



Aluminium Investor Presentation

Australia Analysts Site Visit

29 October 2008



Disclaimer

By viewing this presentation you agree to be bound by the following conditions.

Certain statements in this presentation are forward-looking statements (including statements regarding contribution synergies, future cost savings, the cost and timing of development projects, future production volumes, increases in production and infrastructure capacity, the identification of additional mineral Reserves and Resources and project lives and, without limitation, other statements typically containing words such as "intends," "expects," "anticipates," "targets," "plans," "estimates" and words of similar import.) These statements are based on current expectations and beliefs and numerous assumptions regarding BHP Billiton's present and future business strategies and the environments in which BHP Billiton will operate in the future and such assumptions, expectations and beliefs may or may not prove to be correct and by their nature, are subject to a number of known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially.

Save as required by law or the rules of the UK Listing Authority and the London Stock Exchange, the UK Takeover Panel, or the listing rules of ASX Limited, BHP Billiton undertakes no duty to update any forward-looking statements in this presentation.

No statement concerning expected cost savings, revenue benefits (and resulting incremental EBITDA) and EPS accretion in this presentation should be interpreted to mean that the future earnings per share of the enlarged BHP Billiton group for current and future financial years will necessarily match or exceed the historical or published earnings per share of BHP Billiton, and the actual estimated cost savings and revenue benefits (and resulting EBITDA enhancement) may be materially greater or less than estimated.

BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and Underlying EBITDA exclude any exceptional items. A reconciliation to profit from operations is contained within the profit announcement

References in this presentation to "\$" are to United States dollars unless otherwise specified.

Presenter introduction



Jon Dudas

President Aluminium CSG

- 24 years resources experience
- 17 years at BHP Billiton



Julius Matthys

COO Worsley Alumina

- 26 years resources experience
- 26 years at BHP Billiton



Markus Meurer

VP Marketing Alumina

- 21 years resources experience
- 7 years at BHP Billiton



Warren McKenzie

E&G Project Director

- 35 years resources experience
- 1 year at BHP Billiton

Presentation agenda

Business overview

- Operating performance
- Significance to BHP Billiton portfolio
- Comparison to peers
- Key challenges for the industry

Aluminium and alumina commodity outlook

- Global demand and China growth outlook
- Global supply outlook
- Cost curves
- Input costs

Future growth options

Key messages

Aluminium investor presentation

Business overview

- Operating performance
- Significance to BHP Billiton portfolio
- Comparison to peers
- Key challenges for the industry

Aluminium and alumina commodity outlook

- Global demand and China growth outlook
- Global supply outlook
- Cost curves
- Input costs

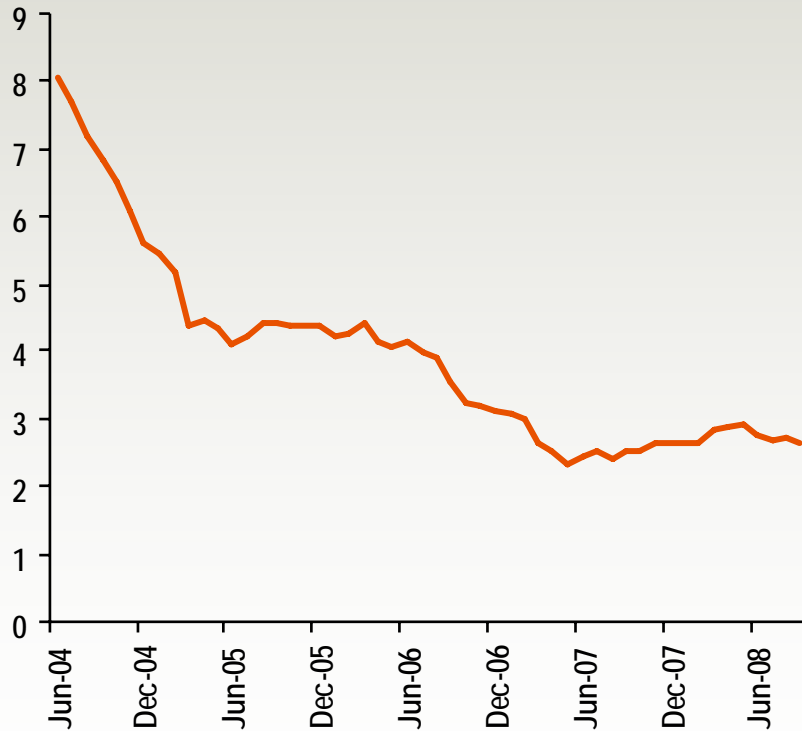
Future growth options

Key messages

Business overview: HSEC

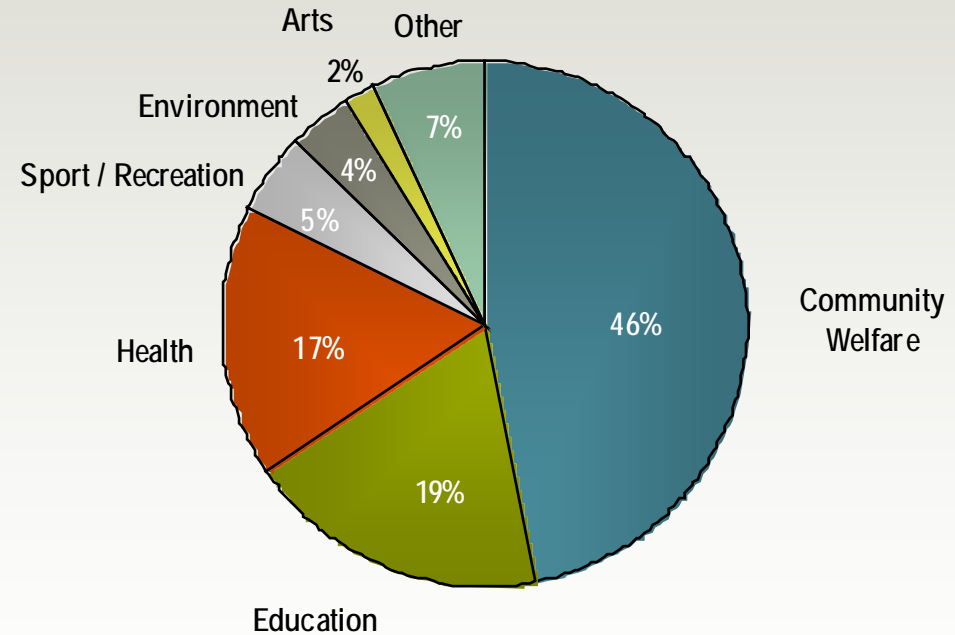
Safety

TRIFR
(12 MMA)



