

# Executing the Strategy and Providing for a Growth Economy

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# The world's largest diversified resources company

**Petroleum**



**Aluminium**



**Base Metals**



**Carbon Steel Materials**



**Diamonds & Spec Prod**



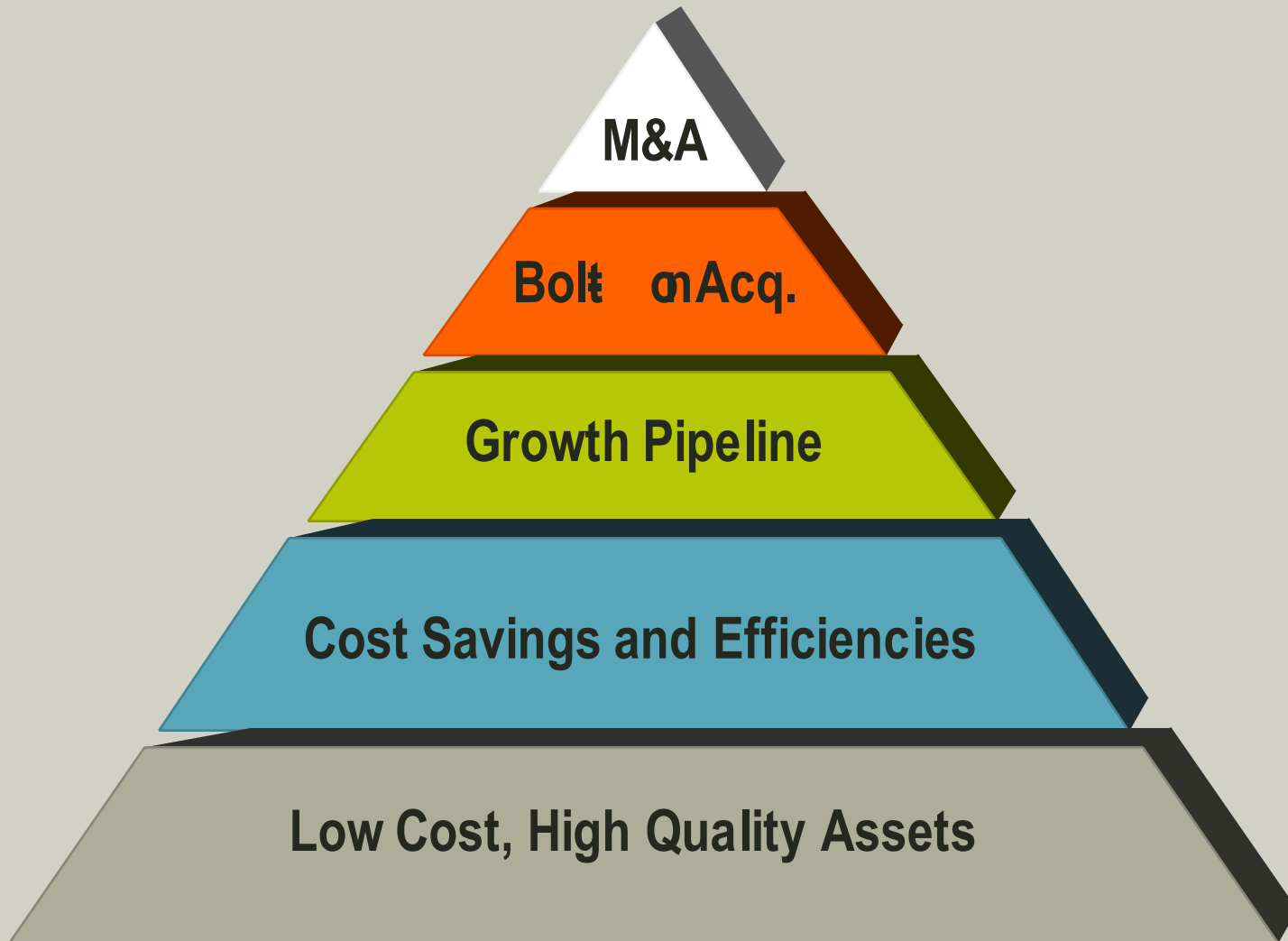
