

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC  
Form 425  
August 18, 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 a presentation that was given by Marius Kloppers, Chief Executive Officer, BHP Billiton and Alex Vanselow, Chief Financial Officer, BHP Billiton on August 18, 2008.

18 August 2008  
Marius Kloppers  
Chief Executive Officer  
Alex Vanselow  
Chief Financial Officer  
Preliminary Results  
30 June 2008

Preliminary Results

18 August 2008

Slide 2

Disclaimer

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

The directors of BHP Billiton Limited and BHP Billiton Plc ( **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,

the knowledge and belief of the directors of BHP Billiton, in accordance with the facts and contains no omission likely to affect the fair presentation 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 howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise arising in connection with the information about Rio Tinto plc and Rio Tinto Limited ("**Rio Tinto**") is based on public information which has not been independently verified. This presentation is for information purposes only and does not constitute or form part of any offer for sale or issue of any securities or invitation to purchase or subscribe for any such securities, nor shall it or any part of it be relied on in connection with, any 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 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. Neither this presentation nor any copy of it may be taken or transmitted or distributed or redistributed (directly or indirectly) in distribution of this presentation in other jurisdictions may be restricted by law and persons into whose possession this document inform themselves about, and observe, any such restrictions.

Certain statements in this presentation are forward-looking statements (including statements regarding contribution synergies, savings, the cost and timing of development projects, future production volumes, increases in production and infrastructure capacity, identification of additional mineral Reserves and Resources and project lives and, without limitation, other statements typically words such as "intends," "expects," "anticipates," "targets," "plans," "estimates" and words of similar import.) These statements current expectations and beliefs and numerous assumptions regarding BHP Billiton's present and future business strategies and environments in which BHP Billiton and Rio Tinto will operate in the future and such assumptions, expectations and beliefs may or may not

prove to be

correct and

by their nature, are

subject to a

number of known

and unknown risks

and uncertainties that

could cause actual

results, performance and achievements to differ materially.

Preliminary Results  
18 August 2008  
Slide 3  
Disclaimer continued  
Factors  
that  
could

cause  
actual  
results  
or  
performance  
to  
differ  
materially  
from  
those  
expressed  
or  
implied  
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  
successful  
completion  
of  
any  
transaction,  
and  
the  
risk  
factors  
discussed  
in  
BHP  
Billiton's  
and  
Rio  
Tinto's  
filings  
with  
the  
U.S.  
Securities  
and  
Exchange  
Commission  
("SEC")  
(including  
in  
Annual  
Reports  
on  
Form  
20-F)  
which  
are  
available  
at  
the



SEC's  
website

(<http://www.sec.gov>). Save as required by law or the rules of the UK Listing Authority and the London Stock Exchange, the U.S. or the listing rules of ASX Limited, BHP Billiton undertakes no duty to update any forward-looking statements in this presentation. No statement concerning expected cost savings, revenue benefits (and resulting incremental EBITDA) and EPS accretion in the future 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 by filing with the SEC a Registration Statement (the **Registration Statement**), which will contain a prospectus (the **Prospectus**) and other relevant materials. No such materials have yet been filed. This communication is not a substitute for any Registration Statement 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  
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 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.

Preliminary Results  
18 August 2008  
Slide 4  
Disclaimer continued  
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 documents 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 co  
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.  
BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and  
EBITDA exclude any exceptional items. A reconciliation to profit from operations is contained within the profit announcement  
References in this presentation to \$  
are to United States dollars unless otherwise specified.

Marius Kloppers  
Chief Executive Officer  
Preliminary Results  
30 June 2008

Preliminary Results  
18 August 2008  
Slide 6  
Overview  
Year ended June 2008

HSEC

Outstanding operating and financial results



Annual production records set in 7 commodities

Underlying EBITDA up 22% to US\$28.0 billion

Underlying EBIT up 21% to US\$24.3 billion

Attributable profit of US\$15.4 billion, up 12%

Earnings per share of 275 US cents, up 18%

Underlying EBIT margin and ROCE of 48% and 38% respectively

Growth projects proceeding well  
with significant volume growth achieved  
in FY2008 and expected in FY2009

Final dividend rebased to 41 US cents per share,  
an increase of 52%,  
consistent  
with  
out  
look  
and  
higher  
earnings  
and  
cash  
f  
low

Alex Vanselow  
Chief Financial Officer  
Preliminary Results  
30 June 2008

Preliminary Results  
18 August 2008  
Slide 8  
2007  
2008  
Financial highlights  
% Change

Year ended June (US\$m)

Revenue

59,473

47,473

25.3

Underlying EBITDA

28,031

22,950

22.1

Underlying EBIT

24,282

20,067

21.0

Attributable profit (excluding exceptionals)

15,368

13,675

12.4

Attributable profit

15,390

13,416

14.7

Net operating cash flow

18,159

15,957

13.8

EPS (excluding exceptionals) (US cents)

