

BHP Billiton

Presentation to Investment Analysts Society of South Africa

Chris Lynch – Chief Financial Officer

16 September 2004



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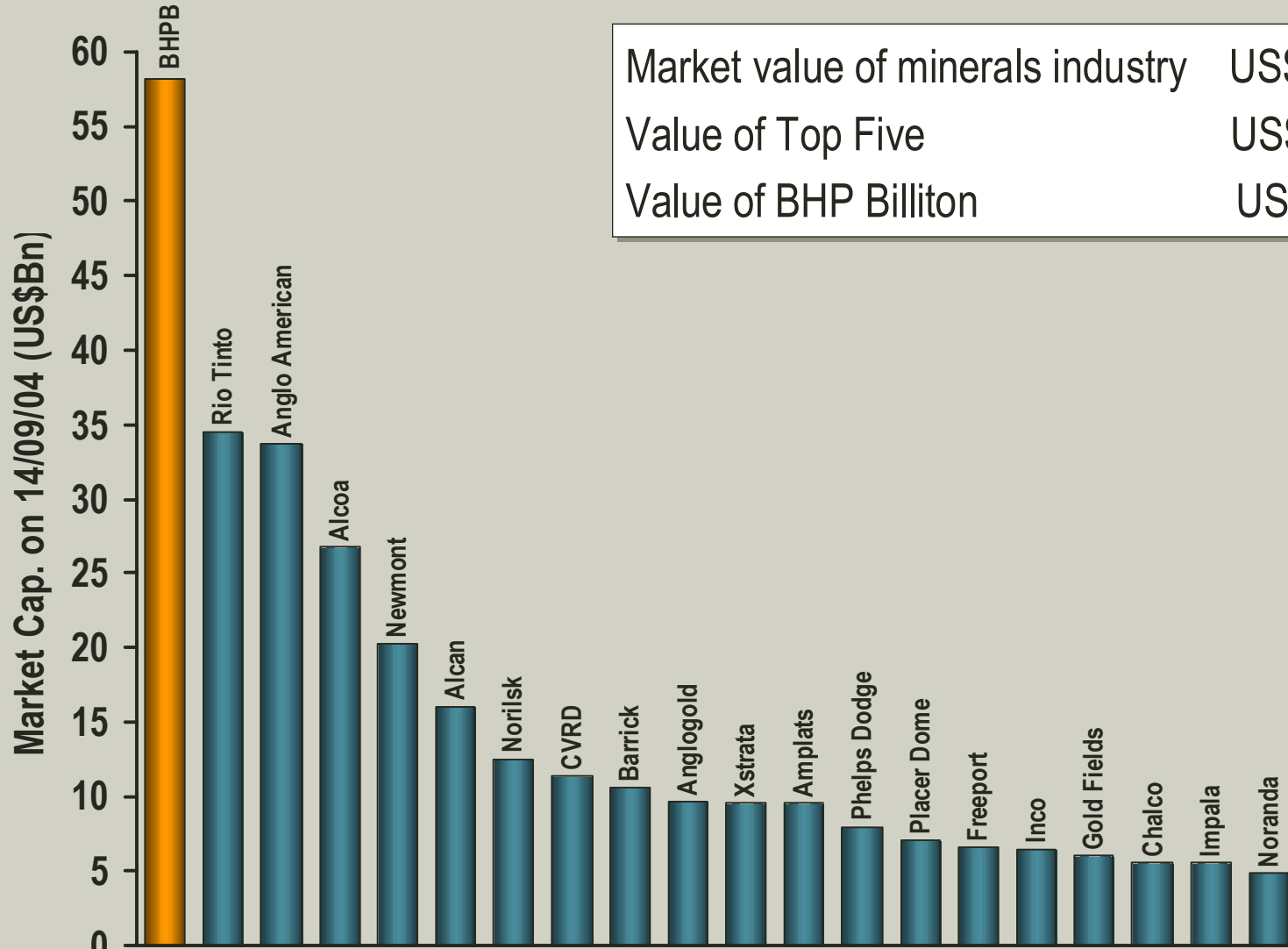
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The largest company in a consolidating sector



Market value of minerals industry	US\$427 bn
Value of Top Five	US\$173 bn
Value of BHP Billiton	US\$ 58 bn