**Energy Coal**



**Stainless Steel Materials**

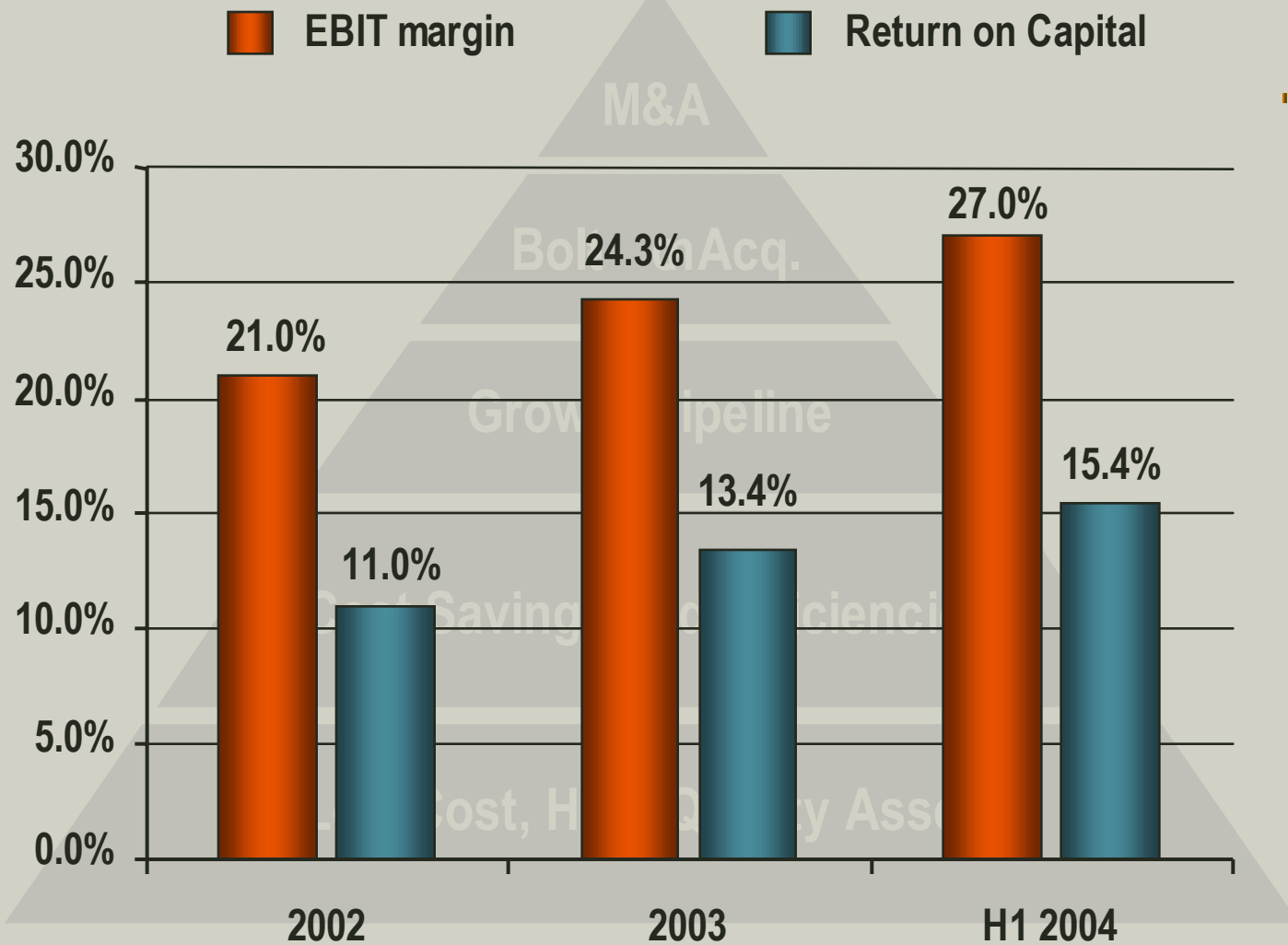


# The BHP Billiton strategic focus



# Results of strategic focus

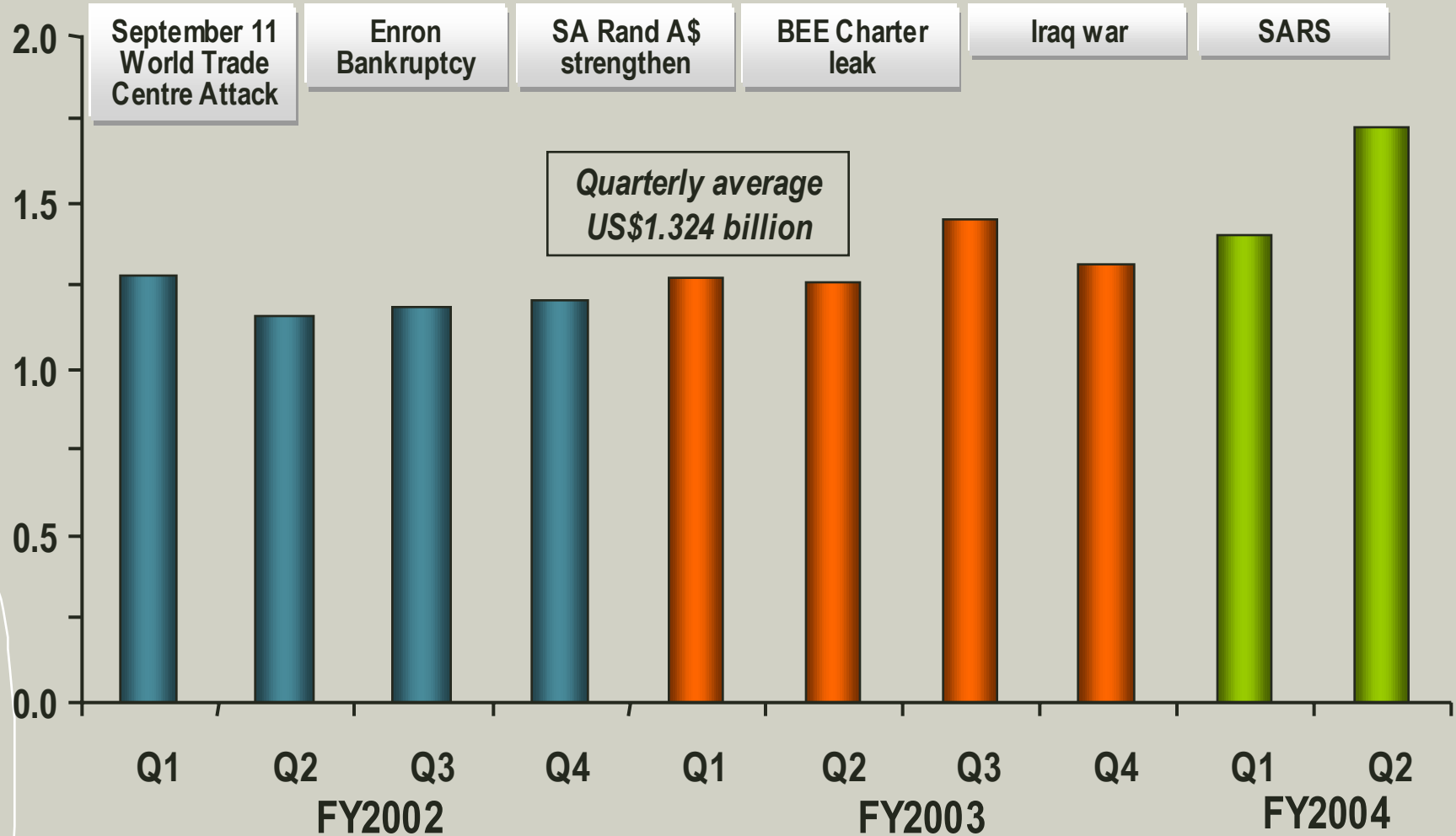
## Increasing margins and return on capital



