Preliminary Results – 30 June 2007

22 August 2007

Chip Goodyear  Chief Executive Officer
Marius Kloppers  Chief Executive Non-Ferrous/
                    Chief Executive Officer Designate
Alex Vanselow  Chief Financial Officer

bhp billiton
Disclaimer

This document has been prepared by BHP Billiton and comprises the slides for a presentation concerning BHP Billiton’s preliminary statement of its annual report and accounts for the financial year ending 30 June 2007.

The views expressed in this document 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 document speaks as at 30 June 2007 and has been prepared on the basis of a number of assumptions which may prove to be incorrect. The information and opinions expressed in this document are subject to change without notice and BHP Billiton does not assume any responsibility or obligation to update publicly or review any forward looking information contained herein, regardless of whether that information is affected by the results of new information, future events or otherwise. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in BHP Billiton, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. No statement in this document is intended to be a profit forecast.

BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and Underlying EBITDA exclude net finance costs and taxation for jointly controlled entities, and exceptional items. A reconciliation to statutory EBIT is contained within the profit announcement. All references to dollars are to US dollars and references to EBIT are Underlying EBIT.
Preliminary Results – 30 June 2007

Chip Goodyear  Chief Executive Officer
Highlights – Year ended June 2007

- **HSEC** – 12 month rolling Total Recordable Injury Frequency Rate of 7.4, down 16.9%

- **Outstanding operating and financial results**
  - Annual production records for 8 major commodities and 17 operations
  - Underlying EBITDA up 27% to US$23.0 billion
  - Underlying EBIT up 31% to US$20.1 billion
  - Attributable profit of US$13.7 billion and earnings per share of 234 US cents, up 35% and 39%, respectively

- **Underlying EBIT margin and ROCE increased** to 48% and 38% respectively

- **Growth Projects proceeding well** with significant volume growth expected in FY2008

- **Genghis Khan** and **Global Alumina** transactions closed

- **Outlook remains positive**

- US$6.3 billion of **US$13.0 billion buy-back** completed; US$6.7 billion remaining

- **Final dividend rebased to 27 US cents per share**, an increase of 46%, consistent with outlook and higher earnings and cash flow
Outstanding results driven by strategy direction and execution

- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2002
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2003
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2004
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2005
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2006
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

FY 2007
- 55% Volume Growth
- Portfolio Management
- Cost & Efficiency Gains
- Commodity Prices

(1) FY2005, FY2006 and FY2007 data is calculated on the basis of Underlying EBIT. Prior periods are calculated under UKGAAP.
Diversity = Strength and stability

(1) FY2005, FY2006 and FY2007 are shown on the basis of Underlying EBIT. Prior periods are calculated under UKGAAP. All periods exclude revenue and EBIT from third party trading activities.
• Demand to remain strong, driven by China
• Supply side constraints persist
• Inventories remain low
• US becoming less relevant to resource demand
• Prices likely to remain high albeit volatile

Source: World Bank, Focus Economics
Preliminary Results – 30 June 2007

Alex Vanselow  Chief Financial Officer
## Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (with JV share of revenue)</td>
<td>47,473</td>
<td>39,099</td>
<td>+21</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>22,950</td>
<td>18,053</td>
<td>+27</td>
</tr>
<tr>
<td>Underlying EBIT</td>
<td>20,067</td>
<td>15,277</td>
<td>+31</td>
</tr>
<tr>
<td>EBIT – Profit from operations</td>
<td>18,401</td>
<td>14,671</td>
<td>+25</td>
</tr>
<tr>
<td>Attributable profit (excluding exceptionals)</td>
<td>13,675</td>
<td>10,154</td>
<td>+35</td>
</tr>
<tr>
<td>Attributable profit</td>
<td>13,416</td>
<td>10,450</td>
<td>+28</td>
</tr>
<tr>
<td>Net operating cash flow</td>
<td>15,595</td>
<td>10,476</td>
<td>+49</td>
</tr>
<tr>
<td>EPS (US cents)</td>
<td>233.9</td>
<td>168.2</td>
<td>+39</td>
</tr>
<tr>
<td>Dividends per share (US cents)</td>
<td>47.0</td>
<td>36.0</td>
<td>+31</td>
</tr>
</tbody>
</table>
Outstanding assets result in Record margins and return on capital

