

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC  
Form 425  
May 13, 2008

Filed by: BHP Billiton Plc

and BHP Billiton Limited

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Rio Tinto plc

Commission File No.: 001-10533

The following are slides comprising an investor presentation that was first given on May 13, 2008.

May 2008  
Investor Presentation

Slide 2  
Disclaimer  
This  
document  
has  
been  
prepared

by  
BHP  
Billiton  
Ltd  
and  
BHP  
Billiton  
Plc  
( BHP  
Billiton")  
and  
comprises  
the  
written  
materials/slides  
for  
a  
presentation  
concerning  
BHP  
Billiton's  
offer  
for  
Rio  
Tinto  
Ltd  
and  
Rio  
Tinto  
plc  
( Rio  
Tinto ).  
By  
reviewing/attending  
this  
presentation  
you  
agree  
to  
be  
bound  
by  
the  
following  
conditions.  
The  
directors  
of  
BHP  
Billiton

accept  
responsibility  
for  
the  
information  
contained  
in  
this  
presentation.  
Having  
taken  
all  
reasonable  
care  
to  
ensure  
that  
such  
is  
the  
case,  
the  
information  
contained  
in  
this  
presentation  
is,  
to  
the  
best  
of  
the  
knowledge  
and  
belief  
of  
the  
directors  
of  
BHP  
Billiton,  
in  
accordance  
with  
the  
facts  
and  
contains  
no

omission  
likely  
to  
affect  
its  
import.  
Subject  
to  
the  
above,  
neither  
BHP  
Billiton  
nor  
any  
of  
its  
directors,  
officers,  
employees  
or  
advisers  
nor  
any  
other  
person  
makes  
any  
representation  
or  
warranty,  
express  
or  
implied,  
as  
to,  
and  
accordingly  
no  
reliance  
should  
be  
placed  
on,  
the  
fairness,  
accuracy  
or  
completeness  
of

the  
information  
contained  
in  
the  
presentation  
or  
of  
the  
views  
given  
or  
implied.  
To  
the  
extent  
permitted  
by  
law,  
neither  
BHP  
Billiton  
nor  
any  
of  
its  
directors,  
officers,  
employees  
or  
advisers  
nor  
any  
other  
person  
shall  
have  
any  
liability  
whatsoever  
for  
any  
errors  
or  
omissions  
or  
any  
loss  
howsoever  
arising,

directly  
or  
indirectly,  
from  
any  
use  
of  
this  
information  
or  
its  
contents  
or  
otherwise  
arising  
in  
connection  
therewith.  
This  
presentation  
is  
for  
information  
purposes  
only  
and  
does  
not  
constitute  
or  
form  
part  
of  
any  
offer  
or  
invitation  
to  
acquire,  
sell  
or  
otherwise  
dispose  
of,  
or  
issue,  
or  
any  
solicitation  
of



any  
offer  
to  
sell  
or  
otherwise  
dispose  
of,  
purchase  
or  
subscribe  
for,  
any  
securities,  
nor  
does  
it  
constitute  
investment  
advice,  
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,

nor  
does  
it  
constitute  
a  
proposal  
to  
make  
a  
takeover  
bid  
or  
the  
solicitation  
of  
any  
vote  
or  
approval  
in  
any  
jurisdiction,  
nor  
shall  
there  
be  
any  
sale  
of  
securities  
in  
any  
jurisdiction  
in  
which  
such  
offer,  
solicitation  
or  
sale  
would  
be  
unlawful  
prior  
to  
registration  
or  
qualification  
under  
the

securities  
laws  
of  
any  
such  
jurisdiction  
(or  
under  
an  
exemption  
from  
such  
requirements).

No  
offering  
of  
securities  
shall  
be  
made  
into  
the  
United  
States  
except  
pursuant  
to  
registration  
under  
the  
US  
Securities  
Act  
of  
1933,  
as  
amended,  
or  
an  
exemption  
therefrom.

Neither  
this  
presentation  
nor  
any  
copy  
of  
it  
may

be  
taken  
or  
transmitted  
or  
distributed  
or  
redistributed  
(directly  
or  
indirectly)  
in  
Japan.  
The  
distribution  
of  
this  
document  
in  
other  
jurisdictions  
may  
be  
restricted  
by  
law  
and  
persons  
into  
whose  
possession  
this  
document  
comes  
should  
inform  
themselves  
about,  
and  
observe,  
any  
such  
restrictions.  
This  
presentation  
is  
directed  
only  
at  
persons

who  
(i)  
are  
persons  
falling  
within  
Article  
49(2)(a)  
to  
(d)  
("high  
net  
worth  
companies,  
unincorporated  
associations  
etc.")  
of  
the  
Financial  
Services  
and  
Markets  
Act  
2000  
(Financial  
Promotion)  
Order  
2005  
(as  
amended)  
(the  
"Order")  
or  
(ii)  
have  
professional  
experience  
in  
matters  
relating  
to  
investments  
falling  
within  
Article  
19(5)  
of  
the  
Order

or  
(iii)  
are  
outside  
the  
United  
Kingdom  
(all  
such  
persons  
being  
referred  
to  
as  
"relevant  
persons").  
This  
presentation  
must  
not  
be  
acted  
on  
or  
relied  
on  
by  
persons  
who  
are  
not  
relevant  
persons.  
Information  
about  
Rio  
Tinto  
is  
based  
on  
public  
information  
which  
has  
not  
been  
independently  
verified.  
Certain  
statements

in  
this  
presentation  
are  
forward-looking  
statements.  
The  
forward-looking  
statements  
include  
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  
forward-looking  
statements  
speak  
only  
as  
at  
the  
date  
of  
this  
presentation.  
These  
statements  
are  
based  
on  
current  
expectations  
and  
beliefs  
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  
from  
any  
expected  
future  
results,  
performance  
or  
achievements  
expressed  
or  
implied  
by  
such  
forward-looking  
statements.  
The  
forward-looking  
statements  
are  
based  
on  
numerous  
assumptions  
regarding  
BHP  
Billiton's  
present  
and  
future  
business  
strategies  
and  
the  
environments  
in  
which  
BHP

Billiton  
and  
Rio  
Tinto  
will  
operate  
in  
the  
future  
and  
such  
assumptions  
may  
or  
may  
not  
prove  
to  
be  
correct.  
There  
are  
a  
number  
of  
factors  
that  
could  
cause  
actual  
results  
or  
performance  
to  
differ  
materially  
from  
those  
expressed  
or  
implied  
in  
the  
forward-looking  
statements.  
Factors  
that  
could  
cause  
actual

results  
or  
performance  
to  
differ  
materially  
from  
those  
described  
in  
the  
forward-looking  
statements  
include,  
but  
are  
not  
limited  
to,  
BHP  
Billiton's  
ability  
to  
successfully  
combine  
the  
businesses  
of  
BHP  
Billiton  
and  
Rio  
Tinto  
and  
to  
realise  
expected  
synergies  
from  
that  
combination,  
the  
presence  
of  
a  
competitive  
proposal  
in  
relation  
to

Rio  
Tinto,  
satisfaction  
of  
any  
conditions  
to  
any  
proposed  
transaction,  
including  
the  
receipt  
of  
required  
regulatory  
and  
anti-trust  
approvals,  
Rio  
Tinto's  
willingness  
to  
enter  
into  
any  
proposed  
transaction,  
the  
successful  
completion  
of  
any  
transaction,  
as  
well  
as  
additional  
factors  
such  
as  
changes  
in  
global,  
political,  
economic,  
business,  
competitive,  
market  
or

regulatory  
forces,  
future  
exchange  
and  
interest  
rates,  
changes  
in  
tax  
rates,  
future  
business  
combinations  
or  
dispositions  
and  
the  
outcome  
of  
litigation  
and  
government  
actions.  
Additional  
risks  
and  
factors  
that  
could  
cause  
BHP  
Billiton  
results  
to  
differ  
materially  
from  
those  
described  
in  
the  
forward-looking  
statements  
can  
be  
found  
in  
BHP  
Billiton's

filings  
with  
the  
US  
Securities  
and  
Exchange  
Commission  
("SEC"),  
including  
BHP  
Billiton's  
Annual  
Report  
on  
Form  
20-F  
for  
the  
fiscal  
year-ended  
June  
30,  
2007,  
and  
Rio  
Tinto's  
filings  
with  
the  
SEC,  
including  
Rio  
Tinto's  
Annual  
Report  
on  
Form  
20-F  
for  
the  
fiscal  
year-ended  
December  
31,  
2007,  
which  
are  
available  
at

the  
SEC's  
website  
(<http://www.sec.gov>).