# Results of strategic focus

## Steady increases in EBITDA<sup>(1)</sup>

US\$ billion



# Reinvested for growth

## Growth projects delivered since July 2001



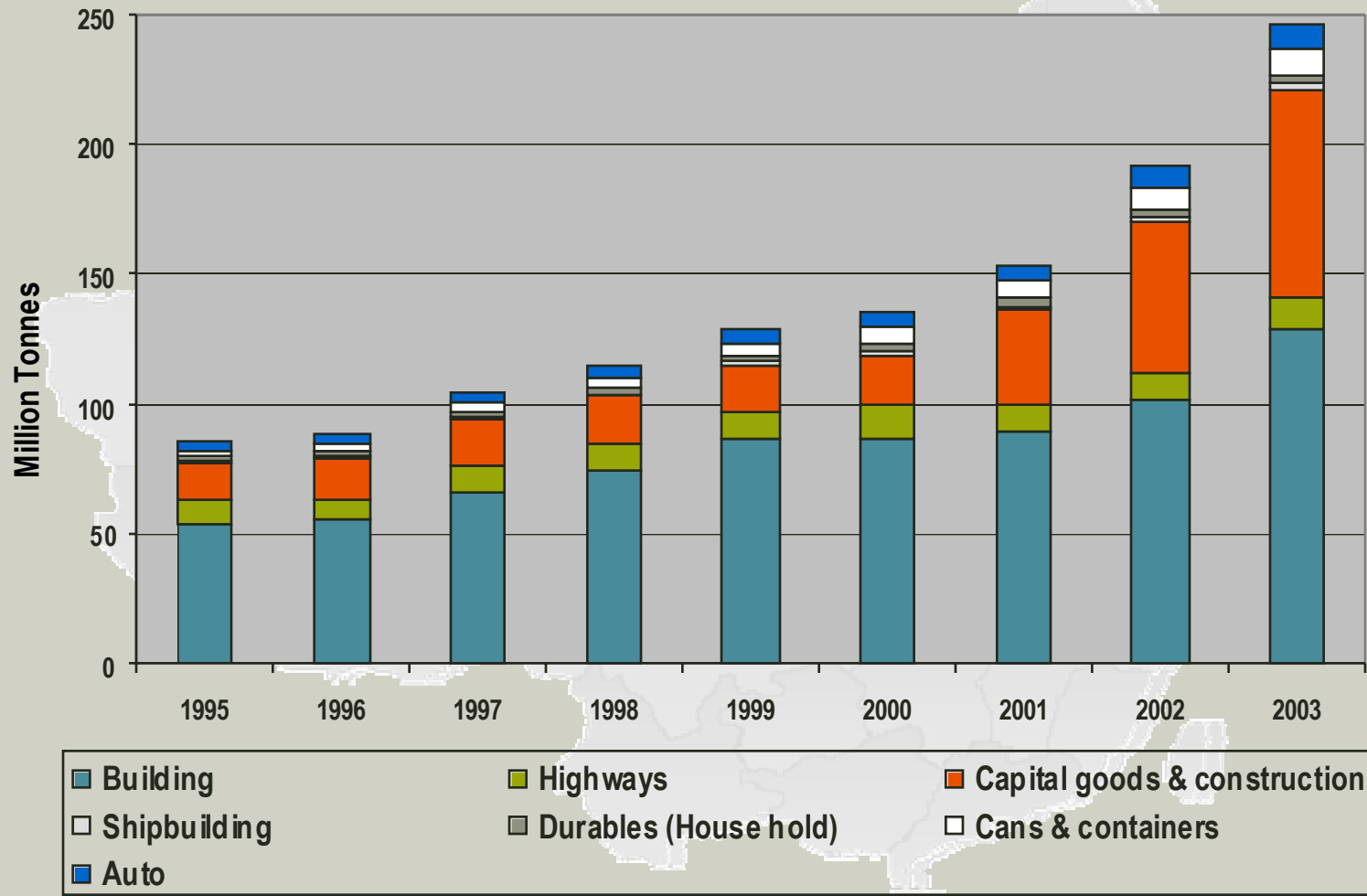
15 projects, US\$3.8 billion of capital expenditure  
Delivered on time and on budget