Outstanding Assets
Superior Resource Position
Excellent Commodity Mix
High Margin Petroleum Business

Return on Capital
EBIT Margin

FY 2002
FY 2003
FY 2004
FY 2005
FY 2006
FY 2007

11%
13%
21%
29%
35%
38%

20%
24%
30%
40%
44%
48%

(1) FY2005, FY2006 and FY2007 are shown on the basis of Underlying EBIT. Prior periods are calculated under UKGAAP. All periods exclude revenue and EBIT from third party trading activities.
<table>
<thead>
<tr>
<th>Petroleum</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,014</td>
<td>2,968</td>
<td>+1.5</td>
</tr>
</tbody>
</table>

- Record EBIT contribution
- Production flat with FY 2006 despite no new projects
- Improved operational uptime and successful infill drilling
- Atlantis, Genghis Khan, Stybarrow, Neptune and Zamzama Phase 2 first production scheduled in H2 CY 2007
- Proved reserves additions replaced 103% of production (ex-divestments)
## Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>1,856</td>
<td>1,191</td>
<td>+55.8</td>
</tr>
</tbody>
</table>

- Record EBIT contribution
- Record production and sales
- Worsley Development Capital Project fully ramped up
- Acquisition of 33.3% interest in Guinea Alumina Project. Sanction targeted in Q1 CY 2008
### Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Metals</strong></td>
<td>6,905</td>
<td>5,400</td>
<td>+27.9</td>
</tr>
</tbody>
</table>

- Record EBIT contribution
- Record annual copper production
- Spence commissioned and continued successful ramp up of Escondida Sulphide Leach Project
- Cannington full production resumed in early 2007
- Olympic Dam pre-feasibility study progressing well
- Favourable TC/RC settlements
- Pinto Valley restart in Q4 CY 2007
## Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Diamonds &amp; Specialty Products</strong></td>
<td>261</td>
<td>345</td>
<td>-24.3</td>
</tr>
</tbody>
</table>

- Solid operational performance from RBM
- Higher value Ekati underground production to increase future EBIT
- The Koala Underground project on schedule and budget
- Corridor Sands project expected to move into feasibility during CY 2008
- Concept study for a Potash mine progressing
- FY 2008 development spend to increase
### Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless Steel Materials</td>
<td>3,697</td>
<td>901</td>
<td>+310.3</td>
</tr>
</tbody>
</table>

- Record EBIT contribution
- Record annual nickel production
- Ravensthorpe and Yabulu expansion commissioning progressing well
- Increased exploration activity in Western Australia, Colombia, and Guatemala
- Cliffs project approved
Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron Ore</td>
<td>2,738</td>
<td>2,537</td>
<td>+7.9</td>
</tr>
</tbody>
</table>

- Record EBIT contribution
- Record iron ore production and sales
- WAIO Rapid Growth Project 3 (to 129 Mtpa) commissioning commenced
- FY 2008 WAIO production estimated at 120 Mtpa
- WAIO Rapid Growth Project 4 to 155 Mtpa approved
- Plans to expand WAIO to 300 Mtpa under study
Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Manganese</strong></td>
<td>253</td>
<td>132</td>
<td>+91.7</td>
</tr>
</tbody>
</table>

- Record manganese ore production
- Increased annual manganese alloy production
- Strong market conditions during the year
- Groote Eylandt expansion in feasibility
## Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Metallurgical Coal</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,249</td>
<td>1,834</td>
<td>-31.9</td>
</tr>
</tbody>
</table>

- Record annual production
- Record throughput at Hay Point Coal terminal
- Hay Point Coal terminal expansion to 44 Mtpa commissioning commenced
- Third party infrastructure constraints to continue in the near term
- BMA Phase 2 completed and first production achieved at Poitrel

Hay Point
### Underlying EBIT by Customer Sector Group

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Coal</td>
<td>484</td>
<td>327</td>
<td>+48.0</td>
</tr>
</tbody>
</table>