274.9

233.9

17.5

Dividend per share (US cents)

70.0

47.0

48.9

Preliminary Results  
18 August 2008  
Slide 9  
Diversity = Stability and Strength  
%  
EBIT  
Margin

(1)  
FY2002  
FY2003  
FY2004  
FY2005  
FY2006  
FY2007  
FY2008  
0  
10  
20  
30  
40  
50  
60  
70  
80  
H1  
H2  
H1  
H2  
H1  
H2  
H1  
H2  
H1  
H2  
H1  
H2  
H1  
H2  
H1  
H2  
Petroleum  
Aluminium  
Base Metals  
D&SP  
SSM  
Iron Ore  
Manganese  
Met Coal  
Energy Coal  
BHP Billiton  
(1)  
FY2002  
to  
FY2005  
are  
calculated  
under  
UKGAAP.  
Subsequent

periods  
are  
calculated  
under  
IFRS.

All periods exclude third party trading activities.

Preliminary Results

18 August 2008

Slide 10

Underlying EBIT by Customer Sector Group

Petroleum

5,489

3,014



+82.1

Record EBIT and production

Operating cash costs held under US\$5 per BOE

3 new major projects commissioned and volume growth expected to continue

Strong operational performance -

Stybarrow

continued to produce at full capacity and excellent facility uptime in all operations

Continued replenishment of project and exploration pipeline

Greater than 100% reserve replacement for the second consecutive year

2007

2008

% Change

Year ended June (US\$m)

Neptune

Preliminary Results

18 August 2008

Slide 11

Underlying EBIT by Customer Sector Group

Aluminium

1,465

1,856

-21.1

Base Metals

7,989

6,875

+16.2

2007

2008

% Change

Year ended June (US\$m)

Record alumina production

South African power situation will continue  
to impact metal production

Worsley E&G approved

Record copper production despite supply  
disruptions in South America

Pampa Escondida discovery

Worsley

Escondida

Preliminary Results  
18 August 2008  
Slide 12  
Underlying EBIT by Customer Sector Group  
Ekati  
Diamonds & Specialty Products  
189

197  
-4.1  
2007  
2008  
% Change  
Year ended June (US\$m)

Koala Underground ramping up strongly

Anglo Potash acquisition adding flexibility  
for future growth

Stainless Steel Materials

1,275

3,675

-65.3

EBIT impacted by lower prices and volume, and  
higher costs

Ravensthorpe, Yabulu Expansion Project and  
Cliffs commissioned  
Ravensthorpe

Preliminary Results  
18 August 2008  
Slide 13  
Underlying EBIT by Customer Sector Group  
Manganese  
1,644  
253

+549.8

Iron Ore

4,631

2,728

+69.8

2007

2008

% Change

Year ended June (US\$m)

Record production due to successful project execution

Exceptional local currency cost control at Western  
Australia Iron Ore

Strong volume growth expected in FY2009

Growth plan underpinned by extensive exploration and  
development program

Record production, results and margin

Low cost volume expansions underway

Mount Newman

GEMCO

Preliminary Results  
18 August 2008  
Slide 14  
Underlying EBIT by Customer Sector Group  
Metallurgical Coal  
937  
1,247



-24.9

2007

2008

% Change

Year ended June (US\$m)

Strong recovery from flood impacts in Queensland

Costs impacted by recovery activities

Great outlook for margins

Market remains tight

Growth pipeline being accelerated

Energy Coal

1,057

481

+119.8

Record EBIT

Higher export prices driven by strong demand

Record production at Hunter Valley and Cerrejon

3 projects sanctioned during the year

Illawarra Coal

Hunter Valley Coal

Preliminary Results  
18 August 2008  
Slide 15  
Cash cost increase mostly recouped in revenue  
Maintenance  
US\$m  
People

Fuel &  
 Energy  
 Shipping  
 & Freight  
 Raw Materials  
 QCoal Rain  
 Impact  
 CMSA Strike  
 244  
 13  
 204  
 70  
 371  
 50  
 120  
 100  
 (225)  
 +  
 +  
 +  
 -  
 =  
 (1)  
 Excluding  
 non-cash  
 costs  
 of  
 US\$216m  
 (mostly  
 depreciation  
 on  
 growth  
 capital).  
 KNS Furnace  
 Rebuild  
 20  
 Recouped  
 in Revenue  
 \$645m  
 Investment  
 \$257m  
 One  
 Offs  
 \$190m  
 Other  
 \$100m  
 Business  
 Excellence  
 \$225m  
 \$967m

(1)  
-250  
-150  
-50  
50  
150  
250  
350  
450  
550  
650

Preliminary Results

18 August 2008

Slide 16

0

2,000

4,000

6,000

8,000  
10,000  
12,000  
14,000  
16,000  
18,000  
20,000  
22,000  
24,000  
26,000  
28,000

FY2007 EBIT

Net Price Variance

Price to EBIT

FY2008 EBIT

High capture of price benefit to EBIT

20,067

US\$m

6,559

4,215

64%

(1)

(1)

Net price variance includes the impact of price-linked costs. Price-linked costs is defined as any costs which fluctuate in line with movements in price such as royalties, TC/RC and LME linked costs.

