

BHP Billiton



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Presentation to the Investment Analysts Society of Southern Africa

13 September 2006

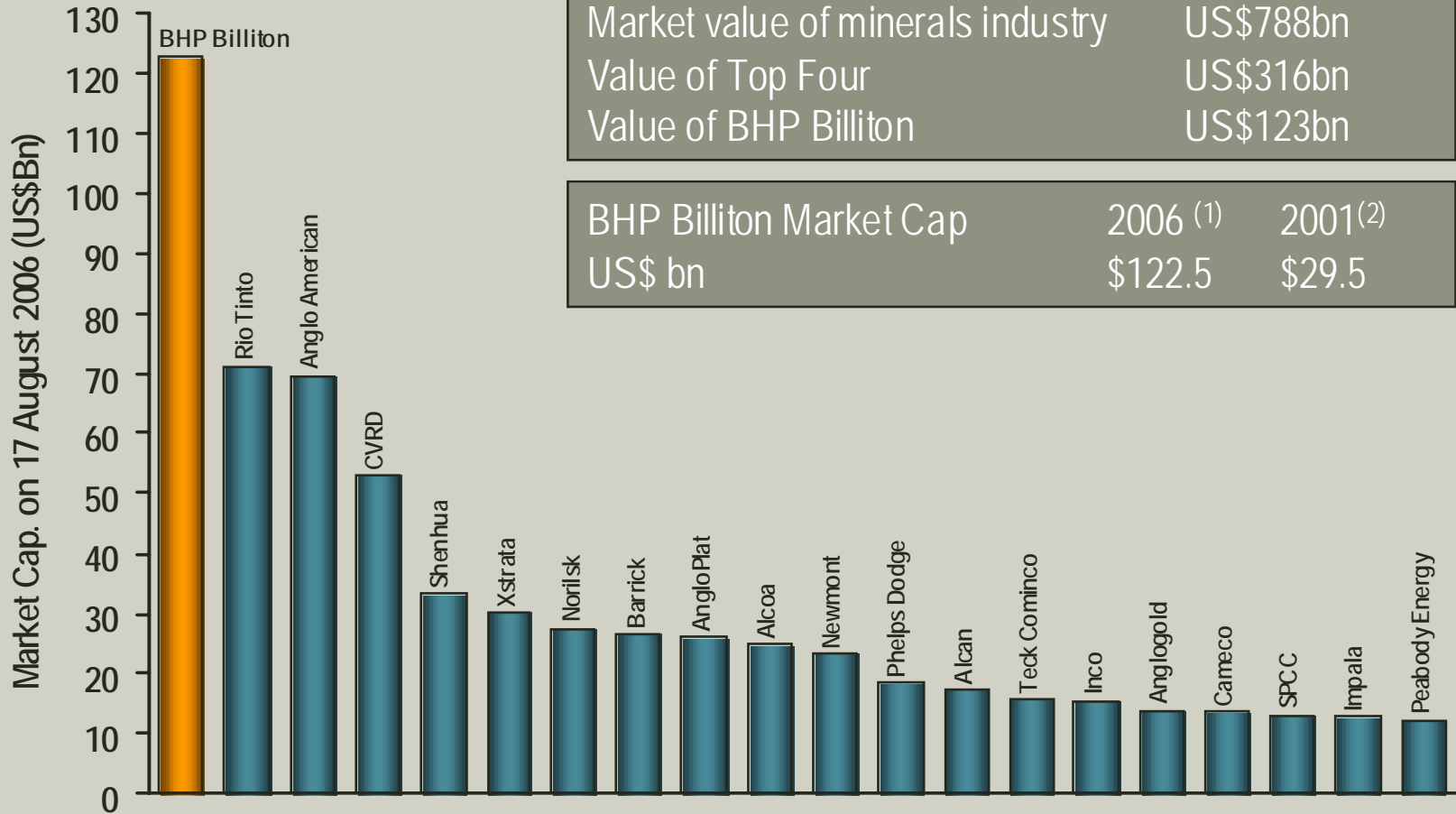


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The largest company in a consolidating sector



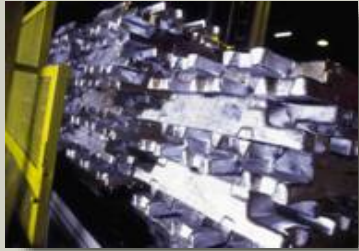
Source: Datastream and Bloomberg (data as at 17 August 2006)
 1. Market Capitalisation on 17 August 2006
 2. Market Capitalisation on 28 June 2001

