

BHP Billiton – Energy Coal

Reliability, Insight, Innovation, Value

Presentation to METI Meeting
Tokyo, January 2007



bhpbilliton

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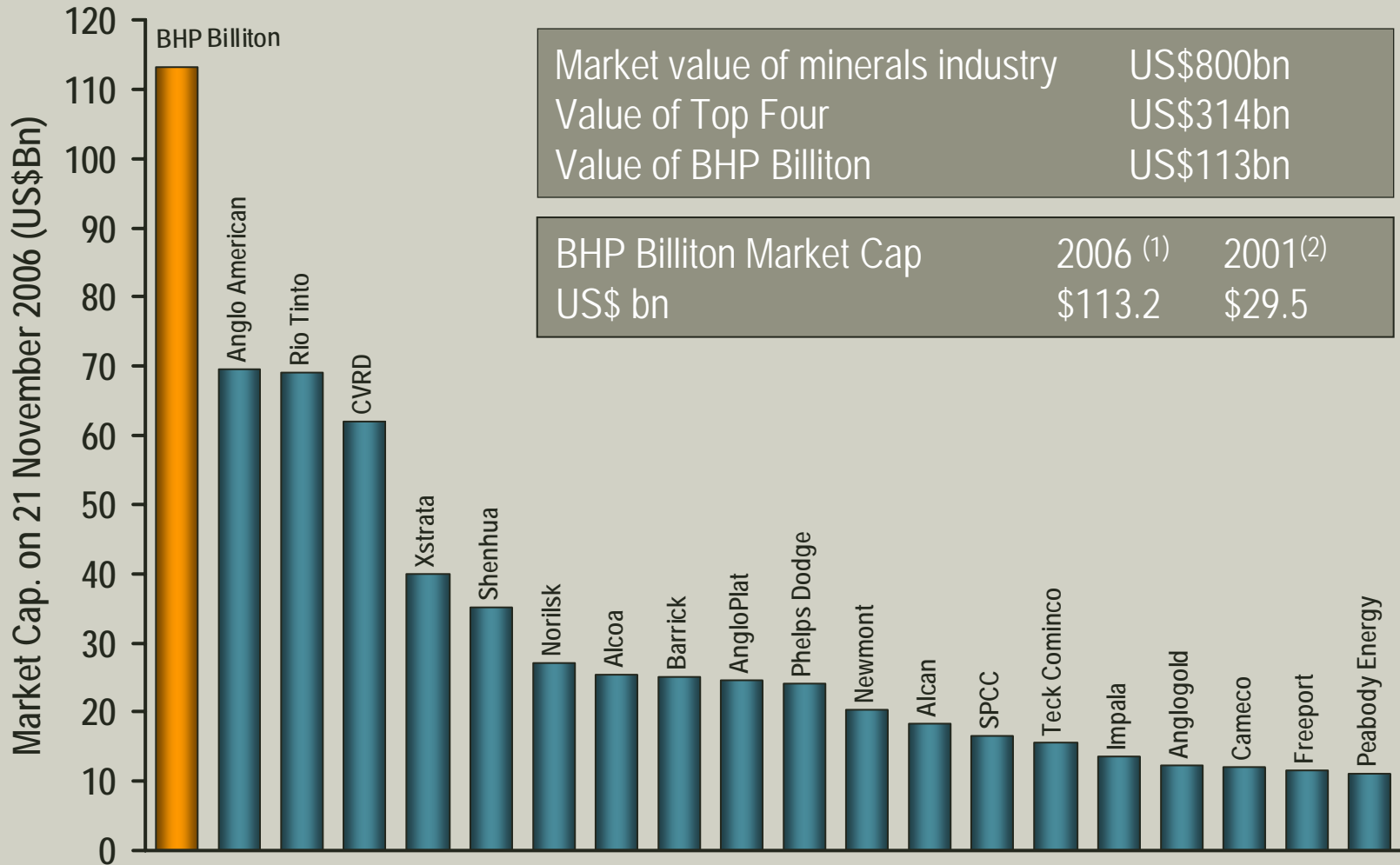
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Today's key messages