# Meeting China's Demand Growth



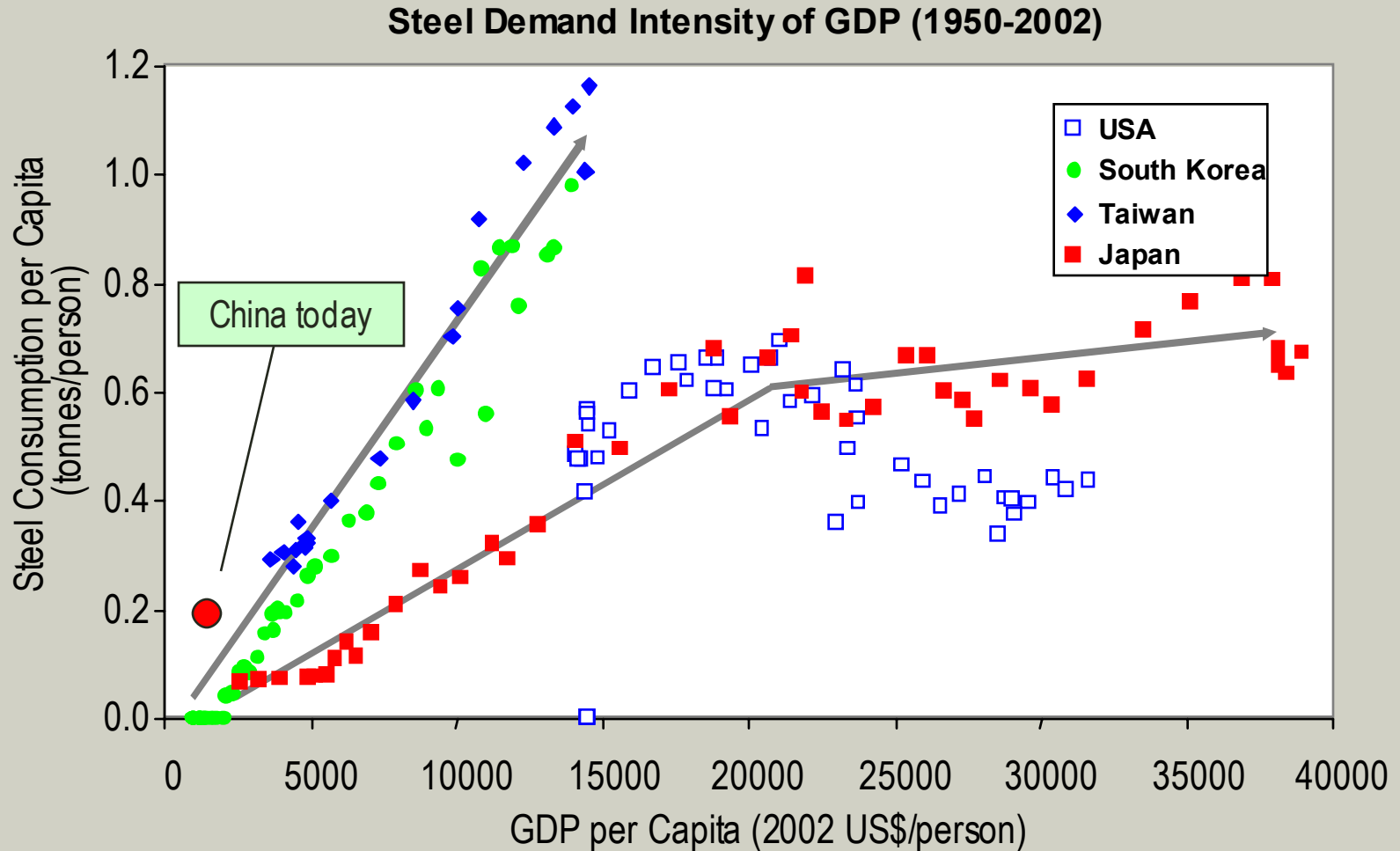
**bhpbilliton**

# China – steel consumption by sectors

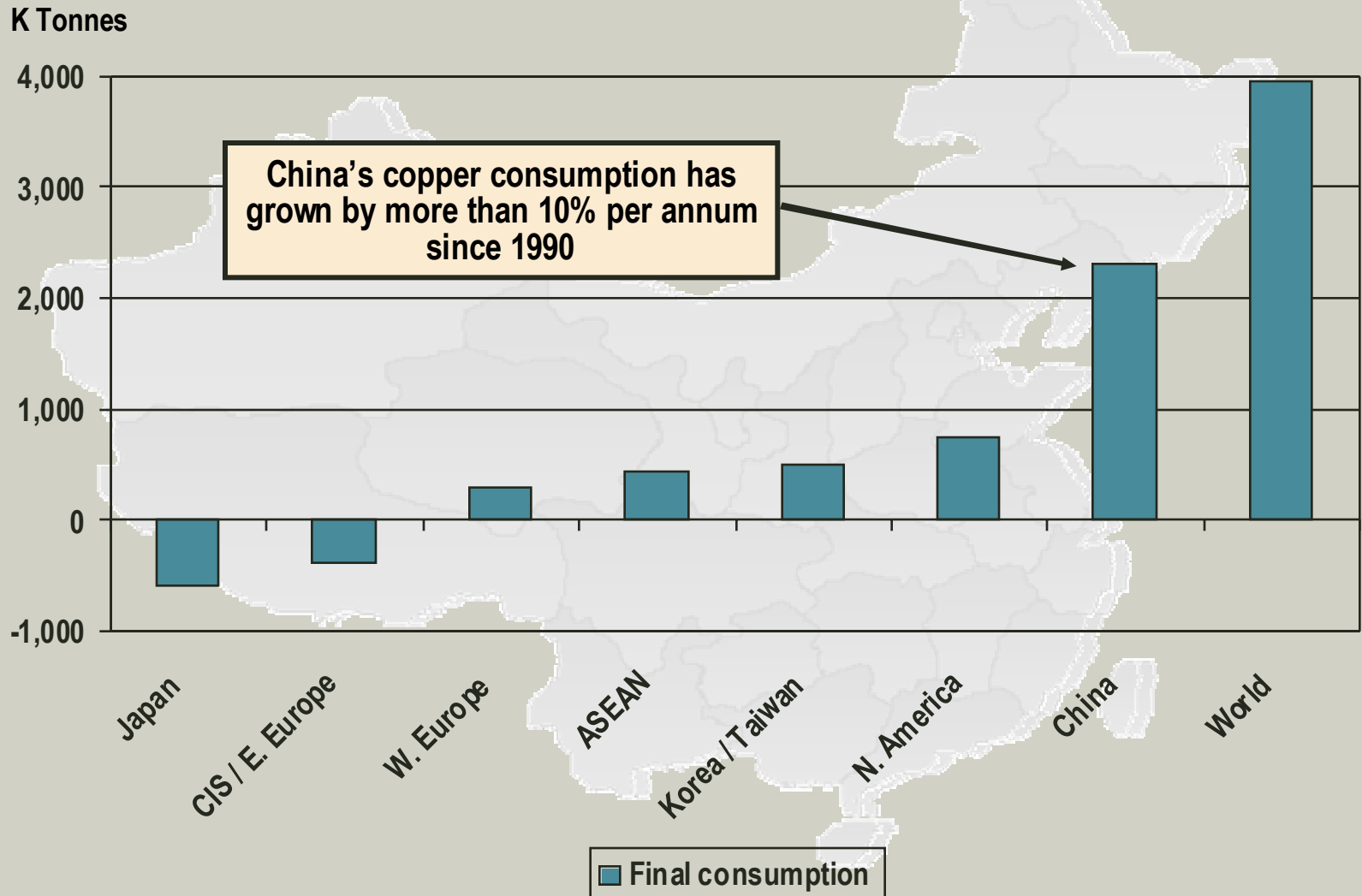




