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25 August 2015

To: Australian Securities Exchange  
New York Stock Exchange

### RESULTS PRESENTATION YEAR ENDED 30 JUNE 2015

Attached are the presentation slides for a presentation that will be given by the Chief Executive Officer and Chief Financial Officer shortly.

The Webcast for this presentation can be accessed at:

<http://edge.media-server.com/m/p/a9zfb4j>

Further information on BHP Billiton can be found at [www.bhpbilliton.com](http://www.bhpbilliton.com).

**Rachel Agnew**  
Company Secretary

**BHP Billiton Limited ABN 49 004 028 077**  
Registered in Australia  
Registered Office: 171 Collins Street Melbourne Victoria 3000

**BHP Billiton Plc Registration number 3196209**  
Registered in England and Wales  
Registered Office: Neathouse Place, London SW1V 1LH United Kingdom

**The BHP Billiton Group is headquartered in Australia**



# Financial results

Year ended 30 June 2015

**Andrew Mackenzie** Chief Executive Officer  
**Peter Beaven** Chief Financial Officer  
25 August 2015



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## Forward-looking statements

This presentation contains forward-looking statements, including statements regarding: trends in commodity prices and currency exchange rates; demand for commodities; plans, strategies and objectives of management; closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue', 'annualised' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

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Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or facilities include our ability to profitably produce and transport the minerals, petroleum and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals, petroleum or metals we produce; activities of government authorities in some of the countries where we are exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty; labour unrest; and other factors identified in the risk factors discussed in BHP Billiton's filings with the US Securities and Exchange Commission (the "SEC") (including in Annual Reports on Form 20-F) which are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

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Past performance cannot be relied on as a guide to future performance.

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BHP Billiton results are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. This release may also include certain non-IFRS measures including Adjusted effective tax rate, Attributable profit excluding exceptional items, Free cash flow, Gearing Ratio, Net debt, Net operating assets, Underlying attributable profit, Underlying basic earnings per share, Underlying EBIT margin, Underlying EBITDA margin, Underlying EBITDA interest coverage and Underlying return on capital. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

## Presentation of data

Unless specified otherwise, all data is presented on a continuing operations basis to exclude the contribution from assets that were demerged with South32 and references to Underlying EBITDA margin and Underlying EBIT margin exclude third party trading activities.