Source: Datastream

A global footprint

Petroleum



Aluminium



Base Metals



Carbon Steel Materials



Diamonds & Spec Prod



Energy Coal

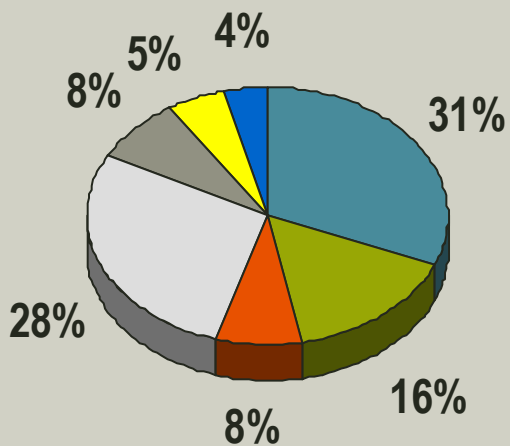


Stainless Steel Materials

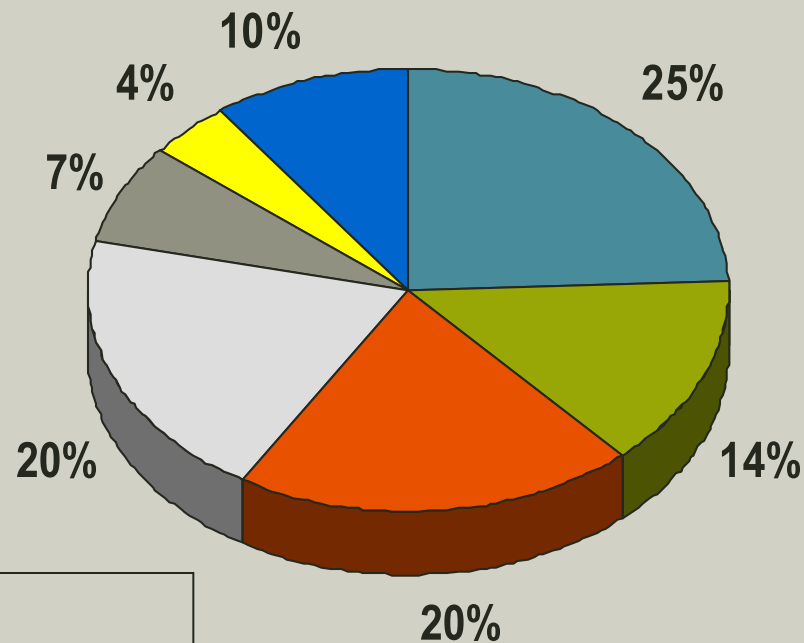


EBIT by Customer Sector Group Year ended 30 June

2003 - EBIT US\$3,481 million



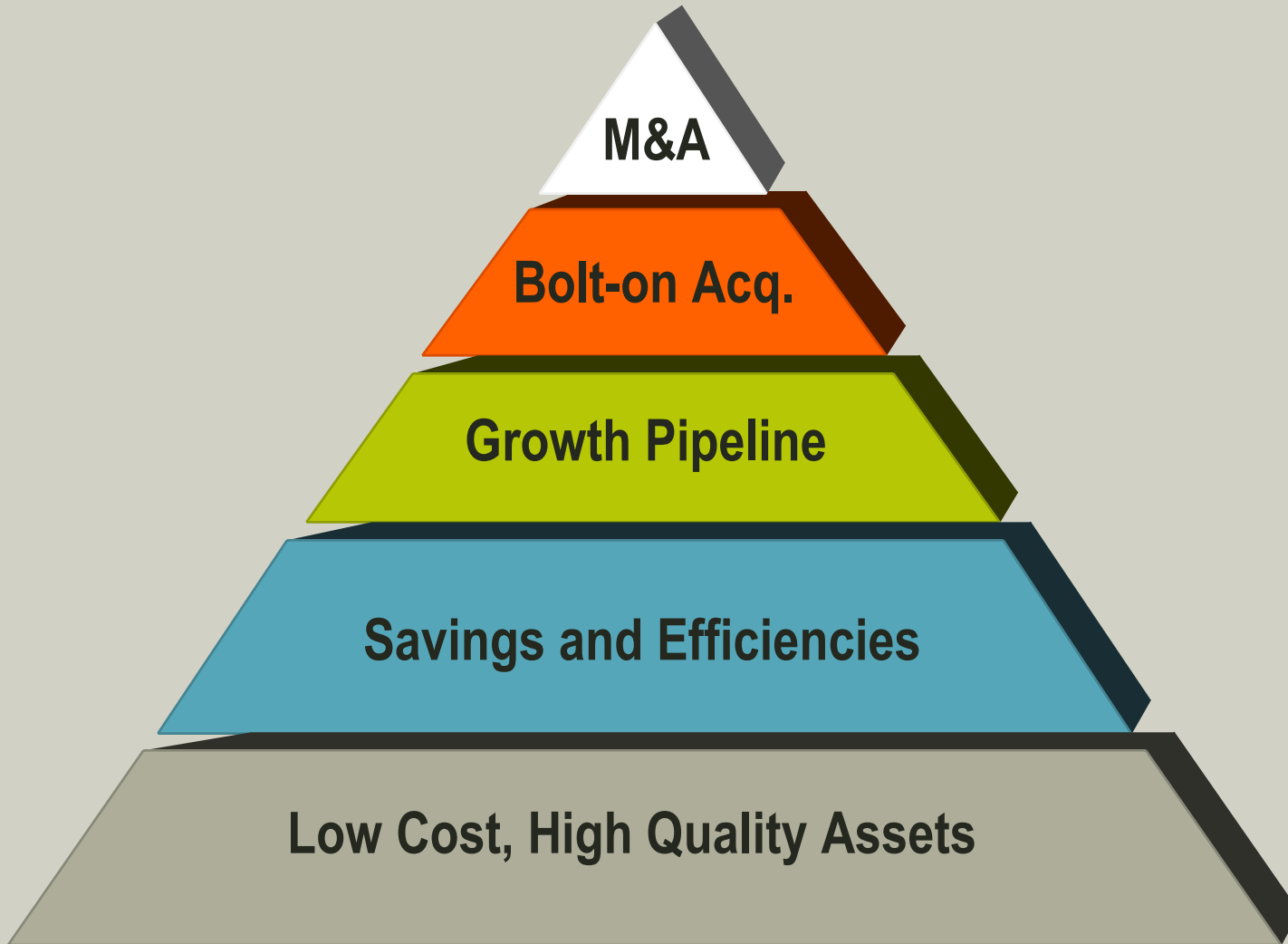
2004 – EBIT US\$5,488 million



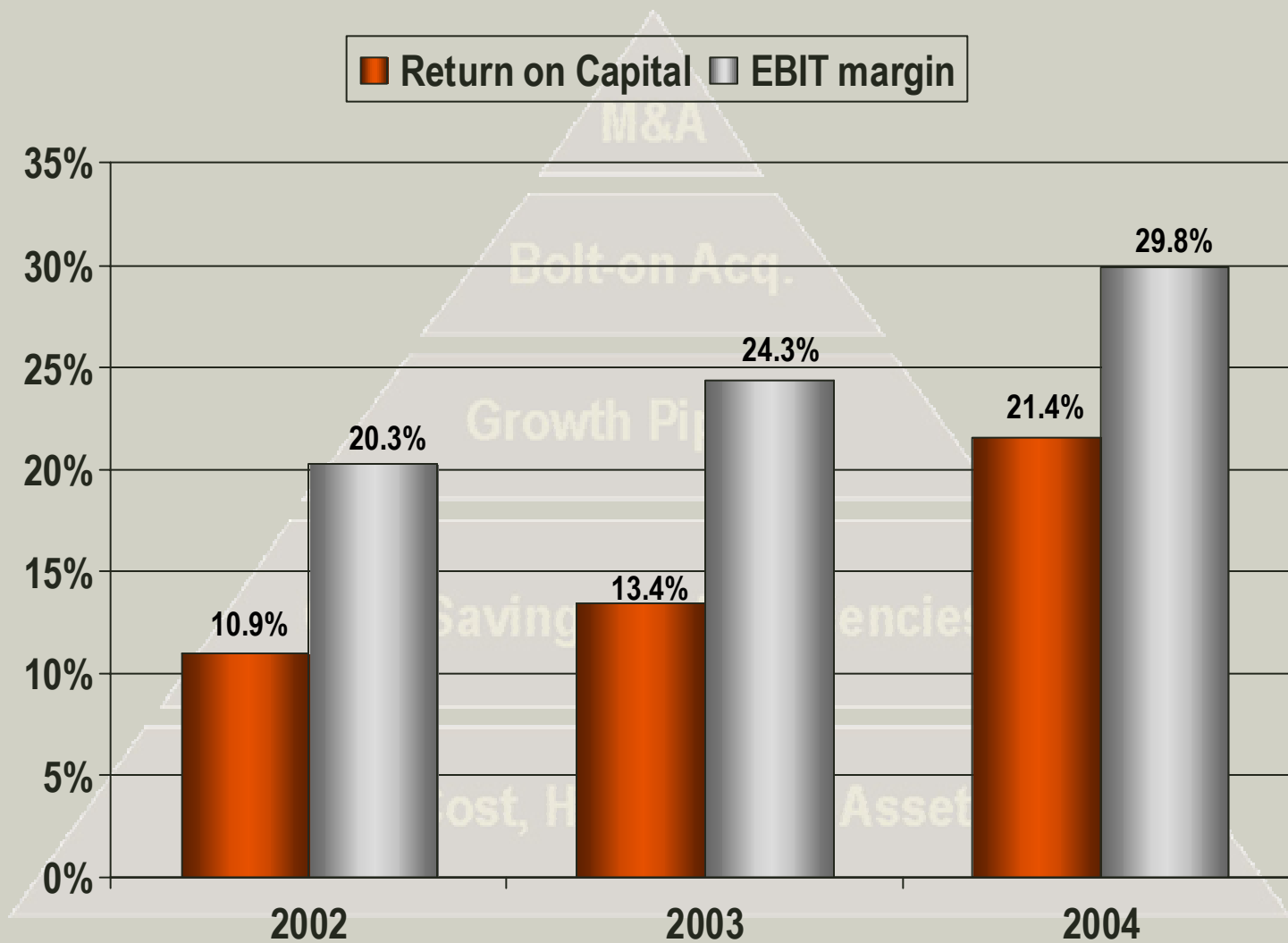
Highlights – year ended 30 June 2004

- **Record EBITDA**, up 40% to US\$7.5 billion and **record EBIT**, up 58% to US\$5.5 billion.
- EBIT up across **all CSGs**.
- **Record attributable profit** of US\$3.5 billion and earnings per share of 56.4 US cents.
- Including other efficiency gains, the total merger benefits and **cost savings** target of US\$770 million exceeded, 12 months ahead of schedule.
- Available **cashflow increased** by 46% to US\$5.2 billion.
- **7 projects** commissioned during the year. 14 major projects in development.
- **Final dividend** declared of 9.5 US cents; full year dividends of 26.0 US cents.
- Board approved plan to pursue a **capital management programme** of up to US\$2 billion.