Other  
unknown  
or  
unpredictable  
factors  
could  
cause  
actual  
results  
to  
differ  
materially  
from  
those  
in  
the  
forward-looking  
statements.

The  
information  
and  
opinions  
expressed  
in  
this  
presentation  
are  
subject  
to  
change  
without  
notice  
and  
BHP  
Billiton  
expressly  
disclaims  
any  
obligation  
(except  
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)  
or  
undertaking  
to  
disseminate  
any  
updates  
or  
revisions  
to  
any  
forward-looking  
statements  
contained  
herein  
to  
reflect  
any  
change  
in  
BHP  
Billiton's  
expectations  
with  
regard  
thereto  
or  
any  
change



in  
events,  
conditions  
or  
circumstances  
on  
which  
any  
such  
statement  
is  
based.

BHP Billiton Offer for Rio Tinto

Slide 3  
Disclaimer  
(continued)  
None  
of  
the  
statements

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.  
Information  
Relating  
to  
the  
US  
Offer  
for  
Rio  
Tinto  
plc  
BHP  
Billiton  
plans  
to  
register  
the  
offer  
and  
sale  
of  
securities  
it  
would  
issue  
to

Rio  
Tinto  
plc  
US  
shareholders  
and  
Rio  
Tinto  
plc  
ADS  
holders  
by  
filing  
with  
the  
SEC  
a  
Registration  
Statement  
(the  
Registration  
Statement ),  
which  
will  
contain  
a  
prospectus  
( Prospectus ),  
as  
well  
as  
other  
relevant  
materials.  
No  
such  
materials  
have  
yet  
been  
filed.  
This  
communication  
is  
not  
a  
substitute  
for  
any  
Registration

Statement  
or  
Prospectus  
that  
BHP  
Billiton  
may  
file  
with  
the  
SEC.  
U.S.  
INVESTORS  
AND  
U.S.  
HOLDERS  
OF  
RIO  
TINTO  
PLC  
SECURITIES  
AND  
ALL  
HOLDERS  
OF  
RIO  
TINTO  
PLC  
ADSs  
ARE  
URGED  
TO  
READ  
ANY  
REGISTRATION  
STATEMENT,  
PROSPECTUS  
AND  
ANY  
OTHER  
DOCUMENTS  
MADE  
AVAILABLE  
TO  
THEM  
AND/OR  
FILED  
WITH  
THE  
SEC

REGARDING  
THE  
POTENTIAL  
TRANSACTION,  
AS  
WELL  
AS  
ANY  
AMENDMENTS  
AND  
SUPPLEMENTS  
TO  
THOSE  
DOCUMENTS,  
WHEN  
THEY  
BECOME  
AVAILABLE  
BECAUSE  
THEY  
WILL  
CONTAIN  
IMPORTANT  
INFORMATION.

Investors  
and  
security  
holders  
will  
be  
able  
to  
obtain  
a  
free  
copy  
of  
the  
Registration  
Statement  
and  
the  
Prospectus  
as  
well  
as  
other  
relevant  
documents  
filed

with  
the  
SEC  
at  
the  
SEC's  
website  
(<http://www.sec.gov>),  
once  
such  
documents  
are  
filed  
with  
the  
SEC.  
Copies  
of  
such  
documents  
may  
also  
be  
obtained  
from  
BHP  
Billiton  
without  
charge,  
once  
they  
are  
filed  
with  
the  
SEC.  
Information  
for  
US  
Holders  
of  
Rio  
Tinto  
Ltd  
Shares  
BHP  
Billiton  
Ltd  
is  
not



required  
to,  
and  
does  
not  
plan  
to,  
prepare  
and  
file  
with  
the  
SEC  
a  
registration  
statement  
in  
respect  
of  
the  
Rio  
Tinto  
Ltd  
Offer.  
Accordingly,  
Rio  
Tinto  
Ltd  
shareholders  
should  
carefully  
consider  
the  
following:  
The  
Rio  
Tinto  
Ltd  
Offer  
will  
be  
an  
exchange  
offer  
made  
for  
the  
securities  
of  
a

foreign  
company.  
Such  
offer  
is  
subject  
to  
disclosure  
requirements  
of  
a  
foreign  
country  
that  
are  
different  
from  
those  
of  
the  
United  
States.  
Financial  
statements  
included  
in  
the  
document  
will  
be  
prepared  
in  
accordance  
with  
foreign  
accounting  
standards  
that  
may  
not  
be  
comparable  
to  
the  
financial  
statements  
of  
United  
States  
companies.

Information  
Relating  
to  
the  
US  
Offer  
for  
Rio  
Tinto  
plc  
and  
the  
Rio  
Tinto  
Ltd  
Offer  
for  
Rio  
Tinto  
shareholders  
located  
in  
the  
US  
It  
may  
be  
difficult  
for  
you  
to  
enforce  
your  
rights  
and  
any  
claim  
you  
may  
have  
arising  
under  
the  
U.S.  
federal  
securities  
laws,  
since  
the  
issuers

are  
located  
in  
a  
foreign  
country,  
and  
some  
or  
all  
of  
their  
officers  
and  
directors  
may  
be  
residents  
of  
foreign  
countries.

You  
may  
not  
be  
able  
to  
sue  
a  
foreign  
company  
or  
its  
officers  
or  
directors  
in  
a  
foreign  
court  
for  
violations  
of  
the  
U.S.  
securities  
laws.

It  
may  
be

difficult  
to  
compel  
a  
foreign  
company  
and  
its  
affiliates  
to  
subject  
themselves  
to  
a  
U.S.  
court's  
judgement.  
You  
should  
be  
aware  
that  
BHP  
Billiton  
may  
purchase  
securities  
of  
either  
Rio  
Tinto  
plc  
or  
Rio  
Tinto  
Ltd  
otherwise  
than  
under  
the  
exchange  
offer,  
such  
as  
in  
open  
market  
or  
privately  
negotiated

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

BHP Billiton Offer for Rio Tinto

Slide 4  
The largest mining company by market capitalisation  
BHP BILLITON  
0  
20  
40  
60

80  
100  
120  
140  
160  
180  
200  
220  
\*Rio  
Tinto  
Market  
Cap  
=  
Market  
Cap  
of  
Rio  
Tinto  
Plc  
+  
62.6%  
of  
Market  
Cap  
of  
Rio  
Tinto  
Ltd  
(due  
to  
Rio  
Tinto  
Plc s  
approximate  
37.4%  
holding  
of  
Rio  
Tinto  
Ltd,  
as  
per  
[www.riotinto.com/investors/590\\_data\\_book.asp](http://www.riotinto.com/investors/590_data_book.asp))  
\*\*Market  
value  
may  
be  
unreliable  
due  
to



a  
high  
percentage  
of  
non  
free-float  
shares.