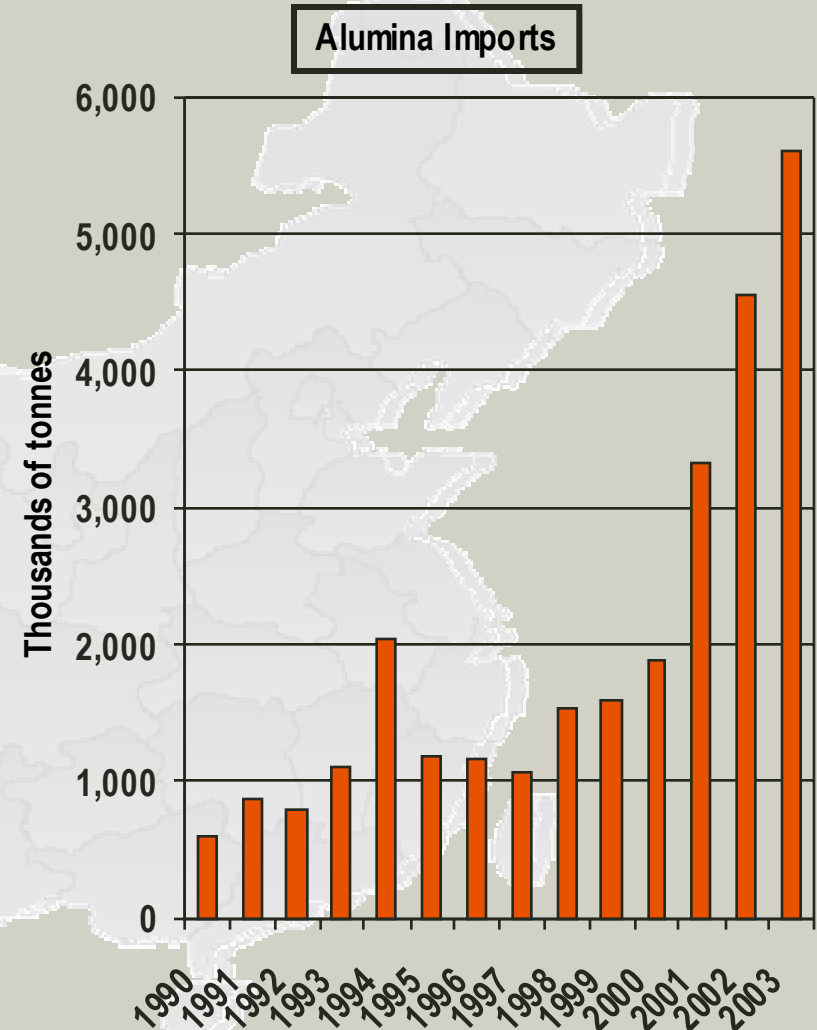
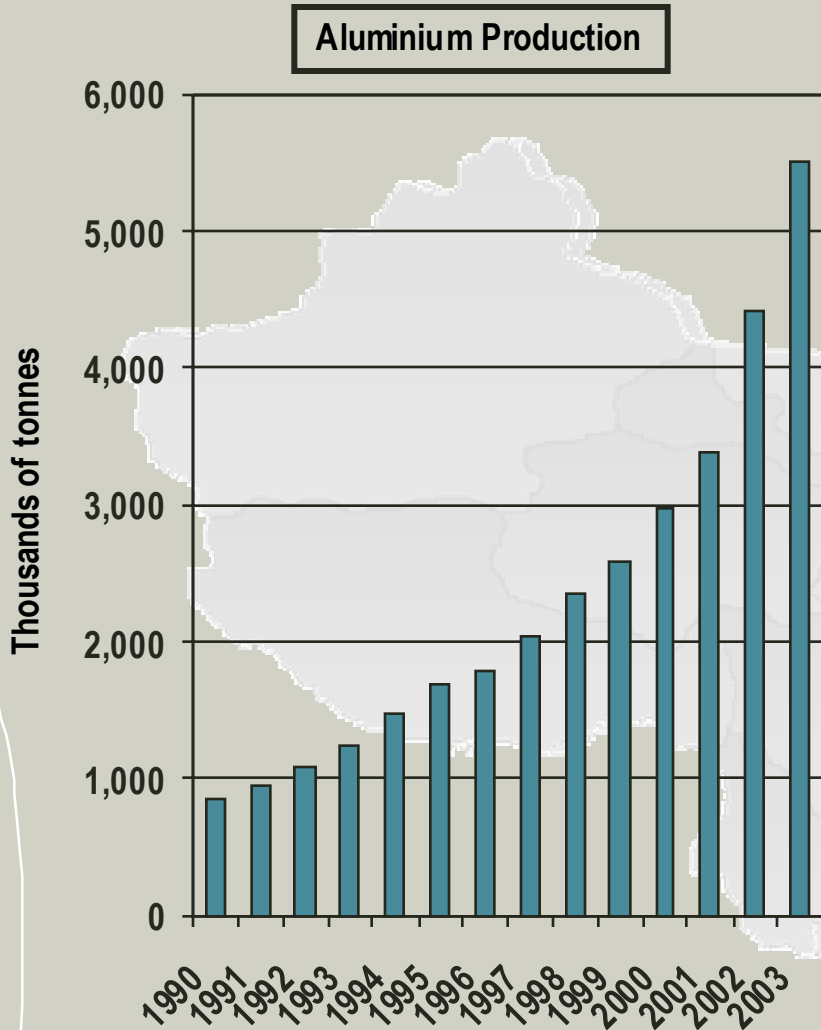
# China is still only in the early stages of modernisation. Steel demand – which path will China take?