Diversification, stable cash flow, global reach, visibility to growth options

Petroleum



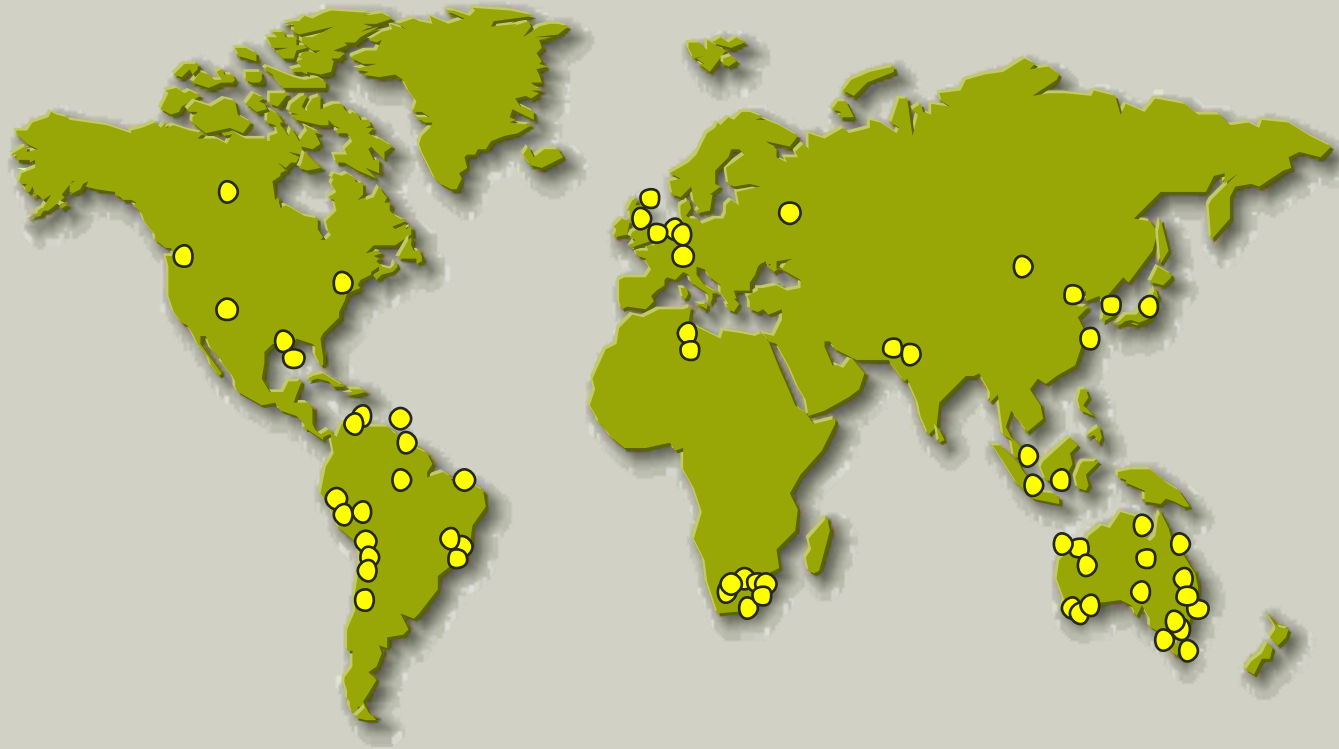
Aluminium



Base Metals



Carbon Steel Materials



Diamonds & Spec Prod



Energy Coal



Stainless Steel Materials

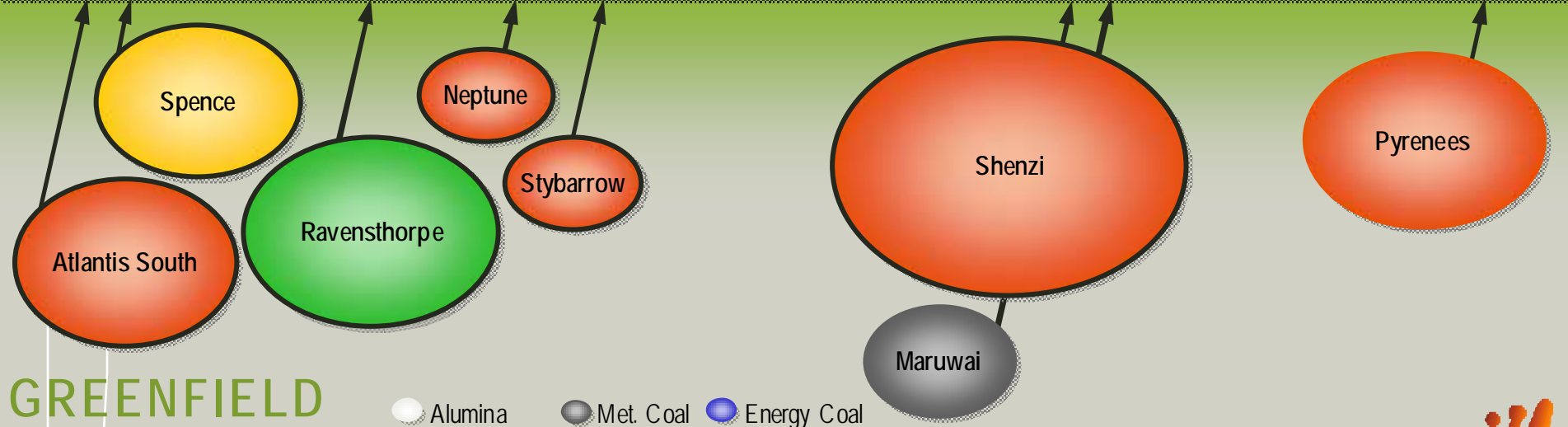
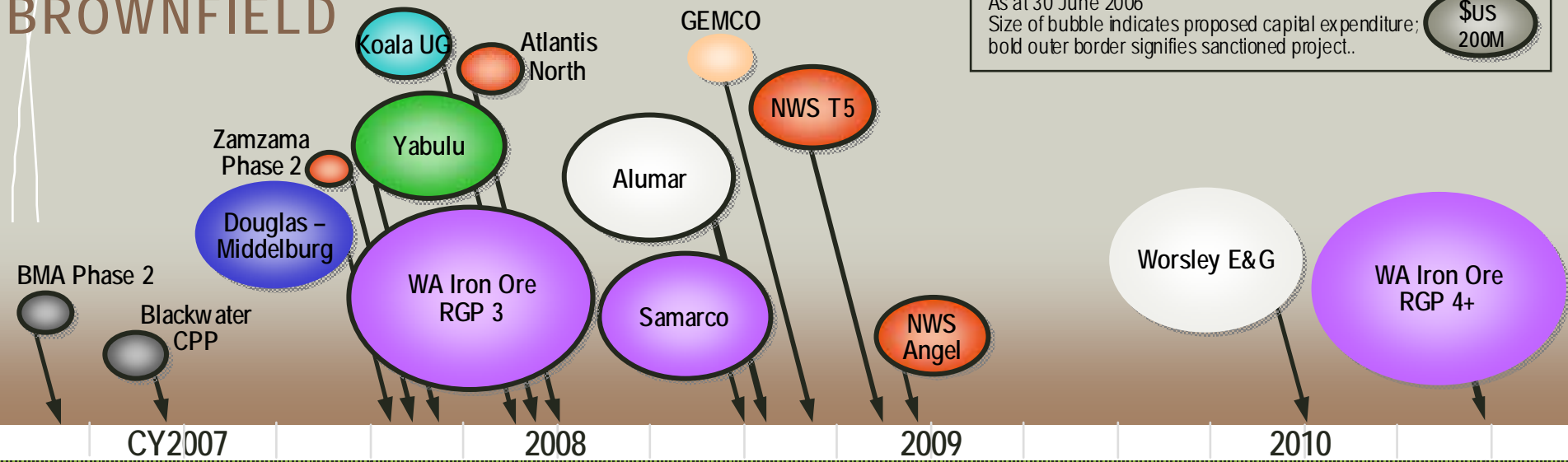