Sources:

Datastream,  
Bloomberg

Market Capitalisation as at 30 April 2008

US\$bn

Slide 5  
BHP Billiton's business is truly global in scope and scale  
Stainless Steel Materials  
Nickel  
Iron Ore  
Iron Ore  
Manganese

Manganese Ore, Manganese Alloy  
Metallurgical Coal  
Coking Coal, Thermal Coal  
Base Metals  
Copper, Lead, Silver, Uranium, Zinc  
Aluminium  
Alumina, Aluminium  
Energy Coal  
Thermal Coal  
Petroleum  
Oil, Gas, NGL  
Diamonds & Specialty Products  
Diamonds, Titanium Minerals  
Note: Location of dots indicative only  
Aluminium  
Base Metals  
Diamonds & Specialty Products  
Energy Coal  
Iron Ore  
Manganese  
Metallurgical Coal  
Petroleum  
Stainless Steel Materials  
Offices

Slide 6  
Core strategy is unchanged  
Focus on value creation

People

Run current assets at

full potential

Accelerate development  
projects

Create future options

People

Licence to Operate  
World Class Assets  
The BHP Billiton Way  
(Value Added Processes)

Financial Strength  
and Discipline

Project Pipeline

Growth

Options

People

Licence to Operate  
World Class Assets  
The BHP Billiton Way  
(Value Added Processes)

Financial Strength  
and Discipline

Project Pipeline

Growth

Options

Slide 7

Highlights

Half year ended December 2007

Strong operating and financial results

Cost control focus

is yielding excellent results

Project delivery

first production from seven new projects

Healthy volume growth from new production expected in FY 2008

A further four projects approved

Interim dividend increased 45% to 29 US cents per share

Longer term fundamentals remain strong





Slide 8

2006

Underlying EBIT by Customer Sector Group

2007

Half year ended December (US\$m)

Petroleum

1,972

1,612

+22

Aluminium

680

840

-19

Base Metals (including Uranium)

3,367

2,889

+17

Diamonds & Specialty Products

72

78

-8

Stainless Steel Materials

799

1,427

-44

Iron Ore

1,673

1,404

+19

Manganese

431

105

+311

Metallurgical Coal

523

657  
-20  
Energy Coal  
277  
242  
+15  
Group & Unallocated Items  
(1)  
(171)  
(120)  
BHP Billiton (Total)  
9,623  
9,134  
+5  
(1) Includes Technology  
% Change

Slide 9

Declining rate of cost increase

H1 FY2005 and H2 FY2005 are shown on the basis of UKGAAP.

Other

periods are calculated under IFRS. All periods excluded third party trading.

4.0%

2.2%

3.0%

1.7%

5.5%

8.4%

5.9%

4.5%

4.3%

5.8%

6.7%

5.6%

4.9%

3.9%

0%

1%

2%

3%

4%

5%

6%

7%

8%

9%

H1 FY2005

H2 FY2005

H1 FY2006

H2 FY2006

H1 FY2007

H2 FY2007

H1 FY2008

Total

Excl Non-Cash

Operating cost increase relative to preceding half year

Slide 10

Outlook

long term fundamentals strong, shorter term more fluid

0

1,000

2,000

3,000

4,000

5,000

India

China

40

42

44

46

48

50

52

54

56

58

Jan-07

Apr-07

Jul-07

Oct-07

Gross domestic product (US\$bn)

ISM purchasing manufacturers index

Source: International Monetary Fund

Source: Thomson Financial

Slide 11  
China's growth driven by domestic demand  
Asian export  
markets more important than the US  
0  
5  
10

15

20

25

1990

1991

1992

1993

1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

2006

2007F

Consumption

Investment

Inventories

Net Exports

Source: CEIC Data Co. Ltd (February 2008), BHP Billiton Estimates for CY2007

Composition of Chinese GDP

(RMB trillions)

Destination of Chinese exports

24%

46%

21%

9%

Europe

Other

North

America

Asia



Slide 12

Can Chinese consumption growth offset the shorter term slow down in the US?

- 0
- 10
- 20
- 30

40  
50  
60  
70  
80  
90  
100

Iron Ore

Copper

Energy

China

India

USA

Europe

Share of Consumption

(2007, %)

China Share of Incremental Demand

(1997-2007, %)

0  
10  
20  
30  
40  
50  
60  
70  
80  
90  
100

Iron Ore

Copper

Energy

Sources of data: CRU Quarterly Reports (January 2008); IISI

Steel Statistical Yearbook (December 2007);

BP Statistical Review of World Energy June 2007



Slide 13

A unique balance across high margin CSM, non ferrous and energy commodities

0%

10%

20%

30%

40%

50%

60%

70%

80%

Diamonds

Aluminium

Nickel

Copper

Ag/Pb/Zn

Energy Coal

Petroleum

Met Coal

Manganese

Iron Ore

Note: EBITDA margin excludes third party trading.

EBITDA excluded third party trading and Group and Unallocated.

EBITDA margin H1 FY 2008

EBITDA H1 FY 2008

(Total = US\$11.4bn)

CSM

Energy

Non Ferrous

Other

49%

24%

26%  
1%  
Non Ferrous  
CSM  
Energy  
Other





5/13/2008 12:42 AM

Slide 14

Boffa/Santou

Refinery

2010

As at 2 May 2008

Proposed capital expenditure

<\$500m

\$501m-\$2bn

\$2bn+

SSM

Energy Coal

D&SP

Iron Ore

Base Metals

Petroleum

Met Coal

CSG

Manganese

Aluminium

2008

Execution

Pyrenees

Samarco

Neptune

Shenzi

Alumar

Atlantis

North

Klipspruit



GEMCO  
Zamzama  
Phase 2  
2013  
Feasibility  
Guinea  
Alumina  
Worsley  
E&G  
Perseverance  
Deeps  
Maruwai  
Stage 1  
Douglas-  
Middelburg  
Mt Arthur  
Coal UG  
Future Options  
Cliffs  
Newcastle  
Third Port  
NWS  
Angel  
Nimba  
Ekati  
Canadian  
Potash  
WA Iron Ore  
Quantum 2  
CW Africa  
Exploration  
Angola  
& DRC  
WA Iron Ore  
RGP 5  
WA Iron Ore  
Quantum 1  
Macedon  
Turrum  
CMSA Heap  
Leach 1  
NWS  
CWLH  
Peak Downs  
Exp  
DRC  
Smelter  
Mad Dog  
West  
KNS

Exp  
Hallmark  
Corridor  
Sands 1  
Puma  
Puma  
Cerrejon  
Opt Exp  
Angostura  
Gas  
NWS  
T5  
Maintenance of a deep diversified inventory of growth options  
Navajo  
Sth  
Bakhuis  
Maruwai  
Stage 2  
NWS Nth  
Rankin B  
WA Iron Ore  
RGP 4  
Kipper  
Antamina  
Exp  
Goonyella  
Expansions  
Olympic Dam  
Expansion 3  
Corridor  
Sands 2  
Knotty  
Head  
Maya  
Nickel  
Gabon  
Daunia  
RBM  
Olympic Dam  
Expansion 2  
Browse  
LNG  
Resolution  
Saraji  
Thebe  
CMSA  
Pyro Expansion  
Cannington  
Life Ext  
SA Mn

Ore Exp  
Wards  
Well  
Eastern  
Indonesian  
Facility  
NWS  
WFGH  
Blackwater  
UG  
Olympic Dam  
Expansion 1  
CMSA Heap  
Leach 2  
Escondida  
3rd Conc  
Red Hill  
UG  
GEMCO  
Exp  
Samarco 4  
Shenzi  
Nth  
Neptune  
Nth  
Scarborough  
Caroona  
Kennedy  
MKO  
Talc

Slide 15  
Development spend in high margin businesses  
Note:  
Represents  
pipeline  
projects  
in

execution,  
feasibility  
does  
not  
include  
pre-feasibility  
projects.

