Uniquely placed to resource the future

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27 October 2014

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Key themes

- Virtuous cycle of industrialisation, urbanisation and consumption in emerging economies is expected to continue to underpin long-term commodities demand growth
- We retain a margin advantage for our steelmaking raw materials based on our quality and cost position
- Copper will remain supply constrained and a deficit is expected beyond 2018
- Energy demand growth will remain positive although the shape of future energy demand mix is difficult to predict
- Population growth and the shift towards higher protein diets will require more productive crops given the limited availability of arable land
- Our diversified portfolio is uniquely placed to resource the future

We consider divergent yet plausible scenarios in our portfolio decisions

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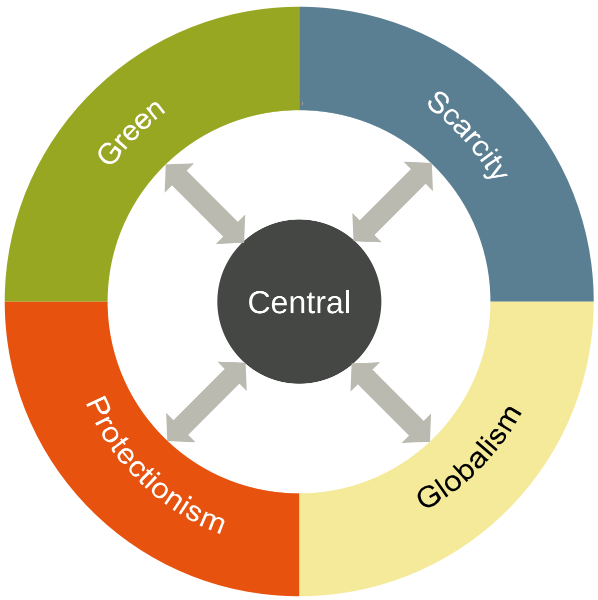
- Our corporate planning process is underpinned by scenario analysis
  - encompasses a spectrum of potential outcomes for key global uncertainties
  - considers technical, economic, political and global governance trends
  - explores potential portfolio discontinuities and opportunities
  - tests the robustness of our portfolio against potential financial and non-financial outcomes
- Bottom-up sectoral and commodity analysis provides further insight
  - focused on key drivers of demand and supply
  - informed by our customer relationships and proprietary research

Scenario analysis



Emerging economies will continue to drive global growth and commodities demand

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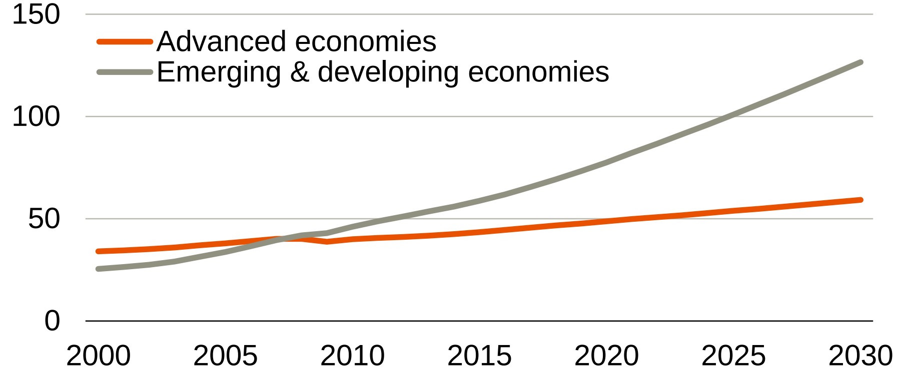
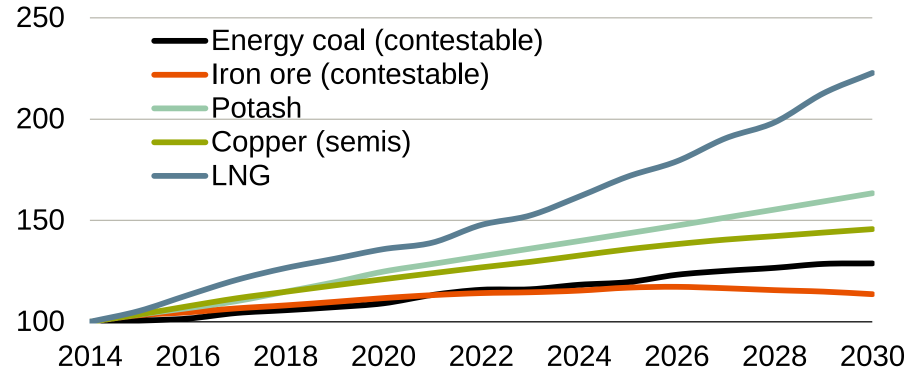
- Demand for our commodities continues to be strong, underpinning the long-term outlook for our portfolio of products
- The transition to consumption-led growth in the developing world is underway and will change the shape of commodities demand
  - early stage investment-led growth is steel intensive
  - demand for copper and electricity increases as an economy transitions to manufacturing-led growth
  - consumption and services-led growth support long-term demand for energy and food