## No offer of securities

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# Financial results

## Year ended 30 June 2015

**Andrew Mackenzie** Chief Executive Officer  
25 August 2015



# Our unique portfolio will create value and underpin dividends through the cycle

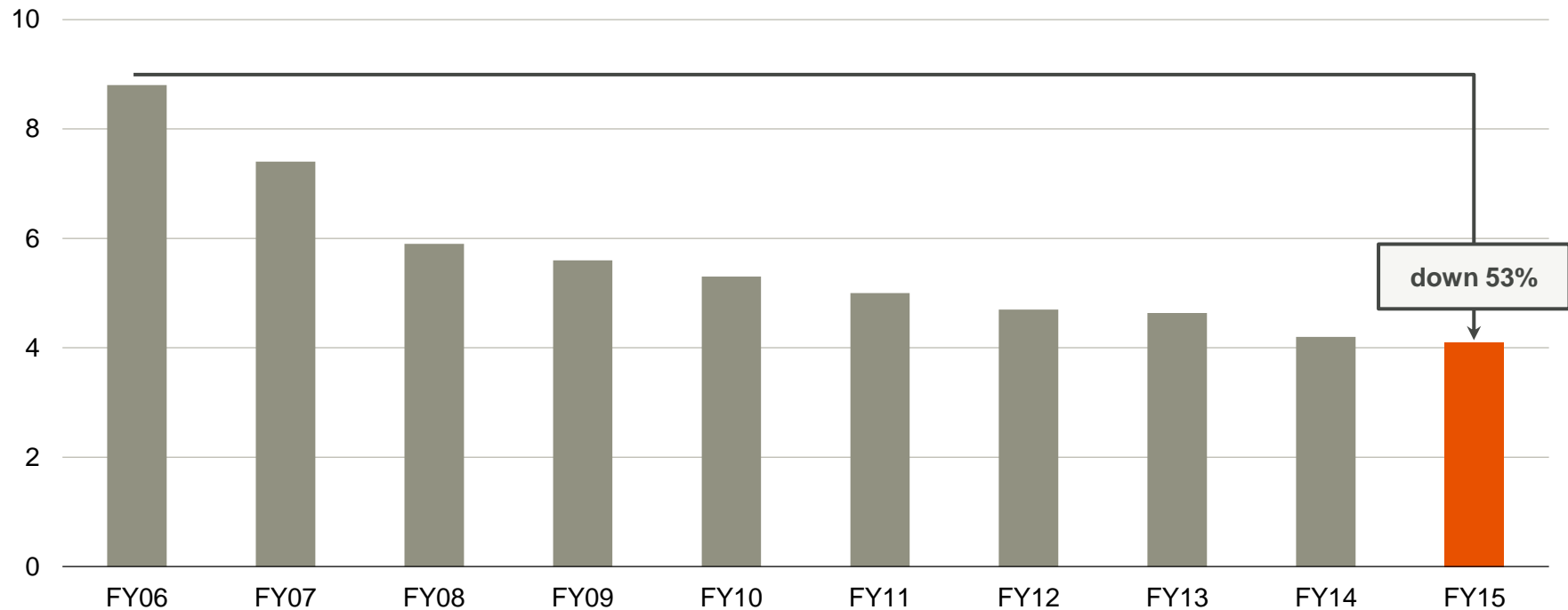
- **Asset quality and operating performance support margins and cash flow**
  - net operating cash flow of US\$17.8 billion and EBITDA margin of 50%
  - US\$4 billion productivity target achieved two years ahead of schedule
- **Disciplined capital management underpins the progressive dividend**
  - net debt down to US\$24.4 billion
  - capital and exploration expenditure of US\$8.5 billion in FY16 and US\$7.0 billion in FY17
- **Low-cost, high-return growth will unlock further shareholder value**
  - near-term focus on release of low-cost latent capacity across the portfolio
  - medium-term options to support 5% average annual volume growth through the cycle

# The health and safety of our people is our priority

Despite our goal to achieve zero fatalities, tragically we lost five colleagues in FY15

## Total Recordable Injury Frequency (TRIF)

(number of recordable injuries per million hours worked<sup>1</sup>)