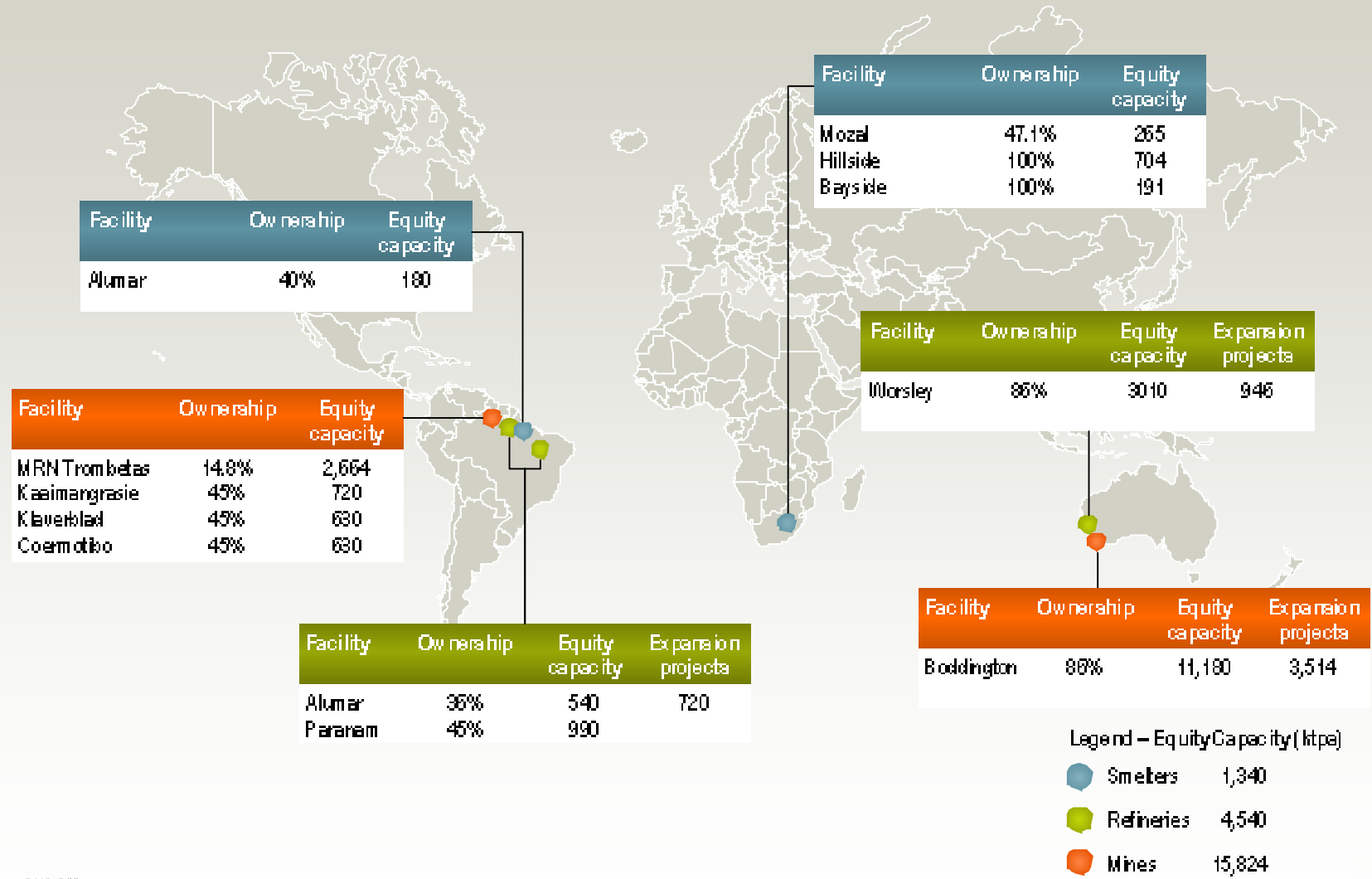
Community

Community Expenditure
(US\$m)



FY08 Community Expenditure amounted to US\$ 12.6 m (BHP Billiton Share).

Business overview: current assets



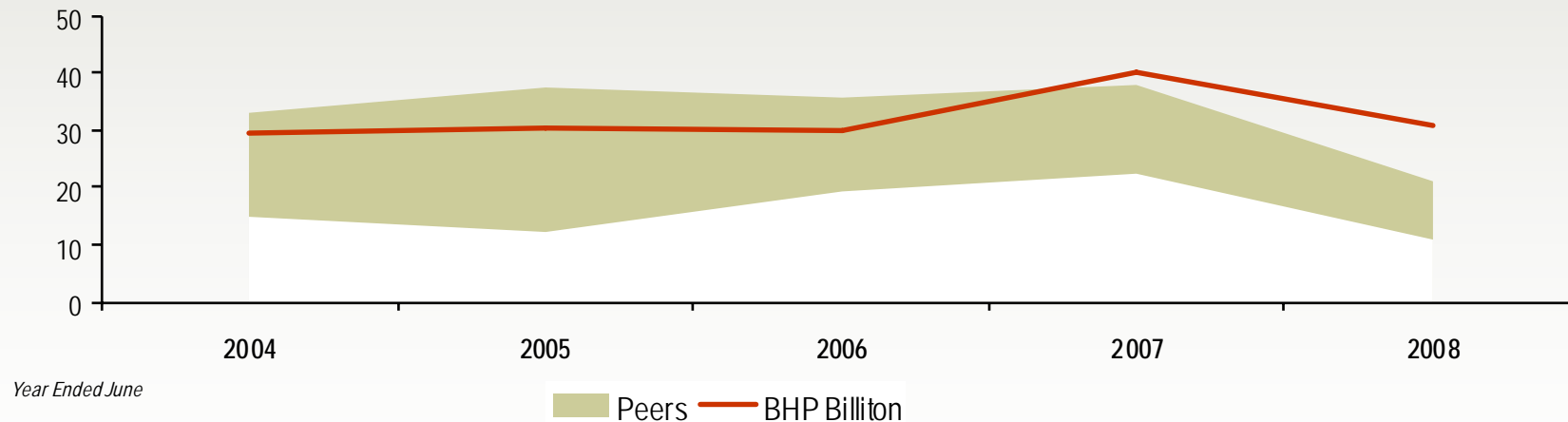
Source: BHP Billiton.
Bayside reduced capacity ~50%.