Continued momentum in the emerging economies…
(GDP, US$ trillions, 2010 Purchasing Power Parity)



…will support commodity demand growth
(index, 2014=100)

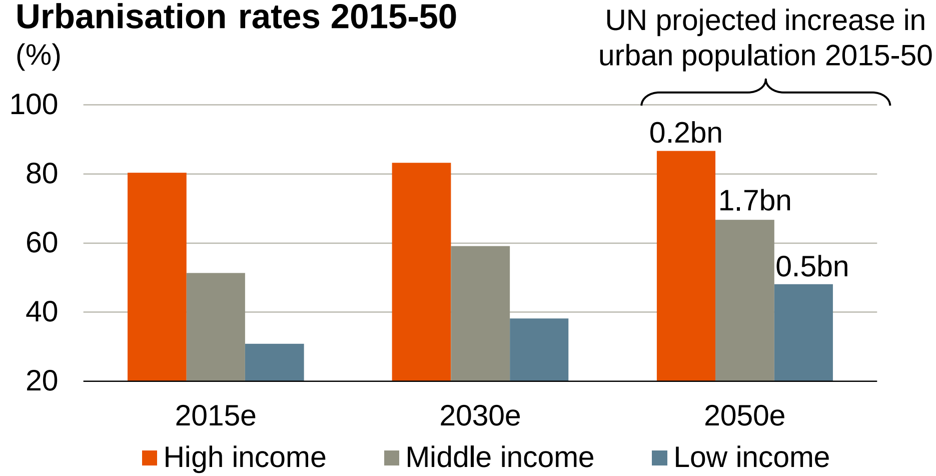


Source: BHP Billiton; Global Insight.

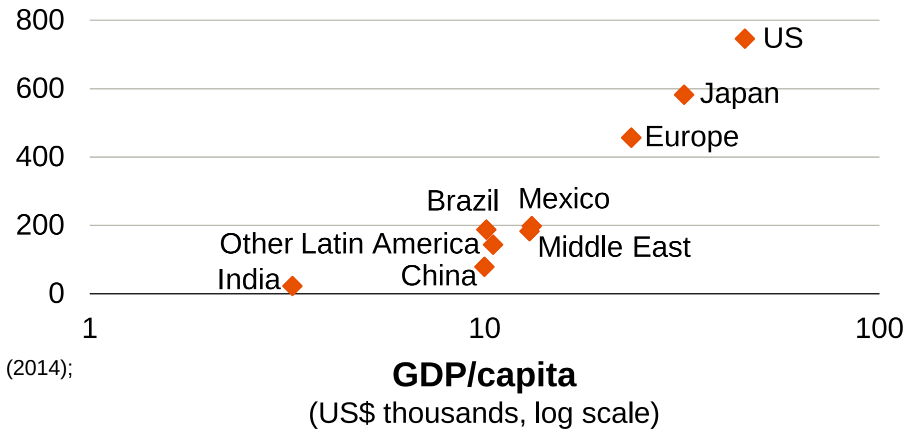
The urbanisation and industrialisation of the developing world is far from complete