Deep inventory of growth projects

BROWNFIELD

As at 30 June 2006
 Size of bubble indicates proposed capital expenditure;
 bold outer border signifies sanctioned project.

\$US
200M



GREENFIELD

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

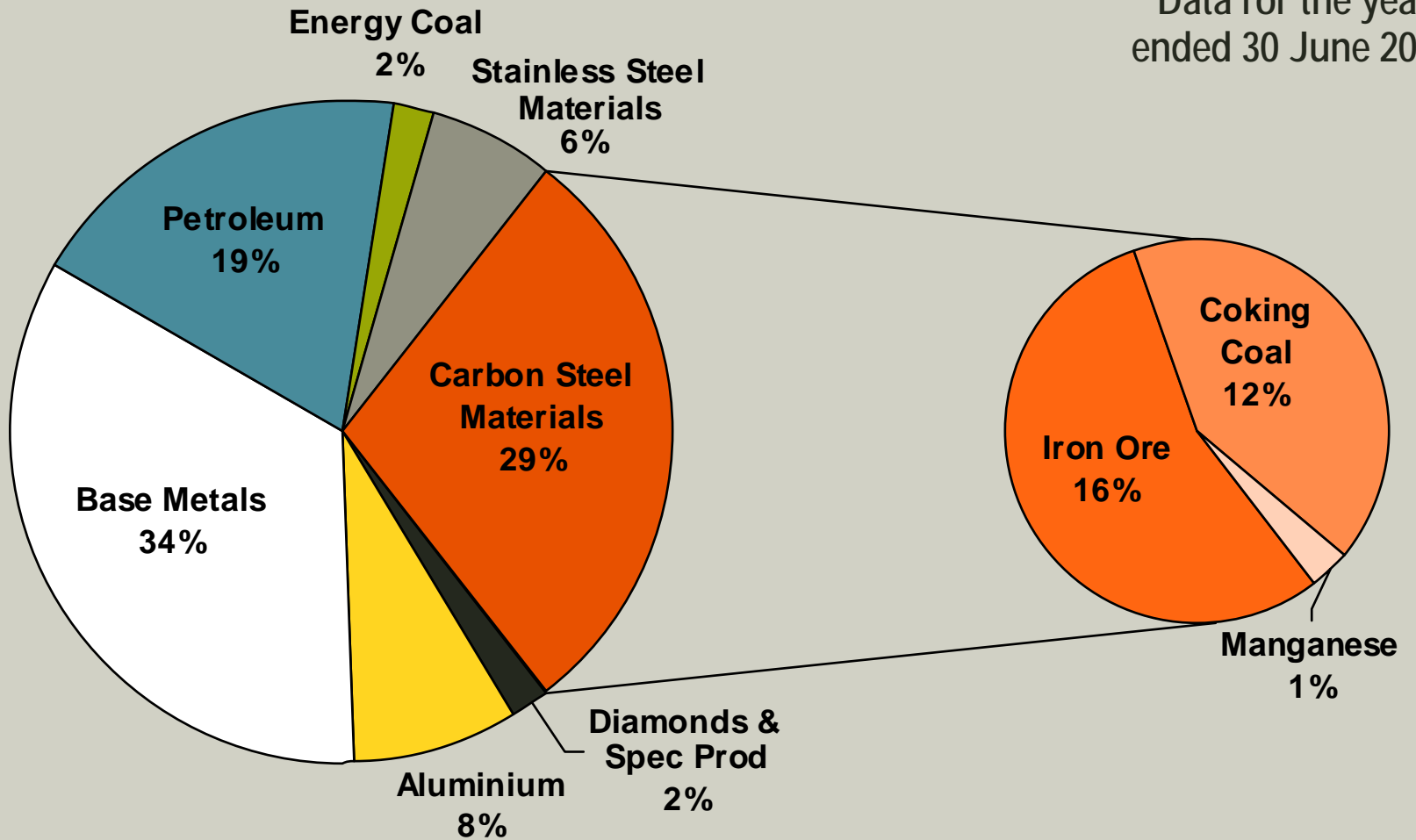


Highlights – 12 months ended June 2006

- **Record full year earnings**
 - Underlying EBITDA US\$18.1 billion ↑↑ 50%
 - Underlying EBIT US\$15.3 billion ↑↑ 54%
 - Attributable profit US\$10.2 billion ↑↑ 58%
 - Earnings per share 168.2 US cents ↑↑ 60%