- Higher export prices driven by strong demand
- Record annual production at Hunter Valley Coal
- 3 new projects in feasibility
- Divestment of Koornfontein, Optimum and closure of Douglas will impact FY 2008 earnings
Higher capture of price benefit to EBIT

FY 2006 EBIT: 15,277

Net Price Variance (1): 3,425 (H1) and 2,697 (H2)
Price to EBIT: 72% and 85%
FY 2007 EBIT: 20,067

(1) Net price variance is including the impact of price-linked costs. Price-linked costs is defined as any costs which fluctuate in line with movements in price such as royalties, TC/RC and LME linked costs.
Lowest rate of cost increase in 3 years – 3.6% (1)

- Investment $372M
- Recouped in Revenue $267M
- One Offs $149M
- Other $129M
- Business Excellence $203M

= $714M

(1) Excluding non-cash costs (mostly depreciation on growth capital)
Financial strength and discipline

- Record net operating cash flow of US$15.6Bn
- Strong balance sheet
- Dividend rebased
- Share buy-backs continue
- 24% CAGR on dividends

11th consecutive dividend increase since July 2001
Preliminary Results – 30 June 2007

Marius Kloppers  Chief Executive Non-Ferrous/  Chief Executive Officer Designate

bhpbilliton
Growth delivered since July 2001

**BROWNFIELD**

- San Juan UG
- Tintaya Oxide
- Bream Gas Pipeline
- Cerrejon Zona Norte
- Prod & Cap Expansion
- WAIO
- Hillside 3
- Area C

**GREENFIELD**

- Antamina
- Typhoon
- Zanzama
- Ohanet
- Mad Dog
- Angostura
- Minerva
- Spence

**WMC Resources**

- Acquisition - $7.2Bn
- WAIO RGP 2
- BMA Phase 2
- WAIO RGP
- BMA Phase 1
- Paranam
- Escondida Sulphide
- Worsley

**Preliminary Results**

Slide 24  22 August 2007
Growth since FY 2001 – Equivalent units rebased

Projects impacting FY 2008
- Atlantis, Genghis Khan, Neptune, Zamzama Ph II, Stybarrow
- Yabulu, Ravensthorpe
- Spence, Escondida Suphide Leach, Pinto Valley
- RGP3, Samarco
- Koala UG

Production growth (rebased to 100)

(1) Production from continuing operations converted to copper equivalent units using FY2007 average realised prices.
Deep inventory of growth projects

**BROWNFIELD**

- Pinto Valley
- Koala UG
- WA Iron Ore RGP 3
- Zamzama Phase 2
- NWS T5
- GEMCO
- Samoa
- NWS Angel
- NWS Middelburg
- Atlantus North
- Alumar
- WA Iron Ore RGP 4
- Klipspruit
- Shenzi
- Genghis Khan
- Stybarrow
- GEMCO
- Atlantis South
- Cliffs Nickel Project
- Maruwa Stage 1
- Bakhuis
- Neptune
- Raventhorpe
- Pyrenees
- Guinea Alumina

**GREENFIELD**

- SSM
- Manganese
- Met Coal
- Iron Ore
- Energy Coal
- Aluminium
- Diamonds
- Petroleum
- Base Metals

As at 22 August 2007
Size of bubble indicates proposed capital expenditure; bold outer border signifies sanctioned project.

<table>
<thead>
<tr>
<th>CY2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Deep inventory of projects and options

- As at 22 August 2007
- Proposed capital expenditure
  - <$500M
  - $501M-$2Bn
  - $2Bn+

Future Options

2007
- WA Iron Ore Quantum 1
- NWS WFG
- Shenzi Nth
- WA Iron Ore
- Canadian Potash
- Resolution
- Caroona
- CMSA Heap Leaching
- Angola & DRC
- RBM
- GEMCO Exp
- Cameo Opt Exp
- Peak Downs Exp
- Corridor Sands I
- Samarco 4
- Escondida 3rd Concentrator
- Olympic Dam Quantum 2
- Browse LNG
- SA Mn Ore Exp
- Goonyella Expansions
- Wards Well
- CW Africa Exploration
- Darin
- Macedon
- Nimba
- Thebe
- Boffa/Santou Refinery
- Nimba
- Boffa
- NWS
- NWS
- Turrum
- NWS
- RGP 5
- RGP 4
- Stans
- Kipper
- Daunia
- Kipper
- Ruby
- Bakkala
- NWS
- NWS
- WBG
- NWS
- NWS
- WFG
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic Dam
- Olympic DAM
A premier energy portfolio