- Urbanisation and industrialisation in the developing world continues to underpin commodities demand
  - potential for ~250 million people to urbanise in China by 2030
- The emergence of the middle class in Asia will be unprecedented in scale
  - potential for ~75 million light duty vehicles to be produced annually in Asia by 2030
  - potential for ~100 million new air conditioners to be installed in India by 2030
  - potential for ~24 Mt more meat[1] to be consumed per year in Asia by 2030

Urbanisation rates 2015-50
(%)



Light duty vehicle penetration[2]
(number of vehicles per thousand people)



Source: United Nations, Department of Economic and Social Affairs, Population Division (2014); World Urbanization Prospects: The 2014 Revision; National Bureau of Statistics of China; McKinsey; BBVA; HSBC Research; IHS Global Insight; BHP Billiton.

1. Includes broiler, pork, beef and veal meat.
2. Light duty vehicles include passenger cars and light commercial vehicles. Note: 2013 estimates.

We retain a margin advantage for our steelmaking raw materials

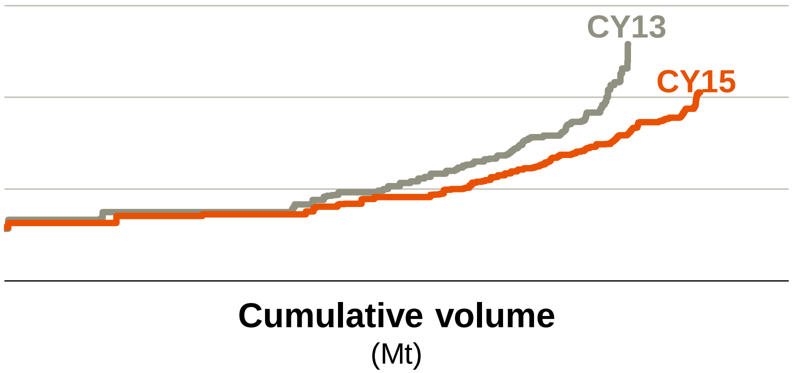
Iron ore

- Growth in low-cost seaborne supply will continue to outpace demand and the cost curve will flatten
- Longer term, an increase in scrap availability in China will impact demand for pig iron

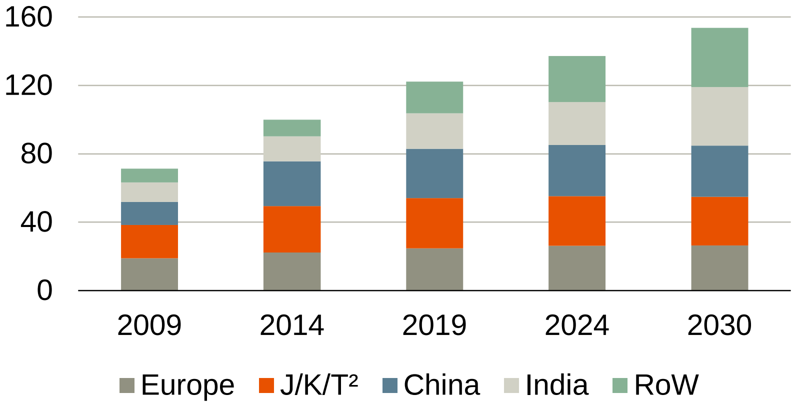
Metallurgical coal

- The market will recover from current cyclical lows with the exit of high-cost supply
  - supply cuts totalling 21 Mtpa have already been announced with further cuts likely as oversupply remains
  - China is expected to remain a significant importer but much of its demand growth will be met by domestic supply
- A scarcity of high-quality resources will underpin longer-term seaborne demand in other emerging economies

The iron ore cost curve is flattening
(CIF China equivalent basis, US$/t, nominal)



HCC[1] has broader emerging market exposure
(seaborne demand, index, 2014=100)