EBITDA  
margins  
for  
business  
in  
12  
months  
to  
31  
December  
2007

not  
for  
individual  
projects.

EBITDA  
margin  
excluded  
third  
party  
trading.

Source:

BHP  
Billiton  
estimates.

0%  
10%  
20%  
30%  
40%  
50%  
60%  
70%  
80%

Petroleum

Iron Ore

Aluminium

Development pipeline capex  
(Total US\$16.1bn)

EBITDA margins  
(12 months to December 2007)

Petroleum

Aluminium

Iron Ore

Other

24%

33%

28%

15%

Slide 16  
Strong cash flow -  
delivering value to shareholders  
0  
2,000  
4,000  
6,000

8,000

10,000

12,000

14,000

16,000

18,000

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

H1

H2

0

1500

3000

4500

6000

7500

9000

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

Available Cash Flow

(US\$m)

Available Cash Flow

(US\$m)

Organic Growth<sup>1</sup>

(US\$m)

Return to Shareholders

2

(US\$m)

(1)

Capital and Exploration FY expenditures (exclude acquisitions).

(2)

Dividends paid and share buy-backs.

(3)

FY2005, FY2006, FY2007 and H1 FY2008 have been calculated on the basis of the IFRS.

Prior periods have been calculated on the basis of UKGAAP.

0

1500

3000

4500



6000

7500

9000

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

Slide 17  
Summary

Continued excellent operating and financial results

Unique portfolio balance provides stability

Project pipeline and global footprint to support future growth

Longer term outlook for global growth remains robust

BHP Billiton s offer to acquire Rio Tinto

Slide 19

Background to the offer

Early 2007: BHP Billiton discussed a merger of equals. This concept was rejected by Rio Tinto

1 November 2007: BHP Billiton made a confidential proposal to combine the

companies. Rio Tinto rejected the proposal and refused to enter discussions

8 November 2007: BHP Billiton confirmed it had approached Rio Tinto with a proposal

12 November 2007: BHP Billiton announced the proposal following market speculation.

Since then:

Global roadshow has indicated a clear understanding of the industrial logic of the combination

Rio Tinto has refused to engage to discuss the proposal

21 December 2007: BHP Billiton required to put up or shut up by 6 February 2008

1 February 2008: Chinalco acquires a c.12% stake in Rio Tinto plc

6 February 2008: BHP Billiton announced offers for all of the outstanding shares of Rio Tinto  
BHP Billiton Offer for Rio Tinto

Slide 20

BHP Billiton offer for Rio Tinto

Rio Tinto plc Offer:

Rio Tinto plc shareholders will receive 3.4 BHP Billiton shares for every Rio Tinto plc share held

80% in BHP Billiton Plc shares

20% in BHP Billiton Ltd shares

Separate US offer (which forms part of the Rio Tinto plc Offer) to:

US resident shareholders of Rio Tinto plc shares

All holders of Rio Tinto plc ADRs

UK CGT rollover relief expected to be available for UK resident shareholders accepting the Rio Tinto plc Offer if there are approximately 70% acceptances under the Rio Tinto plc Offer

Rio Tinto Ltd Offer:

Rio Tinto Ltd shareholders will receive 3.4 BHP Billiton Ltd shares for every Rio Tinto Ltd share held

If compulsory acquisition is reached in the Rio Tinto Ltd Offer, then Australian CGT rollover relief is expected to be available for Australian resident shareholders accepting the Rio Tinto Ltd

Offer

(a)

With a mix and match facility

Notes:

a)

To

reach

the

compulsory

acquisition

thresholds

in

respect

of

Rio

Tinto

Ltd,

some

or

all

of

the

Rio

Tinto

plc

holding

in

Rio



Tinto  
Ltd  
will  
need  
to  
be  
accepted  
into  
the  
Rio  
Tinto  
Ltd  
Offer  
by  
Rio  
Tinto  
plc  
or  
ASIC  
will  
need  
to  
provide  
relief  
from  
the  
Australian  
Corporations  
Act.  
ASIC  
has  
indicated  
that  
it  
would  
consider  
an  
application  
for  
this  
relief,  
if  
it  
becomes  
apparent  
that  
the  
Rio  
Tinto  
plc

holding

is

having

a

clear

defensive

effect.

BHP Billiton Offer for Rio Tinto

Slide 21

BHP Billiton offer for Rio Tinto

Offers are inter-conditional

Subject to pre-conditions relating to certain anti-trust clearances in the EU, the US, Australia, Canada and South Africa and FIRB approval in Australia

Conditional on more than 50% acceptances in respect of publicly-held shares

Subject to BHP Billiton shareholder approval and other terms and conditions set out in the offer announcement

Maintenance of BHP Billiton's progressive dividend policy

Proposed initial share buyback of up to US\$30bn following completion if the offer is successful

(a)

Buyback and any refinancing of Rio Tinto's borrowings to be funded through a combination of a US\$55bn committed bank financing facility, cash flow from operations, asset disposal proceeds and, if required, debt financing

Target single A credit rating

DLC structure maintained

Notes:

a)

i.e. if BHP Billiton acquires 100% of the shares in Rio Tinto Limited and Rio Tinto plc on the 3.4:1 offer terms announced in the BHP Billiton Offer for Rio Tinto

Slide 22

Unlocking value

Why a combination with Rio Tinto?

Combined entity will have a unique portfolio of tier 1 assets

Enhanced ability to optimise

and high-grade portfolio

Greater diversity and reduced value at risk

Combination makes sense in both a rising and a falling market

Uniquely positioned to meet the growing demands of the global economy  
largely driven by  
China growth

Expected material quantifiable synergies and financial benefits unique to this combination  
(a)

US\$1.7bn nominal per annum from cost savings

US\$2.0bn additional nominal per annum primarily from volume acceleration

Other combination benefits

Broader stakeholders will benefit

Customers  
more product, more quickly and more efficiently

Communities, employees and developing countries

Notes:

a)

Estimated  
incremental  
EBITDA

based

on

publicly  
available  
information.

To

be

read

in

conjunction

with

the

notes

in

Appendix

IV

of

BHP

Billiton's

announcement

dated  
6-Feb-2008.

Full  
run  
rate  
synergies  
expected  
by  
year  
7.

BHP Billiton Offer for Rio Tinto

Slide 23

Indicative timetable

Event

Date

Satisfaction of regulatory approval pre-conditions

Second half of 2008

Posting of offer documents for Rio Tinto plc Offer and



Rio Tinto Ltd Offer to shareholders

Day 0

(Within 28 days after the pre-conditions  
are satisfied)

Last date for fulfilment of minimum acceptance condition in Rio Tinto  
plc Offer

Day 60

Last date for fulfilment of all conditions to the Rio Tinto plc Offer  
and all conditions to the Rio Tinto Ltd Offer (because offers  
are inter-conditional)

Day 81

First date for delivery of consideration under the offers

Within 14 days after the offers become wholly  
unconditional

BHP Billiton Offer for Rio Tinto

Appendix



Slide 25

2006

2007

Financial highlights

%

Change

Half

year

ended

December

(US\$m)

Revenue

25,539

22,113

+15

Underlying EBITDA

11,167

10,494

+6

Underlying EBIT

9,623

9,134

+5

Attributable profit (excluding exceptionals)

5,995

6,168

-3

Attributable profit

6,017

6,168

-2

Net operating cash flows

7,870

7,116

+11

EPS (excluding exceptionals) (US cents)

106.8

103.9

+3

Dividends per share (US cents)

29

20

+45



Slide 26

Cash flow

Operating cash flow  
and dividends

(1)

11,600

10,188

Net interest paid

(313)

(231)

Tax paid

(2)

(3,417)

(2,841)

Net operating cash flow

7,870

7,116

Capital expenditure

(3,753)

(3,466)

Exploration expenditure

(598)

(312)

Purchases of investments

(153)

(31)

Proceeds from sale of fixed assets & investments

134

298

Net cash flow before dividends and  
funding

3,500

3,605

Dividends paid

(3)

(1,571)

(1,122)

Net cash flow before funding & buy-backs

1,929

2,483

2007

2006

Half year ended December (US\$m)

(1)

Operating cash flow includes dividends received.

