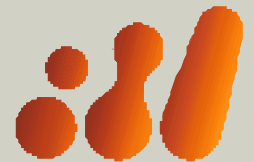


# BHP Billiton

Merrill Lynch Australian Investment Conference

30 September 2005

Marius Kloppers – Chief Commercial Officer



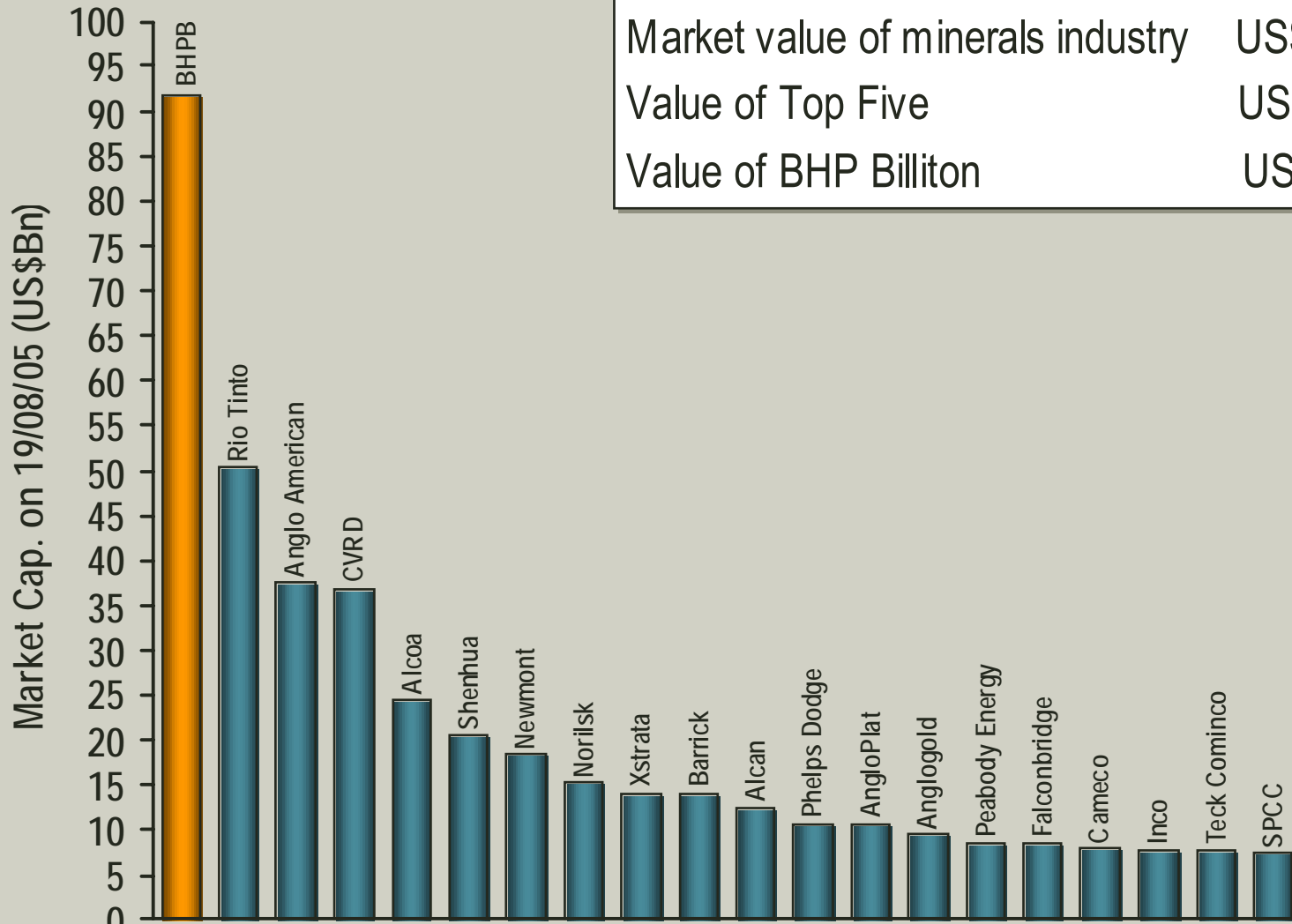
**bhpbilliton**

# Disclaimer

The views expressed here contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. Any forward looking information in this presentation has been prepared on the basis of a number of assumptions which may prove to be incorrect. This presentation should not be relied upon as a recommendation or forecast by BHP Billiton.

Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

# The largest company in a consolidating sector



Market value of minerals industry	US\$572bn
Value of Top Five	US\$241bn
Value of BHP Billiton	US\$ 92bn