Strategic focus

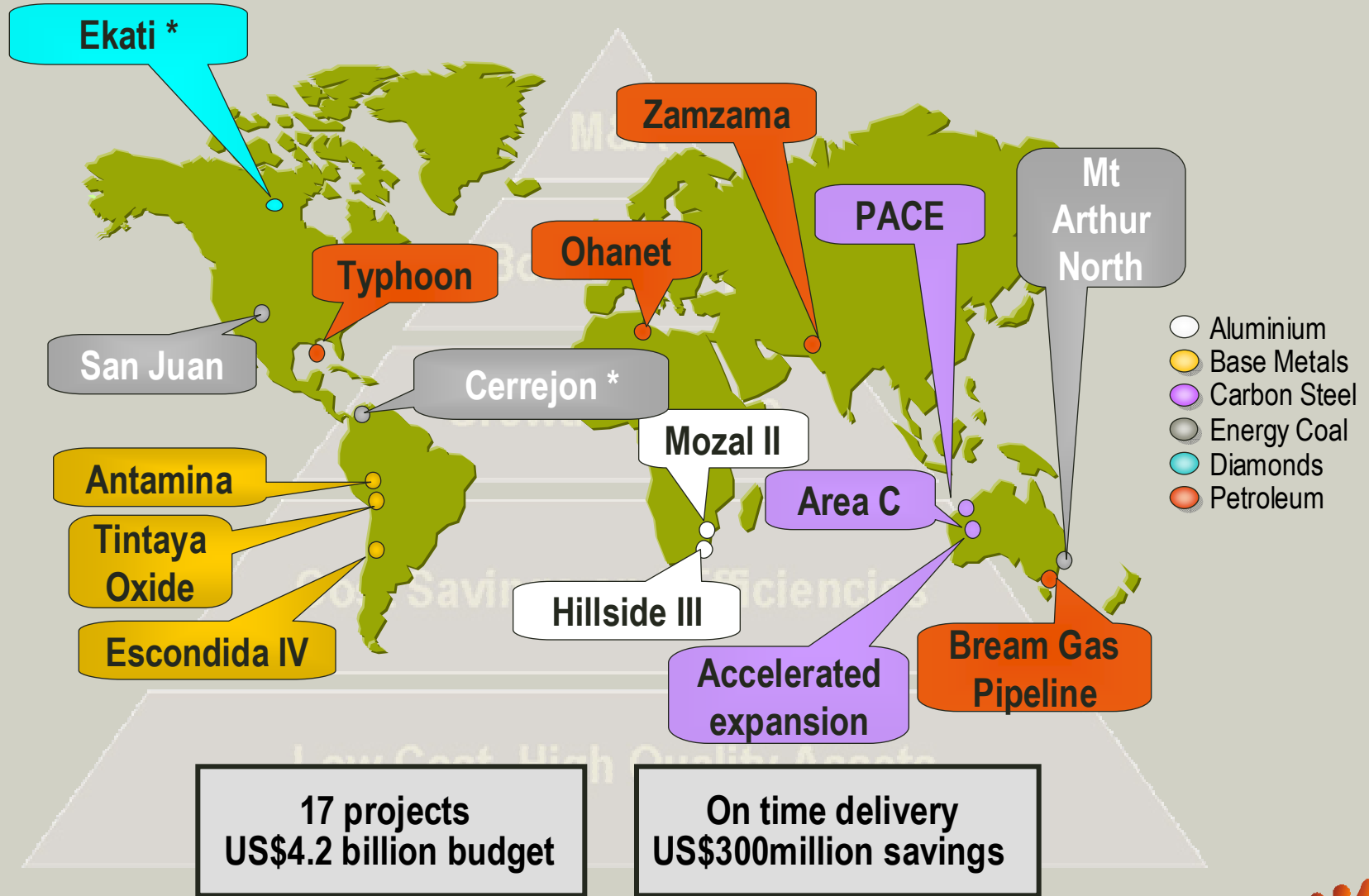


Increasing margins and return on capital



EBIT margins exclude exceptional items and third party products

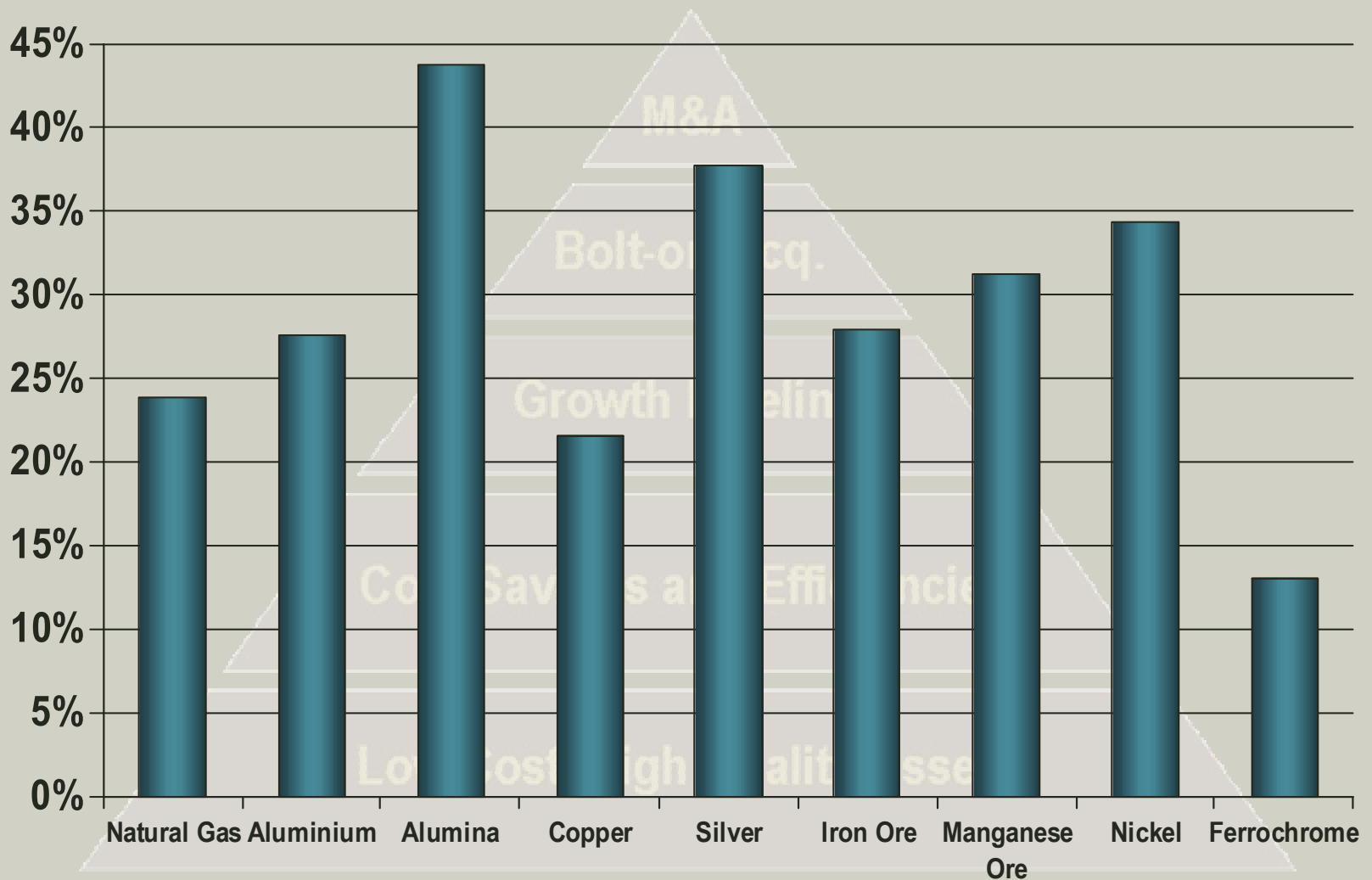
Growth projects delivered since July 2001