(2)

Includes royalty related taxes paid.

(3)

Includes dividends paid to minority interests.



Slide 27

Return on capital and margins

(1)

H1 2008 is calculated on an annualised basis.

(2)

FY2005, FY2006, FY2007 and H1 2008 are shown on the basis of Underlying EBIT.

Prior periods are calculated under UKGAAP. All periods excluded third party trading.

35%

38%

30%

44%

48%

44%

29%

21%

13%

11%

40%

30%

24%

20%

0%

10%

20%

30%

40%

50%

60%

FY 2002

FY 2003

FY 2004

FY 2005

FY 2006

FY 2007

H1 2008

Return on Capital

EBIT Margin

(2)

(1)



Slide 28

2006

Underlying EBIT by Customer Sector Group

2007

Half year ended December (US\$m)

Record half year EBIT

Record half year production from global continuing operations

Cash costs flat with comparative half

Three major new projects on line in first half: Stybarrow, Atlantis and Genghis Khan

Exploration

successful drilling of Thebe and acreage captured in Gulf of Mexico and Falklands

Shenzi

Petroleum

1,972

1,612

+22.3

% Change



Slide 29

2006

Underlying EBIT by Customer Sector Group

2007

Production at record levels

Softer prices for metals and cost impacted by weaker US\$

South African power situation will impact metal production  
Half year ended December (US\$m)

Record copper concentrate production

Contribution of 96,000 tonnes from new projects

Olympic Dam pre-feasibility study progressing well

Mozal

Olympic Dam

Production and sales volumes improved second quarter

Ravensthorpe ramping up as expected

Nickel West

Aluminium

680

840

-19.0

Base Metals

3,367

2,889

+16.5

Stainless Steel Materials

799

1,427

-44.0  
% Change





Slide 30

2006

Underlying EBIT by Customer Sector Group

2007

Half year ended December (US\$m)

Record Half Year EBIT

Record production and shipments

RGP3 commissioned and RGP4 on schedule

Record production and shipments

Groote Eylandt expansion approved lifting capacity to  
4.2mtpa of ore and concentrate

Record shipments benefiting from expanded Hay Point Terminal

EBIT impacted by lower prices

Severe flooding in Queensland will impact production

TEMCO

BMA

Mount Newman

Metallurgical Coal

523

657

-20.4

Manganese

431

105

+310.5

Iron Ore

1,673

1,404  
+19.2  
% Change



Slide 31

2006

Underlying EBIT by Customer Sector Group

2007

Higher export prices driven by strong demand

Record annual production at Hunter Valley and Cerrejon

Approval of Klipspruit (+1.8mtpa export coal) and

Newcastle

third port

Half year ended December (US\$m)

BECSA

Koala Underground completed ahead of schedule and budget

Increased exploration activity on diamond targets in Angola and potash opportunity in Canada

Ekati

Energy Coal

277

242

+14.5

Diamonds & Specialty Products

72

78

-7.7

% Change

Slide 32

- 0%
- 10%
- 20%
- 30%
- 40%
- 50%

60%

70%

Petroleum

Aluminium

Base Metals

Diamonds

& Specialty

Products

Stainless

Steel

Materials

Iron Ore

Manganese

Met Coal

Energy

Coal

2005

2006

2007

H1 2008

EBIT margin

(1)

by Customer Sector Group

(1)

All periods excluded third party trading.

Slide 33

Underlying EBIT analysis

Half year ended Dec 2007 vs Dec 2006

3,000

4,000

5,000

6,000

7,000

8,000

9,000

10,000

11,000

12,000

Dec-06

Net Price

Volume

Exchange

Inflation

Cash Costs

Non Cash

Costs

Exploration

& Bus. Dev

Other

Dec-07

US\$m

9,134

1,635

461

(506)

(206)

(199)

(61)

(222)

(413)

9,623

(1)

Including \$154m of price-linked costs impact.

(2)

Including \$324m due to increase in volume from new operations.

(1)

(2)



Slide 34

-250

-150

-50

50

150

250

350

450

Impact of major volume changes

Half year ended Dec 2007 vs Dec 2006

US\$m

Total volume

(1)

variance US\$461

million

Copper

387

Met

Coal

83

Iron

Ore

81

Aluminium/

Alumina

44

D&SP

24

Energy

Coal

(9)

Petroleum

(25)

Nickel

(226)

Other

102

(1)

Volume variances calculated using previous year margin and including \$324m due to increase in volume from new operations.

Slide 35

Impact of major commodity price

Half year ended Dec 2007 vs Dec 2006

-200

-100

0

100

200

300

400

500

Total price variance US\$1,635 million

(1)

US\$m

Petroleum

466

Base

Metals

350

Manganese

346

Iron Ore

333

Energy

Coal

308

SSM

97

Diamonds

(23)

Aluminium

(44)

Met Coal

(198)

(1) Including \$154m of price-linked costs impact.

Slide 36  
Developing world metals demand to show significant growth  
US\$ expenditure  
(per capita)  
10  
20  
30

40  
50  
GDP per capita (US\$ 000)\*  
10  
20  
30  
40  
Aluminium  
Copper  
Iron Ore  
Coking Coal  
\* 1 January 2008 real US dollars  
Sources  
of  
data:  
CRU  
Quarterly  
Reports  
(January  
2008);  
Brook  
Hunt  
Aluminium  
Metal  
Service  
(February  
2008);  
IISI  
  
Steel  
Statistical  
Yearbook  
(December  
2007);  
World  
Bank  
(World  
Development  
Indicators  
Online  
Database,  
February  
2008);  
BHP  
Billiton  
analysis  
China: \$2,000 per capita

Slide 37

But, the dollar value of oil intensity per capita is 10 times  
that of non ferrous metals

US\$ Expenditure

(per capita)

100

200

300  
400  
500  
GDP per capita (US\$ 000)\*  
10  
20  
30  
40  
Crude Oil  
Aluminium/Copper  
China: \$2,000 per capita  
\* 1 January 2008 real US dollars

Sources  
of  
data:  
CRU  
Quarterly  
Reports  
(January  
2008);  
Brook  
Hunt  
Aluminium  
Metal  
Service  
(February  
2008);  
IISI

Steel  
Statistical  
Yearbook  
(December  
2007);  
World  
Bank  
(World  
Development  
Indicators  
Online  
Database,  
February  
2008);  
BP  
Statistical  
Review  
of  
World  
Energy  
June



2007;  
BHP  
Billiton  
analysis

Slide 38

0

500

1,000

1,500

2,000

2,500

3,000  
3,500  
4,000  
4,500  
5,000  
5,500  
FY02  
H1 03  
H2 03  
H1 04  
H2 04  
H1 05  
H2 05  
H1 06  
H2 06  
H1 07  
H2 07  
H1 08  
Petroleum  
Aluminium  
Base Metals  
Iron Ore  
Met Coal  
Manganese  
Energy Coal  
SSM  
Other  
China