Source: Datstream

# The world's largest diversified resources company

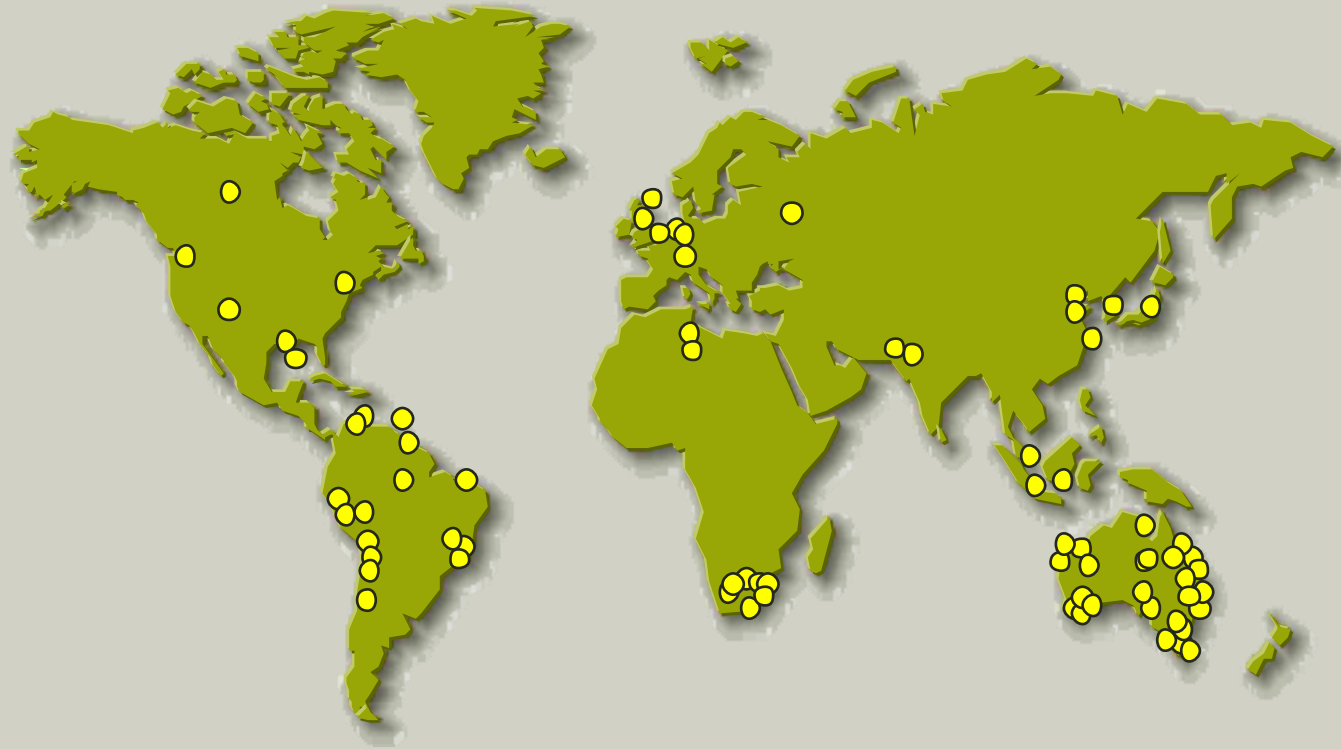
**Petroleum**



**Aluminium**



**Base Metals**



**Carbon Steel Materials**



**Diamonds & Spec Prod**



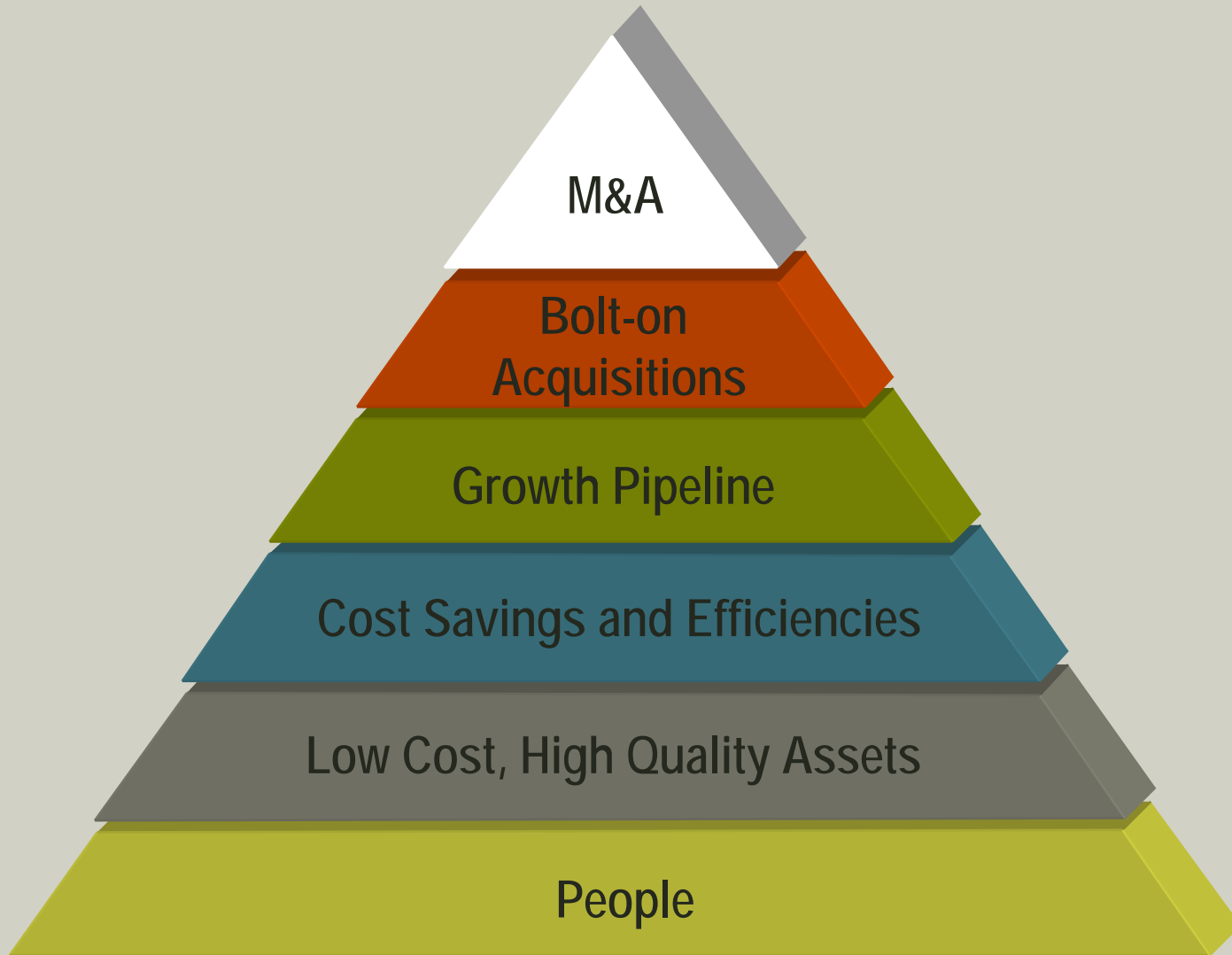
**Energy Coal**



**Stainless Steel Materials**



# Strategic focus



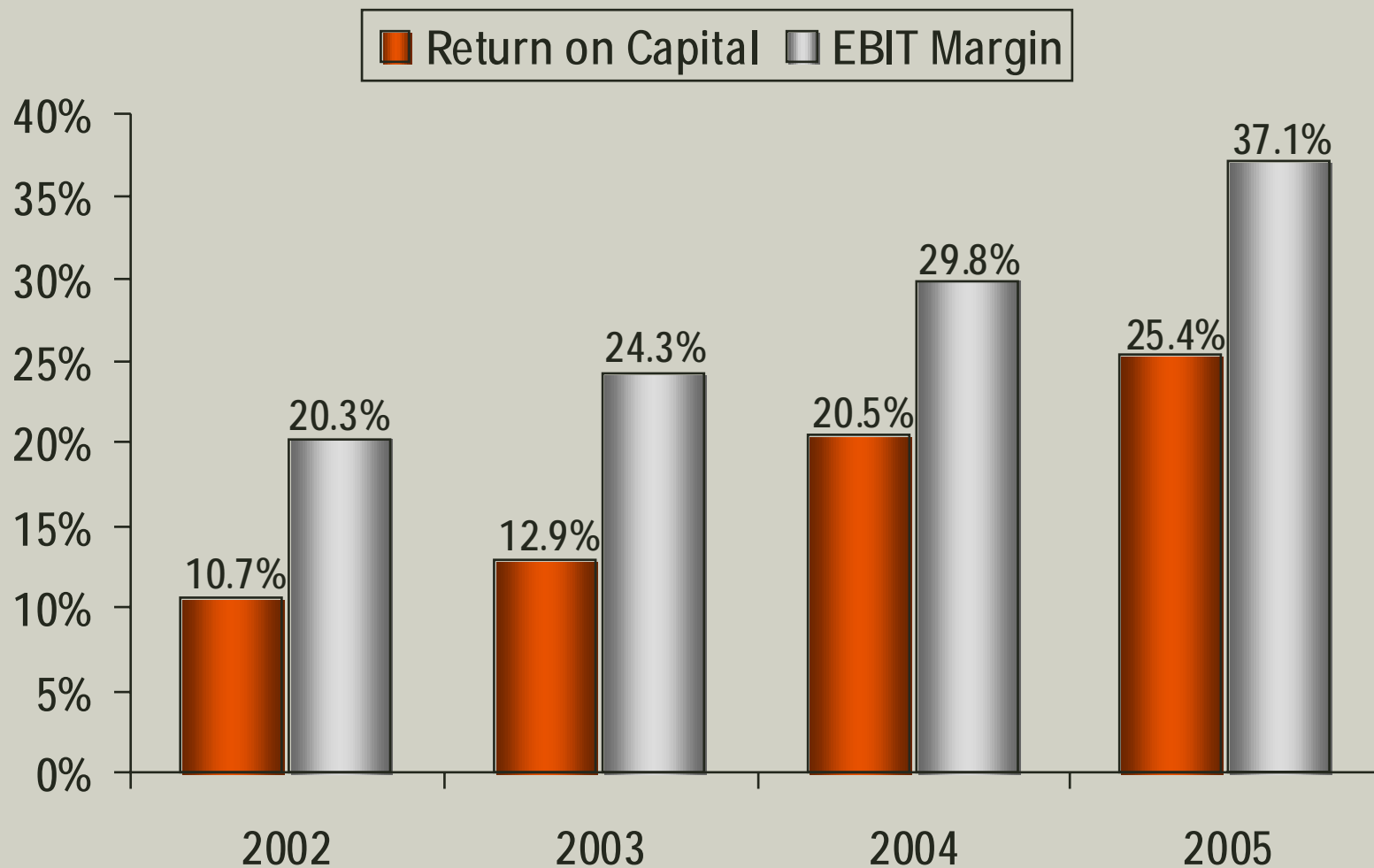
# Highlights – year ended June 2005

- **Record full year earnings**
  - EBITDA up 53% to US\$11.4 billion
  - EBIT up 70% to US\$9.3 billion
  - Attributable profit of US\$6.5 billion and earnings per share of 106.4 US cents, up 86% and 89%, respectively
- EBIT up across all CSGs with Group EBIT margin of 37.1%
- Available cashflow up 70% to US\$8.7 billion
- Eight major projects commissioned since 30 June 2004
- Successful US\$7.2 billion acquisition of WMC Resources
- Successful completion of US\$2 billion capital management programme
- Final dividend increased to 14.5 US cents per share, consistent with outlook and higher earnings and cashflow