1. Presented on a total operations basis.

# Strong margins underpin robust cash flow

## Underlying EBITDA

- US\$21.9 billion, down 28%

## Underlying attributable profit

- US\$6.4 billion, down 52%

## Net operating cash flow

- US\$17.8 billion, down 25%

## Capital and exploration expenditure<sup>1</sup>

- US\$11.0 billion, down 24%

## Free cash flow

- US\$6.3 billion, down 26%

## Full-year dividend

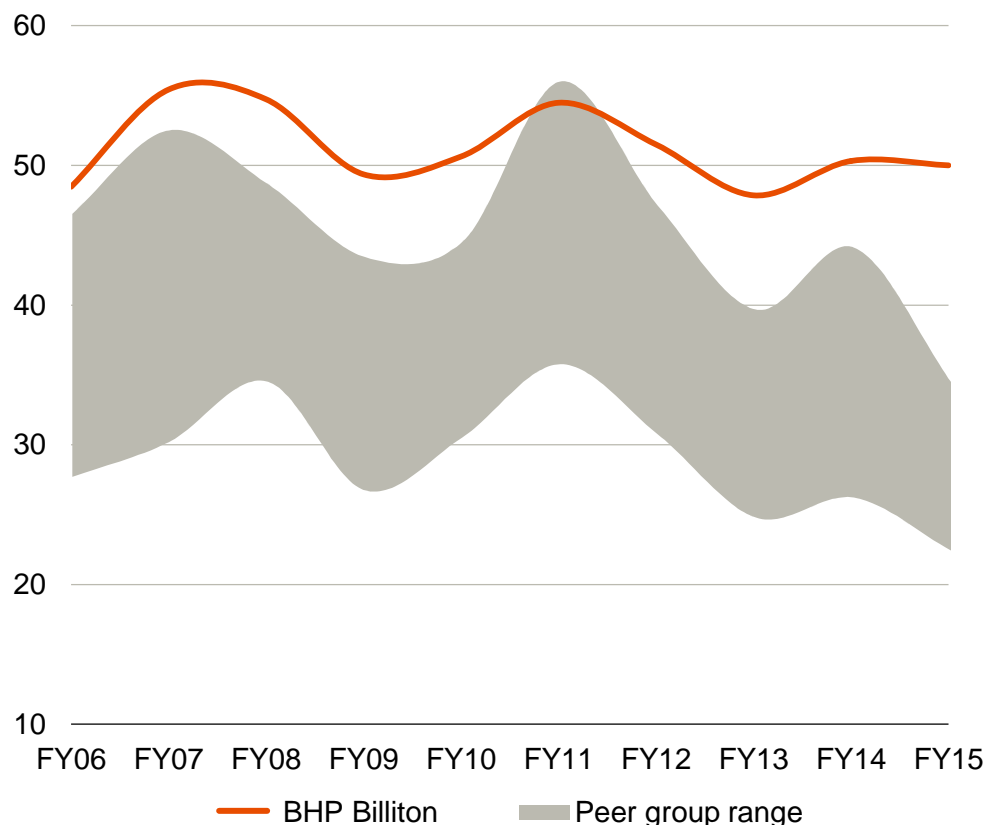
- 124 US cents per share, up 2%

## Net debt

- US\$24.4 billion, down 5%

## Leading margins through the cycle

(Underlying EBITDA margin<sup>2</sup>, %)



Note: Variance relates to the relative performance of BHP Billiton during FY15 compared with FY14.

1. BHP Billiton share; excludes capitalised deferred stripping and non-controlling interests; includes BHP Billiton proportionate share of equity accounted investments.

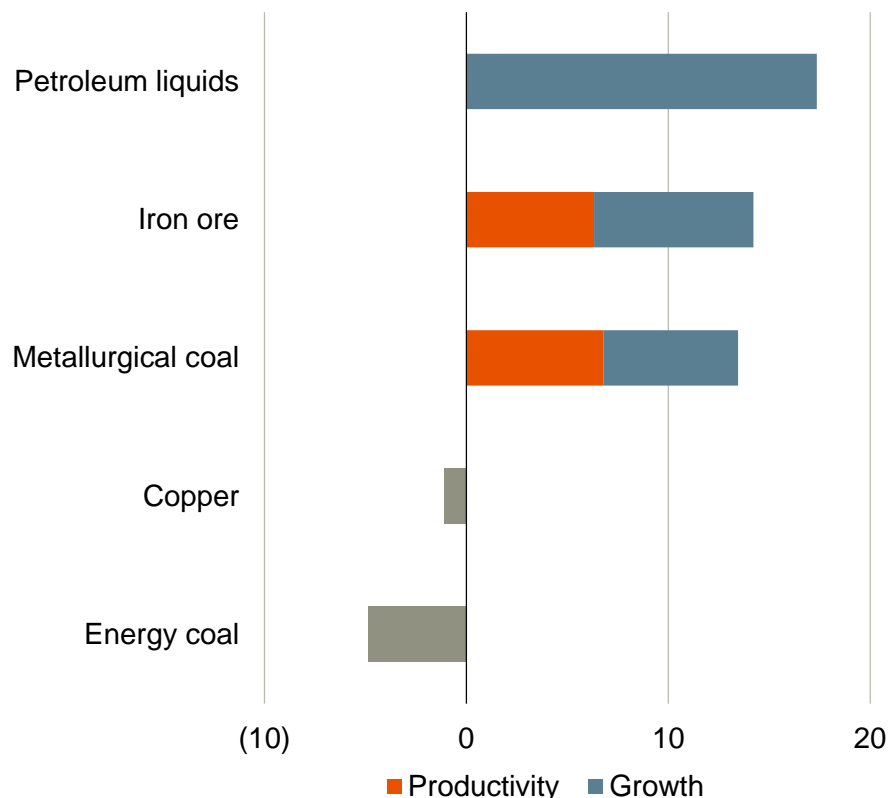
2. EBITDA margins exclude exceptional items and third party trading. BHP Billiton numbers presented on a total operations basis with the exception of FY15 which is on a continuing operations basis. Peer group comprises Rio Tinto, Anglo American and Vale.