Business overview: operating performance

Year ended June (US\$m)	2008	2007	% Change
Aluminium EBIT	1,465	1,856	-21.1

- Record alumina production
- South African power situation will continue to impact metal production
- Worsley E&G approved

EBIT Margin (%)



Source: BHP Billiton and companies' annual and half year reports

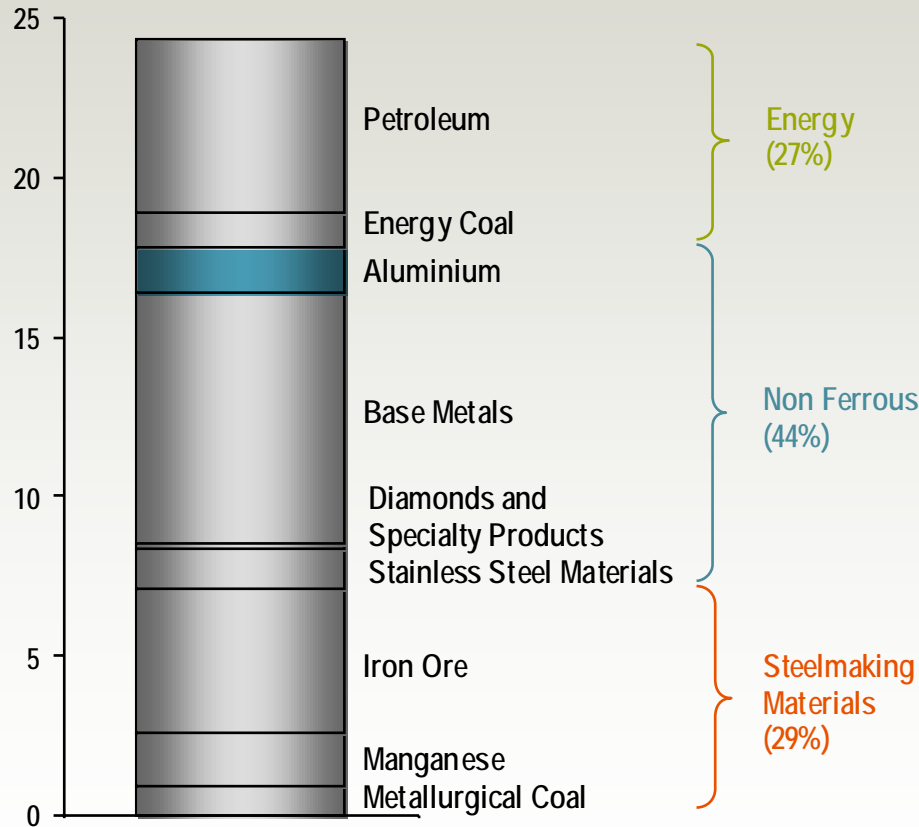
Excludes Third Party Trading

* Peers include AWAC, Chalco and the aluminium segments Rio Tinto, Vale and the upstream segments of Alcoa and Alcan (until June 2007).

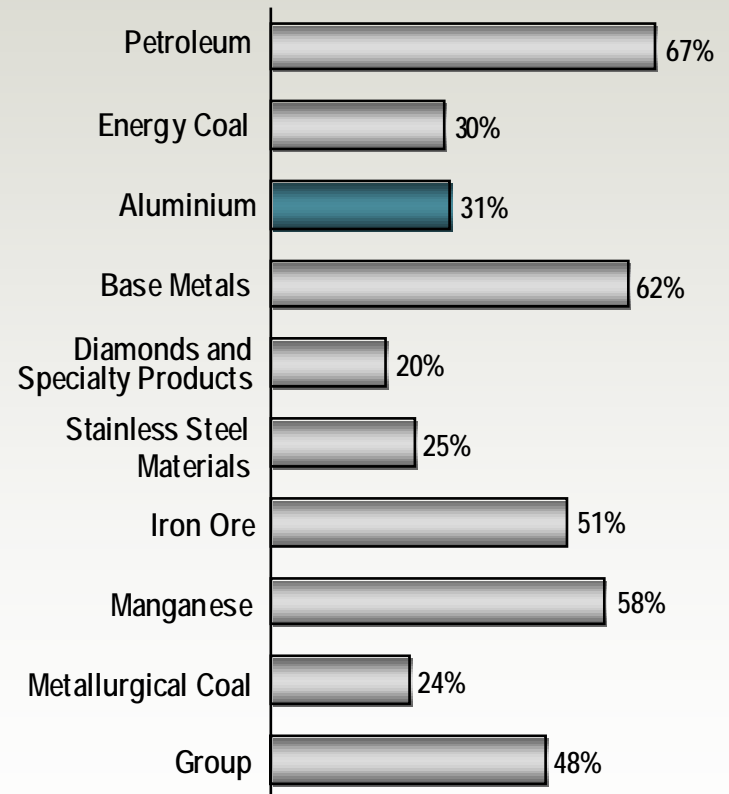
Business overview : contribution to group

(Our portfolio is diversified and balanced across high margin commodities)

Underlying EBIT
(FY2008, US\$bn)



Underlying EBIT Margin^(a)
(FY2008)



(a) EBIT Margin excludes third party trading activities.

Business overview: key challenges

- Raw material price pressures
- Global power supply
- Bringing on new capacity
- Quality of Chinese bauxite

Aluminium investor presentation

Business overview

- Operating performance
- Significance to BHP Billiton portfolio
- Comparison to peers
- Key challenges for the industry