- **Four major projects completed.** WMC integration complete
- **Underlying EBIT margin ↑↑ to 44% and ROCE ↑↑ to 35%**
- **Seven major projects approved.** Current pipeline 23 projects, US\$13.8 billion
- **Final dividend 18.5 US cents per share ↑↑ 28%**, consistent with outlook and higher earnings and cash flow
- **Capital Return of US\$3 billion. Total US\$5 billion for FY2006**

Portfolio diversification – CSM c. 29% of EBIT

Data for the year ended 30 June 2006

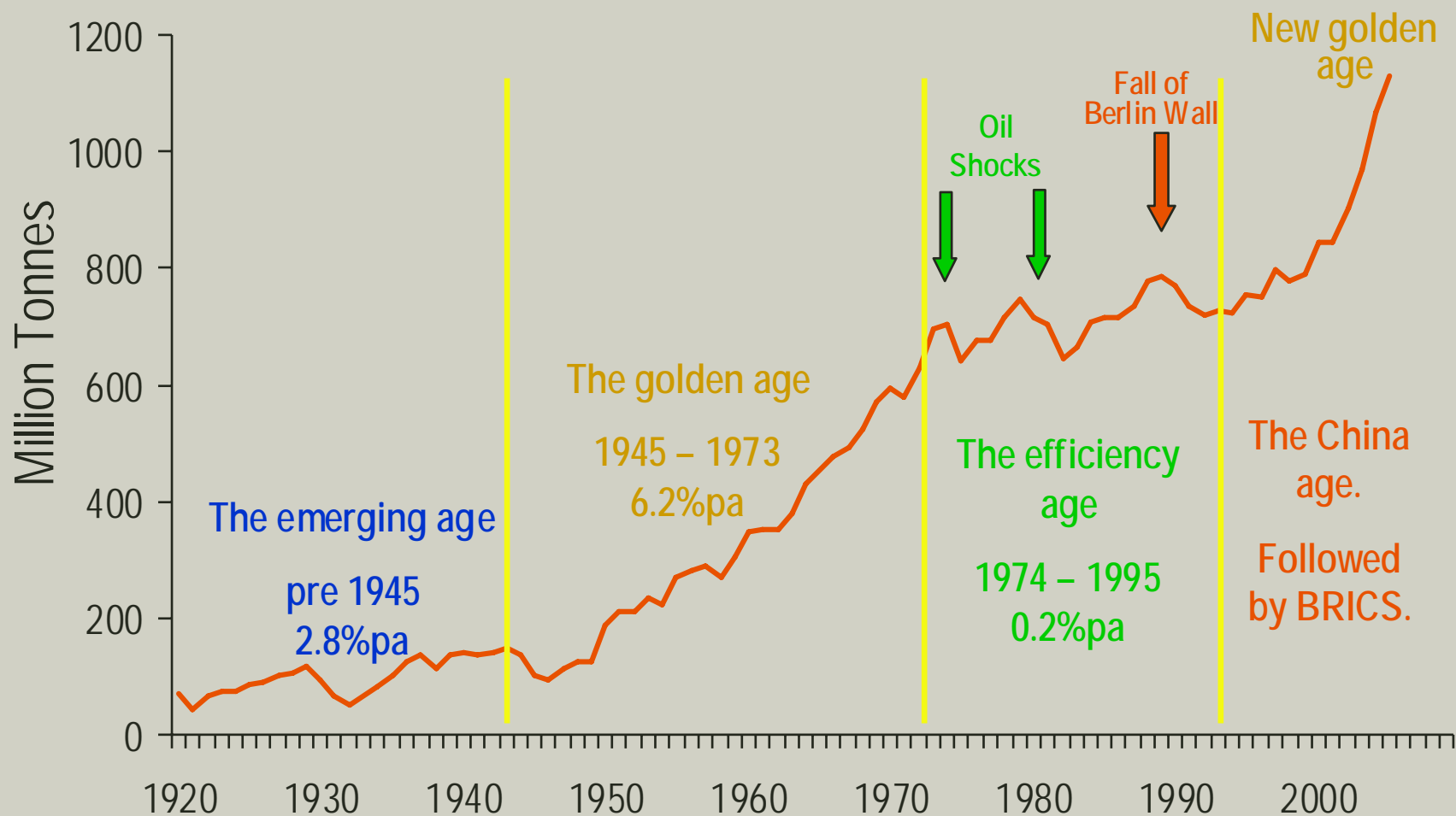


Carbon Steel Materials - "Stronger for longer"