24,282

Preliminary Results

18 August 2008

Slide 17

0  
2  
4  
6

8

10

12

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

0%

5%

10%

15%

20%

25%

30%

35%

40%

Capex (LHS)

Capitalised Exploration (LHS)

Acquisitions (LHS)

ROCE (RHS)

Strong Return On Capital Employed despite record capital investments

Capital and exploration expenditure (US\$bn)

ROCE

Notes:

FY2002

to

FY2005

are

shown

on

the

basis

of

UKGAAP.

Subsequent

periods

are

calculated

under

IFRS.



Preliminary Results  
18 August 2008  
Slide 18  
Ordinary dividends per share  
(US cents per share)  
0  
10

20  
30  
40  
50  
60  
70

FY2005  
FY2006  
FY2007  
FY2008

H1  
H2

0  
50  
100  
150  
200  
250  
300

FY2005  
FY2006  
FY2007  
FY2008

Earnings per share  
(US cents per share)

Note:

BHP Billiton's EPS represents reported underlying EPS for the financial year ending 30 June.

Delivering superior returns to shareholders

CAGR 36%

CAGR 37%

Marius Kloppers  
Chief Executive Officer  
Preliminary Results  
30 June 2008

Preliminary Results

18 August 2008

Slide 20

Outstanding results driven by strategy and execution

3.1

3.5

5.5

9.9  
15.3  
20.1  
24.3  
0  
5  
10  
15  
20  
25

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

Notes:

a)  
FY2002 to FY2005 calculated on the basis of UKGAAP. Subsequent periods calculated under IFRS.

Underlying EBIT

(a)  
(US\$bn)

H2

H1

9.6

14.7

Preliminary Results  
18 August 2008  
Slide 21  
0  
50  
100  
150

200

A track record of project delivery

Projects successfully delivered:

44 since the DLC merger

10 completed in FY2008

10% growth estimated in FY2009

Completed projects ramping up in FY2009

Atlantis South, Genghis Khan,  
Samarco, Ravensthorpe/Yabulu  
Exp.,  
Cliffs, Koala Underground, Spence,  
Escondida Sulphide Leach and  
Pinto Valley

First production expected in FY2009

GEMCO, Neptune, Shenzi, NWS  
Train 5, NWS Angel and Alumar  
(Indexed, 100=FY2001)

Copper  
equivalent  
production  
growth  
(a)

Notes:

a)  
Production  
from  
continuing  
operations  
converted  
to  
copper  
equivalent  
units  
using  
FY2008  
average  
realised  
prices.

Preliminary Results

18 August 2008

Slide 22

Our portfolio is diversified and balanced across high  
margin commodities

Underlying

EBIT



Margin

(a)

(FY2008)

Notes:

a)

EBIT Margin excludes third party trading activities.

67%

30%

31%

62%

20%

25%

24%

48%

51%

58%

Underlying EBIT

(FY2008, US\$bn)

0

5

10

15

20

25

Energy

(27%)

Non Ferrous

(44%)

Steelmaking

Materials

(29%)

Iron Ore

Manganese

Energy Coal

Metallurgical Coal

D & SP

Base Metals

Petroleum

Stainless Steel

Materials

Aluminium

Iron Ore

Manganese

Energy Coal

Metallurgical Coal

Diamonds and

Specialty Products

Base Metals

Petroleum

Stainless Steel

Materials  
Aluminium  
Group

Preliminary Results

18 August 2008

Slide 23

Short-term global challenges exist

Global economic activity is moderating

Financial market instability, housing  
market decline and inflationary  
pressures

Emerging economies not immune

Inflationary pressures

Some decline in fixed asset  
investment growth (isolated to  
a small number of industries)

Exchange rate appreciation  
reducing export competitiveness

0%

2%

4%

6%

Jun-06

Sep-06

Dec-06

Mar-07

Jun-07

Sep-07

Dec-07

Mar-08

Jun-08

United

States

annual

GDP

growth

(a)

(Annual growth, %)

China

annual

GDP

growth

(b)

(Annual growth, %)

8%

10%

12%

14%

Jun-06

Sep-06

Dec-06

Mar-07

Jun-07

Sep-07

Dec-07

Mar-08

Jun-08

Notes:

a)

Source: US Department of Commerce, Bureau of Economic Analysis.

b)

Source: CEIC

Preliminary Results

18 August 2008

Slide 24

However, long-term fundamentals of emerging/developing economies remain intact

Source: World economic outlook database, April 2008.