Note – the financial results of BHP Billiton are prepared in accordance with UK generally accepted accounting principles (GAAP).

# Outstanding assets

## Increasing margins and return on capital



# Outlook - 2005

## USA

Improvements in consumer spending, industrial production and employment

Tightening in monetary policy

High oil prices not impacting growth

Period	Growth
CY01	Low
CY02	Low-Mid
CY03	Mid
CY04	High
H105	Mid-High

## China

GDP growth rate remains strong and sustainable

Fixed asset investment focussed on infrastructure de-bottlenecking

RMB revaluation neutral to positive

Quality and sustainability of growth is key

Period	Growth
CY01	Low
CY02	Low-Mid
CY03	Mid
CY04	High
H105	Mid-High

Period	Growth
CY01	Low
CY02	Low-Mid
CY03	Mid
CY04	High
H105	Mid-High

Period	Growth
CY01	Low
CY02	Low-Mid
CY03	Mid
CY04	High
H105	Mid-High

## Europe

Subdued domestic demand, high unemployment and strong Euro

Limited improvement expected in next 12 months

## Japan

Confidence increasing due to domestic demand

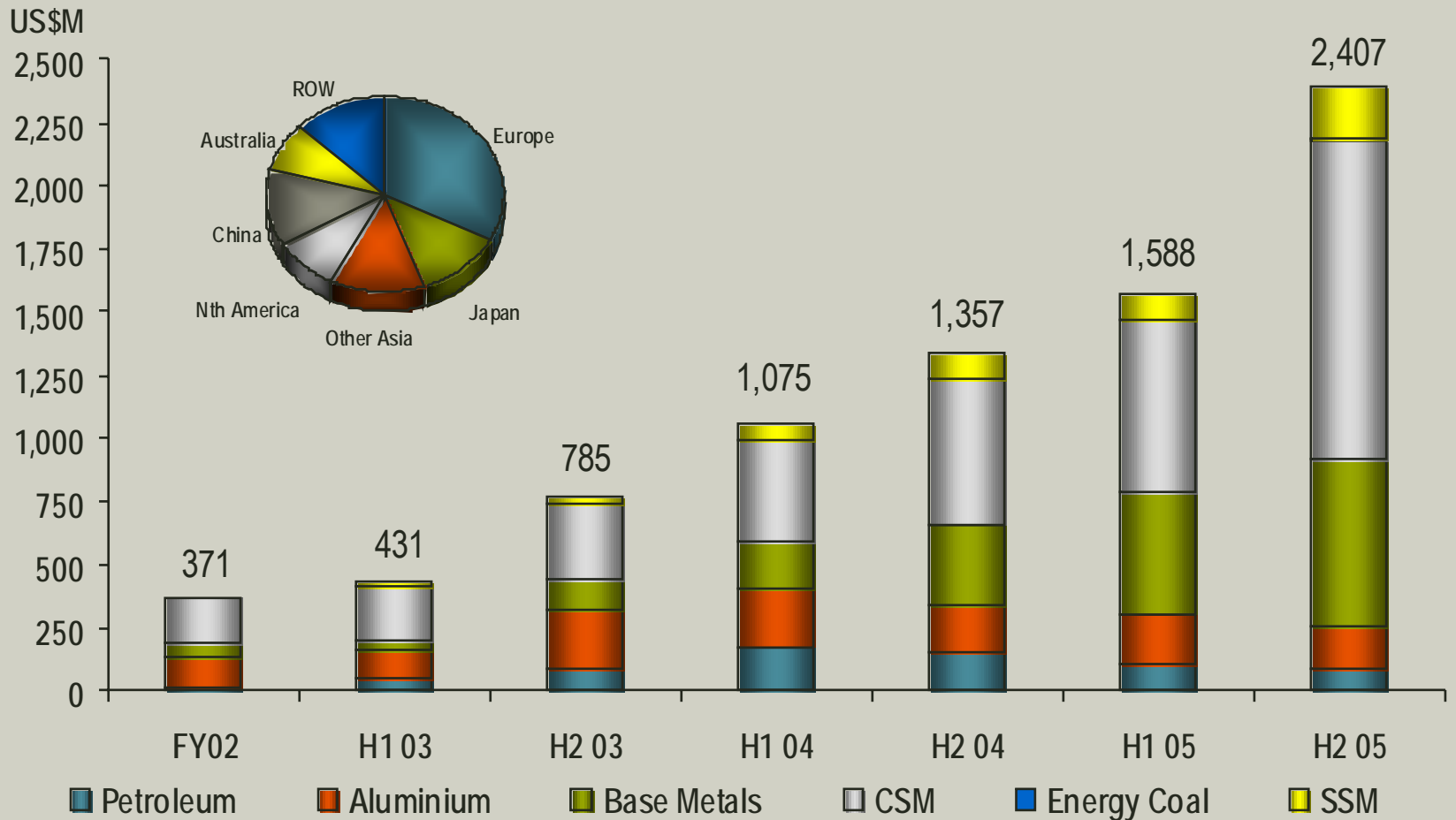
Rising business confidence, capital expenditure and employment