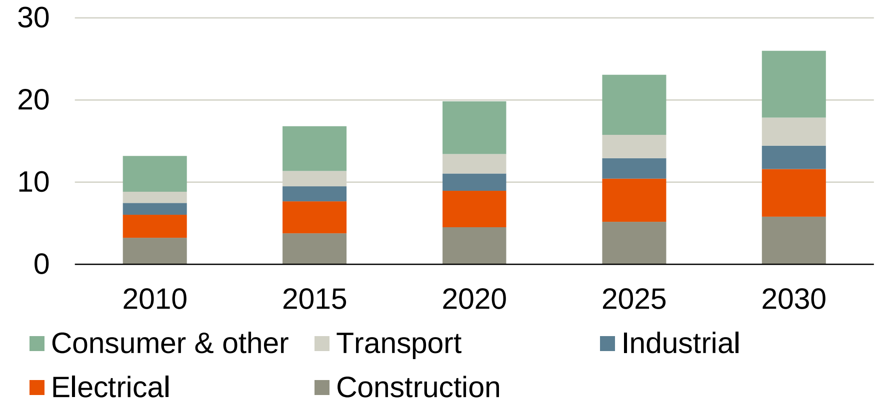


Source: BHP Billiton; cost curve from Macquarie Bank; Wood Mackenzie May 2014.
1. HCC refers to hard coking coal.
2. J/K/T refers to Japan, Korea and Taiwan.

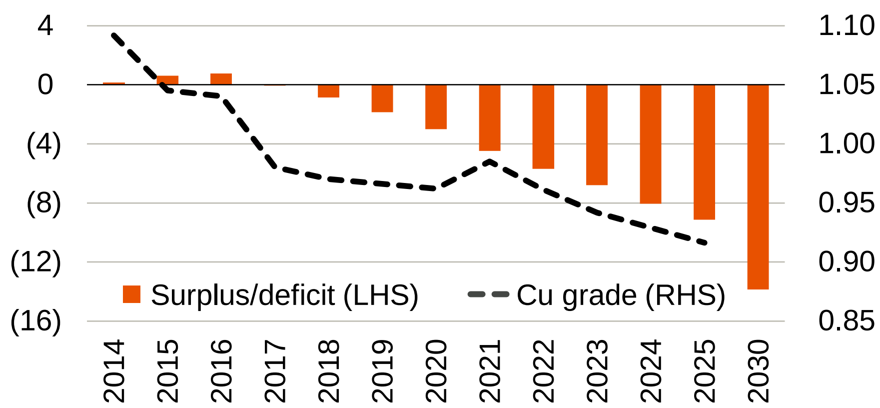
Copper will remain supply constrained and a deficit is expected beyond 2018

- The outlook for copper demand remains compelling as emerging economies transition to consumption-led growth
  - Chinese copper semis intensity is equivalent to Japan's in the 1960s
  - global copper demand is expected to grow at a CAGR of 2.3% to 2030
- In the near term, new supply induced by high prices will marginally exceed demand growth
- Beyond 2016, a significant deficit is expected to emerge
  - grade decline remains an ongoing challenge
  - existing and new greenfield supply will face a shortage of ready-made power and water supply
  - these factors will also significantly impact the cost of global supply

Strong consumption growth from Asia (ex-Japan)
(copper semis, Mt)



Copper grade[1] decline will lead to a market in deficit
(Mt) (% Cu in the mill)



Source: BHP Billiton; Wood Mackenzie.
1. Production from current operating mines and committed new projects, copper grade data only available until 2025.