IMF world GDP growth

(%)

2.8%

2.3%

1.3%

2.9%

3.5%

6.4%

6.7%

7.0%

9.8%

10.1%

9.4%

10.1%

0%

2%

4%

6%

8%

10%

12%

Average historical growth

CY1990-CY2000

Average historical growth

CY2001-CY2007

Average forecast growth

CY2008-CY2009

Average forecast growth

CY2010-CY2013

Developed Economies

Emerging & Developing Economies

China

Preliminary Results

18 August 2008

Slide 25

Domestic consumption and investment continues to drive  
China's economy

Source: CEIC.

Source: McKinsey Global Institute, March 2008



Preparing for China's Urban Billion .

Chinese economic growth is  
predominantly domestically driven

Long-term China economic  
growth is driven by continued  
urbanisation and industrialisation

Fixed asset investment in 11  
economic regions is forecast at  
~60% of total urban investment in  
China by 2025

Urbanisation and industrialisation  
is not limited to China

0  
5  
10  
15  
20  
25

Composition of GDP  
(RMB Trillions)

Net Exports  
Inventories  
Investment  
Consumption

Preliminary Results

18 August 2008

Slide 26

Urbanisation and industrialisation has resulted in a huge  
call on steelmaking raw materials

0

100

200  
300  
400  
500  
600  
700  
800  
900  
CY1970  
CY1980  
CY1990  
CY2000  
CY2007  
CY2015E  
United States  
China

Source: International Iron & Steel Institute (World Steel in Figures, 2008), US Geological Survey (Iron and Steel Statistics, 3 January 2008) and BHP Billiton estimates.

Annual steel consumption  
(mtpa)

Cumulative steel consumption since 1900  
(mt)

0  
1,000  
2,000  
3,000  
4,000  
5,000  
6,000  
7,000  
8,000  
9,000  
10,000  
CY1970  
CY1980  
CY1990  
CY2000  
CY2007  
CY2015E  
United States  
China

Preliminary Results

18 August 2008

Slide 27

The impact is also being felt in the energy markets

36%

9%

5%

50%  
China  
Other  
Europe  
North America  
Share of world primary energy consumption  
(mmtoe)  
Growth in energy consumption CY2000-2007  
(mmtoe)

10%

17%

30%

26%

30%

27%

30%

31%

0%

100%

CY2000

CY2007

Other

Europe

North

America

China

Source: BP Statistical Review of World Energy 2008.

Notes:

Primary

energy

comprises

commercially

traded

fuels

only.

Oil

consumption

measured

in

million

tonnes,

other

fuels

converted

to

million

tonnes

of

oil

equivalent

as  
detailed  
in  
the  
Appendices  
of  
the  
Review.

Preliminary Results

18 August 2008

Slide 28

Supply-side constraints are limiting the industry's response

Equipment stress

Industrial action and wage disputes

Labour shortages

Equipment shortages

Significant cost pressures, including  
fuel

Energy and power constraints

Declines in ore-grade levels

Rising tariffs

Infrastructure bottlenecks

Developments are increasingly  
tending to be:

Smaller

Lower grade

Higher risk geographies

Equipment  
shortages

longer  
lead  
times and project delivery dates

Rising capital costs

Resources nationalism

Existing Supply

Future Supply Growth



Preliminary Results

18 August 2008

Slide 29

Existing supply:

Equipment shortages are continuing

CY2004

CY2005

CY2006

CY2007

CY2008

CY2009

Tyres and Trucks

Tyres (2004)

OEM underinvestment

Radial tyre market

undersupply >30%

Trucks (2007)

Access to castings,

forgings

Effect of non-mining

competitors

Oil

sands

Draglines & Shovels

Historical cyclicality has

contributed to

underinvestment

Market limited Supply

Base

Availability of raw

materials/steel

Ammonium Nitrate

Production capacity

constraints

Shortage of raw

materials

High capital costs

Stringent import

regulations

Grinding Mills

Access to castings,

forgings

Production capacity

constraints

Increased steel prices

Skilled labour

shortages

?

Timing of initial supply constraint manifestation

Preliminary Results

18 August 2008

Slide 30

Future industry supply growth:

New projects are encountering delays

Source: Brook Hunt.

Note:

Forecast  
production  
as  
at  
2008  
Q2  
represents  
the  
expected  
future  
production

as  
at  
2008  
Q2  
from  
those

copper  
developments

classified as highly probable and probable as at 2006 Q1. It excludes new developments classified as highly probable or probable as at 2006 Q1.