- World class energy assets
- Global marketing capability
- Flexible options
- Well positioned to meet growth

**Oil & Gas**
- Significant growth in next 3 years
- Top quartile returns
- Outstanding exploration success

**Coal**
- Number two seaborne coal exporter
- Multi sourcing production
- Expansion options in US, Australia, South Africa and Colombia

**Uranium**
- World’s largest uranium resource
- Significant expansion potential
- Significant increase in Olympic Dam resources in FY 2007


Fuel inputs used in the production of electricity
2004 = 100

Future focus

Core strategy is unchanged:
- People
- Run current assets at full potential
- Accelerate development projects
- Create future options

Focus on value creation
Preliminary Results – 30 June 2007

Chip Goodyear
Chief Executive Officer
Summary

- Outstanding operating and financial results
- FY 2008 to see significant volume growth across Petroleum, Base Metals, Iron Ore and Stainless Steel Materials
- Outlook remains positive
  - Long term fundamentals intact
  - Supply side constraints continue to challenge
  - Prices likely to stay high and volatile
- Longer term portfolio optionality is strong across energy and minerals
- Increasing returns to shareholders through rebased dividend and continued buy-backs
- Company in excellent health for transition to new CEO
<table>
<thead>
<tr>
<th>Product</th>
<th>2007</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum</td>
<td>3,014</td>
<td>2,968</td>
<td>+2</td>
</tr>
<tr>
<td>Aluminium</td>
<td>1,856</td>
<td>1,191</td>
<td>+56</td>
</tr>
<tr>
<td>Base Metals</td>
<td>6,905</td>
<td>5,400</td>
<td>+28</td>
</tr>
<tr>
<td>Diamonds &amp; Specialty Products</td>
<td>261</td>
<td>345</td>
<td>-24</td>
</tr>
<tr>
<td>Stainless Steel Materials</td>
<td>3,697</td>
<td>901</td>
<td>+310</td>
</tr>
<tr>
<td>Iron Ore</td>
<td>2,738</td>
<td>2,537</td>
<td>+8</td>
</tr>
<tr>
<td>Manganese</td>
<td>253</td>
<td>132</td>
<td>+92</td>
</tr>
<tr>
<td>Metallurgical Coal</td>
<td>1,249</td>
<td>1,834</td>
<td>-32</td>
</tr>
<tr>
<td>Energy Coal</td>
<td>484</td>
<td>327</td>
<td>+48</td>
</tr>
<tr>
<td>Group &amp; Unallocated Items</td>
<td>(390)</td>
<td>(358)</td>
<td></td>
</tr>
<tr>
<td><strong>BHP Billiton (Total)</strong></td>
<td>20,067</td>
<td>15,277</td>
<td>+31</td>
</tr>
</tbody>
</table>

(1) Includes Exploration & Technology
## Net finance costs, taxation and attributable profit

### Year ended June (US$M)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Underlying EBIT</strong></td>
<td>20,067</td>
<td>15,277</td>
</tr>
<tr>
<td>JV net finance costs</td>
<td>(122)</td>
<td>(95)</td>
</tr>
<tr>
<td>JV tax expense</td>
<td>(1,201)</td>
<td>(950)</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(343)</td>
<td>439</td>
</tr>
<tr>
<td><strong>EBIT - Profit from operations</strong></td>
<td>18,401</td>
<td>14,671</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(390)</td>
<td>(505)</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>18,011</td>
<td>14,166</td>
</tr>
<tr>
<td>Tax expense (including royalty related tax)</td>
<td>(4,515)</td>
<td>(3,632)</td>
</tr>
<tr>
<td>Minorities</td>
<td>(80)</td>
<td>(84)</td>
</tr>
<tr>
<td><strong>Attributable profit</strong></td>
<td><strong>13,416</strong></td>
<td><strong>10,450</strong></td>
</tr>
</tbody>
</table>
Underlying EBIT analysis
Year ended June 07 vs June 06