Energy demand growth will remain positive…

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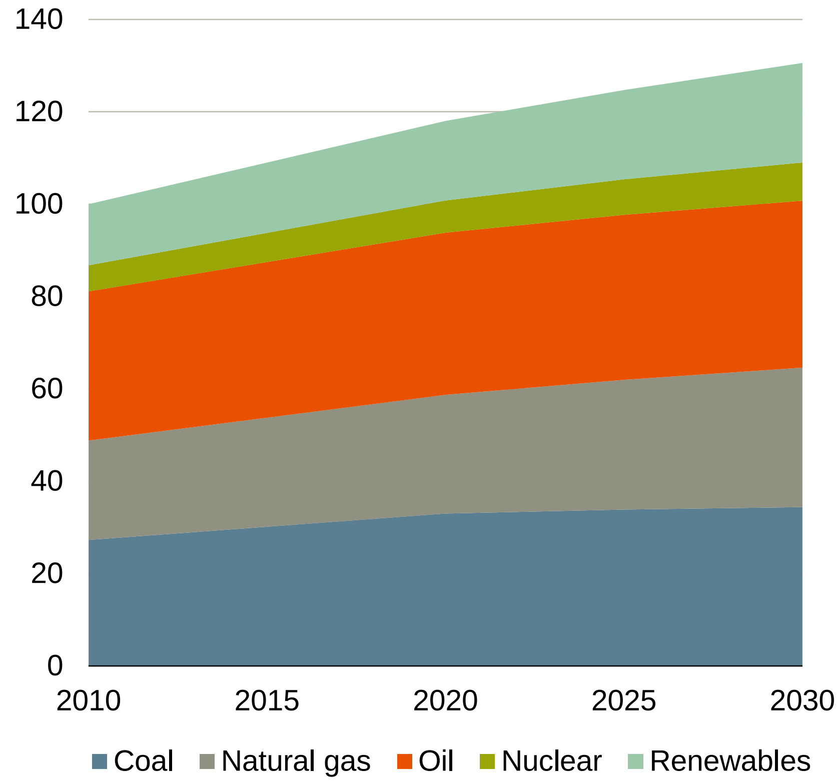
- Increasing energy demand is projected under a variety of scenarios, with electrification and transport leading the growth
- Electricity generation is forecast to rise strongly across multiple end-use sectors
  - 1.7 billion people expected to gain first access to electricity by 2030
- Industrial use of energy in manufacturing grows to meet increased demand for consumables
- Transportation fuel requirements are forecast to increase
  - more households in developing countries are able to purchase private vehicles, often for the first time
  - demand for aviation and sea freight is on the rise

The global energy complex will remain diverse
(growth in primary energy supply, index, 2010=100)