- CSM is a force of stability in BHP Billiton
- We have world class assets, ideally situated for the major growth market in China
- Leading global positions:
 - No 1 in Seaborne Metallurgical Coal
 - No 3 in Seaborne Iron Ore
 - No 1 in Manganese Ore
- Unprecedented demand for our products. Expanding production to service the demand.

Global Steel Production Continues in New Golden Age


New age of steel firmly established, parallels between post 1945 and post 1995 industrialization of China.



Source IISI, BHP Billiton

Short Term Steel Demand Outlook is very Positive

Global economic conditions are very robust with predictions for steel consumption growth positive for 2006/7

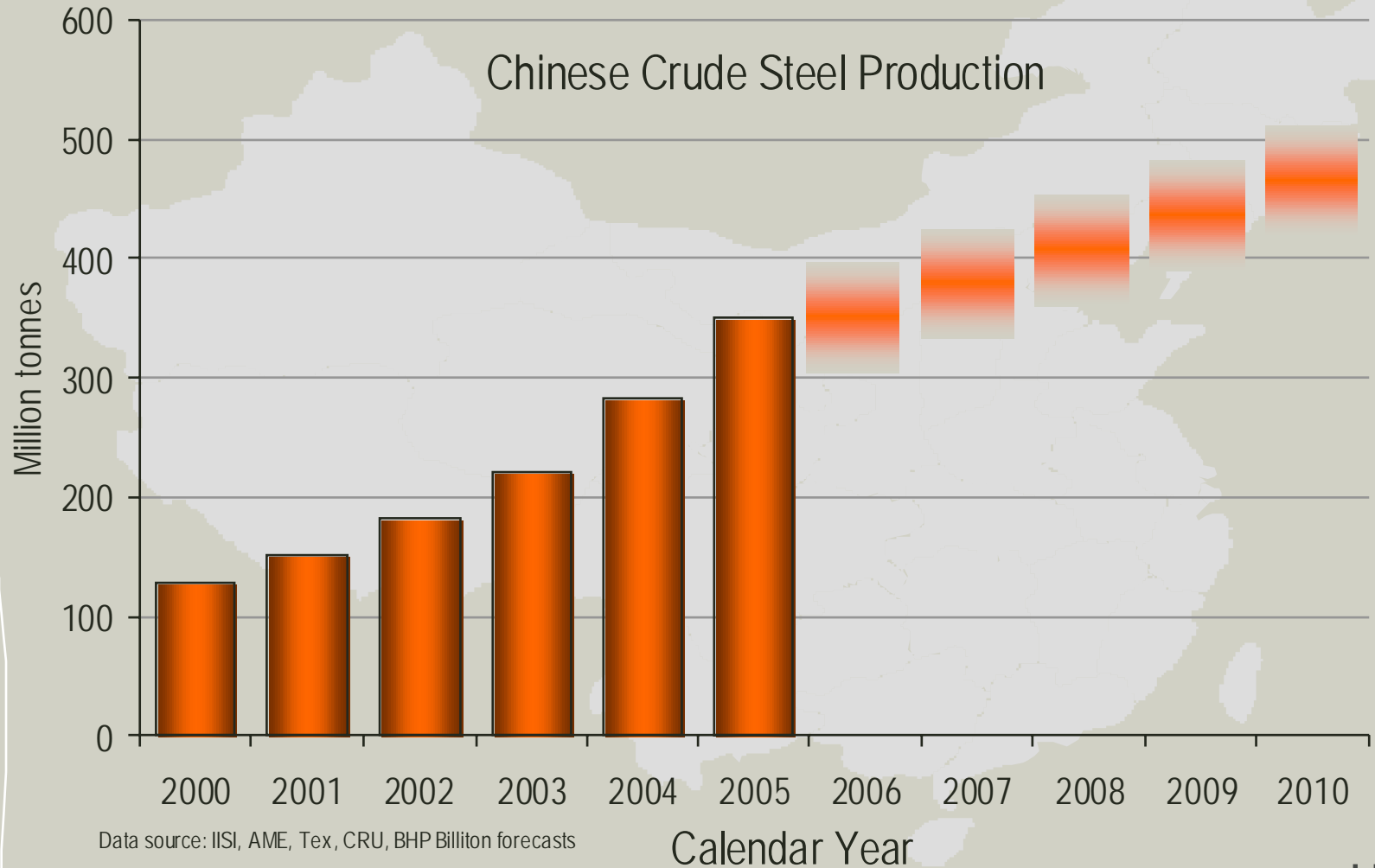


	2005	2006	2007	2005-6		2006-7	
				Mt	%	Mt	%
EU (25)	160	167	169	7	4%	2	2%
CIS & Other Europe	73	76	79	3	5%	3	3%
NAFTA	136	143	145	7	5%	2	2%
C. and S. America	33	35	38	2	8%	3	9%
Africa	22	24	25	2	8%	1	5%
Middle East	35	38	41	3	8%	3	8%
China	315	356	399	41	13%	43	12%
Asia Pacific	240	249	254	9	4%	5	2%
Total world	1,013	1,087	1,150	74	7%	63	5.8%