* Cerrejon refers to increased ownership interest plus expansion program. Ekati refers to increased ownership interest

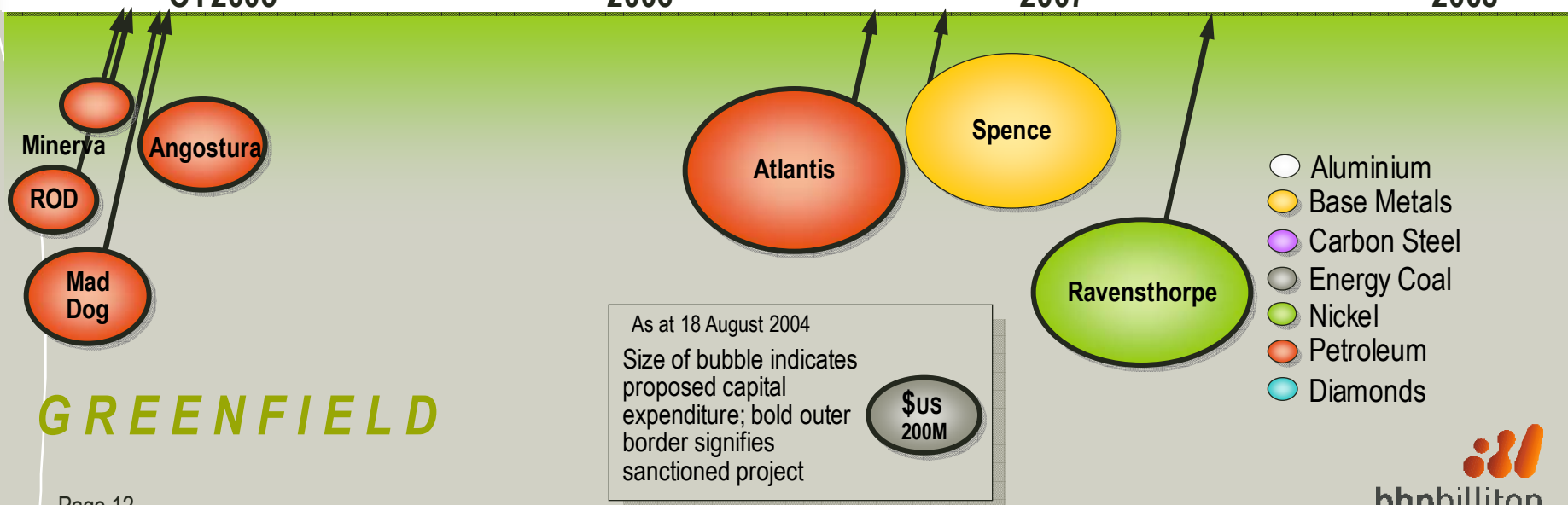
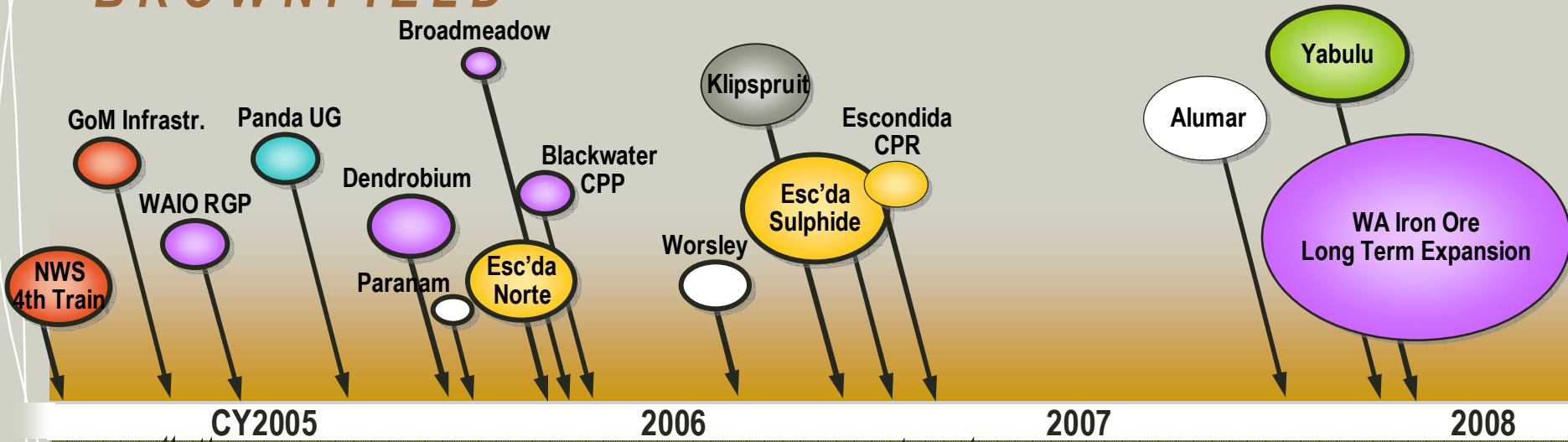
Volume growth