Aluminium and alumina commodity outlook

- Global demand and China growth outlook
- Global supply outlook
- Cost curves

Future growth options

Key messages

Aluminium and alumina commodity outlook

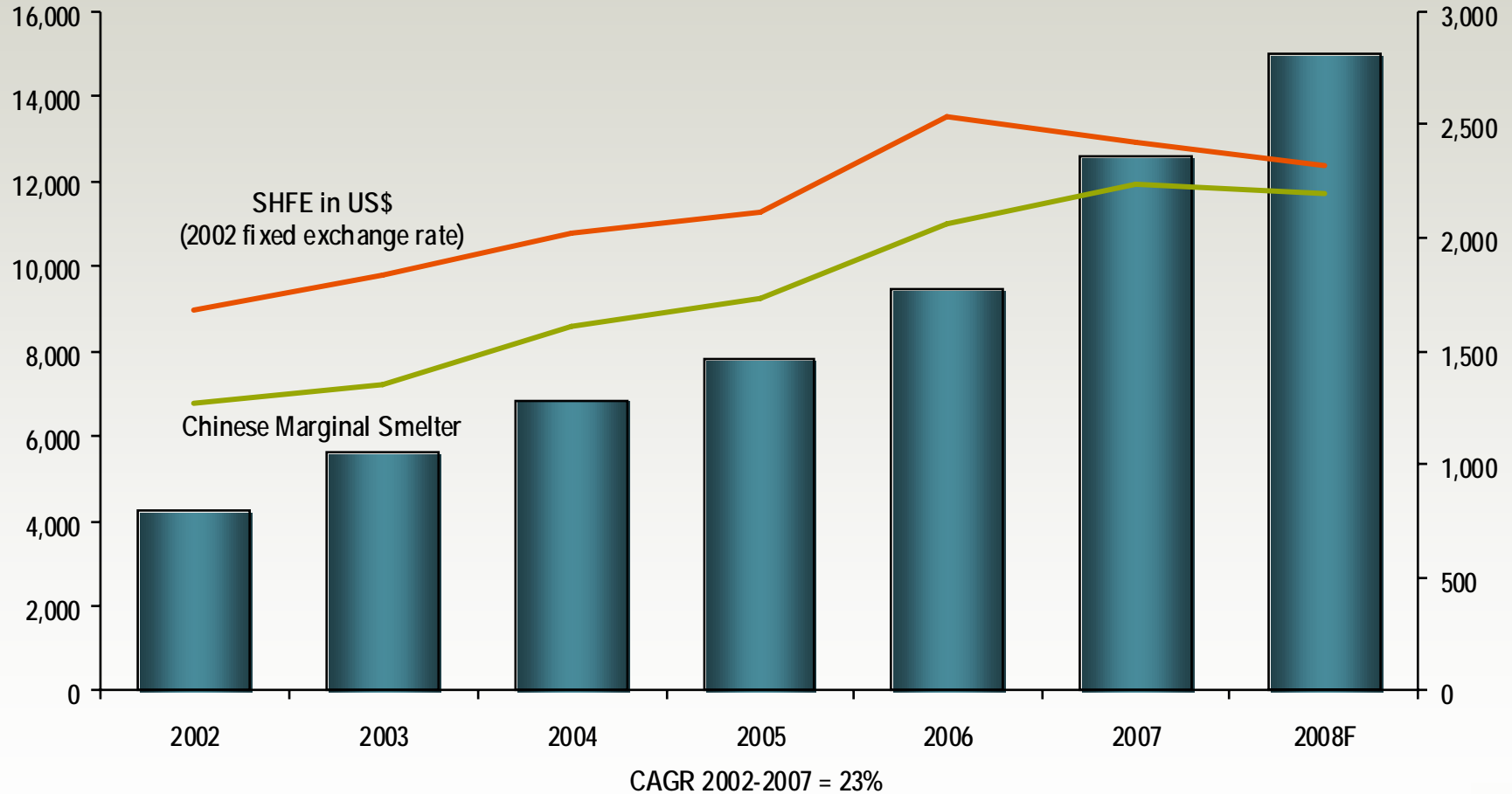
Key China Messages

- China has a significant influence on the Aluminium market
 - Aluminium is required to supply the intensive urbanisation of China
 - A question of self sufficiency of aluminium supply
 - Is power a constraining factor?
 - Domestic aluminium supply is positioned high on the cost curve
- Short on quality bauxite and thus alumina
 - Domestic alumina additions are positioned high on the cost curve

China production capacity can respond rapidly to pricing opportunities

Smelter Production in China ('000 mt)

Aluminium Price (US\$/t)



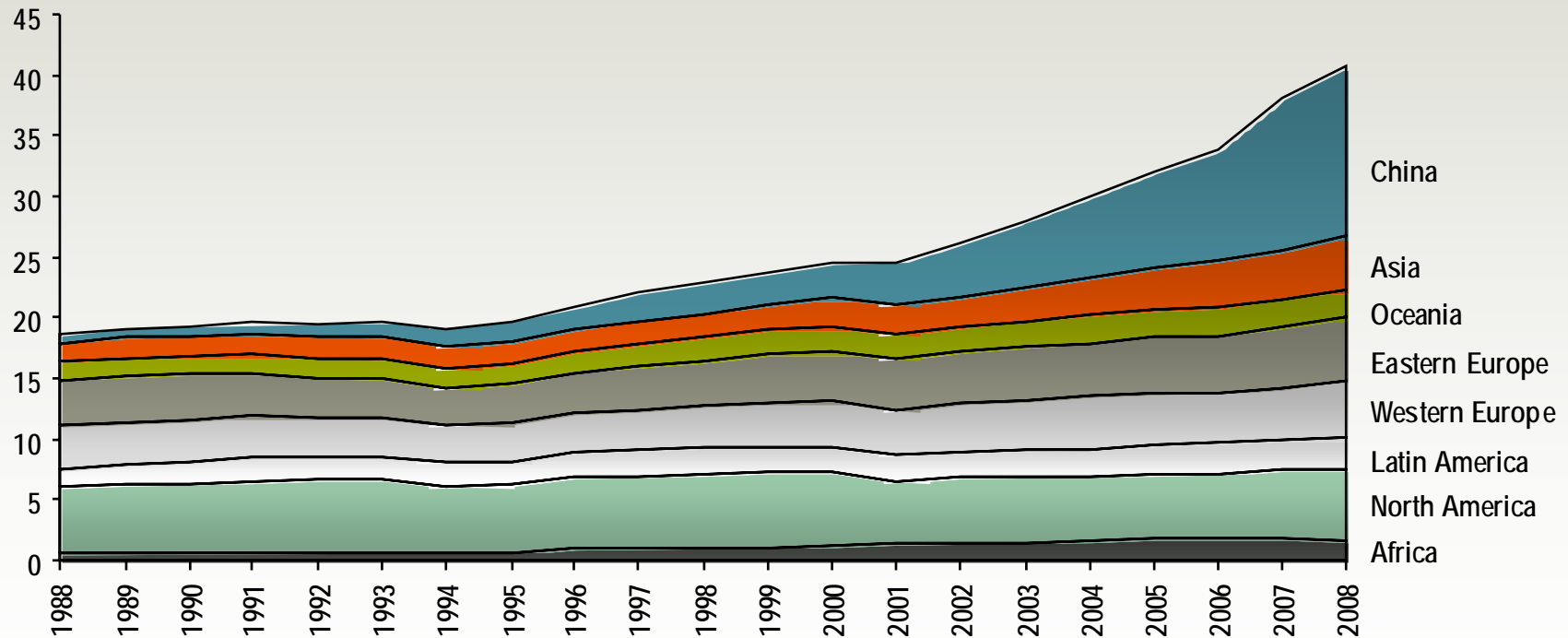
Source: Brook Hunt data.