Expected future production from highly probable and probable copper developments

(kt)

Forecast production

as at 2006 Q1

Forecast production

as at 2008 Q2

2-3 year delays

0

1,000

2,000

3,000

4,000

5,000

6,000

7,000

8,000

CY2006

CY2007

CY2008

CY2009

CY2010

CY2011

CY2012

CY2013

CY2014

CY2015

CY2016

CY2017

Preliminary Results  
18 August 2008  
Slide 31  
Resourcing the Future  
BHP Billiton's response

BHP Billiton has not been immune from

supply constraint issues

But our scale, global presence and diversification provides significant competitive advantages

We are focused on the disciplined execution of the core strategy

And on pursuing a renewed organisational focus on **simplicity**, accountability

and **effectiveness**

Port Hedland

Preliminary Results  
18 August 2008  
Slide 32  
0  
2,000  
4,000  
6,000



8,000

10,000

12,000

14,000

CY2007

CY2008

CY2009F

CY2010F

CY2011F

CY2012F

Accelerating growth from a diversified portfolio of projects

% of growth CY2007-2012

(Estimated & unrisked)

Note: Growth in production volumes on a copper equivalent units basis between CY2007 and CY2012 calculated using BHP Billiton estimates for BHP Billiton production. Production volumes exclude BHP Billiton's Specialty Products operation and all bauxite production.

All energy coal businesses are included.

Alumina volumes reflect only tonnes available for external sale.

Conversion of production forecasts to copper equivalent units completed using long term consensus price forecasts, plus BHP Billiton assumptions for diamonds, domestic coal and manganese. Prices as at July 2008.

Production in copper equivalent tonnes

(Copper equivalent tonnes '000s)

45%

37%

18%

Steelmaking

Materials

Energy

Non-Ferrous

Preliminary Results

18 August 2008

Slide 33

Focused on low risk volume growth from existing assets, high  
margin CSGs

and known regions

By project type

(b)  
87%  
13%  
Brownfield  
Greenfield  
By region  
(c)  
Existing  
New  
By country risk

(d)  
88%  
12%  
Lower  
Higher  
3%  
97%

By  
high  
margin  
vs  
lower  
margin  
CSGs

(e)  
63%  
37%  
> 50%  
< 50%  
Projected  
growth  
in  
production  
in  
copper  
equivalent  
tonnes

(a)  
(CY2007-CY2012)

Notes:

a)  
Growth in production volumes on a copper equivalent units basis between CY2007 and CY2012 calculated using BHP Billiton  
volumes  
exclude  
BHP  
Billiton s  
Specialty  
Products  
operation  
and

all  
bauxite  
production.

All  
energy  
coal  
businesses  
are  
included.

Alumina  
volumes  
reflect

only  
tonnes  
available  
for

external sale. Conversion of production forecasts to copper equivalent units completed using long term consensus price forecasts for domestic coal and manganese. Prices as at July 2008.

b)  
Brownfield includes growth from existing operations as at 31-Dec-2007, as well as expansions and additional developments of

c)  
Existing regions represents those countries in which BHP Billiton already has asset operating as at 31-Dec-2007.

d)  
Country  
risk  
methodology  
based

on  
March  
2008  
Euromoney  
Magazine  
poll.

Lower  
risk  
countries  
defined

as  
countries  
with  
risk  
scores  
>75%

(except  
Chile  
and  
South  
Africa).

e)  
High

margin  
CSGs  
represents  
those  
with  
an  
average  
EBIT  
margin  
(excluding  
third  
party  
trading  
activities)  
of  
greater  
than  
50%  
over  
the  
past  
three  
financial  
years.

Preliminary Results  
18 August 2008  
Slide 34  
And lower risk longer term options  
By project type  
(b)  
Brownfield

Greenfield

35%

65%

By region

(c)

87%

13%

Existing

New

Projects

in

pre-feasibility

or

future

option

stage

of

development

(~US\$90bn)

(a)

Notes:

a)

Based on current BHP Billiton estimates of future capital expenditure for projects in the pre-feasibility or future option stage as at 14-Aug-2008 as shown on slide 49.

b)

Brownfield represents expansions or additional developments of, or around those assets in operation as at 31-Dec-2007.

c)

Existing regions represents those countries in which BHP Billiton already has assets operating as at 31-Dec-2007.

Preliminary Results

18 August 2008

Slide 35

Unlocking further value through a combination with Rio Tinto

Optimising mineral basin positions and infrastructure

Lower cost, more efficient production

Unlocking volume through matching reserves with infrastructure



Enhanced platform for future growth

Deployment of scarce resources to highest value opportunities

Greater ability to develop the next generation of large scale projects in new geographies

Better positioned as partner of choice with governments and stakeholders

Efficient exploration and infrastructure development

Unique synergies and combination benefits

Economies of scale

especially procurement

Avoid duplication, reduce corporate and divisional non-operating costs

Accelerate tonnage delivered to market

Preliminary Results  
18 August 2008  
Slide 36  
Summary

Excellent operating and financial results

Long-term demand outlook remains strong despite some short-term economic uncertainty

Supply-side constraints are limiting the ability for the industry to respond to demand growth

BHP Billiton's portfolio of assets focused in stable geographies provides a competitive advantage

Future growth being delivered from lower risk projects  
Liverpool Bay



Appendix

Preliminary Results

18 August 2008

Slide 39

Return on capital and margins

(1)

FY2005 to FY2008 are shown on the basis of IFRS.