# China's copper demand growth from 1990 to 2002



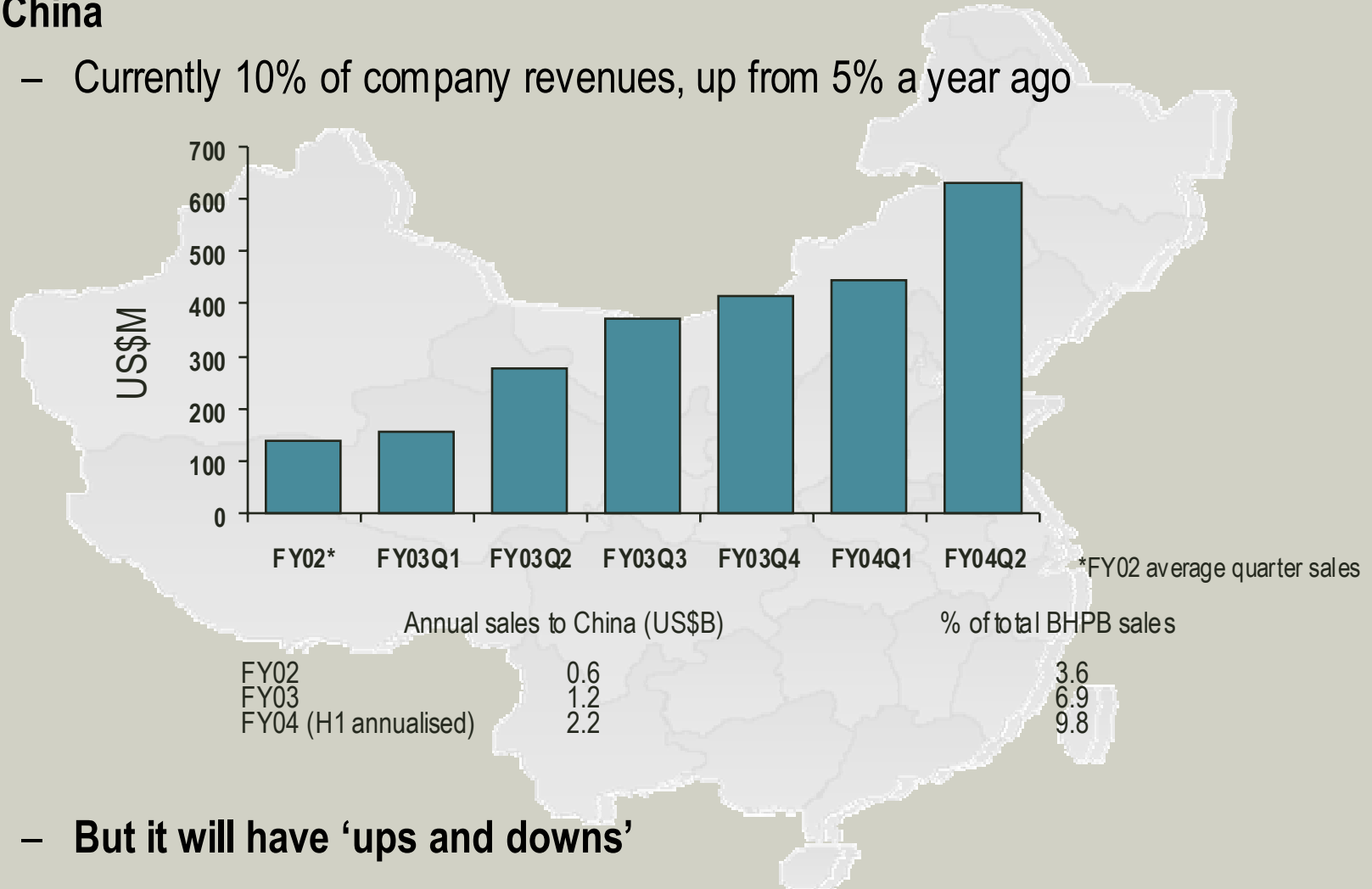
# Chinese aluminium production vs. alumina imports