Year ended 30 June 2001 to year ended 30 June 2004



Deep inventory of growth projects

BROWNFIELD



GREENFIELD

As at 18 August 2004
 Size of bubble indicates proposed capital expenditure; bold outer border signifies sanctioned project

\$US 200M

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

BEE Equity ownership and Joint Ventures

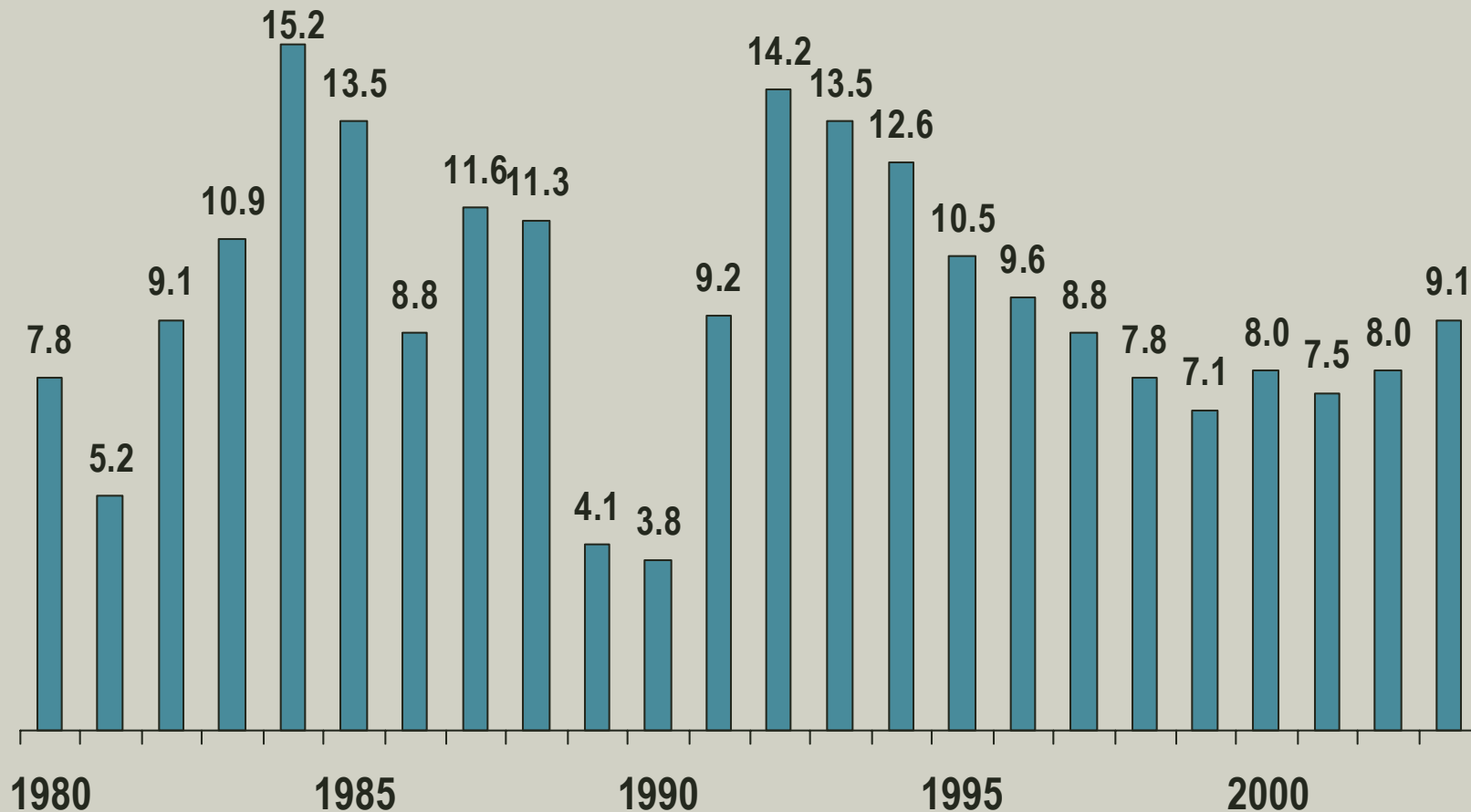
- The Act covers Ingwe, Smancor Cr and Mn and RBM, but not aluminium smelters at Richards Bay.
- 15% in 5 years and 26% in 10 years
- The objective is to create Black mining house through skills development, Mentoring and sale/JV of business or assets.
- Transactions in Coal, RBM and Cr
- Building on a positive relationship with DME in order to ensure a smooth transition
- We will be doing a number of transaction over a period of time