Diversification remains for sales into China

Currently 20% of total company revenues

US\$m

431

785

1,075

1,357

371

1,588

Europe

Japan

Other Asia

Nth

America

China

ROW

Australia

2,407

2,946

3,611

3,999

5,293

5,013

Slide 39

But so is Metallurgical coal

Leading position in the seaborne market

100% BMA owned Hay Point limits impact of  
infrastructure constraints

Significant growth options

Iron Ore is an important part of the mix

Geographic proximity to the growing Asian market

Record H1 production and shipments

Plans underway to expand WAIO to 300mtpa by 2015

And Manganese is a significant contributor

Largest supplier of seaborne manganese ore from high quality resource base

Manganese ore and alloy assets operating at record production levels in a strong demand environment

Broad exposure to carbon steel sector demand

20%

64%

Total Carbon Steel Sector H1 FY 2008

EBIT

(Total = US\$2.6bn)

16%

Manganese

Met Coal

Iron Ore

Slide 40

Source:

EIA International Energy Outlook 2007

WNA Global Nuclear Fuel Market 2007

Well positioned to meet energy demand regardless of fuel mix

90

100

110  
120  
130  
140  
150  
160  
170  
180  
2007  
2010  
2015  
2020  
2025  
2030  
Energy Demand  
Renewables  
Nuclear  
Gas  
Oil  
Coal  
2007 = 100  
Projected world primary energy demand



Slide 41

China's copper, nickel, aluminium and iron ore demand  
and its percentage share of world demand

000 tonnes

Data: CRU Copper Quarterly, January 2008

000 tonnes

Data: CRU Nickel Quarterly, January 2008

Data: Brook Hunt Aluminium Metal Service, February 2008

000 tonnes

million tonnes

Data: IISI

Steel Statistical Yearbook (Dec. 2007); China Customs data

([www.customs.gov.cn](http://www.customs.gov.cn)); CRU -

"The Iron Ore Market Service" Interim

Report, December 2007; The Tex Report (February 2008); Iron ore data

are seaborne traded, based on import statistics

Copper

Nickel

Aluminium

Iron Ore

0

500

1,000

1,500

2,000

2,500

3,000

3,500

4,000

4,500

5,000

95

96

97

98

99

00

01

02

03

04

05

06

07

0%

5%

10%

15%

20%

25%

30%

Chinese refined copper

consumption

%

share

of

world

refined  
copper  
consumption  
(right  
hand  
scale)

0  
50  
100  
150  
200  
250  
300  
350  
95  
96  
97  
98  
99  
00  
01  
02  
03  
04  
05  
06  
07  
0%  
5%  
10%  
15%  
20%  
25%  
30%

Chinese primary nickel  
consumption  
%  
share  
of  
world  
primary  
nickel  
consumption  
(right  
hand  
scale)

0  
2,000  
4,000  
6,000

8,000  
10,000  
12,000  
14,000

95  
96  
97  
98  
99  
00  
01  
02  
03  
04  
05  
06  
07  
0%  
5%  
10%  
15%  
20%  
25%  
30%  
35%

Chinese aluminium  
consumption  
%  
share  
of  
global  
aluminium  
consumption  
(right  
hand  
scale)

0  
50  
100  
150  
200  
250  
300  
350  
400  
450  
95  
96  
97  
98

99  
00  
01  
02  
03  
04  
05  
06  
07  
0%  
5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%  
50%  
Chinese iron ore imports  
%  
share  
of  
global  
seaborne  
iron  
ore  
(right  
hand  
scale)

Slide 42

China and India account for a major share of world commodity demand

Notes: Iron ore is demand for seaborne imports. Steel data are for crude steel production. Coal includes all coal types.

Source: CRU Quarterly Reports (January 2008), Brook Hunt Aluminium Metal Service (February 2008), BP Statistical Review of World Energy June 2007, IISI

Steel Statistical Yearbook (December 2007); BP Statistical Review of World Energy June 2007

0  
10  
20  
30  
40  
50  
60  
70  
80  
90  
100  
Al  
Cu  
Ni  
Fe Ore  
Steel  
Coal  
Oil  
Energy  
Other  
Europe  
Japan  
USA  
India  
China  
Share of World Commodity Demand  
2007  
(%)

Slide 43  
Aluminium -  
GDP per capita vs consumption per capita  
Al Consumption  
(kg/capita)  
0  
5



10  
15  
20  
25  
30  
0  
5,000  
10,000  
15,000  
20,000  
25,000  
30,000  
35,000  
40,000  
45,000  
50,000  
GDP/Capita (Jan 2008 Constant US Dollars)

China  
Germany  
India  
Japan  
Korea, Rep.  
United States  
Taiwan

Note:  
Based  
on  
a  
project  
of  
similar  
growth  
patterns  
to  
the  
other  
nations  
shown

Source:  
World  
Bank  
(World  
Development  
Indicators  
Online  
Database,  
February  
2008);  
Government  
Statistics

for  
Taiwan  
([www.stat.gov.tw](http://www.stat.gov.tw));  
Brook  
Hunt  
Aluminium  
Metal  
Service  
(February  
2008)

Slide 44  
Copper  
GDP per capita vs consumption per capita  
Copper consumption  
(kg/capita)  
0  
5

10  
15  
20  
0  
5,000  
10,000  
15,000  
20,000  
25,000  
30,000  
35,000  
40,000  
45,000  
50,000  
GDP/Capita (Jan 2008 Constant US Dollars)  
China  
Germany  
India  
Japan  
Korea, Rep.  
United States  
Taiwan

\*Note: Based on a project of similar growth patterns to the other nations shown

Source: World Bank (World Development Indicators Online Database, February 2008); Government Statistics for Taiwan ([www.stat.gov.tw](http://www.stat.gov.tw)); CRU Copper Quarterly (January 2008)

Slide 45

Steel

GDP per capita vs consumption per capita

Finished steel consumption (kg/capita)

0

200

400

600  
800  
1,000  
1,200  
0  
5,000  
10,000  
15,000  
20,000  
25,000  
30,000  
35,000  
40,000  
45,000  
50,000

GDP/Capita (Jan 2008 Constant US Dollars)

China

Germany

India

Japan

Korea, Rep.

United States

Taiwan

\*Note: Based on a project of similar growth patterns to the other nations shown

Source: World Bank (World Development Indicators Online Database, February 2008); Government  
Statistics for Taiwan ([www.stat.gov.tw](http://www.stat.gov.tw)); IISI

Steel Statistical Yearbook (Dec. 2007)

Slide 46

Energy

GDP per capita vs energy use per capita

Primary energy use (toll equiv/capita)

0

2

4

6  
8  
10  
0  
5,000  
10,000  
15,000  
20,000  
25,000  
30,000  
35,000  
40,000  
45,000  
50,000  
GDP/Capita (Jan 2008 Constant US Dollars)

China  
Germany  
India  
Japan  
Korea, Rep.  
United States  
Taiwan

\*Note:  
Based  
on  
a  
project  
of  
similar  
growth  
patterns  
to  
the  
other  
nations  
shown  
Source:  
World  
Bank

World  
Development  
Indicators  
Online  
Database  
(February  
2008),  
Government  
Statistics  
for



Taiwan  
([www.stat.gov.tw](http://www.stat.gov.tw));  
BP  
Statistical  
Review  
of  
World  
Energy  
June  
2007

Slide 47

Inventories remain at historically low levels;