# Global growth translates to opportunity for BHP Billiton

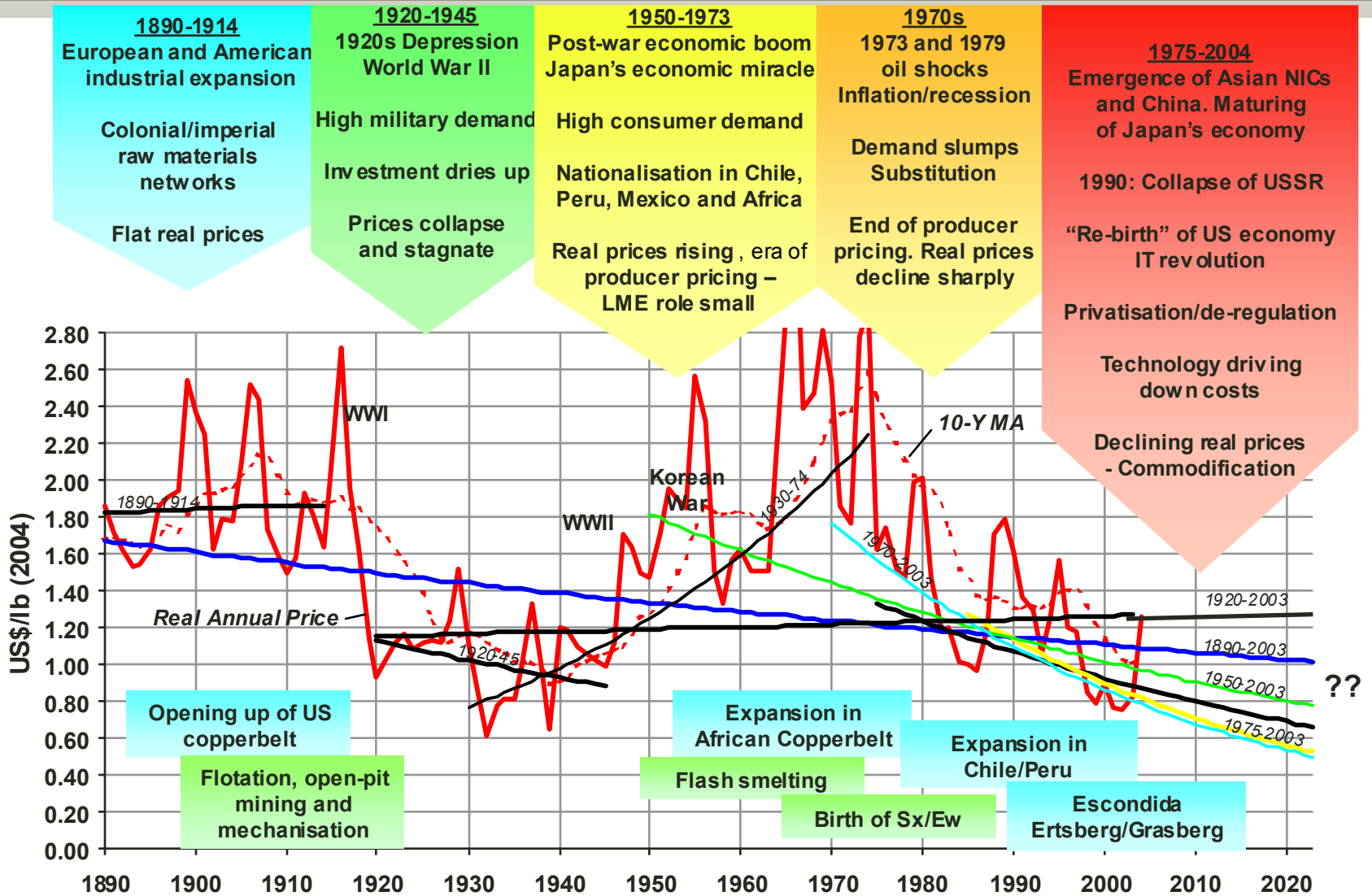
- **China**

- Currently 10% of company revenues, up from 5% a year ago



- **But it will have 'ups and downs'**

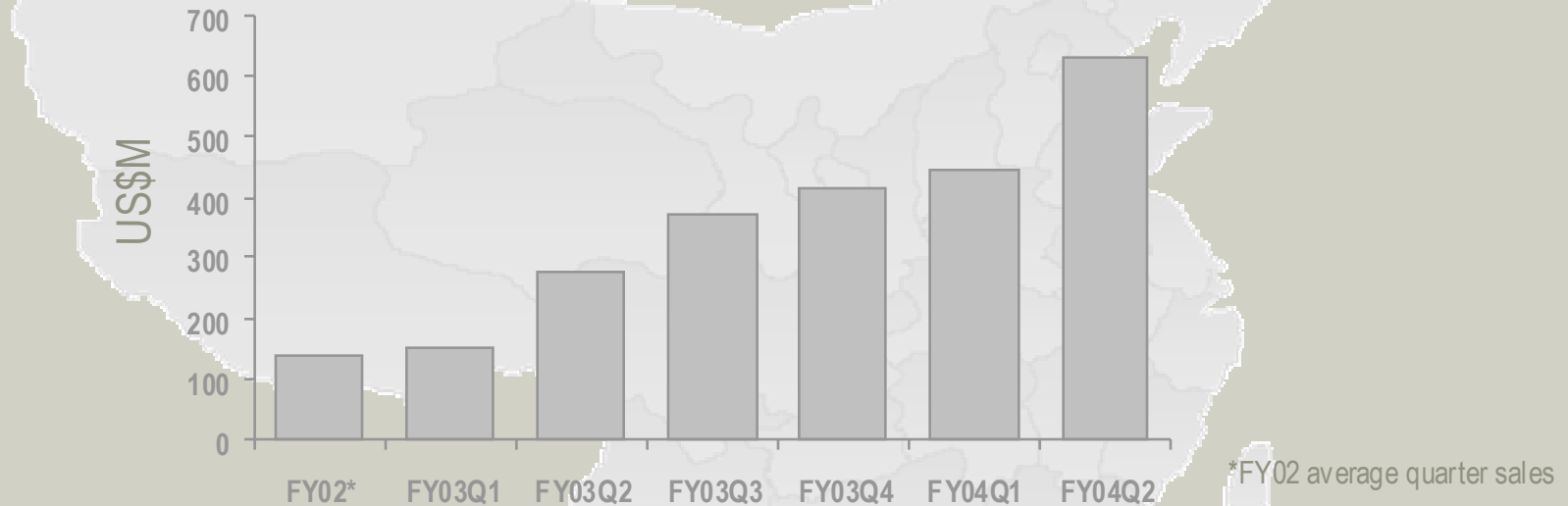
# Global Copper Prices – 1890 to 2004



# Global growth translates to opportunity for BHP Billiton

- **China**

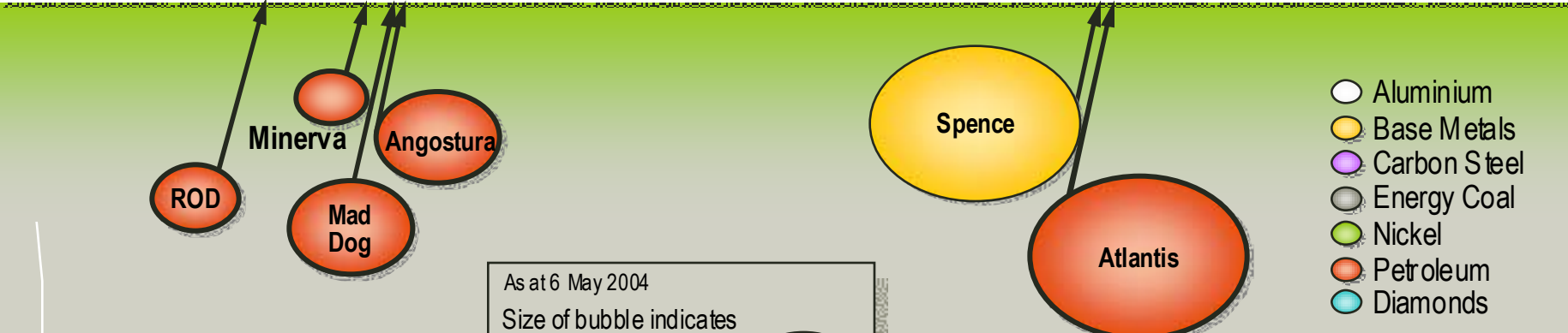
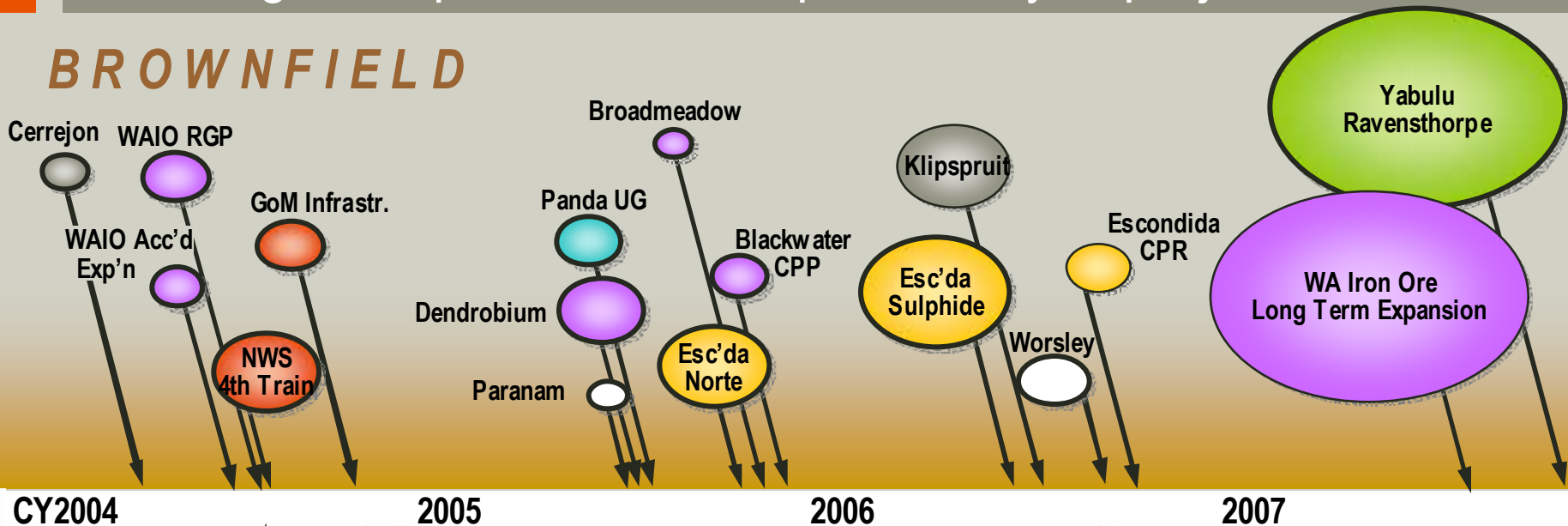
- Currently 10% of company revenues, up from 5% a year ago
- Will have 'ups and downs' but **underlying fundamentals of growth are attractive**
- **Increasing demand for more raw materials**



**How is BHP Billiton going to feed this global demand for resources...**

# Creating real options from deep inventory of projects

## BROWNFIELD



- Aluminium
- Base Metals
- Carbon Steel
- Energy Coal
- Nickel
- Petroleum
- Diamonds

As at 6 May 2004  
 Size of bubble indicates proposed capital expenditure; bold outer border signifies sanctioned project

**\$US 200M**

## GREENFIELD

# Consistent execution of the business strategy

- Maximising the performance of operating assets
  - Safety
  - EBIT margins excluding third party product activities grown to 27%
  - Annualised return on capital of 15.4%
- Continued savings and efficiencies
- Reinvestment in growth projects
  - 13 major projects currently in development; 3 in feasibility stage
  - Plus smaller scale, capital efficient expansions based on existing infrastructure

Enables us to meet the challenge of increasing demand from China

**AND**

Positions us to benefit from recovering global economies





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