Source: IISI, BHP Billiton

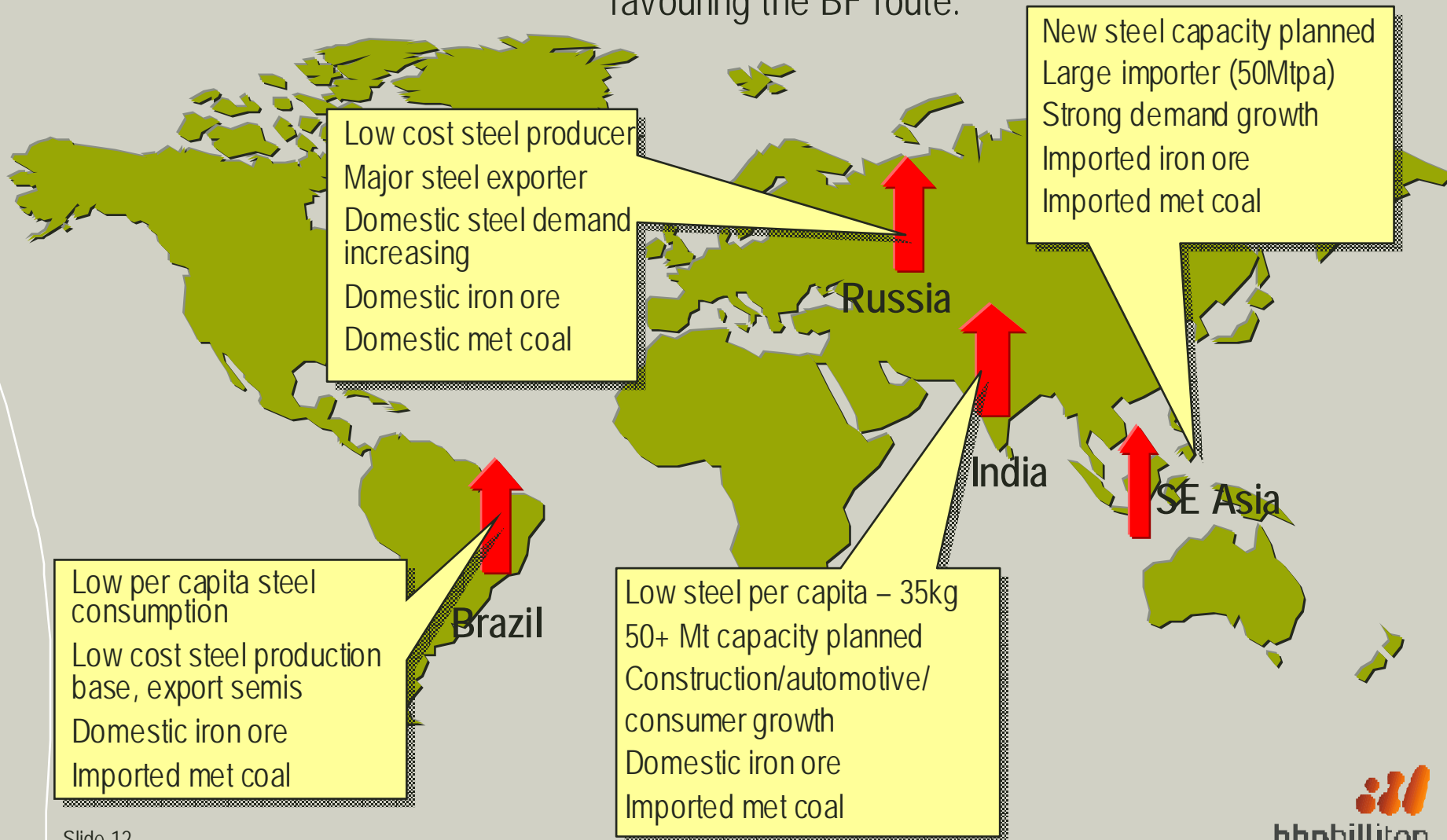
China's Influence is Growing

China will continue to be the growth engine of the global steel industry in the short to medium term. India has the potential to provide further medium to long term growth.