1) Including $(979)M of price-linked costs impact.
2) Including $368M due to increase in volume from new operations.
Impact of major commodity price
Year ended June 2007 vs June 2006

Total price variance US$7,101 million

- Nickel: 3,852 US$M
- Copper: 1,559 US$M
- Aluminium: 703 US$M
- Other Base Metals: 555 US$M
- Iron Ore: 549 US$M
- Other: 147 US$M
- Thermal Coal: 101 US$M
- Alumina: 91 US$M
- Petroleum: 84 US$M
- Met Coal: -540 US$M

(1) Excluding $(979)M of price-linked costs impact.
Impact of major volume changes
Year ended June 07 vs June 06

Total volume\(^{(1)}\) variance US$218 million

- Met Coal: 160
- Copper: 141
- Manganese: 63
- Alumina: 58
- Iron Ore: 27
- Aluminium: 22
- Thermal Coal: 18
- Nickel: 15
- Oil & Gas: 13
- Other: (25)
- D&SP: (54)
- Cannington Rehab: (81)
- Escondida Negotiation: (139)

\(^{(1)}\) Volume variances calculated using previous year margin and excluding new operations.
Declining rate of cost increase \(^{(1)}\)

- Cost increases are shown relative to the preceding half year.
- H1 2005 and H2 2005 are shown on the basis of UKGAAP.
- Other periods are calculated under IFRS.

- H1 2005\(^{(2)}\): 4.5% (Total), 4.9% (Excl Non-Cash)
- H2 2005\(^{(2)}\): 5.9% (Total), 5.6% (Excl Non-Cash)
- H1 2006: 8.4% (Total), 6.7% (Excl Non-Cash)
- H2 2006: 5.5% (Total), 5.8% (Excl Non-Cash)
- H1 2007: 4.3% (Total), 3.9% (Excl Non-Cash)
- H2 2007: 4.0% (Total), 3.0% (Excl Non-Cash)
Outstanding assets
EBIT margin\(^{(1)}\) by Customer Sector Group

(1) Margins are calculated on the basis of Underlying EBIT and exclude revenue and EBIT from third party trading activities.
## Cash flow

<table>
<thead>
<tr>
<th>Year ended June (US$M)</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow and JV dividends (1)</td>
<td>20,211</td>
<td>14,665</td>
</tr>
<tr>
<td>Net interest paid</td>
<td>(380)</td>
<td>(378)</td>
</tr>
<tr>
<td>Tax paid (2)</td>
<td>(4,236)</td>
<td>(3,811)</td>
</tr>
<tr>
<td><strong>Net operating cash flow</strong></td>
<td><strong>15,595</strong></td>
<td><strong>10,476</strong></td>
</tr>
<tr>
<td>Capital expenditure (3)</td>
<td>(6,383)</td>
<td>(5,239)</td>
</tr>
<tr>
<td>Exploration expenditure</td>
<td>(793)</td>
<td>(766)</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(856)</td>
<td>(596)</td>
</tr>
<tr>
<td>Proceeds from sale of fixed assets &amp; investments</td>
<td>408</td>
<td>1,089</td>
</tr>
<tr>
<td><strong>Net cash flow before dividends and funding</strong></td>
<td><strong>7,971</strong></td>
<td><strong>4,964</strong></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(2,339)</td>
<td>(2,126)</td>
</tr>
<tr>
<td><strong>Net cash flow before funding &amp; buy-backs</strong></td>
<td><strong>5,632</strong></td>
<td><strong>2,838</strong></td>
</tr>
</tbody>
</table>

(1) Operating cash flow includes dividends received from jointly controlled entities, which typically differ from our share of profits recognised from those entities.

(2) Includes royalty related taxes paid.