Higher raw material and energy prices not materially impacting growth

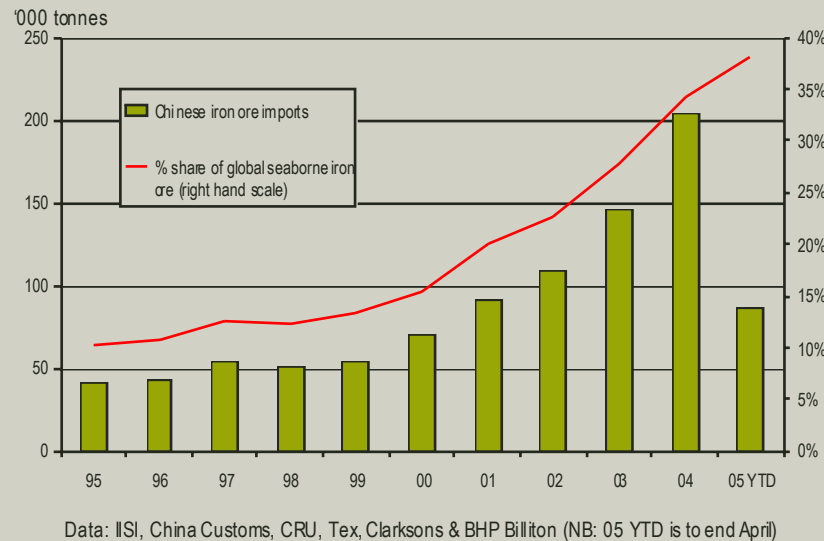
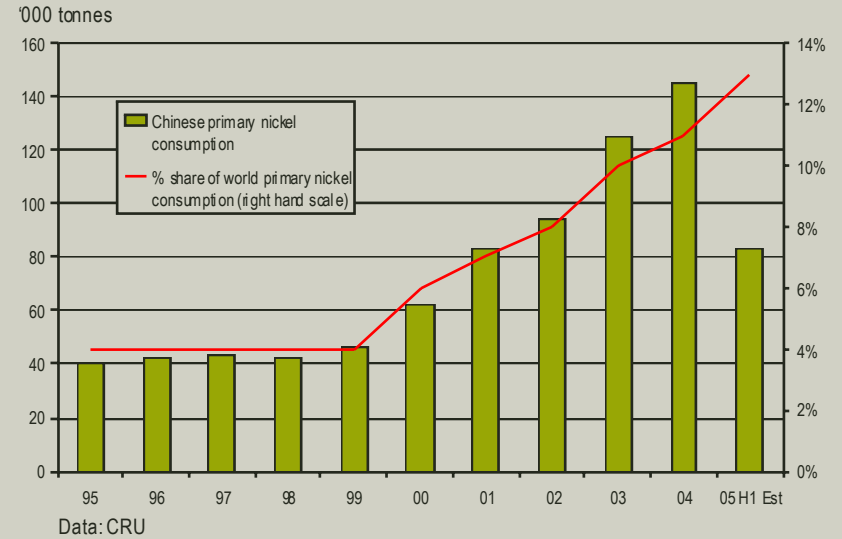
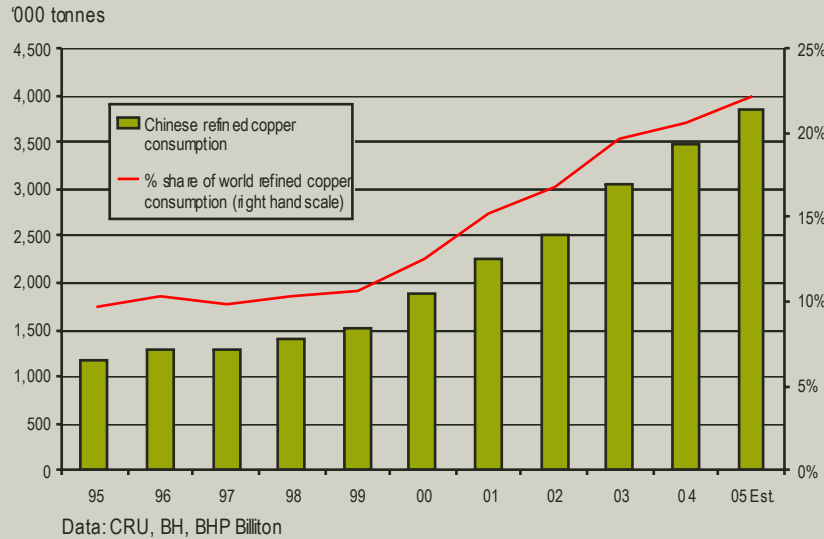


