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RIO TINTO PLC
Form 425
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Subject Company: Rio Tinto plc

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or
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proposal
to
make
a
takeover
bid
or
the
solicitation
of
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there
be
any
sale
of
securities
in
any

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about
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is
based
on
public
information
which
has
not
been
independently
verified.

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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 or
achievements expressed or implied by such forward-looking statements. The forward-looking statements are based on numerous assumptions
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.

BHP Billiton China
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Disclaimer (continued)
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
(the
"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.
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
(the
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
Limited
Shares
BHP
Billiton
Limited
is
not
required
to,
and
does
not
plan
to,
prepare
and
file
with
the
SEC
a
registration
statement
in
respect
of
the
Rio
Tinto
Limited
Offer.
Accordingly,

Rio
Tinto
Limited
shareholders
should
carefully
consider
the
following:
The
Rio
Tinto
Limited
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
Limited
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
judgment.
You
should
be
aware
that
BHP
Billiton
may

purchase
securities
of
either
Rio
Tinto
plc
or
Rio
Tinto
Limited
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.

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The largest mining company by market capitalisation
US\$B
Market Capitalisation as at 31 January 2008
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)

**Market value may be unreliable due to a high percentage of non free-float shares.

Sources: Investments and Value Management, Datastream, Bloomberg

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Structure driven by customer needs
Petroleum
Energy Coal
Metallurgical Coal

Manganese

Iron Ore

Stainless Steel Materials

Base Metals

Aluminium

Diamonds & Spec Prod

Note: Location of dots indicative only

BHP Billiton China
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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

BHP Billiton China

BHP Billiton China

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China is a continental economy supported by six growth
drivers

Housing

Manufacturing

Rising Incomes
Urbanization
Rural Development
Reform

BHP Billiton China

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But economic activity still concentrated in the east

West

Mid

East

2007

5

36

59

GDP

(%)

13,157

14,328

33,986

GDP

per

capita

(RMB)

62

716

535

Pop.

(mn)

Data: Economist Intelligence Unit.

Note: Whilst every effort has been taken to verify the accuracy of this information, neither the Economist Intelligence Unit Ltd nor any of its affiliates can accept any responsibility or liability for reliance by any person on this information.

BHP Billiton China

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The economy is diversified and increasingly stable

0%

10%

20%

30%

40%

1980

1985

1990

1995

2000

2005

Nominal GDP

GDP Index

Data: CEIC

BHP Billiton China

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China's growth is driven by domestic demand. Net Exports have risen cyclically in recent years but are expected to decline in 2008

Data: CEIC

Composition of GDP
Contribution to GDP Growth

-5
0
5
10
15
20
25

Consumption
Investment
Inventories
Net Exports

-20
0
20
40
60
80
100
120

Consumption
Investment
Net Exports

BHP Billiton China
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Investment
expected to be sustainable due to high private
sector savings
Data: CEIC

China Fixed Asset Investment: Source of Funds

0

10,000,000

20,000,000

30,000,000

40,000,000

50,000,000

60,000,000

70,000,000

80,000,000

90,000,000

2004

2005

2006

2007

Other

Self-Raised

Foreign Direct Investment

Foreign Capital

Domestic Loans

State Budget

BHP Billiton China

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Higher inflation is expected to have a moderate effect on
growth in '08

Data: CEIC

Consumer Price Index

100
105
110
115
120
125
Jan-06
Jan-07
Jan-08
CPI
CPI Core (Ex. Food & Energy)
CPI Food
Purchasing Price Index
95
105
115
125
135
145
Jan-06
Jan-07
Jan-08
PPI: Fuels & Power
PPI: Ferrous Metals
PPI: Non Ferrous Metals

BHP Billiton China

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China's export growth to North America is declining.

Asia is China's largest export market by far.

24%

21%

2%
4%
3%
9%
47%
Europe
Asia
North America
Oceania
Latin America
Africa
Export Growth
-10
0
10
20
30
40
50
60
Jan-06
Sep-06
May-07
Jan-08
Asia
Europe
North America
Data: CEIC
Export Share,
2007

BHP Billiton China

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Low value-added processing and assembled products
dominate China's exports

Composition Of Exports

0%

25%
50%
75%
100%
Jan-04
Jan-05
Jan-06
Jan-07
Jan-08
Ordinary Trade
Processing & Assembly
Processing with Imported Components
Other
-50
0
50
100
150
200
Feb-00
Feb-02
Feb-04
Feb-06
Feb-08
Asia
Europe
North America
Rest of World
Source: CEIC
Export Growth to Major Regions
2000-01
Tech
Collapse

BHP Billiton China
Page 16
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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

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

Data: Brook Hunt Aluminium Metal Service, February 2008

Data: IISI

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

(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

000 tonnes

Data: CRU Copper Quarterly, January 2008

000 tonnes

Data: CRU Nickel Quarterly, January 2008

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)

000 tonnes
million tonnes
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
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)

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China accounts for a major share of world commodity demand

Share of World Commodity Demand - 2007

0%

25%

50%

75%

100%

Other

Europe

Japan

USA

India

China

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

BHP Billiton interim results

BHP Billiton China
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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

BHP Billiton China

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Underlying EBIT by Customer Sector Group

2006

% Change

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

BHP Billiton China

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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

BHP Billiton China

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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

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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

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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