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

35%

38%

38%

44%

48%

48%

29%

21%

13%

11%

40%

30%

24%

20%

0%

10%

20%

30%

40%

50%

60%

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

Return on Capital

EBIT Margin

(1)

Preliminary Results

18 August 2008

Slide 40

Rate of cost increase

FY2005 is shown on the basis of UKGAAP. Other periods are calculated under IFRS.

All periods exclude third party trading and non cash costs.



0%

1%

2%

3%

4%

5%

6%

7%

FY2005

FY2006

FY2007

FY2008

Other Costs

Raw Materials

Fuel & Energy

Operating cost increase relative to preceding year

4.9%

6.8%

3.6%

4.3%

Preliminary Results  
18 August 2008  
Slide 41  
Underlying EBIT analysis  
Year ended June 08 vs June 07  
0  
5,000

10,000

15,000

20,000

25,000

30,000

Jun-07

Net Price

Volume

Exchange

Inflation

Cash Costs

Non Cash

Costs

Exploration

& Bus Dev

Other

Jun-08

US\$m

20,067

6,559

1,828

(1,133)

(532)

(967)

(216)

(404)

(920)

24,282

(1)

Including \$134m of price-linked costs impact.

(2)

Including \$1,619m due to increase in volume from new operations.

(1)

(2)

Preliminary Results

18 August 2008

Slide 42

-400

-200

0

200

400

600

800

1000

1200

1400

Impact of major volume changes

Year ended June 08 vs June 07

US\$m

Total

volume

variance

US\$1,828

million

Petroleum

894

Met

Coal

(47)

Iron

Ore

424

Aluminium/

Alumina

20

D&SP

19

Energy

Coal

38

Copper

727

Nickel

(313)

Other

47

(1)

Volume variances calculated using previous year margin and includes new operations

Manganese

20

(1)

Preliminary Results  
18 August 2008  
Slide 43  
Impact of major commodity price  
Year ended June 08 vs June 07  
-1500  
-1000

-500  
0  
500  
1000  
1500  
2000  
2500  
Total  
price  
variance  
US\$6,559  
million  
(1)  
US\$m  
Petroleum  
1,684  
Copper  
946  
Manganese  
1,465  
Iron Ore  
2,134  
Energy  
Coal  
1,062  
Nickel  
(1,066)  
Diamonds  
80  
Aluminium  
(51)  
Met Coal  
151  
(1) Net of \$134m of price-linked costs impact.  
Other  
154





Preliminary Results

18 August 2008

Slide 44

Cash flow

Operating cash flow  
and dividends

25,541

22,012

Net interest paid

(630)

(494)

Tax paid

(1)

(6,752)

(5,561)

Net operating cash flow

18,159

15,957

Capital expenditure

(7,558)

(7,129)

Exploration expenditure

(1,350)

(805)

Purchases of investments

(336)

(757)

Proceeds from sale of fixed assets & investments

180

378

Net cash flow before dividends and  
funding

9,095

7,644

Dividends paid

(2)  
(3,250)  
(2,339)  
Net cash flow before funding & buy-backs  
5,845  
5,305  
2008  
2007  
Year ended June (US\$m)  
(1)  
Includes royalty related taxes paid  
(2)  
Includes dividends paid to minority interests



Preliminary Results  
18 August 2008  
Slide 45  
0  
1,000  
2,000  
3,000  
4,000  
5,000  
6,000

7,000

FY02

H1 03

H2 03

H1 04

H2 04

H1 05

H2 05

H1 06

H2 06

H1 07

H2 07

H1 08

H2 08

Petroleum

Aluminium

Base Metals

Iron Ore

Met Coal

Manganese

Energy Coal

SSM

Other

Europe

Japan

Other Asia

Nth

America

China

ROW

Australia

Diversification remains for sales into China

20% of total company revenues in FY2008

US\$m

431

785

1,075

1,357

371

1,588

2,407

2,946

3,611

3,999

5,293

5,013

6,657

FY2008 revenue by location of customer

Preliminary Results  
18 August 2008  
Slide 46  
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  
20,000  
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  
Available Cash Flow  
Organic Growth  
1  
Return to Shareholders  
2  
(1)  
Includes capital and exploration expenditures (exclude acquisitions).  
(2)  
Includes dividends paid and share buy-backs.  
(3)  
FY2005  
to  
FY2008  
have  
been  
calculated  
on

the  
basis  
of  
the  
IFRS.  
Prior  
periods  
have  
been  
calculated  
on  
the  
basis  
of  
UKGAAP.

(4)  
FY2007 and FY2008 cashflow reflects proportional consolidation of joint ventures.