China has been self-sufficient in smelting

Chinese Aluminium supply is up 650% driven by low capital construction costs and strong domestic demand

Aluminium Production

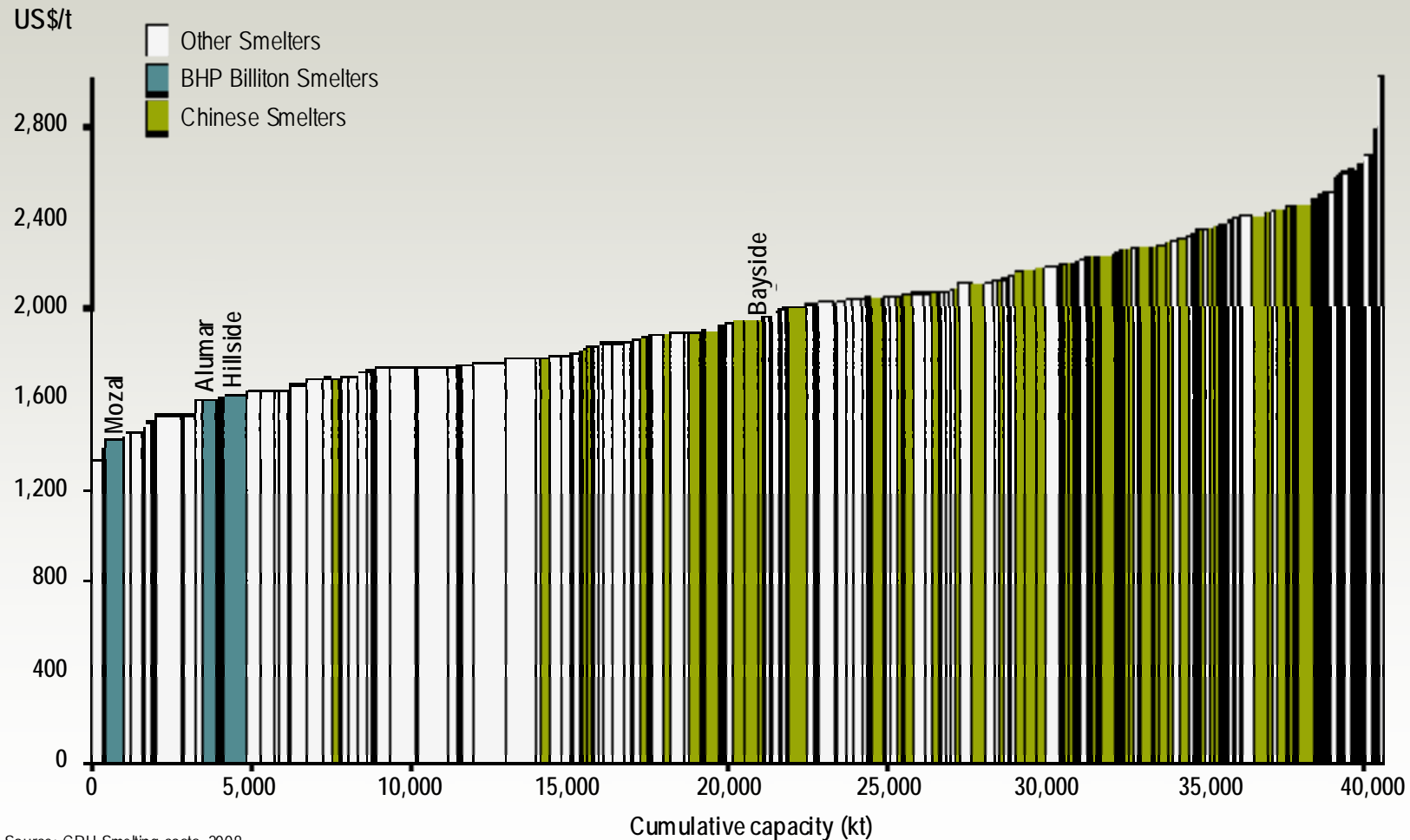
(kt)



Source: Brook Hunt.