Real LME metal prices are still high

Monthly Real LME Metal Prices and Stocks

0

20

40

60  
80  
100  
120  
140  
160  
180  
200  
0  
2  
4  
6  
8  
10  
12  
14  
16  
18  
20

LME Price Index (left scale)

Stocks (right scale)

Source: Macquarie Capital Securities Research, February 2008. \*

London Metal Exchange (LME) prices and stocks of Al, Cu, Zn, Pb, Ni  
Stock/consumption ratios very low

Slide 48  
1920-1945  
Great Depression  
World War II  
High military demand  
Investment dries up  
Prices collapse

and stagnate  
1975-2007  
Emerging Market growth  
Maturing of Japan  
1990: Collapse of USSR  
Re-birth  
of US economy  
Productivity & IT revolution  
Commodification  
Cost benefits from technology  
and economies of scale  
China's long boom  
Renewed call  
on  
copper resources  
Global Copper Prices in 1880-2007  
0.00  
0.50  
1.00  
1.50  
2.00  
2.50  
3.00  
3.50  
4.00  
1880  
1890  
1900  
1910  
1920  
1930  
1940  
1950  
1960  
1970  
1980  
1990  
2000  
10-Year  
Moving  
Average  
Real Annual  
Cu Price  
1880-1914  
Second Industrial  
Revolution & US economic expansion  
Electrification  
Colonial/imperial raw materials  
networks  
Rising real prices

Expansion of US  
copper mining  
Expansion in  
African Copperbelt  
Expansion in  
Chile/Peru  
Escondida &  
Freeport  
Flotation, open-pit  
mining and  
mechanisation  
Flash smelting  
Birth of Sx/Ew  
WWI  
WWII  
Twin Oil  
Shocks  
Collapse  
of USSR  
Wall  
Street  
Crash  
1920-2007  
Sources of data: CRU Quarterly Reports (January 2008, and archives), US Geological Survey  
Metal Prices in the US Through 1998  
(<http://minerals.usgs.gov/minerals>), US Bureau of Economic Analysis (US CPI Database)  
China s  
Boom  
1970s  
Oil Shocks  
Inflation/recession  
Demand slumps  
Substitution  
LME pricing  
Costs and prices  
fall from peaks  
Vietnam  
War  
1950-1973  
Post-war boom  
Japan s  
economic miracle  
High demand growth  
Nationalisation  
in  
Chile,  
Peru, Mexico  
and Africa  
Costs and prices rise  
Producer pricing

Korean  
War

Slide 49

- 0.0
- 1.0
- 2.0
- 3.0
- 4.0
- 5.0



6.0  
7.0  
8.0  
9.0  
10.0  
FY 2002  
FY 2003  
FY 2004  
FY 2005  
FY 2006  
FY 2007  
FY 2008  
Exploration  
Sustaining  
Capex  
Growth  
Expenditure  
Capital & exploration expenditure  
US\$bn  
9.9  
7.4  
6.4  
4.3  
3.1  
3.0  
3.2  
Total  
1.3  
0.8  
0.8  
0.5  
0.5  
0.3  
0.4  
Exploration  
(1)  
1.5  
1.4  
1.4  
1.2  
0.8  
0.7  
0.9  
Sustaining & Other  
7.1  
5.2  
4.2  
2.6  
1.8  
2.0

1.9  
Growth  
2008F  
2007  
2006  
2005  
2004  
2003  
2002  
US\$ Billion  
(1)  
2008 Forecast includes  
US\$600m for Petroleum  
F



Slide 50

Portfolio management

US\$6.1bn of disposals

0

1,000

2,000

3,000

4,000

5,000

6,000

7,000

Sale Proceeds

Base Metals

D&SP

Energy Coal

SSM

Petroleum

Steel

Other

139

Dec 2007

444

FY 2007

6,146

Total proceeds

845

FY 2002

2,472

FY 2003

(1)

277

FY 2004

1,035

FY 2005

934

FY 2006

US\$m

Proceeds from

sale of assets

(1) Includes BHP Steel demerger

and BHP Steel loans

(net of cash disposed and costs)

US\$m

Slide 51  
Sanctioned development projects (US\$9.6bn)  
Sanctioned  
Third coal berth capable  
of handling an estimated  
30 million tpa  
End CY10

390  
Energy  
Coal  
Newcastle Third Port (Australia)  
35.5%  
Sanctioned  
Incremental 1.8 million  
tpa  
export coal  
Incremental 2.1 million  
tpa  
domestic  
H2 CY09  
450  
Energy  
Coal  
Klipspruit

100%  
Sanctioned  
Additional 1 million tpa  
manganese concentrate  
H1 CY09  
110  
Mn  
Ore  
GEMCO (Australia)  
60 %  
On time and  
budget.  
Increase system capacity  
to 155 million tpa  
H1 CY10  
1,850  
Iron Ore  
Western Australia Iron Ore RGP  
4 (Australia)  
86.2%  
On time and  
budget.  
7.6 million tpa  
H1 CY08  
590  
Iron Ore  
Samarco  
Third Pellet Plant  
(Brazil)  
50%  
On time and  
budget.

2 million tpa  
Q2 CY09  
725  
Alumina  
Alumar  
Refinery Expansion  
(Brazil)  
36%  
Production Capacity  
(100%)  
Progress  
Initial  
Production  
Target Date  
Share of  
Approved  
Capex  
US\$m  
Commodity  
Minerals Projects

Slide 52  
Sanctioned development projects (US\$9.6bn) cont.  
On revised  
schedule and  
budget  
150 million cubic feet gas  
per day



H1 CY08  
46  
Gas  
Zamzama  
Phase 2 (Pakistan)  
38.5%  
On time and  
budget.  
LNG processing capacity  
4.2 million tpa  
Late CY08  
350  
LNG  
North West Shelf 5th Train  
(Australia)  
16.67%  
On time and  
budget.  
50,000 barrels and 50  
million cubic feet gas per  
day  
Q1 CY08  
405  
Oil/Gas  
Neptune (US)  
35%  
Production Capacity  
(100%)  
Progress  
Initial  
Production  
Target Date  
Share of  
Approved  
Capex  
US\$m  
Commodity  
Petroleum Projects  
On revised  
schedule and  
budget  
45,000 tpa  
nickel  
Q1 CY08  
556  
Nickel  
Yabulu  
(Australia)  
100%  
On time and

budget.  
360,000 tpa  
nickel ore  
H1 CY08  
139  
Nickel  
Cliffs (Australia)  
100%  
Production Capacity  
(100%)  
Progress  
Initial  
Production  
Target Date  
Share of  
Approved  
Capex  
US\$m  
Commodity  
Minerals Projects  
(cont d)

Slide 53

Sanctioned development projects (US\$9.6bn) cont.

Sanctioned

10,000 bpd condensate  
and processing capacity  
of 80 million cubic feet  
gas per day

CY11

500

Oil/Gas

Kipper (Australia)

32.5%-50%

On time and

budget.

96,000 barrels of oil and

60 million cubic feet gas

per day

H1 CY10

1,200

Oil/Gas

Pyrenees (Australia)

71.43%

On time and

budget.

Tie-back to Atlantis South

H2 CY09

100

Oil/Gas

Atlantis North (US)

44%

On time and

budget.

100,000 barrels and 50

million cubic feet of gas

per day

Mid CY09

1,940

Oil/gas

Shenzi

(US)

44%

On time and

budget.