# China

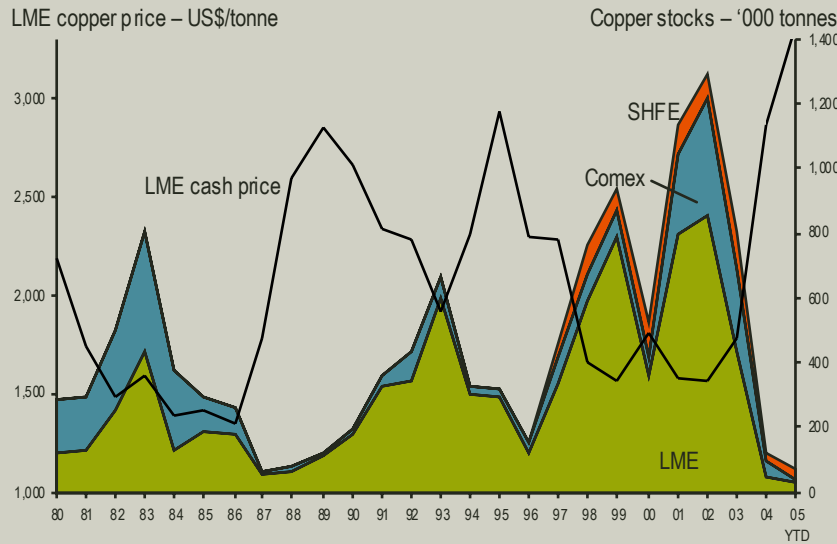
- Sales into China increasing but diversification remains
- Currently 12.6% of total company revenues, up from 9.8% in FY04



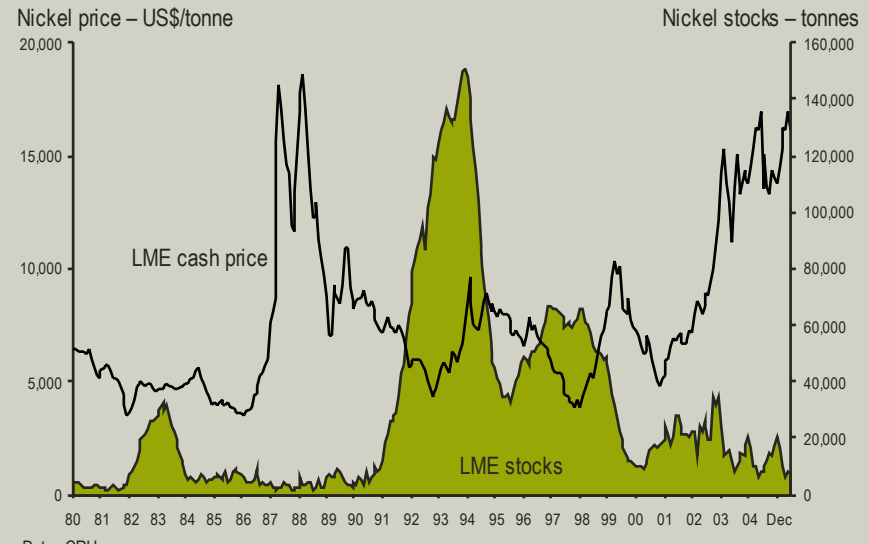
# Chinese copper, nickel, iron ore and steel demand



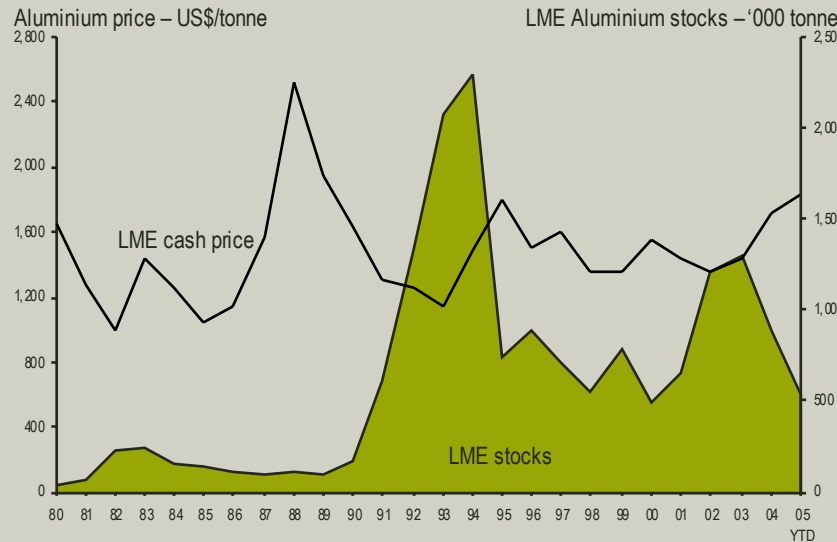
# Exchange stocks and copper, nickel, aluminium and petroleum prices