Chinese Aluminium capacity additions at the top end of cost curve

Chinese Aluminium capacity additions come at the top end of the cost curve

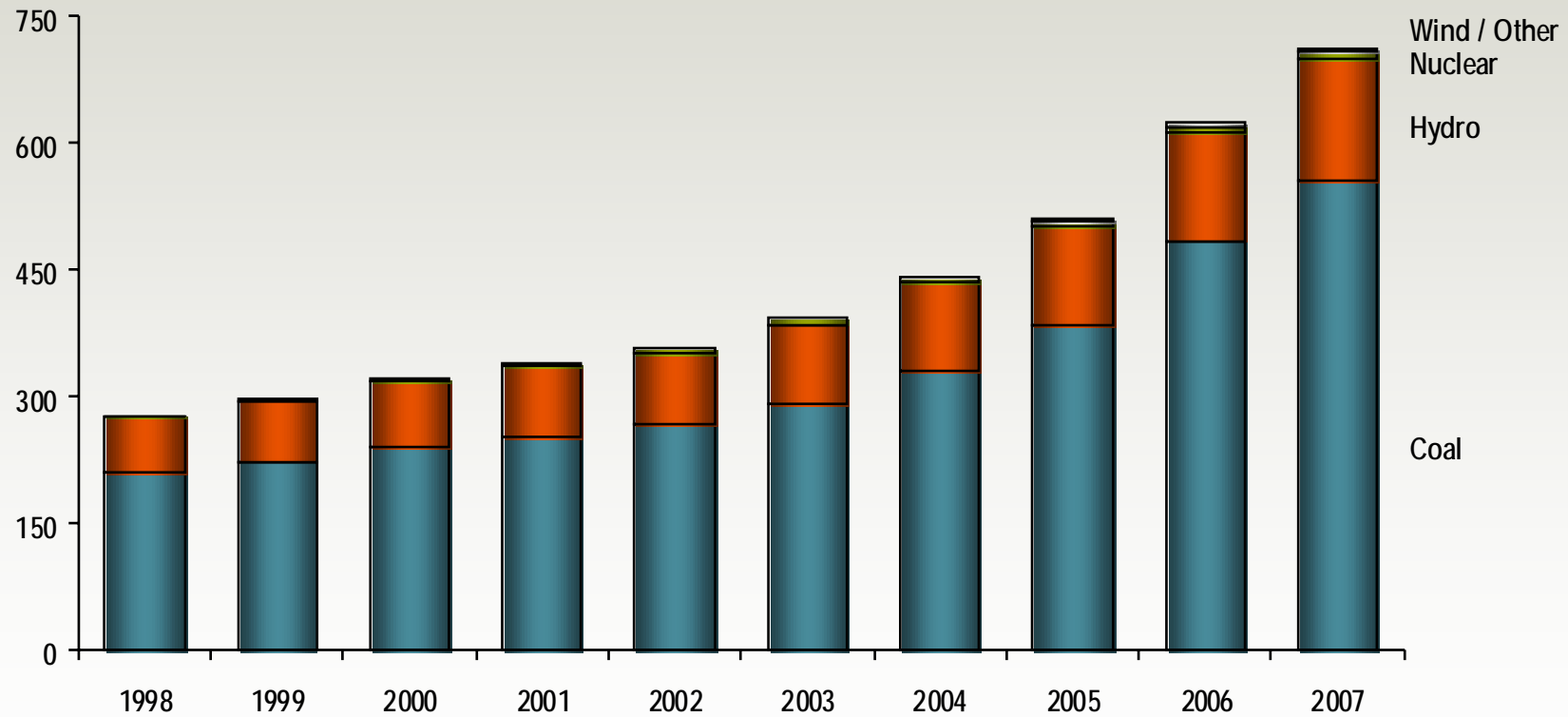


Source: CRU Smelting costs, 2008

China has a track record of bringing on new power capacity

Ability to bring on new power capacity on time as planned

Sources of Chinese power
(GW)

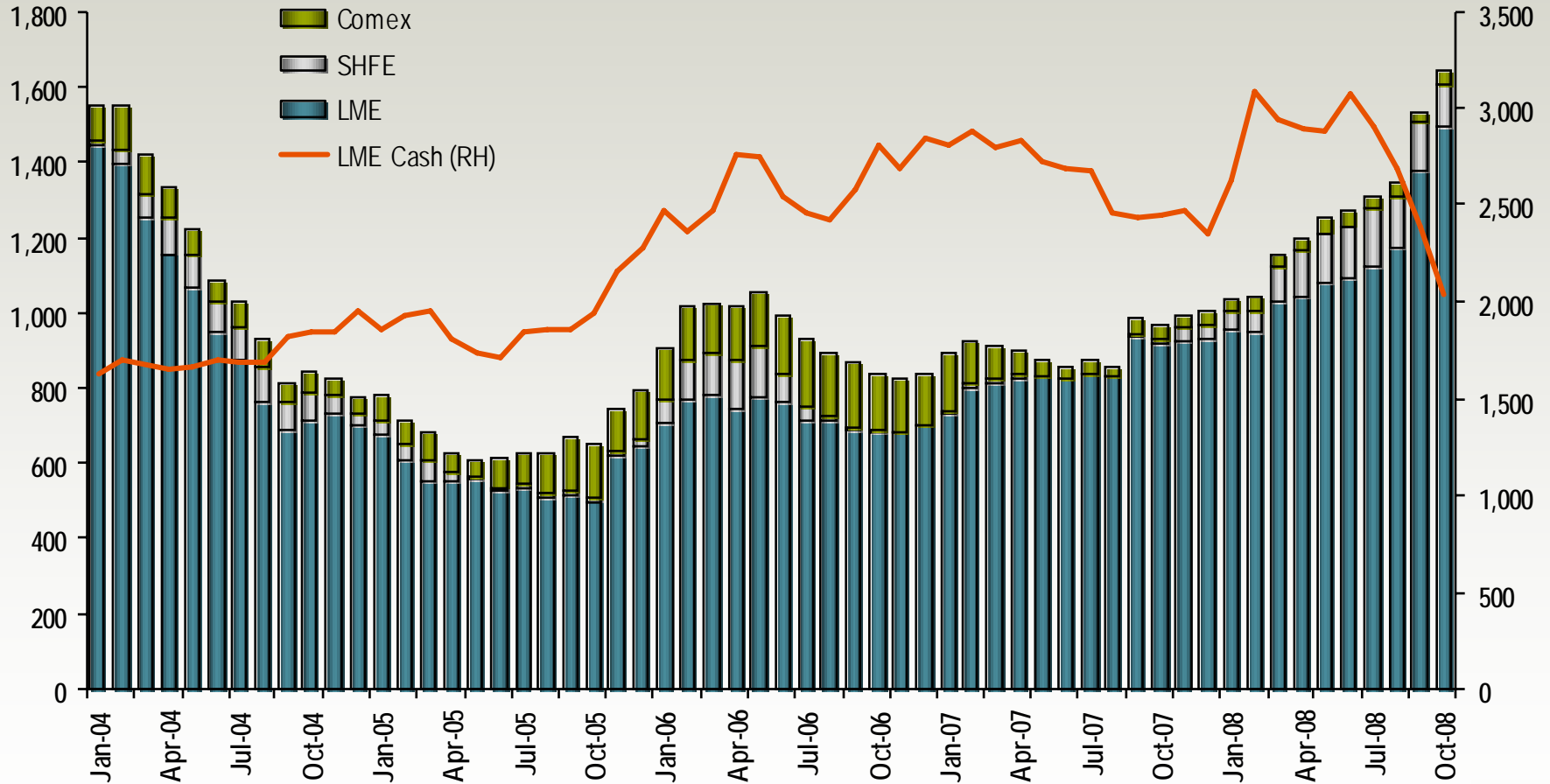


Source: CEC.