0  
1500  
3000  
4500  
6000  
7500  
9000  
FY2002  
FY2003  
FY2004  
FY2005  
FY2006  
FY2007  
FY2008  
US\$m  
US\$m  
US\$m



Preliminary Results

18 August 2008

Slide 47

0.0

3.0

6.0

9.0

12.0  
15.0  
FY2002  
FY2003  
FY2004  
FY2005  
FY2006  
FY2007  
FY2008  
FY2009  
Exploration  
Sustaining  
Capex  
Growth  
Expenditure  
Capital & exploration expenditure  
US\$bn  
(1)  
FY2009 includes  
US\$700m for  
Petroleum  
F  
FY2002  
to  
FY2005  
are  
shown  
on  
the  
basis  
of  
UKGAAP.  
Subsequent  
periods  
are  
calculated  
under  
IFRS.  
US\$ billion  
FY2002  
FY2003  
FY2004  
FY2005  
FY2006  
FY2007  
FY2008  
FY2009F  
Growth  
1.9  
2.0

1.7  
2.6  
4.0  
5.5  
6.1  
9.9  
Sustaining & Other  
0.8  
0.7  
0.9  
1.3  
2.1  
1.6  
1.8  
2.1  
Exploration  
0.4  
0.3  
0.5  
0.5  
0.8  
0.8  
1.4  
1.5  
Total  
3.1  
3.0  
3.1  
4.4  
6.9  
7.9  
9.3  
13.5



Preliminary Results

18 August 2008

Slide 48

Key net profit sensitivities

US\$1/t on iron ore price

80

US\$1/bbl on oil price

35

US\$1/t on metallurgical coal price

25

USc1/lb on aluminium price

25

USc1/lb on copper price

20

US\$1/t on energy coal price

20

USc1/lb on nickel price

2

AUD (USc1/A\$) Operations

(2)

80

RAND (0.2 Rand/US\$) Operations

(2)

20

(US\$m)

Approximate impact

(1)

on FY 2009 net profit

after tax of changes of:

(1) Assumes total volumes exposed to price

(2) Impact based on average exchange rate for the period







Preliminary Results

18 August 2008

Slide 49

Maintenance of a deep diversified inventory of growth options

Boffa/Santou

Refinery

As at 14 August 2008

Proposed capital expenditure

\$500m

\$501m-\$2bn

\$2bn+

SSM

Energy Coal

D&SP

Iron Ore

Base Metals

Petroleum

Met Coal

CSG

Manganese

Aluminium

2009

Execution

Pyrenees

Alumar

Atlantis

North

2013

Feasibility

Bakhuis  
Worsley  
E&G  
Douglas-  
Middelburg  
Future Options  
Newcastle  
Third Port  
WA Iron Ore  
Quantum 2  
Potash -  
Jansen  
WA Iron Ore  
Quantum 1  
Nimba  
Angola  
& DRC  
WA Iron Ore  
RGP 5  
CW Africa  
Exploration  
Turrum  
NWS  
CWLH  
DRC  
Smelter  
NWS  
T5  
NWS Nth  
Rankin B  
WA Iron Ore  
RGP 4  
Kipper  
Olympic Dam  
Expansion 2  
Browse  
LNG  
Olympic Dam  
Expansion 1  
CMSA Heap  
Leach 2  
Shenzi  
Nth  
Klipspruit  
NWS  
Angel  
Shenzi  
GEMCO  
Potash  
Olympic Dam

Expansion 3  
Thebe  
CMSA  
Pyro Expansion  
Wards  
Well  
Scarborough  
Caroona  
WA Iron Ore  
RGP 6  
Eastern  
Indonesian  
Facility  
Escondida  
3rd Conc  
RBM  
Puma  
Blackwater  
UG  
NWS  
WFGH  
MKO  
Talc  
Cannington  
Life Ext  
Corridor  
Sands  
Kennedy  
Gabon  
Saraji  
Exp  
Red Hill  
UG  
Resolution  
Neptune  
Nth  
GEMCO  
Exp  
Ekati  
Guinea  
Alumina  
Angostura  
Gas  
HPX3  
Maruwai  
Stage 1  
Knotty  
Head  
Samarco 4  
Peak Downs

Exp (Caval  
Ridge)  
Macedon  
CMSA Heap  
Leach 1  
Antamina  
Exp  
Newcastle  
Third Port Exp  
Mad Dog  
West  
Mt Arthur  
Coal UG  
Cerrejon  
Opt Exp  
Daunia  
Maruwai  
Stage 2  
Navajo Sth  
Perseverance  
Deeps  
Mt Arthur Coal  
OC (MAC20)  
Mt Arthur Coal  
(MACX)  
New Saraji  
Goonyella  
Expansions  
Escondida  
Moly

Preliminary Results  
18 August 2008  
Slide 50  
Sanctioned development projects (US\$12.4bn)  
On schedule and  
budget  
1-2 million tpa

Mid CY09

100

Met Coal

Maruwai Stage 1/Haju (Indonesia)

