2015 income year whereas the Report represents corporate income tax that is paid in the FY2015 income year. Therefore, the ATO data includes tax payments/refunds relevant to the FY2015 income year that

were made/received outside 1 July 2014 to 30 June 2015 whereas the Report includes cash payments and refunds received during the FY2015 income year but that may relate to a different income year.

- The ATO data is reported in AUD whilst the Report disclosures are in USD.
- The ATO data is limited to entities with an annual turnover exceeding A\$100 million whilst the Report includes all Australian BHP Billiton companies.
- The ATO data includes 100% share of the entity irrespective of BHP Billiton's ownership percentage whilst the Report includes BHP Billiton owned entities including joint ventures but excluding equity accounted investments.

Corporate tax in relation to FY2015 as per ATO data	A\$1,788.9 m
Prior year's tax refunds not included in the ATO data	(A\$98.6 m)
Tax refunds received in FY2016 included in the ATO data but not included in the Report	A\$554.8 m
Tax payments made in FY2016 included in the ATO data but not included in the Report	(A\$23.4 m)
Subtotal A\$	A\$2,221.7 m
Total tax payments of entities with an annual turnover of A\$100 million (US\$ Equivalent)	US\$1,900.6 m
Not included in the ATO data (i.e. includes all Australian BHP Billiton companies irrespective of turnover and BHP Billiton owned entities including joint ventures but excluding equity accounted investments)	US\$30.6 m
Corporate income tax paid in 2015 per the Report	US\$1,931.2 m

Corporate income tax paid in 2015 per the Report	US\$1,931.2 m
Not included in the ATO data (i.e. include all Australian BHP Billiton companies irrespective of turnover and BHP Billiton owned entities including joint ventures but excluding equity accounted investments)	(US\$30.6 m)
Total tax payments of entities with an annual turnover of A\$100 million	US\$1,900.6 m
Subtotal (A\$ Equivalent)	A\$2,221.7 m
Prior year's tax refunds not included in the ATO data	A\$98.6 m
Tax refunds received in FY2016 included in the ATO data but not included in the Report	(A\$554.8 m)
Tax payments made in FY2016 included in the ATO data but not included in the Report	A\$23.4 m
Corporate tax in relation to FY2015 as per ATO data	A\$1,788.9 m

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Questions & Answers

Q: What is the difference between 'Total Income' and 'Taxable Income'? Should they ordinarily be the same amount?

A: 'Total income' refers to gross income or revenue (e.g. the amount received from the sale of commodities) and is an accounting concept. 'Total income' does not take into account any of the expenses incurred in generating that income (e.g. mining costs) and which are taken into account in determining accounting profit.

'Taxable income' represents assessable income less allowable deductions incurred for the entity. Differences between accounting profit and taxable income routinely arise due to different treatments of amounts under the accounting standards and tax law (e.g. exploration deductions, carry forward losses, R&D concessions and accelerated depreciation).

Q: The corporate tax rate in Australia is 30%. Why is 'Tax Payable' not equal to 30% of 'Taxable Income'?

A: Tax payable comprises 30% of taxable income less applicable credits and offsets which are able to be applied to reduce Australian tax payable. This includes franking credits, foreign tax credits and offsets relating to eligible research and development activities.

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Questions & Answers

Q: I cannot reconcile the PRRT payable amounts to the 2015 Economic Contribution and Payments to Governments Report. Can you explain the difference?

A: There are several reasons why the ATO Disclosures do not reconcile to the Report including:

- The ATO data represents the PRRT liability related to the FY2015 income year whereas the Report represents PRRT that is paid in the FY2015 income year. Therefore, the ATO data includes tax payments/refunds relevant to the FY2015 income year that were made/received outside 1 July 2014 to 30 June 2015 whereas the Report includes cash payments and refunds received during the FY2015 income year but that may relate to a different income year.
- The ATO data is reported in AUD whilst the Report disclosures are in USD.
- The ATO data is limited to entities that have PRRT payable whilst the Report includes all production royalties (i.e. MRRT and PRRT).

PRRT paid 2015 per ATO data	A\$662.8 m	Royalty related taxation in 2015 per the Report	US\$1,012.9 m
Prior year's tax payments not included in the ATO data	A\$541.4 m	Not included in the ATO data (i.e. includes MRRT and PRRT)	(US\$93.7 m)
FY2015 tax payments made in FY2016 not included in the Report	(A\$146.0m)	Total tax payments of entities	US\$919.2 m
Subtotal A\$	A\$1,058.2 m	Subtotal (A\$ Equivalent)	A\$1,058.2 m
Total tax payments of entities (US\$ Equivalent)	US\$919.2 m	FY2015 tax payments made in FY2016 not included in the Report	A\$146.0 m
Not included in the ATO data (i.e. includes MRRT and PRRT)	US\$93.7 m	Prior year's tax payments not included in the ATO data	(A\$541.4m)
Royalty related taxation in 2015 per the Report	US\$1,012.9 m	PRRT paid 2015 per ATO data	A\$662.8m