- BHP Billiton is 'energetic' about energy!
- BHP Billiton has a globally diverse portfolio of energy coal assets and is aggressively pursuing growth opportunities, particularly in the Pacific.
- BHP Billiton's strong understanding of the market and its customers' businesses is underpinned by its:
 - Global portfolio of energy coal assets;
 - Positions in the key energy commodities;
 - Freight position; and
 - Organisational focus.
- BHP Billiton seeks to leverage our values, people, capabilities, insight, assets, commodity positions and balance sheet to be the partner-of-choice for our energy coal customers.

The largest company in the resources sector



Market value of minerals industry	US\$800bn
Value of Top Four	US\$314bn
Value of BHP Billiton	US\$113bn

BHP Billiton Market Cap	2006 ⁽¹⁾	2001 ⁽²⁾
US\$ bn	\$113.2	\$29.5

Source: Datastream and Bloomberg (data as at 21 November 2006)

1. Market Capitalisation on 21 November 2006

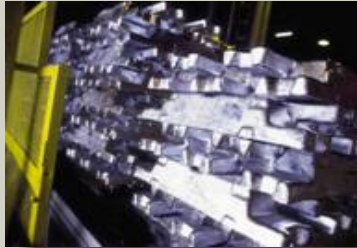
2. Market Capitalisation on 28 June 2001