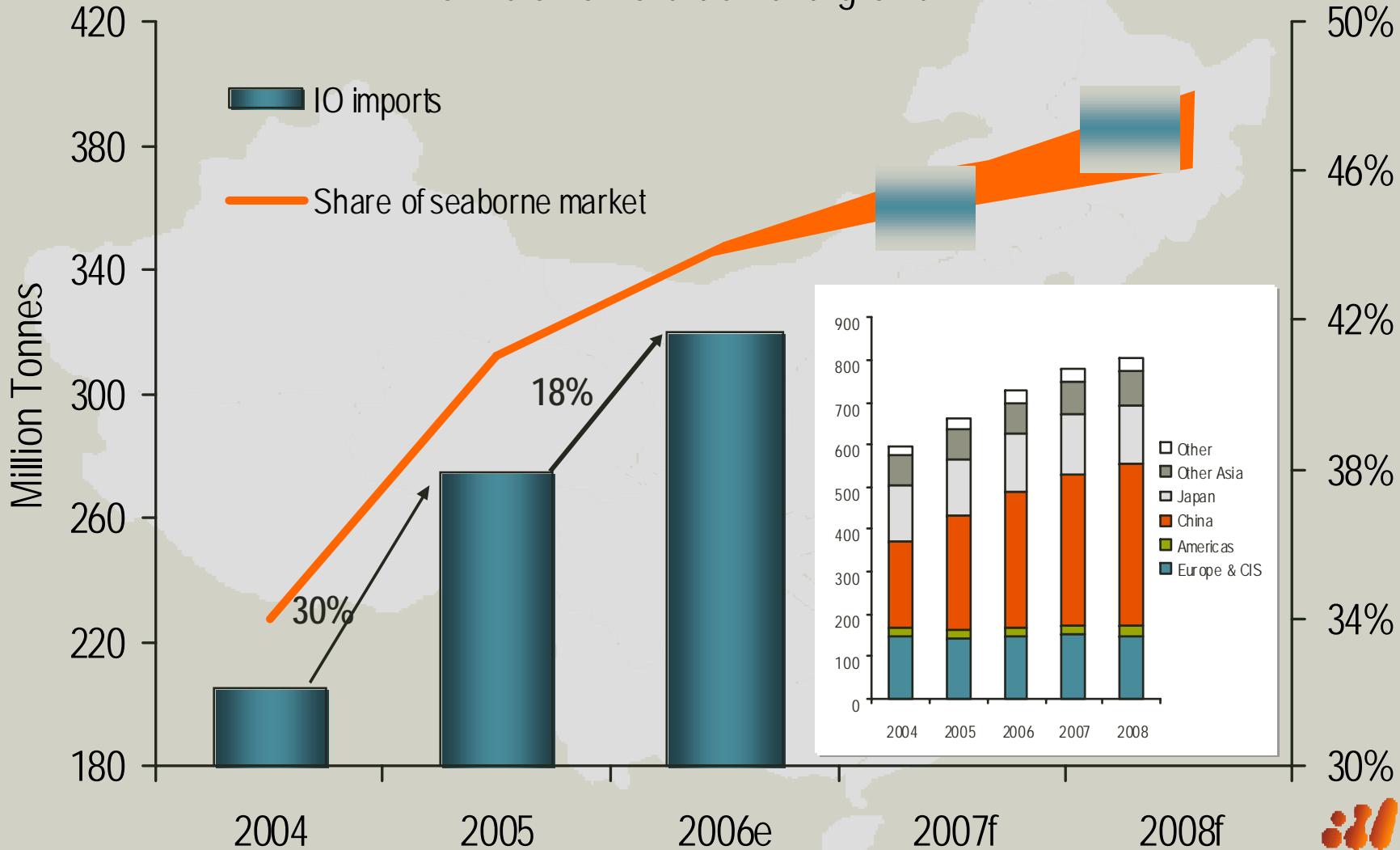
Steel and Raw Material Impact of Non-China Growth

In addition to China steel growth will be driven by other countries, with a majority favouring the BF route.



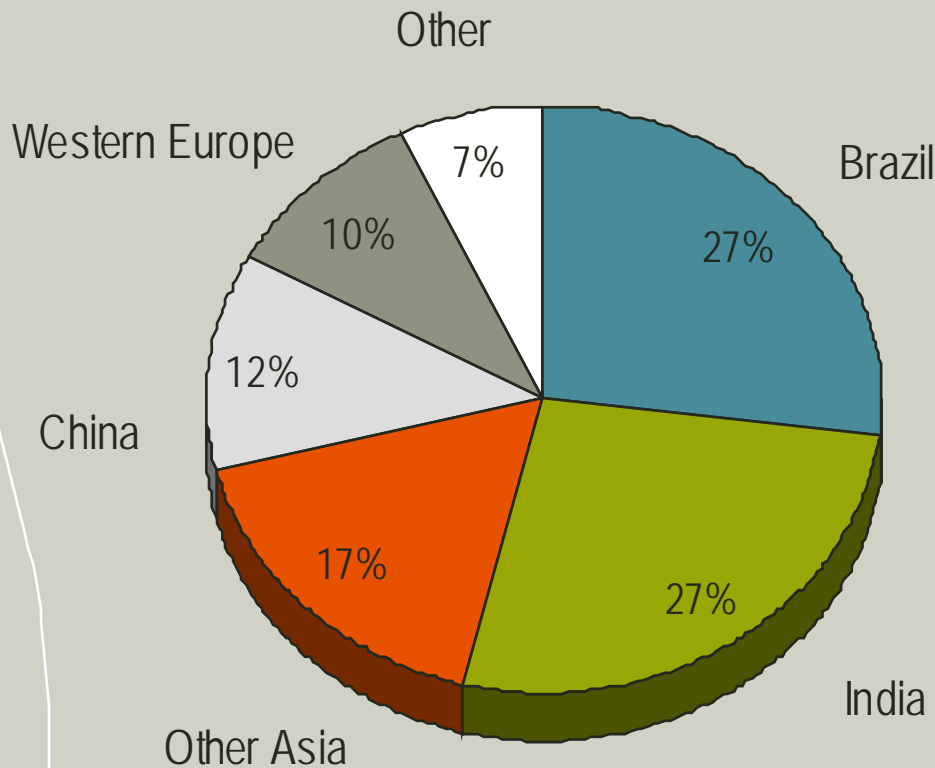
Demand from China will Drive Iron Ore Demand

China's iron ore demand growth



Met Coal Demand Growth is Diversified

Demand growth is well distributed driven by BRICS + Japan. Developed markets such as Europe will see growth in met coal consumption as well as emerging markets.