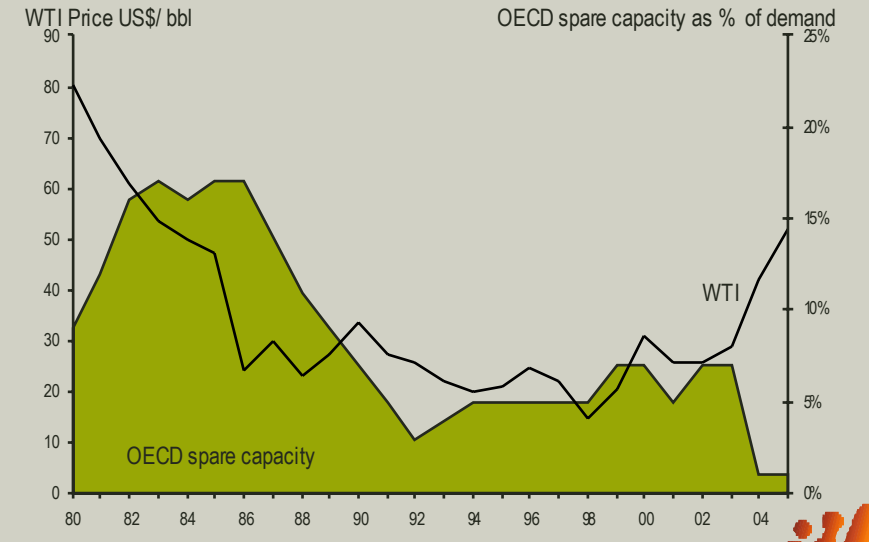
Data: LME, Comex, SHFE (from 1997)