World class assets globally

Petroleum



Aluminium



Base Metals



Carbon Steel Materials



Diamonds & Spec Prod



Energy Coal

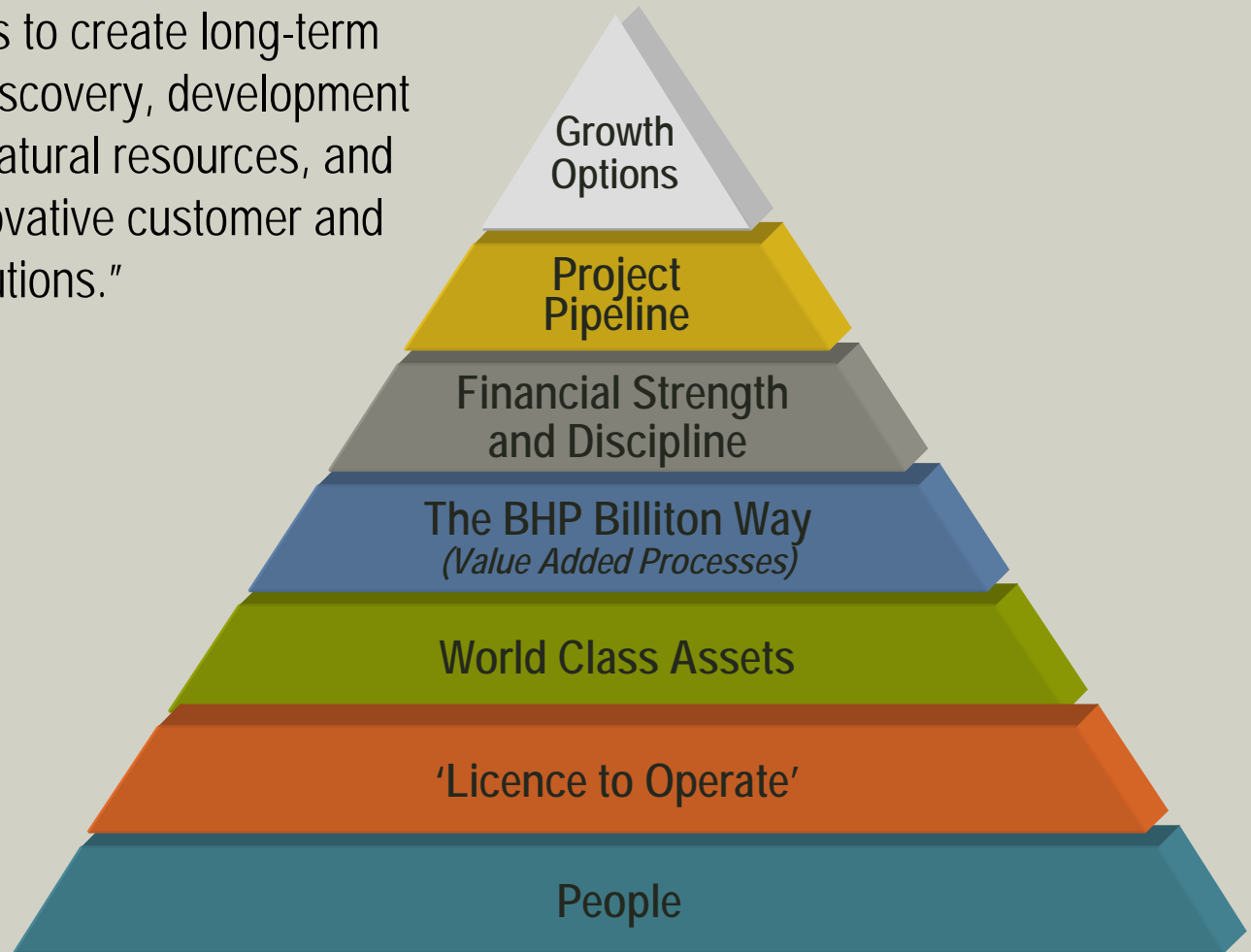


Stainless Steel Materials



Strategic drivers

"Our core purpose is to create long-term value through the discovery, development and conversion of natural resources, and the provision of innovative customer and market-focused solutions."