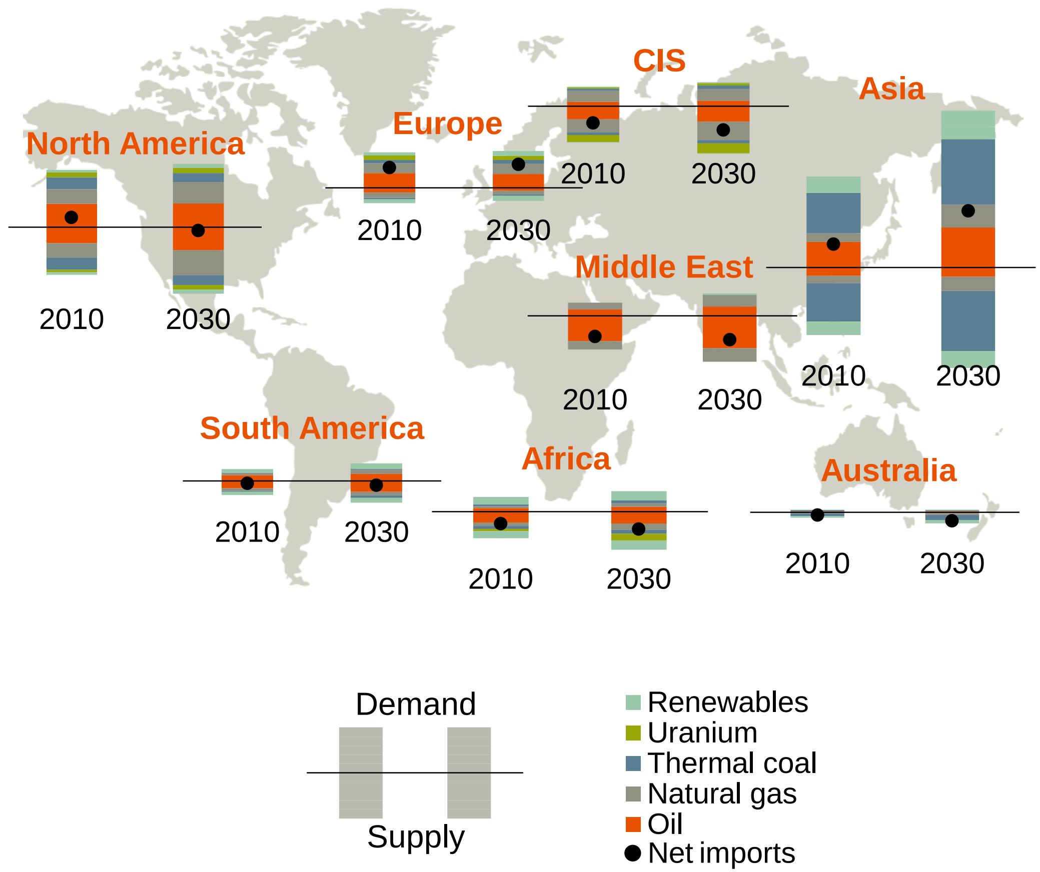


Source: BHP Billiton; Energy Balances ©OECD/IEA, 2013; World Energy Outlook ©OECD/IEA, 2012; New Policies Scenario of World Energy Outlook ©OECD/IEA, 2013.

… although the shape of future energy demand is difficult to predict

- Asia is expected to account for two thirds of energy demand growth to 2030
  - growth in China and India will be equivalent to current US energy demand
- Global and regional energy policies, together with economic policy, will significantly influence the shape of future energy demand
- Carbon emissions and climate change represent key challenges for the energy sector
- Our diversified portfolio will provide us flexibility as the world makes its energy choices

Energy balances by region

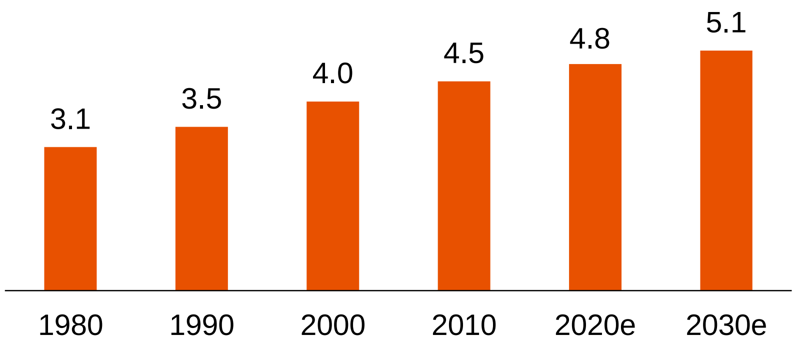


Source: BHP Billiton; Energy Balances ©OECD/IEA, 2014; World Energy Outlook ©OECD/IEA, 2013; Wood Mackenzie; EIA.

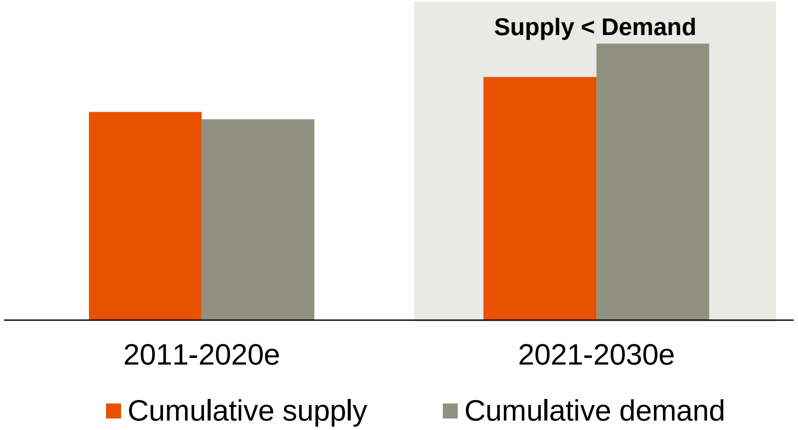
Population growth and the shift towards higher protein diets will require more productive crops