Aluminium stocks

Exchange Stocks
(kt)

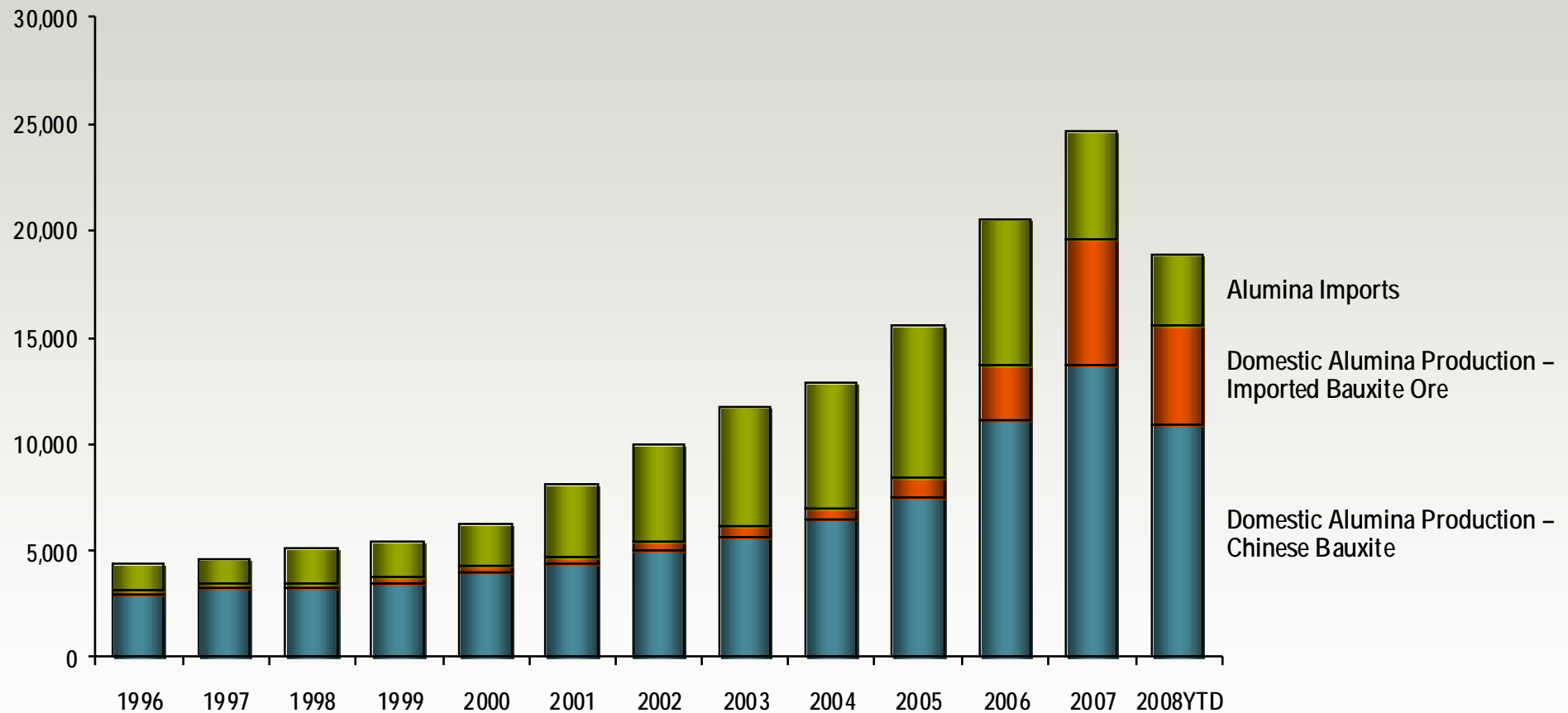
LME Cash price
(\$/t Nominal)



Source: LME, SHFE and Comex.

Chinese demand for imported Alumina and Bauxite

Alumina (kt)

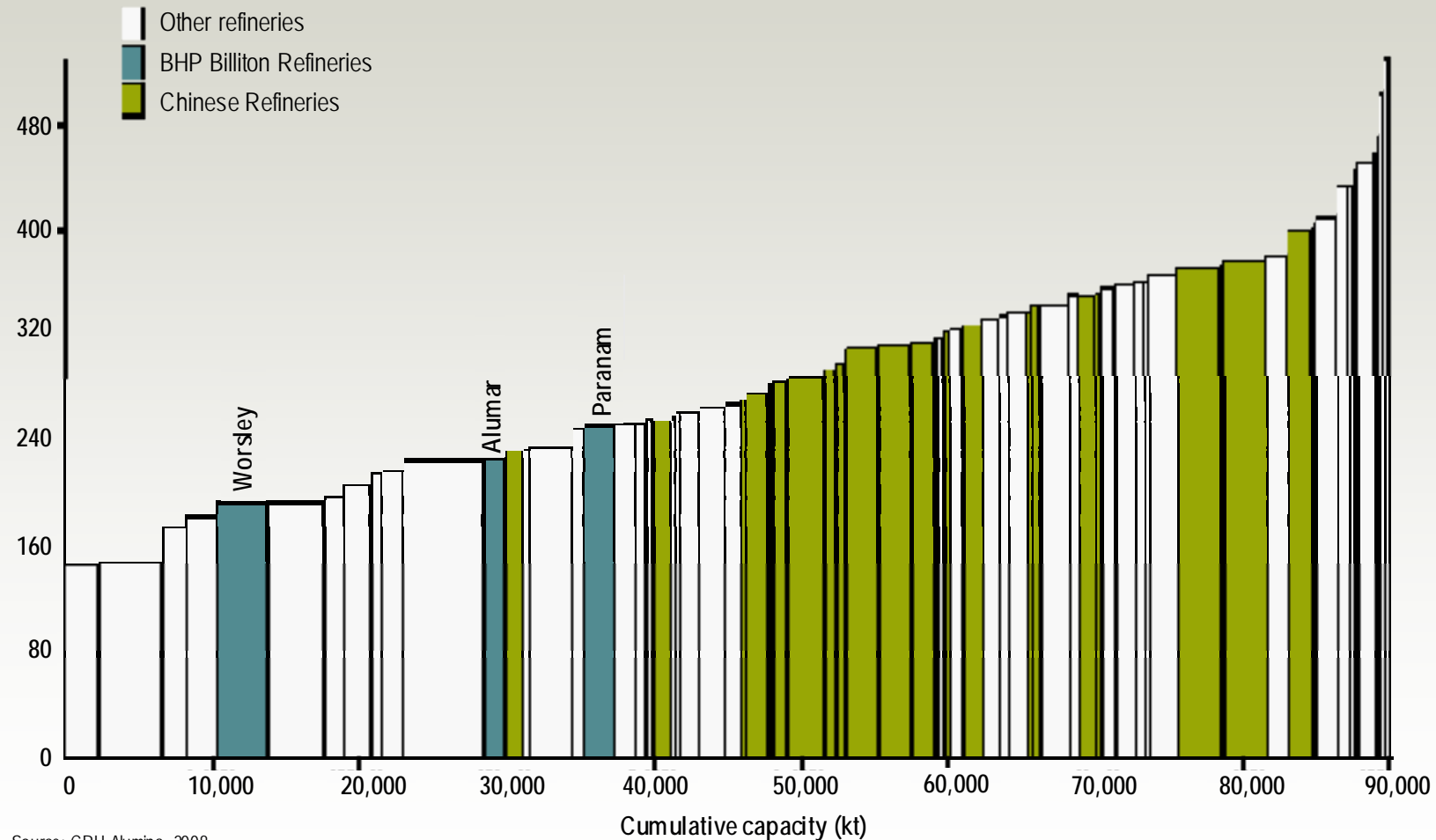


Source: BHP Billiton Internal Analysis, Chinese customs data, CNIA.