Structure driven by customer needs

Strategy, Corporate Governance
Portfolio composition, M&A

Corporate

Centralized Marketing
Function

Marketing

The
Hague

Singapore

CUSTOMER SECTOR GROUPS – the business units

Aluminum

Base
Metals

Iron Ore

Manganese

Coking
coal

Energy
Coal

Petroleum

Diamond &
Specialty
Products

Stainless
Steel
Materials

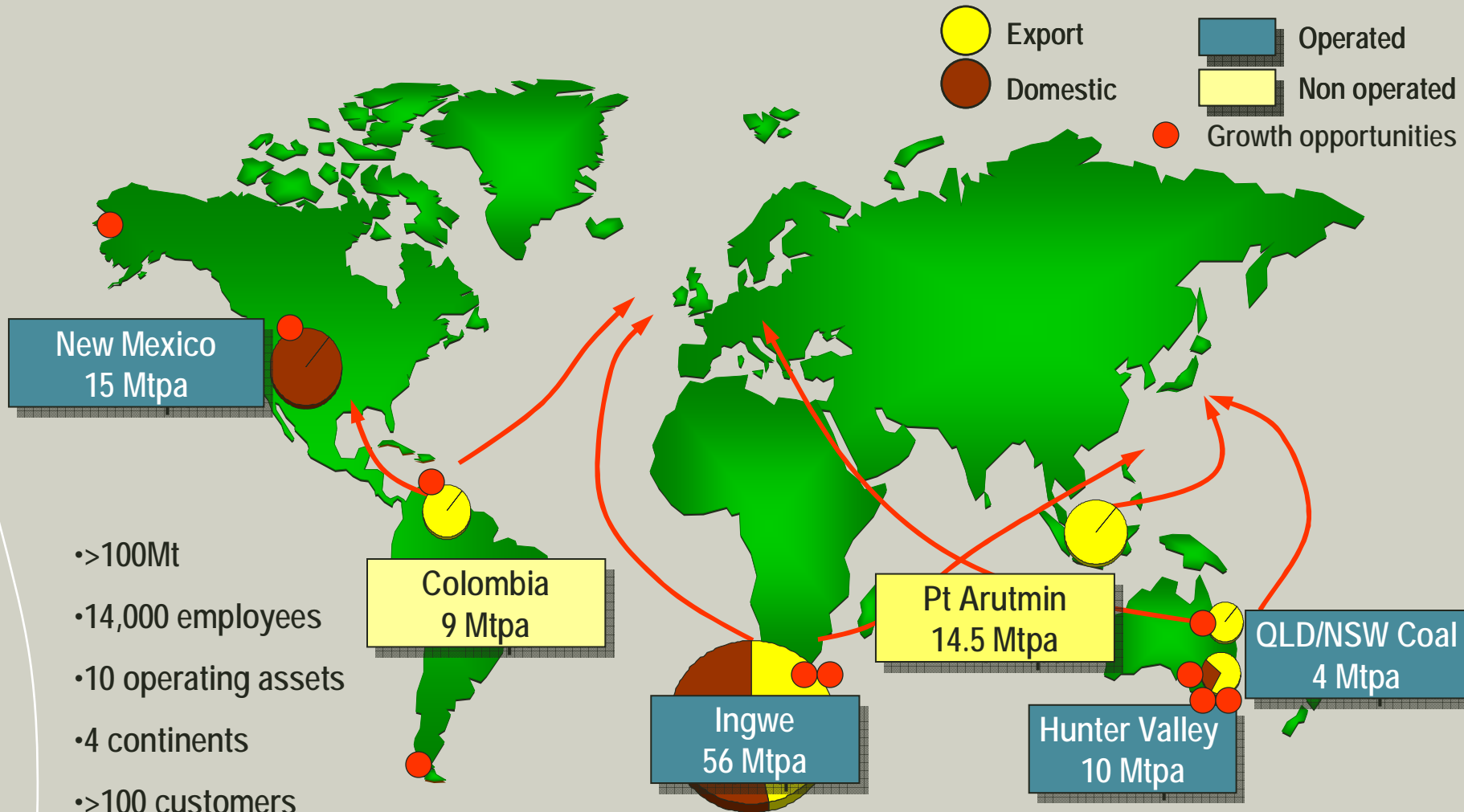
Carbon Steel Materials

BHP Billiton's energy portfolio

- One of the world's largest energy coal producers
- Growing uranium supplier – world's largest reserves
- Significant oil and gas production
- Emissions credits business
- Power trading
- One of the world's largest bulk freight charterers



BHP Billiton's global energy coal business



- >100Mt
- 14,000 employees
- 10 operating assets
- 4 continents
- >100 customers