- The long-term demand fundamentals for agricultural products remain attractive
  - growing global population
  - greater economic prosperity
  - changing food consumption patterns
- Constraints on arable land will require higher yields to meet crop demands
- Soil conditions in key crop producing countries require higher potash application rates in order to grow output
- The world needs new greenfield potash capacity to meet demand beyond 2020
- Our large resource base can underpin the staged development of a low-cost potash business that will generate attractive investment returns

People fed per hectare of arable land
(number of people)



A deficit will emerge in potash beyond 2020
(muriate of potash, Mt)



Source: BHP Billiton; IHS Global Insight; Food and Agriculture Organization of the United Nations.
Note: Crops include corn, soybeans, wheat, rice, barley, sorghum, cotton, sunflower, rapeseed, sugarbeets, sugarcane.

A diversified portfolio resourcing the future

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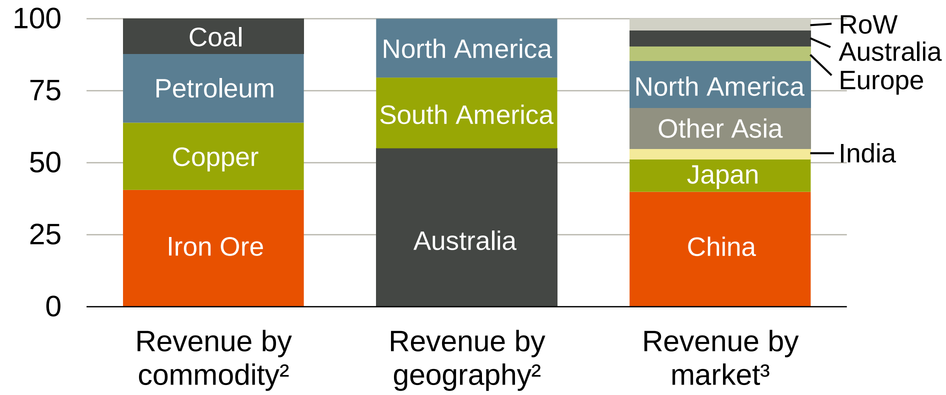
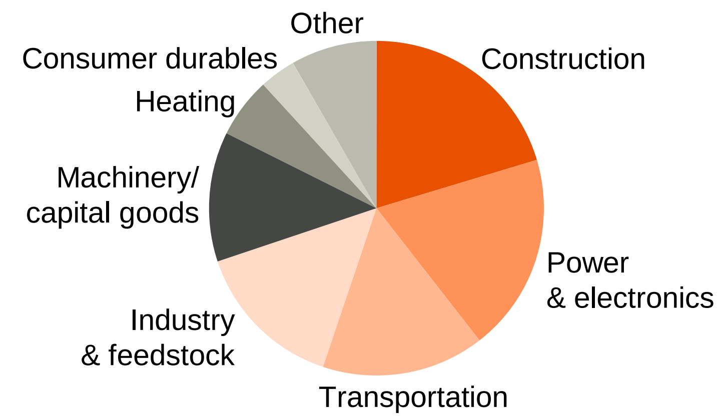
- Our core portfolio[1] reflects our differentiated strategy
  - large, long-life, low-cost, expandable, upstream assets
  - diversified by commodity, geography and market
- It provides broad exposure to steelmaking raw materials, copper, energy and potentially agricultural markets
- This unique level of diversification and our OECD oriented footprint affords greater flexibility and resilience as we respond to changes in commodity markets
- Our low-cost position will be further enhanced by our productivity agenda ensuring our portfolio continues to deliver value across a wide range of scenarios

Diversified by commodity, geography and market
(core portfolio, FY14 % contribution)



Sales profile by end-use sector[3]
(% of copper equivalent units of production)



1. Core portfolio following successful execution of proposed demerger.
2. Excludes third party trading activities.
3. Revenue by market represents location of customer.
4. Current BHP Billiton portfolio excluding Aluminium and Nickel. End use sectors approximated using total market share of consumption (exact final use of BHP Billiton products could vary).

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