Data: CRU



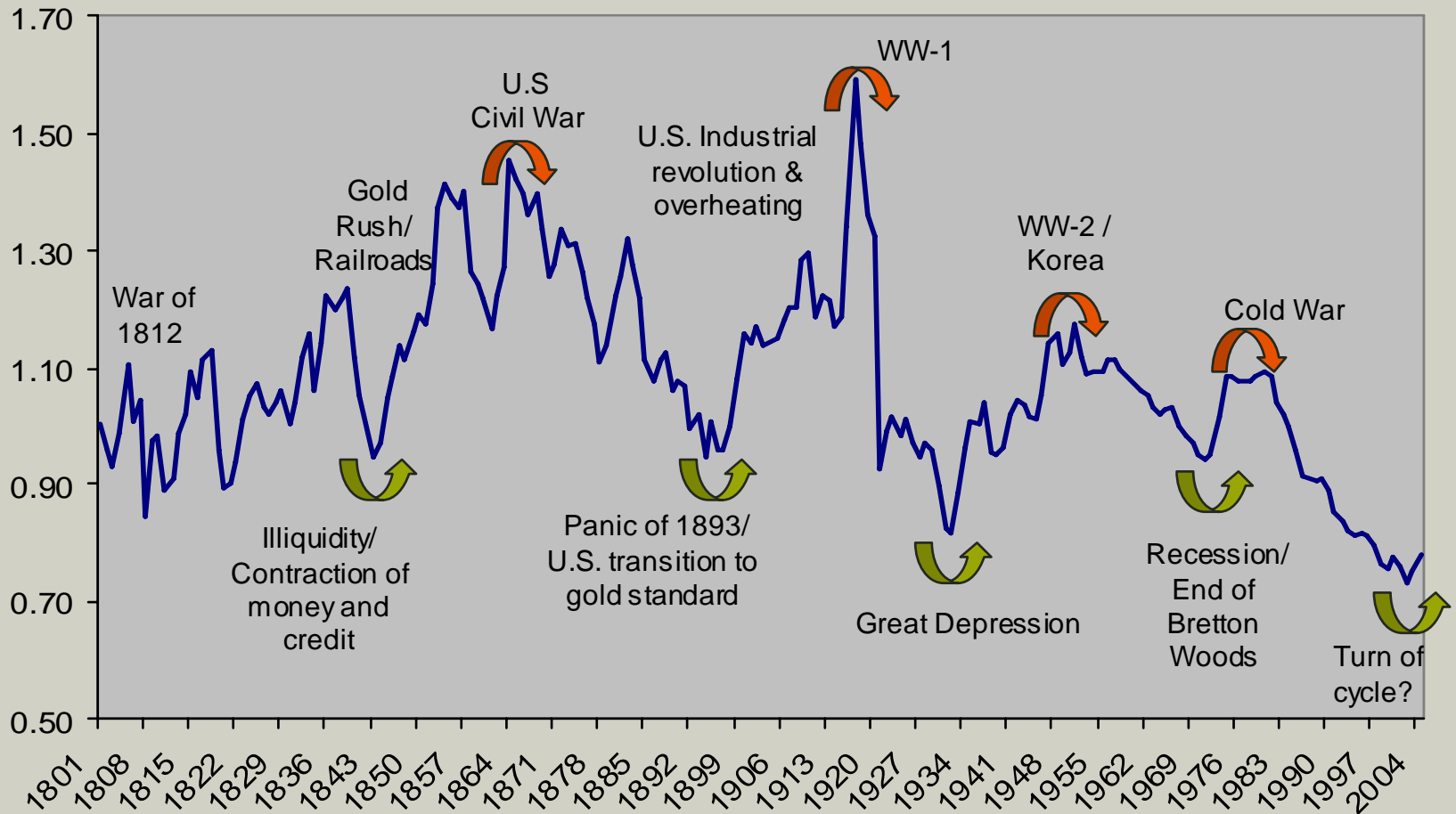
Data: LME, IAI



Data: EIA

# Commodities price cycle – 200 year view

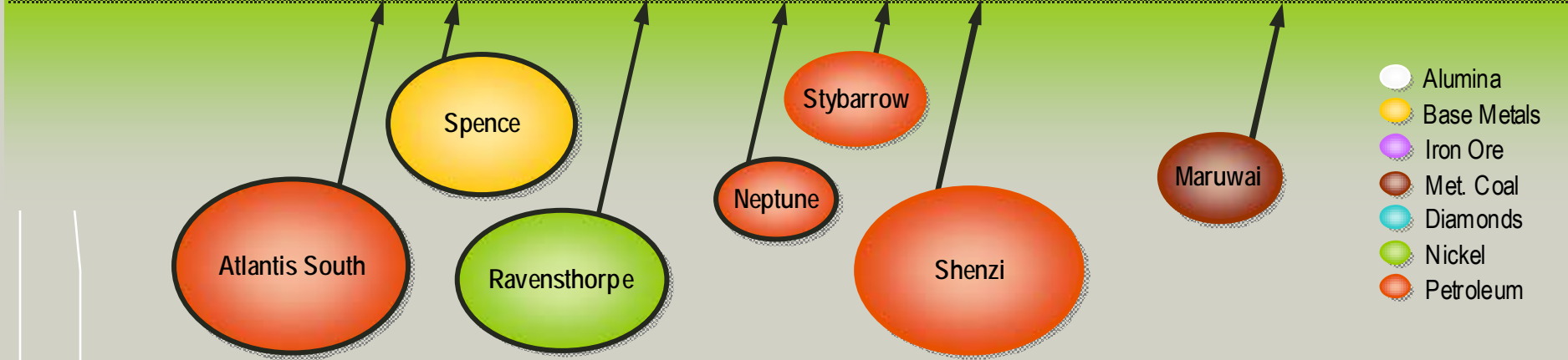
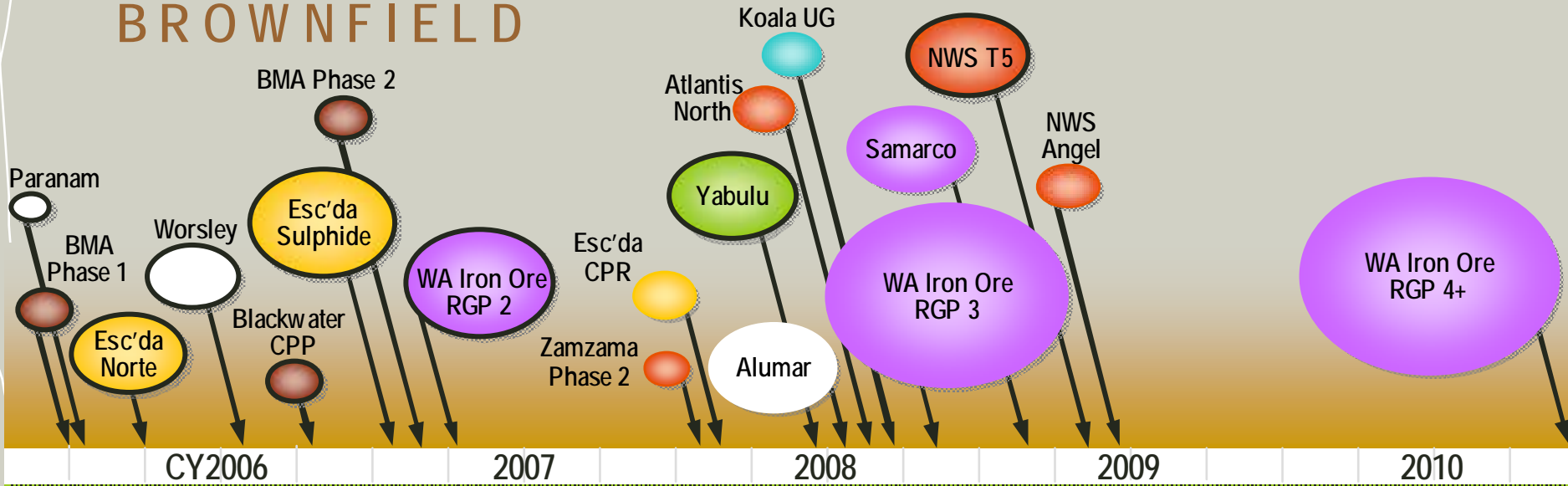
## US Commodity Price Index adjusted for CPI



Source: "US All Commodities Producer Price Index and US Consumer Price Inflation, US Bureau of the Census, Historical Statistics of the United States, Colonial Times to 1970"

# Deep inventory of growth projects

## BROWNFIELD



- Alumina
- Base Metals
- Iron Ore
- Met. Coal
- Diamonds
- Nickel
- Petroleum

## GREENFIELD

As at 24 August 2005  
 Size of bubble indicates proposed capital expenditure;  
 bold outer border signifies sanctioned project

\$US  
200M



# Summary and conclusions

- Strong production performance leading to record financial results
- Outlook remains positive
  - Strong demand
  - Low inventories
  - Supply lagging demand
- Portfolio diversification drives cash flow stability
- Track record of delivering growth in line with market demand
- Management will continue to exercise value accretive expansion options to capture our share of demand growth

**Increasing Shareholder Value**



**bhpbilliton**