Source: BHPB analysis

Solid pipeline of growth opportunities

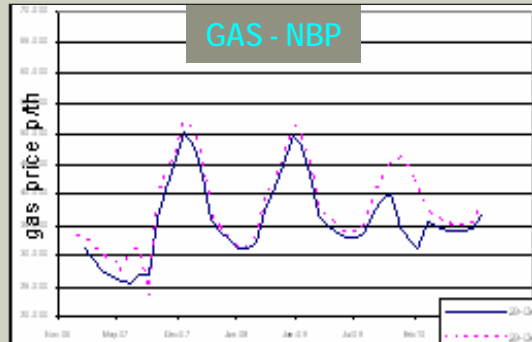
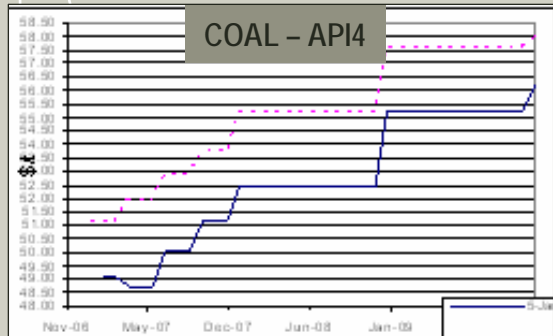
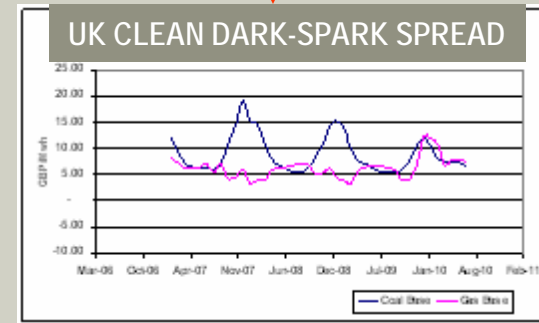
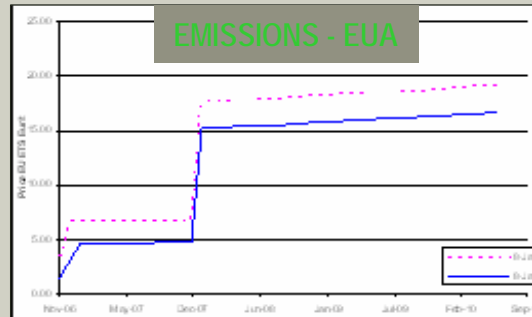
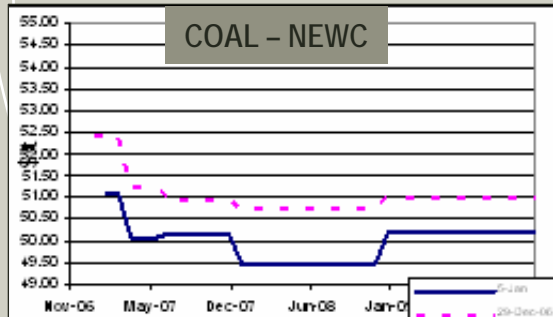
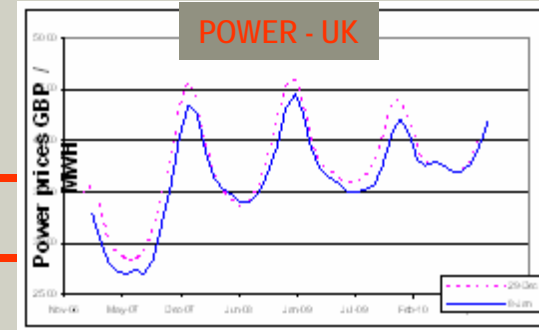
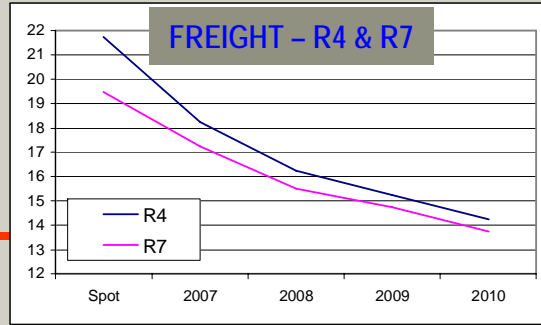
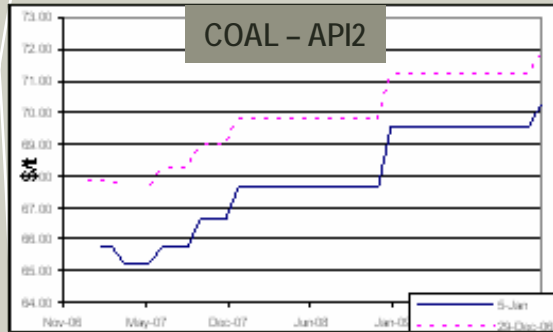
- Strong focus on Pacific growth
 - Australia – MAC Open-cut Expansion, MAC Underground, Carooona, Newcastle Port Project
 - Chile
- Growth in Colombia – Cerrejon JV, Coalcorp Exploration
- Growth in South Africa – Douglas Middelburg Optimisation
- Growth in the US domestic market – New Mexico Coal Expansion
- Portfolio Optimisation – Zululand Anthracite, Koornfontein, Optimum

BHP Billiton's market approach and value proposition

BHP Billiton seeks to leverage its strengths to meet the customer's needs, and in doing so generate incremental long-term value for both parties. BHP Billiton's offering includes:

BHP Billiton Strength	Customer Value
Global portfolio and 2 nd largest seaborne supplier	<ul style="list-style-type: none"> •Security of physical supply •Information
Cross commodity portfolio and strong balance sheet	<ul style="list-style-type: none"> •Reliable supply •Creditworthiness
Multi-fuel asset portfolio	<ul style="list-style-type: none"> •Understanding of energy markets and customer needs
Involvement in coal derivatives and emissions, power and gas trading	<ul style="list-style-type: none"> •Enhanced understanding of customers' business and ability to mitigate risks
People and capabilities	<ul style="list-style-type: none"> •Ability to structure more innovative solutions to meet customer needs
Bulk Freight position	<ul style="list-style-type: none"> •Freight rates, information, ability to optimise flows

Market needs have evolved – UK example

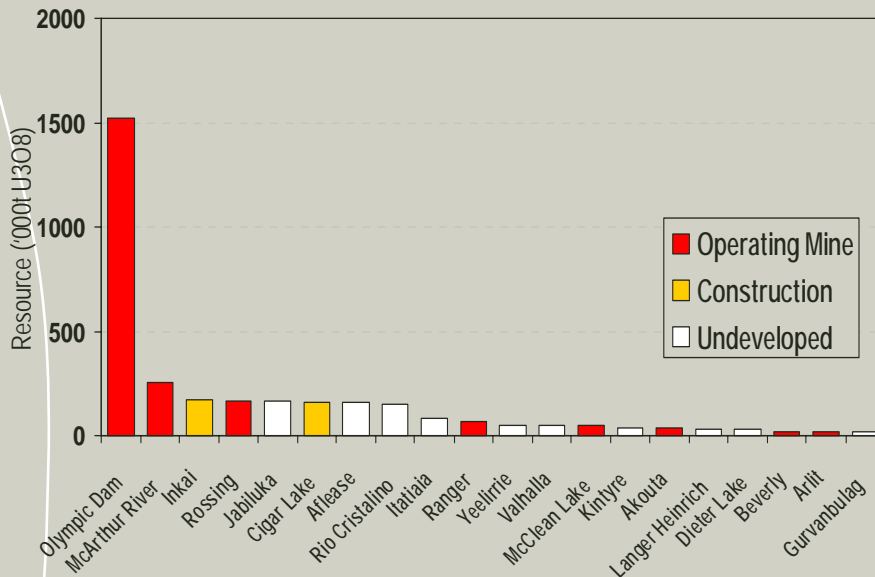
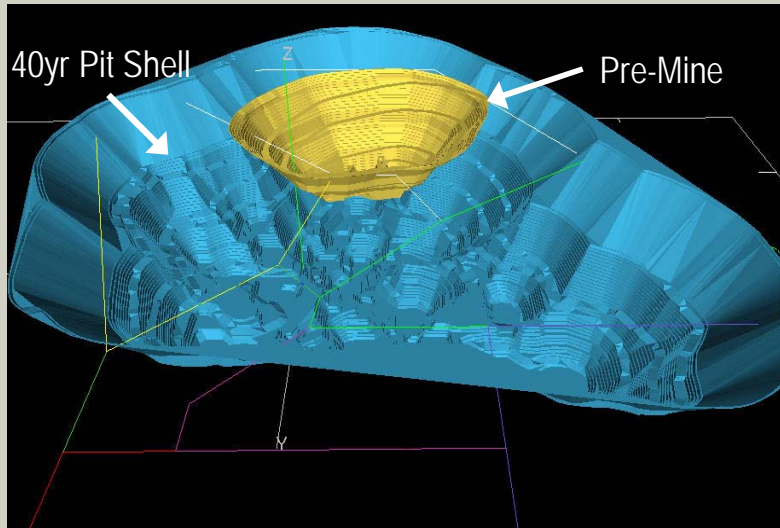