(3) Includes purchase of intangibles.
Strong Cash Flow - delivering value to shareholders

Net Operating Cash Flow

Organic Growth (1)

Return to Shareholders (2)

(1) Capital and Exploration Expenditures (exclude acquisitions)
(2) Dividends paid and Share buy-backs
(3) FY2005, FY2006 and FY2007 data have been calculated on the basis of the IFRS. Prior periods have been calculated on the basis of UKGAAP.

Preliminary Results
Slide 42    22 August 2007
Portfolio management – US$6.0Bn of disposals

**Sale Proceeds**

- Base Metals
- D&SP
- Energy Coal
- Petroleum
- Steel
- Other

**Proceeds from sale of assets (US$M)**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2002</td>
<td>845</td>
</tr>
<tr>
<td>FY 2003 (1)</td>
<td>2,472</td>
</tr>
<tr>
<td>FY 2004</td>
<td>277</td>
</tr>
<tr>
<td>FY 2005</td>
<td>1,035</td>
</tr>
<tr>
<td>FY 2006</td>
<td>934</td>
</tr>
<tr>
<td>FY 2007</td>
<td>444</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,007</strong></td>
</tr>
</tbody>
</table>

(1) Includes BHP Steel demerger and BHP Steel loans (net of cash disposed and costs)
China

- Sales into China increasing but diversification remains
- Currently 20% of total company revenues
### Capital & exploration expenditure (1)

<table>
<thead>
<tr>
<th>US$ Billion</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>1.9</td>
<td>2.0</td>
<td>1.8</td>
<td>2.6</td>
<td>4.2</td>
<td>5.2</td>
<td>7.0</td>
</tr>
<tr>
<td>Sustaining &amp; Other</td>
<td>0.9</td>
<td>0.7</td>
<td>0.8</td>
<td>1.2</td>
<td>1.4</td>
<td>1.4</td>
<td>1.5</td>
</tr>
<tr>
<td>Exploration (2)</td>
<td>0.4</td>
<td>0.3</td>
<td>0.5</td>
<td>0.5</td>
<td>0.8</td>
<td>0.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>3.2</td>
<td>3.0</td>
<td>3.1</td>
<td>4.3</td>
<td>6.4</td>
<td>7.4</td>
<td>9.7</td>
</tr>
</tbody>
</table>

(1) Includes expenditure for jointly controlled entities
(2) 2008 Forecast includes US$500M for Petroleum

### Chart Description
- **US$ Billion**
- **FY 2002** to **FY 2008 (F)**
- **Exploration**
- **Sustaining Capex**
- **Growth Expenditure**
## Sanctioned development projects (US$14.3Bn)

<table>
<thead>
<tr>
<th>Minerals Projects</th>
<th>Commodity</th>
<th>Share of Approved Capex US$M</th>
<th>Initial Production Target Date</th>
<th>Production Capacity (100%)</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumar Refinery Expansion (Brazil) – 36%</td>
<td>Alumina</td>
<td>725</td>
<td>Q2 CY09</td>
<td>2 million tpa</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Pinto Valley (USA) – 100%</td>
<td>Copper</td>
<td>140</td>
<td>Q4 CY07</td>
<td>70,000 tpa copper concentrate</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Western Australia Iron Ore RGP 3 (Australia) – 85%</td>
<td>Iron Ore</td>
<td>1,300</td>
<td>Q4 CY07</td>
<td>20 million tpa</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Western Australia Iron Ore RGP 4 (Australia) – 86.2%</td>
<td>Iron Ore</td>
<td>1,850</td>
<td>H1 CY10</td>
<td>Increase system capacity to 155 million tpa</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Samarco Third Pellet Plant (Brazil) – 50%</td>
<td>Iron Ore</td>
<td>590</td>
<td>H1 CY08</td>
<td>7.6 million tpa</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Koala Underground (Canada) – 80%</td>
<td>Diamonds</td>
<td>200</td>
<td>End CY07</td>
<td>3,300 tonnes per day ore processed</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Ravens thorpe (Australia) – 100%</td>
<td>Nickel</td>
<td>2,200</td>
<td>Q1 CY08</td>
<td>Up to 50,000 tpa contained nickel in concentrate</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Yabulu (Australia) – 100%</td>
<td>Nickel</td>
<td>556</td>
<td>Q1 CY08</td>
<td>45,000 tpa nickel</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Cliffs Nickel Project (Australia) – 100%</td>
<td>Nickel</td>
<td>139</td>
<td>H1 CY08</td>
<td>Maintain Nickel West system capacity</td>
<td>Sanctioned</td>
</tr>
</tbody>
</table>
Sanctioned development projects (US$14.3Bn) cont.