Brazil Expansions of coke capacity + Greenfield integrated capacity

India Latent capacity of coke plants (merchant non-recovery sector), expansions + Greenfield steel capacity increases

Other Asia Japan, Taiwan, South Korea, SEA expansions of coke capacity + Greenfield steel capacity

China Coastal niche market, quality, reliability, consistency of import supply

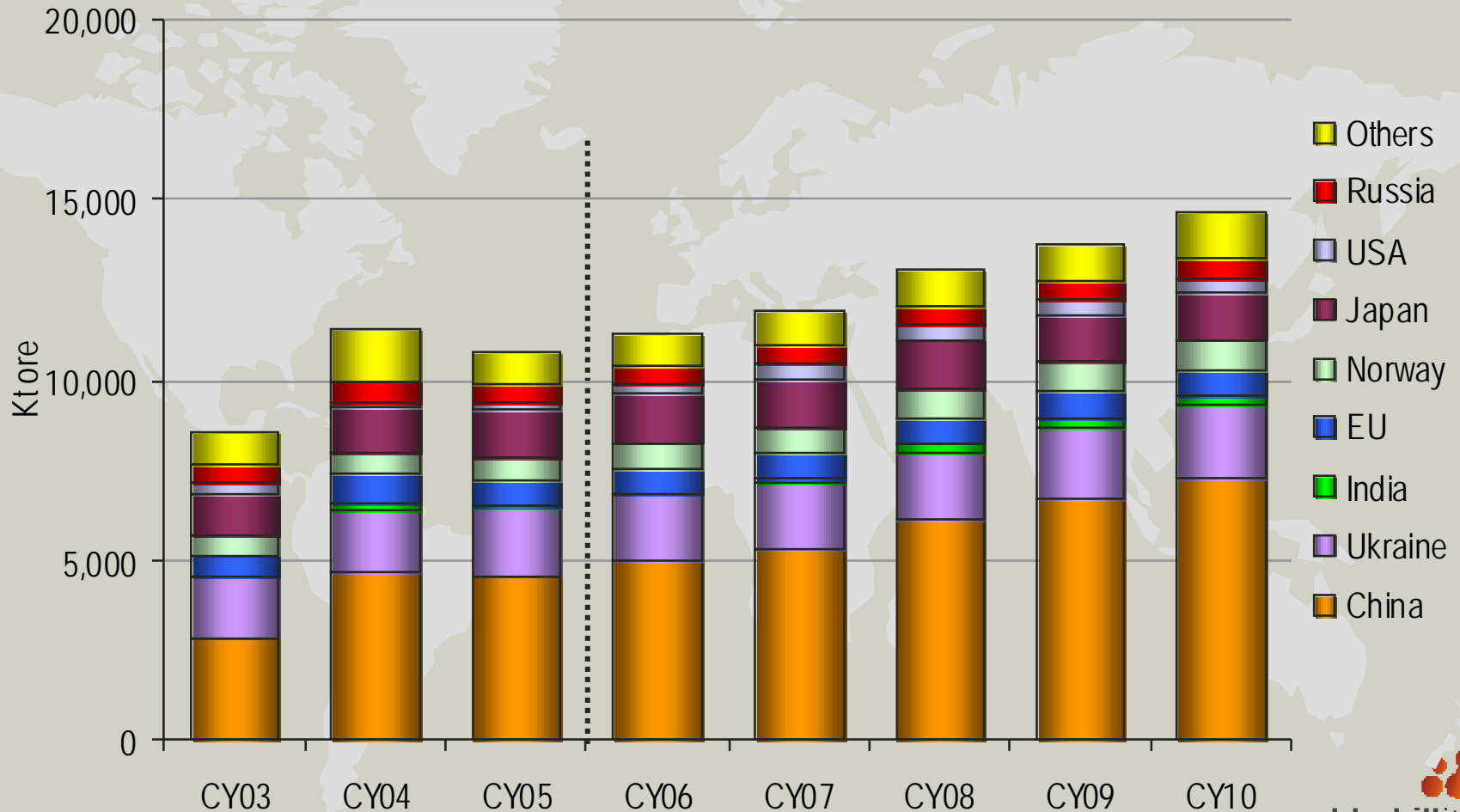
Western Europe German mine closures + expansions of coke/steel capacity

Other Turkey, Iran, Egypt, etc.

Source: Industry analysts, industry sources, BHP Billiton

Global Seaborne Manganese Ore Demand

Global seaborne manganese ore demand increased by 32% in 2004 due to booming Chinese import demand. After inventory adjustment in 2005 China will continue to drive seaborne ore demand. Reduction in China Mn market share.



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- All operations have outstanding growth options
- We have excellent greenfield opportunities



bhpbilliton