Major SA Capital Expenditure: 1993-2004

Project / Expansion	Date	US\$
Hillside 1 & 2	1993 - February 1996	1.1 billion
Richards Bay Minerals - Mining Plant 'E'	Up to July 1999	181 million
Mozal 1	July 1998 - June 2000	1.2 billion
Eyesizwe Coal - Empowerment	June 2000	48 million
Mozal 2	June 2001	860 million
Kuyasa Mining - Empowerment	September 2002	3 million
Hillside 3	February 2002 - October 2003	449 million
Western Complex/Klipspruit	May 2004 - WIP	+/- 280 million

China's growth is not a short term phenomenon (but it is cyclical)

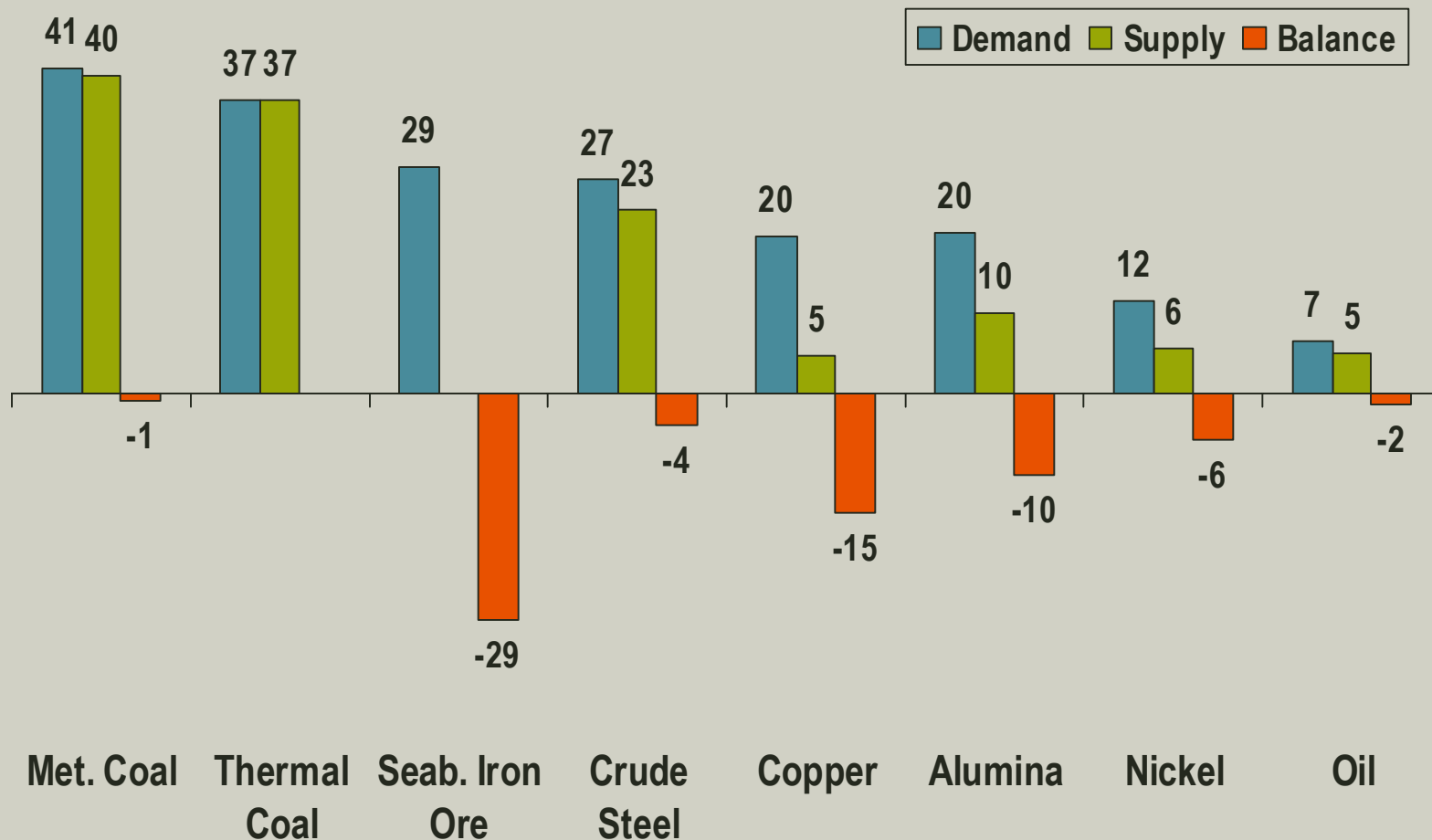
China GDP growth (%)