<table>
<thead>
<tr>
<th>Petroleum Projects</th>
<th>Commodity</th>
<th>Share of Approved Capex US$M</th>
<th>Initial Production Target Date</th>
<th>Production Capacity (100%)</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantis South (USA) – 44%</td>
<td>Oil/Gas</td>
<td>1,630</td>
<td>H2 CY07</td>
<td>200,000 barrels and 180 million cubic feet gas per day</td>
<td>On schedule and revised budget approved</td>
</tr>
<tr>
<td>Genghis Khan (USA) – 44%</td>
<td>Oil/Gas</td>
<td>365</td>
<td>H2 CY07</td>
<td>55,000 barrels per day</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Zamzama Phase 2 (Pakistan) – 38.5%</td>
<td>Gas</td>
<td>46</td>
<td>Q3 CY07</td>
<td>150 million cubic feet gas per day</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Neptune (USA) – 35%</td>
<td>Oil/Gas</td>
<td>405</td>
<td>End CY07</td>
<td>50,000 barrels and 50 million cubic feet gas per day</td>
<td>On schedule and revised budget approved</td>
</tr>
<tr>
<td>Stybarrow (Australia) – 50%</td>
<td>Oil/Gas</td>
<td>380</td>
<td>Q1 CY08</td>
<td>80,000 barrels per day</td>
<td>On schedule and revised budget</td>
</tr>
<tr>
<td>North West Shelf Train 5 (Australia) – 16.67%</td>
<td>LNG</td>
<td>300</td>
<td>Late CY08</td>
<td>LNG processing capacity 4.2 million tpa</td>
<td>On schedule and revised budget</td>
</tr>
</tbody>
</table>
Sanctioned development projects (US$14.3Bn) cont.

<table>
<thead>
<tr>
<th>Petroleum Projects (cont’d)</th>
<th>Commodity</th>
<th>Share of Approved Capex US$M</th>
<th>Initial Production Target Date</th>
<th>Production Capacity (100%)</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>North West Shelf Angel (Australia) – 16.67%</td>
<td>Oil/Gas</td>
<td>200</td>
<td>End CY08</td>
<td>800 million cubic feet gas per day</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Shenzi (USA) – 44%</td>
<td>Oil/Gas</td>
<td>1,940</td>
<td>Mid CY09</td>
<td>100,000 barrels and 50 million cubic feet of gas per day</td>
<td>On schedule and budget</td>
</tr>
<tr>
<td>Atlantis North (USA) – 44%</td>
<td>Oil/Gas</td>
<td>100</td>
<td>H2 CY09</td>
<td>Tie-back to Atlantis South</td>
<td>On revised schedule and on budget</td>
</tr>
<tr>
<td>Pyrenees (Australia) – 71.43%</td>
<td>Oil/Gas</td>
<td>1,200</td>
<td>H1 CY10</td>
<td>96,000 barrels per day</td>
<td>On schedule and budget</td>
</tr>
</tbody>
</table>
Development projects in feasibility