BHP Billiton China

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2008-4-18

Future growth from high quality opportunities

Future Options

2010

2008

As at 6 February 2008

Proposed

capital expenditure

<\$500m

\$501m-\$2bn

\$2bn+
Feasibility
Execution
Scarborough
SSM
Petroleum
D&SP
Energy Coal
Aluminium
Iron Ore
Base Metals
Met Coal
Manganese
CSG
2013
Guinea
Alumina
Samarco
4
Nimba
Worsley
E&G
Pyrenees
Samarco
Perseverance
Deeps
Navajo
Sth
Ekati
Canadian
Potash
Thebe
Browse
LNG
WA Iron Ore
Quantum 2
CW Africa
Exploration
Goonyella
Expansions
GEMCO
Exp
CMSA
Pyro
Expansion
Olympic Dam
Expansion 1
Puma
CMSA Heap
Leach 2

Olympic Dam
Expansion 2
Olympic Dam
Expansion 3
Neptune
Shenzi
WA Iron Ore
RGP 4
NWS
T5
Cliffs
Cerrejon
Opt Exp
Escondida
3rd Conc
Angola
& DRC
Caroona
WA Iron Ore
RGP 5
SA Mn
Ore Exp
Resolution
Corridor
Sands I
Angostura
Gas
NWS
Angel
WA Iron Ore
Quantum 1
Saraji
MKO
Talc
Gabon
Newcastle
Third Port
Alumar
Atlantis
North
Yabulu
Klipspruit
Kipper
GEMCO
Zamzama
Phase 2
Macedon
Maruwai
Stage 1
Turrum

Neptune
Nth
CMSA Heap
Leach 1
Knotty
Head
Eastern
Indonesian
Facility
Red Hill
UG
Kipper
Ph 2
NWS CP
Corridor
Sands II
Wards
Well
RBM
Daunia
Boffa/Santou
Refinery
Peak Downs
Exp
Shenzi
Nth
Maya
Nickel
DRC
Smelter
Mad Dog
SWR
KNS
Exp
Cannington
Life Ext
Hallmark
Blackwater
UG
NWS
WFG
Kennedy
Douglas-
Middelburg
NWS Nth
Rankin B
Mt Arthur
Coal UG
Bakhuis
Maruwai

Stage 2

BHP Billiton China

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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%

BHP Billiton China

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2008-4-18

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
Organic Growth¹
(US\$m)
Return to Shareholders²
(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

Available Cash Flow

(US\$m)

BHP Billiton China
Page 29
2008-4-18
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

BHP Billiton China
Page 31
2008-4-18
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 China
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2008-4-18
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 China
Page 33
2008-4-18
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
offer
terms.

BHP Billiton China

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2008-4-18

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 China

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2008-4-18

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

Appendix

BHP Billiton China

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2008-4-18

Financial highlights

2006

2007

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

% Change

BHP Billiton China

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2008-4-18

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.

BHP Billiton China

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Return on capital and margins

(1)

H1 2008 is calculated on an annualised basis.

(2)

Edgar Filing: RIO TINTO PLC - Form 425

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)

BHP Billiton China

Page 40

2008-4-18

Underlying EBIT by Customer Sector Group

2006

% Change

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

BHP Billiton China

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2008-4-18

Underlying EBIT by Customer Sector Group

2006

% Change

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

BHP Billiton China

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2008-4-18

Underlying EBIT by Customer Sector Group

2006

% Change

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

BHP Billiton China

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Underlying EBIT by Customer Sector Group

2006

% Change

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

BHP Billiton China

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2008-4-18

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.

BHP Billiton China
Page 45
2008-4-18
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)

BHP Billiton China

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2008-4-18

-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.

BHP Billiton China

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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.

BHP Billiton China

Page 48

2008-4-18

Developing world metals demand to show significant growth

* 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
US\$ expenditure
(per capita)
10
20
30
40
50
GDP per capita (US\$ 000)*
10
20
30
40
Aluminium
Copper
Iron Ore
Coking Coal
China: \$2,000 per capita

BHP Billiton China

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2008-4-18

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

BHP Billiton China
Page 50
2008-4-18
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

BHP Billiton China

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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

BHP Billiton China

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2008-4-18

China's intensity of aluminium use is rising but it has much further to climb

Aluminium - GDP per capita vs consumption per capita

0

5
10
15
20
25
30
0
5000
10000
15000
20000
25000
30000
35000
40000
45000
50000

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);
Brook
Hunt
Aluminium
Metal
Service
(February
2008)

BHP Billiton China

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2008-4-18

China's intensity of copper use is rising but it has much further to climb

Copper - GDP per capita vs consumption per capita

0

5
10
15
20
0
5000
10000
15000
20000
25000
30000
35000
40000
45000
50000

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);
CRU
Copper
Quarterly
(January
2008)

BHP Billiton China

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China's intensity of steel use is rising but it has much further to climb

Steel - GDP per capita vs consumption per capita

0

200
400
600
800
1000
1200
0
5000
10000
15000
20000
25000
30000
35000
40000
45000
50000

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);
IISI

Steel
Statistical
Yearbook
(Dec.
2007)

BHP Billiton China

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2008-4-21

China's energy use has far to grow, providing strong opportunities for suppliers of energy raw materials

Energy - GDP per capita vs energy use per capita

0

2
4
6
8
10
0
5000
10000
15000
20000
25000
30000
35000
40000
45000
50000
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);
BP
Statistical
Review
of
World
Energy
June 2007

BHP Billiton China

Page 56

2008-4-18

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

BHP Billiton China
Page 57
2008-4-18
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
1880-1914
Second Industrial
Revolution & US economic expansion
Electrification
Colonial/imperial raw materials
networks
Rising real prices
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)
1970s
Oil Shocks
Inflation/recession
Demand slumps
Substitution
LME pricing
Costs and prices
fall from peaks
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
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
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
China's
Boom
Vietnam
War
Korean
War

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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

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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

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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

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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)

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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)

BHP Billiton China
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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

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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

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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

BHP Billiton China

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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

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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.

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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.