Source: China Statistics Yearbook, Global Insight

China is a large consumer but is short of resources

China's % of world production and consumption in 2003



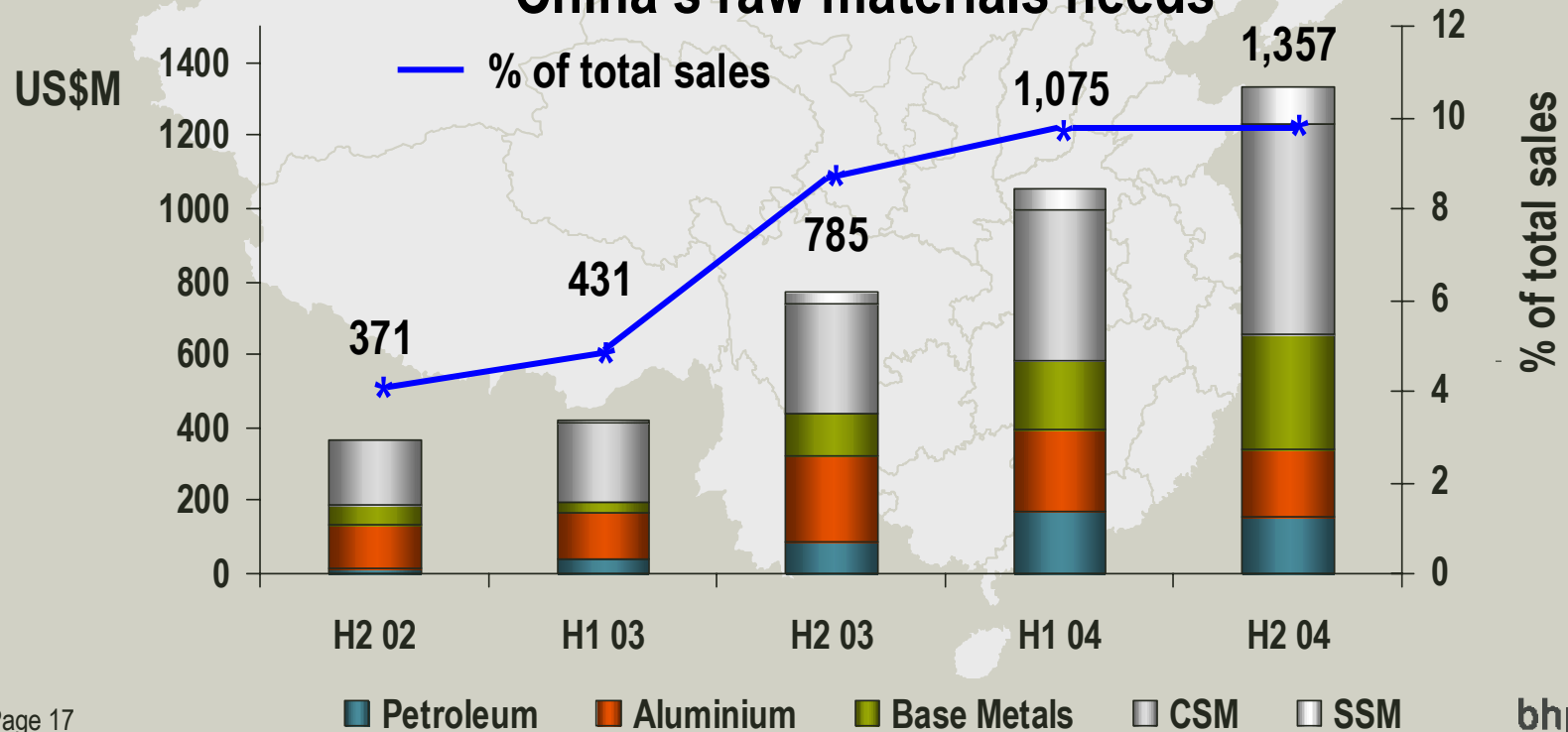
Source: CRU, IEA, BHP Billiton

Note: Metallurgical coal and thermal coal markets show total supply and demand, not just seaborne trade

China – growth translates to opportunity for BHP Billiton

- Sales into China increasing but diversification remains
- Currently 9.8% of total company revenues, up from 6.9% in FY03
- We expect China to continue to be a large and sustainable consumer of imported raw materials

BHP Billiton is positioned to maximise value from supplying China's raw materials needs



Outlook

- China
 - Growth rates expected to ease modestly
 - Will remain a large and sustainable consumer of raw materials and resources in coming years
 - But will be subject to ‘ups and downs’
- Asia – Benefiting from China
- Japan – Strongest momentum in a decade
- USA – Recovery continuing
- Europe – Modest recovery underway

Strong economic growth together with low inventory levels will support commodity prices



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