<table>
<thead>
<tr>
<th>Minerals Projects</th>
<th>Commodity</th>
<th>Estimated Share of Capex* US$M</th>
<th>Forecast Initial Production*</th>
<th>Project Capacity (100%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worsley Efficiency and Growth (Australia) – 86%</td>
<td>Alumina</td>
<td>1,000</td>
<td>End CY10</td>
<td>1.1 million tpa</td>
</tr>
<tr>
<td>Guinea Alumina Project (Guinea) – 33.3%</td>
<td>Alumina</td>
<td>1,000</td>
<td>H2 CY11</td>
<td>3.2 million tpa</td>
</tr>
<tr>
<td>Bakhuis (Suriname) – 45%</td>
<td>Bauxite</td>
<td>320</td>
<td>H2 CY09</td>
<td>6.9 million tpa bauxite</td>
</tr>
<tr>
<td>Maruwa Stage 1 (Indonesia) – 100%</td>
<td>Met Coal</td>
<td>50</td>
<td>End CY08</td>
<td>1 million tpa clean coal</td>
</tr>
<tr>
<td>Maruwa Stage 2 (Indonesia) – 100%</td>
<td>Met Coal</td>
<td>405</td>
<td>H1 CY11</td>
<td>5 million tpa clean coal</td>
</tr>
<tr>
<td>GEMCO (Australia) – 60 %</td>
<td>Mn Ore</td>
<td>90</td>
<td>H2 CY08</td>
<td>1 million tpa</td>
</tr>
<tr>
<td>Douglas-Middelburg Optimisation (South Africa) – 84%</td>
<td>Energy Coal</td>
<td>460</td>
<td>H1 CY09</td>
<td>Optimisation of existing reserve base</td>
</tr>
<tr>
<td>Newcastle Third Port (Australia) – 35.5%</td>
<td>Energy Coal</td>
<td>230</td>
<td>End CY10</td>
<td>Third coal berth capable of handling an estimated 30 million tpa</td>
</tr>
</tbody>
</table>
## Development projects in feasibility

### Minerals Projects (US$5.4Bn)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Estimated Share of Capex* US$M</th>
<th>Forecast Initial Production*</th>
<th>Project Capacity (100%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mt Arthur Coal UG (Australia) – 100%</td>
<td>475</td>
<td>End CY10</td>
<td>7 million tpa saleable coal</td>
</tr>
<tr>
<td>Navajo South Mine Extension (USA) – 100%</td>
<td>480</td>
<td>End CY10</td>
<td>5.7 million tpa saleable coal</td>
</tr>
<tr>
<td>Klipspruit (South Africa) – 100%</td>
<td>420</td>
<td>End CY09</td>
<td>1.2 million tpa saleable coal</td>
</tr>
<tr>
<td>Perseverance Deeps (Australia) – 100%</td>
<td>500</td>
<td>H2 CY13</td>
<td>Maintain Nickel West system capacity</td>
</tr>
</tbody>
</table>

### Petroleum Projects (US$1.2Bn)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Estimated Share of Capex* US$M</th>
<th>Forecast Initial Production*</th>
<th>Project Capacity (100%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kipper (Australia) – 32.5%</td>
<td>600</td>
<td>H1 CY11</td>
<td>170 million cubic feet gas per day</td>
</tr>
<tr>
<td>NWS North Rankin B (Australia) – 16.67%</td>
<td>600</td>
<td>H1 CY13</td>
<td>2.5 million cubic feet gas per day</td>
</tr>
</tbody>
</table>

* Indicative only
### Key net profit sensitivities

<table>
<thead>
<tr>
<th>Approximate impact(^{(1)}) on FY 2008 net profit after tax of changes of:</th>
<th>(US$M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$1/t on iron ore price</td>
<td>60</td>
</tr>
<tr>
<td>US$1/bbl on oil price</td>
<td>30</td>
</tr>
<tr>
<td>US$1/t on metallurgical coal price</td>
<td>20</td>
</tr>
<tr>
<td>USc1/lb on aluminium price</td>
<td>30</td>
</tr>
<tr>
<td>USc1/lb on copper price</td>
<td>25</td>
</tr>
<tr>
<td>US$1/t on energy coal price</td>
<td>25</td>
</tr>
<tr>
<td>USc1/lb on nickel price</td>
<td>2</td>
</tr>
<tr>
<td>AUD (USc1/A$) Operations(^{(2)}) Operations</td>
<td>60</td>
</tr>
<tr>
<td>RAND (0.2 Rand/US$) Operations(^{(2)})</td>
<td>30</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Assumes total volumes exposed to price.

\(^{(2)}\) Impact based on average exchange rate for the period.