Various sources, BHP Billiton analysis

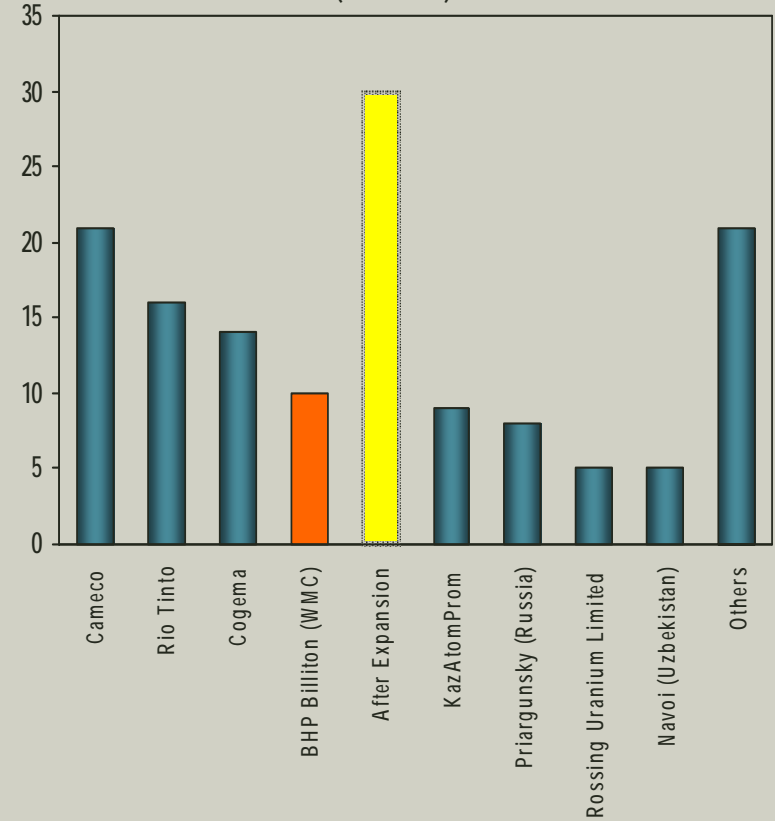
Emissions – BHP Billiton Context

<p>BHP Billiton committed to sustainable development</p>	<ul style="list-style-type: none"> • Each operating site with emissions of >100,000tpa is required to have an energy conservation plan and an emissions reduction plan. • Aggregate group target for 5% reduction in greenhouse gas emissions per unit of production by June 2007. • Internal requirement for emissions credits.
<p>Carbon constrained world is reality</p>	<ul style="list-style-type: none"> • Public policy shifting in a growing number of jurisdictions. • The “Stern Report” – First report that describes the economics of emissions reduction. Puts costs of global warming at \$2.5 trillion. • The Inconvenient Truth – Moving the message to the masses. • Australia introduced state-wide white paper on Emission Trading, Federal government’s call for New Kyoto with “everybody in it”
<p>Climate change impacting the energy industry</p>	<ul style="list-style-type: none"> • Initial responses are behavioural, involving energy efficiency improvement, fuel switching and use of emissions credits. Impact on fuel commodity supply/demand and pricing. • Emissions a key factor in the fuel choice in Investment decisions.
<p>BHP Billiton well placed in emissions</p>	<ul style="list-style-type: none"> • BHP Billiton aims to assist its customers by providing liquidity to the emissions market and by providing customized emissions products, tailored to their risk preferences. • Global footprint ensures BHP Billiton is well placed to manage country and project risk. • BHP Billiton owns credits from a portfolio of internal and external projects • Coal+Emissions contracts concluded.

Uranium



Mine Supply of Uranium by Company in 2004
(Mib U3O8)



• Uranium is integral to the Olympic Dam expansion

Summary

BHP Billiton:

- Has a unique position across the energy spectrum;
- Is seeking to grow its energy coal business;
- Has a strong understanding of the market and its customers' business; and
- Has the values, financial strength and capabilities of a strong partner.