800 million cubic feet gas

per day and 50,000 bpd

condensate

End CY08

200

Oil/Gas

North West Shelf Angel

(Australia)

16.67%

Production Capacity

(100%)

Progress

Initial

Production

Target Date  
Share of  
Approved  
Capex  
US\$m  
Commodity  
Petroleum Projects  
(cont d)

Slide 54  
Development projects in feasibility (US\$6.5bn)  
3.2 million tpa  
H2 CY11  
1,000  
Alumina  
Guinea Alumina Project (Guinea)

33.3%  
1 million tpa  
clean coal  
End CY08  
50  
Met Coal  
Maruwai  
Stage 1 (Indonesia)  
100%  
6.9 million tpa  
bauxite  
H2 CY09  
320  
Bauxite  
Bakhuis  
(Suriname)  
45%  
Optimisation of existing  
reserve base  
H1 CY08  
1,000  
Energy Coal  
Douglas-Middelburg  
Optimisation  
(South Africa)  
84%  
5 million tpa  
clean coal  
H2 CY10  
405  
Met Coal  
Maruwai  
(Indonesia)  
100%  
1.1 million tpa  
End CY10  
1,750  
Alumina  
Worsley  
Efficiency and Growth  
(Australia)  
86%  
Project Capacity  
(100%)\*  
Forecast Initial  
Production\*  
Estimated Share  
of Capex\*  
US\$m  
Commodity

Minerals Projects  
(US\$4.7bn)

\*

Indicative only



Slide 55  
Development projects in feasibility (US\$6.5bn) cont.  
5.7 million tpa  
saleable coal  
End CY10  
480  
Energy Coal

Navajo South Mine Extension  
(USA)

100%

Maintain Nickel West system  
capacity

H2 CY13

500

Nickel

Perseverance Deeps (Australia)

100%

7 million tpa

saleable coal

End CY10

475

Energy Coal

Mt Arthur Coal UG (Australia)

100%

Project Capacity

(100%)\*

Forecast Initial

Production\*

Estimated Share

of Capex\*

US\$m

Commodity

Minerals Projects

(US\$4.7bn)

LNG processing capacity

2.5 million tpa

H2 CY12

600

LNG

NWS North Rankin B

16.67%

Project Capacity

(100%)\*

Forecast Initial

Production\*

Estimated Share

of Capex\*

US\$m

Commodity

Petroleum Projects

(US\$600m)

\*

Indicative only

Slide 56  
Development projects commissioned since July 2001  
Q1 CY04  
Q2 CY04  
266  
299  
Products & Capacity Expansion (Australia)

85%  
Q1 CY04  
Q1 CY04  
33  
50  
Cerrejon  
Zona  
Norte  
(Colombia)  
33.3%  
Q4 CY03  
Q4 CY03  
464  
464  
Ohanet  
(Algeria)  
45%  
Q4 CY03  
Q2 CY04  
411  
449  
Hillside 3 (South Africa)  
100%  
Q4 CY03  
Q4 CY03  
380  
411  
Mt Arthur North (Australia)  
100%  
Q3 CY03  
Q4 CY03  
171  
181  
Area C (Australia)

85%  
Q2 CY03  
Q3 CY03  
40  
40  
Zamzama  
(Pakistan)  
38.5%  
Q2 CY01  
Q2 CY01  
752  
775  
Antamina  
(Peru)  
33.75%

Q4 CY02  
Q2 CY03  
34  
50  
Bream Gas Pipeline (Australia)  
50%  
Q3 CY02  
Q3 CY02  
543  
600  
Escondida Phase IV (Chile)  
57.5%  
Q3 CY02  
Q3 CY02  
143  
146  
San Juan Underground (US)  
100%  
Q2 CY02  
Q2 CY02  
120  
138  
Tintaya  
Oxide (Peru)  
99.9%  
Q3 CY01  
Q3 CY01  
114  
128  
Typhoon (US)  
50%  
Mozal  
2 (Mozambique)  
  
47.1%  
Project  
Q2 CY03  
Q4 CY03  
311  
405  
Initial Production Date  
Our Share of Capex  
Actual  
Budget  
Actual  
US\$m  
Budget  
US\$m

Slide 57  
Development projects commissioned since July 2001  
Q2 CY06  
Q1 CY06  
188  
165  
Worsley

Development  
Capital  
Project  
(Australia)

86%  
Q4 CY05  
Q3 CY05  
33  
29

Paranam  
Refinery  
Expansion  
(Suriname)

45%  
Oct 2005  
Q4 CY05  
251  
230  
Escondida  
Norte  
(Chile)

57.5%  
Mid CY05  
Mid CY05  
100  
90  
BMA  
Phase  
1  
(Including  
Broadmeadow)  
(Australia)

50%  
April 2005  
Mid CY05  
200  
200  
Dendrobium  
(Australia)

100%  
April 2005  
Early CY05  
139  
146  
Panda

Underground  
(Canada)

80%  
Jan 2005  
End CY04  
337  
327  
Angostura  
(Trinidad)

45%  
Q2 CY04  
Q2 CY04  
80  
83  
WA Iron Ore Accelerated Expansion (Australia)

85%  
Jan 2005  
End CY04  
370  
368  
Mad  
Dog  
(US)

23.9%  
Q4 CY04  
Q4 CY04  
132  
132  
GoM  
Pipelines  
Infrastructure  
(US)

22/25%  
Q4 CY04  
Q4 CY04  
101  
95  
Western  
Australia  
Iron  
Ore  
RGP  
(Australia)

85%  
Q4 CY04



Q4 CY04

192

192

ROD

(Algeria)

36%

Mid CY04

Mid CY04

252

247

NWS

Train

4

(Australia)

16.7%

Minerva

(Australia)

90%

Project

Jan 2005

Q4 CY04

157

150

Initial Production Date

Our Share of Capex

Actual

Budget

Actual

US\$m

Budget

US\$m

Slide 58  
Development projects commissioned since July 2001  
Q4 CY07  
Q4 CY07  
144  
(1)  
140

Pinto Valley (USA)

100%

Q4 CY07

Q4 CY07

1,300

(1)

1,300

Western Australia Iron Ore RGP3 (Australia)

86.2%

Q4 CY07

Q1 CY08

2,079

(1)

2,200

Ravensthorpe

(Australia)

100%

End CY07

End CY07

176

200

Koala Underground (Canada)

80%

Q2 CY08

Q2 CY08

380

(1)

380

Stybarrow

(Australia)-

50%

H2 CY07

H2 CY07

1,630

(1)

1,630

Atlantis South (US)

44%

H2 CY07

H2 CY07

365

(1)

365

Genghis Khan (US)

44%

H1 CY07

Mid CY07

140

(1)

100

Blackwater

Coal Preparation (Australia)

50%

Q4 CY06

H2 CY06

88

(1)

88

BMA Phase 2 (Australia)

50%

Q4 CY06

Q4 CY06

1,100

990

Spence (Chile)

100%

Q2 CY06

H2 CY06

566

500

Escondida Sulphide Leach (Chile)

57.5%

Q2 CY06

H2 CY06

501

489

Western Australia Iron Ore RGP2 (Australia)

85%

Project

Initial Production Date

Our Share of Capex

Actual

Budget

Actual

US\$m

Budget

US\$m

(1)

Actual cost subject to finalisation.



Slide 59

Key net profit sensitivities

US\$1/t on iron ore price

60

US\$1/bbl on oil price

30

US\$1/t on metallurgical coal price

25

USc1/lb on aluminium price

25

USc1/lb on copper price

25

US\$1/t on energy coal price

25

USc1/lb on nickel price

2

AUD (USc1/A\$) Operations

(2)

65

RAND (0.2 Rand/US\$) Operations

(2)

35

(US\$m)

Approximate impact

(1)

on FY 2008 net profit  
after tax of changes of:

- (1) Assumes total volumes exposed to price.
- (2) Impact based on average exchange rate for the period.