Chinese alumina supply at the top end of the cost curve

CRU Alumina cost curve, 2008

US\$/t



Source: CRU Alumina, 2008

Aluminium investor presentation

Business overview

- Operating performance
- Significance to BHP Billiton portfolio
- Comparison to peers
- Key challenges for the industry

Aluminium and alumina commodity outlook

- Global demand and China growth outlook
- Global supply outlook
- Cost curves
- Input costs

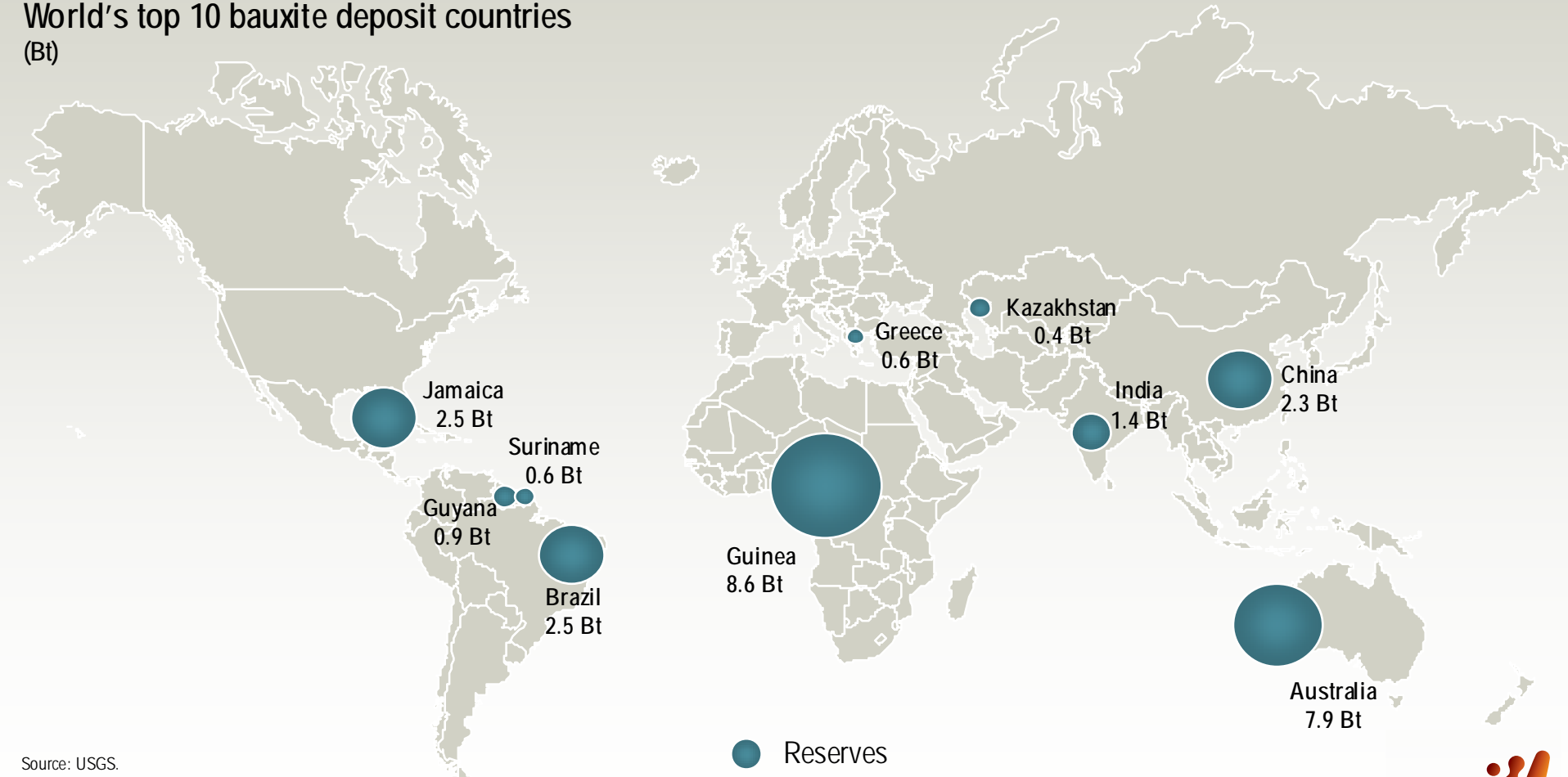
Future growth options

Key messages

Most attractive bauxite deposits

Most attractive bauxite deposits are in Guinea

World's top 10 bauxite deposit countries
(Bt)



Source: USGS.

Guinea project

Guinea

- Long life, world class bauxite resource with embedded options
- Strong government support
- Currently finalising feasibility study
- Greenfield projects are more challenging in new geographies



Aluminium investor presentation

Business overview

- Operating performance
- Significance to BHP Billiton portfolio
- Comparison to peers
- Key challenges for the industry

Aluminium and alumina commodity outlook

- Global demand and China growth outlook
- Global supply outlook (The key constraints)
- Cost curves
- Input costs

Growth profile and capital projects

Key messages

Key messages

- China's focus is on self-sufficiency in aluminium
- China's growing requirement to import alumina or bauxite to meet domestic metal demands
- Our growth options and project pipeline are aligned to this view (to feed the emerging seaborne bauxite/alumina market)
- We have a track record of delivering these projects on time and on budget
- Our strategy of having world class long life, low cost assets enables us to maintain a strong EBIT and EBIT margin performance in relation to our peers
- Commitment to safety, the community and the environment