100%

On schedule and

budget

Third coal berth capable of

handling an estimated

30 million tpa

End CY10

390

Energy Coal

Newcastle Third Port (Australia)

35.5%

On schedule and

budget

10 million tpa export thermal

coal and 8.5 million tpa

domestic thermal coal

(sustains current output)

Mid CY10

975

Energy Coal

Douglas

Middelburg Optimisation

(South Africa)

100%

On schedule and

budget

1.1 million tpa

H1 CY11

1,900

Alumina

Worsley Efficiency and Growth

(Australia)

86%

On schedule and

budget

Incremental 1.8 million tpa

export coal

Incremental 2.1 million tpa

domestic

H2 CY09

450

Energy Coal

Klipspruit (South Africa)

100%

On schedule and

budget

Additional 1 million tpa  
manganese concentrate

H1 CY09

110

Mn Ore

GEMCO (Australia)

60 %

On schedule and

budget

Increase system capacity to

155 million tpa

H1 CY10

1,850

Iron Ore

Western Australia Iron Ore RGP 4

(Australia)

86.2%

Schedule and

budget under review

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

Preliminary Results  
18 August 2008  
Slide 51  
Sanctioned development projects (US\$12.4bn) cont.  
On schedule and  
budget  
2,500 million cubic feet gas per



day  
CY12  
850  
LNG  
NWS North Rankin B (Australia)  
16.67%  
On schedule and  
budget  
11,000 bpd condensate and  
processing capacity of 200  
million cubic feet gas per day  
CY11  
625  
Oil/Gas  
Turrum  
(Australia)  
50%  
On schedule 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 schedule and  
budget  
Tie-back to Atlantis South  
H2 CY09  
185  
Oil/Gas  
Atlantis North (US)  
44%  
On schedule and  
budget  
100,000 barrels and 50 million  
cubic feet gas per day  
Mid CY09  
1,940  
Oil/gas  
Shenzi (US)  
44%  
On schedule 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%

On schedule and  
budget

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 schedule and  
budget

LNG processing capacity 4.2  
million tpa

Late CY08

350

LNG

North West Shelf 5th Train (Australia)

16.67%

Production Capacity (100%)

Progress

Initial

Production

Target Date

Share of

Approved

Capex

US\$m

Commodity

Petroleum Projects

Preliminary Results  
18 August 2008  
Slide 52  
Note: All  
projects  
in  
feasibility

remain  
under  
review  
until  
they  
are  
approved  
to  
move  
to  
execution.

During  
the  
feasibility  
phase  
project  
schedules

and capex are indicative only. However, from time to time estimates may be periodically reviewed as project milestones are achieved.

(1)

Project parameters are currently under review

(2)

Project now sequenced to follow Mount Arthur Coal OC (MAC20)

Development projects in feasibility (US\$12.4bn)

Maintain Nickel West system

capacity

H2 CY13

500

Nickel

Perseverance

Deeps

(Australia)

100%

5.7 million tpa saleable coal

CY 2013

850

Energy Coal

Navajo South Mine Extension (USA)

100%

(1)

5 million tpa saleable coal

CY 2011

700

Energy Coal

Mt Arthur Coal UG (Australia)

100%

(2)

8 million tpa

H2 CY11

300

Energy Coal

Cerrejon (Colombia)

33.3%

Increase system capacity to 200

million tpa

H2 CY11

6,110

Iron Ore

Western Australia Iron Ore RGP 5

(Australia)

86.2%

(1)

3.7 million tpa export coal

H2 CY10

300

Energy Coal

Mt Arthur Coal OC MAC20 (Australia)

100%

3-5 million tpa clean coal

CY 2012

500

Met Coal

Maruwai

Stage 2/Lampunut (Indonesia)

100%

(1)

3 million tpa

CY 2010

250

Met Coal

Daunia

(Australia)

50%

3.3 million tpa

H2 CY11

1,700

Alumina

Guinea Alumina Project (Guinea)

33.3%

6.9 million tpa bauxite

H1 CY10

727

Bauxite

Bakhuis

100% (Suriname/ Paranam

45%)

Project Capacity

(100%)\*

Forecast Initial

Production\*  
Estimated Share of  
Capex\*  
US\$m  
Commodity  
Minerals Projects  
(US\$4.7bn)

Preliminary Results

18 August 2008

Slide 53

Development projects in feasibility (US\$12.4bn)

\*

Indicative only

280 million cubic feet gas per day

H1 CY11

220

Gas

Angostura Gas (Trinidad & Tobago)

45%

60,000 barrels of oil and 90 million  
cubic feet gas per day

H2 CY10

250

Oil/Gas

NWS CWLH (Australia)

16.67%

Project Capacity

(100%)\*

Forecast Initial

Production\*

Estimated Share of

Capex\*

US\$m

Commodity

Petroleum Projects

(US\$600m)