# Record production volumes

- Production<sup>1</sup> from our core portfolio<sup>2</sup> grew by 27% over the last two years
  - record Western Australia Iron Ore production of 254 Mt<sup>3</sup>
  - record metallurgical coal production of 43 Mt
  - record petroleum production of 256 MMboe with a 67% increase in Onshore US liquids
  - copper production broadly unchanged at 1.7 Mt
- Following a dip in production<sup>1</sup> in FY16, we expect annual average volume growth to return towards 5% for the remainder of the decade

## Production growth from our key commodities

(production volumes, % change, FY15 versus FY14)



1. Copper equivalent production based on FY13 average realised product prices.

2. Core portfolio includes Western Australia Iron Ore (WAIO), Samarco, Queensland Coal, NSW Energy Coal, Cerrejón, Escondida, Olympic Dam, Pampa Norte, Antamina, Onshore US, Shenzi, Mad Dog, Atlantis, Angostura, North West Shelf (NWS), Bass Strait, Pyrenees, Macedon and the Jansen Project.

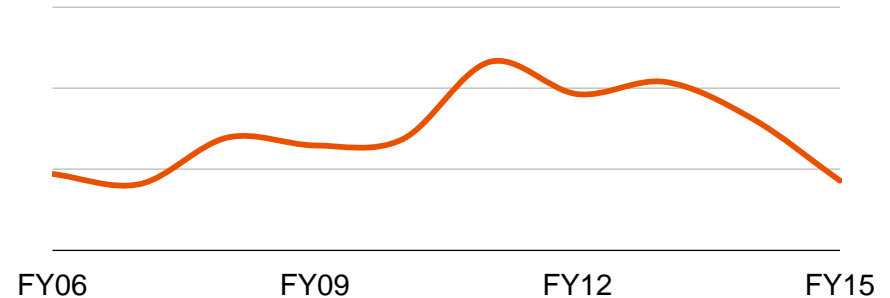
3. 100% basis.



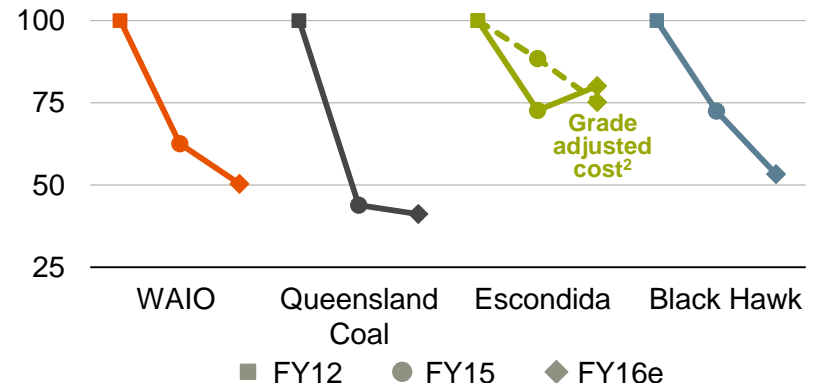
# Sustainably lowering unit costs

- Over US\$10 billion of annualised productivity-led gains<sup>1</sup> delivered so far
  - US\$4 billion target achieved two years ahead of schedule
  - unit costs reduced by >30% from their peak
- We expect to cut costs even further in FY16
  - WAIO unit costs of US\$15/t
  - Queensland Coal unit costs of US\$61/t
  - Escondida unit costs of US\$1.18/lb (US\$0.91/lb on a grade-adjusted basis<sup>2</sup>)
  - Black Hawk drilling costs of US\$2.5 million

**Unit costs continue to fall rapidly<sup>3</sup>**  
(US\$ per copper equivalent tonne)



**Significant cost improvements with more to come**  
(index, FY12=100)



Note: Western Australia Iron Ore (WAIO) and Queensland Coal unit cash costs exclude freight and royalties; Escondida unit cash costs exclude freight, treatment and refining charges and one-off items. FY16 guidance is based on exchange rates of AUD/USD 0.74 and USD/CLP 674.

1. Represents productivity-led volume efficiencies, operating cash cost efficiencies and exploration and business development savings; FY15 relative to FY12.

2. Unit cash costs on an FY15 grade-equivalent basis (average head grade; concentrate and cathode).

3. Presented on a total operations basis. Unit costs are calculated using Group copper equivalent production based on FY13 average realised prices.



# Financial results

## Year ended 30 June 2015

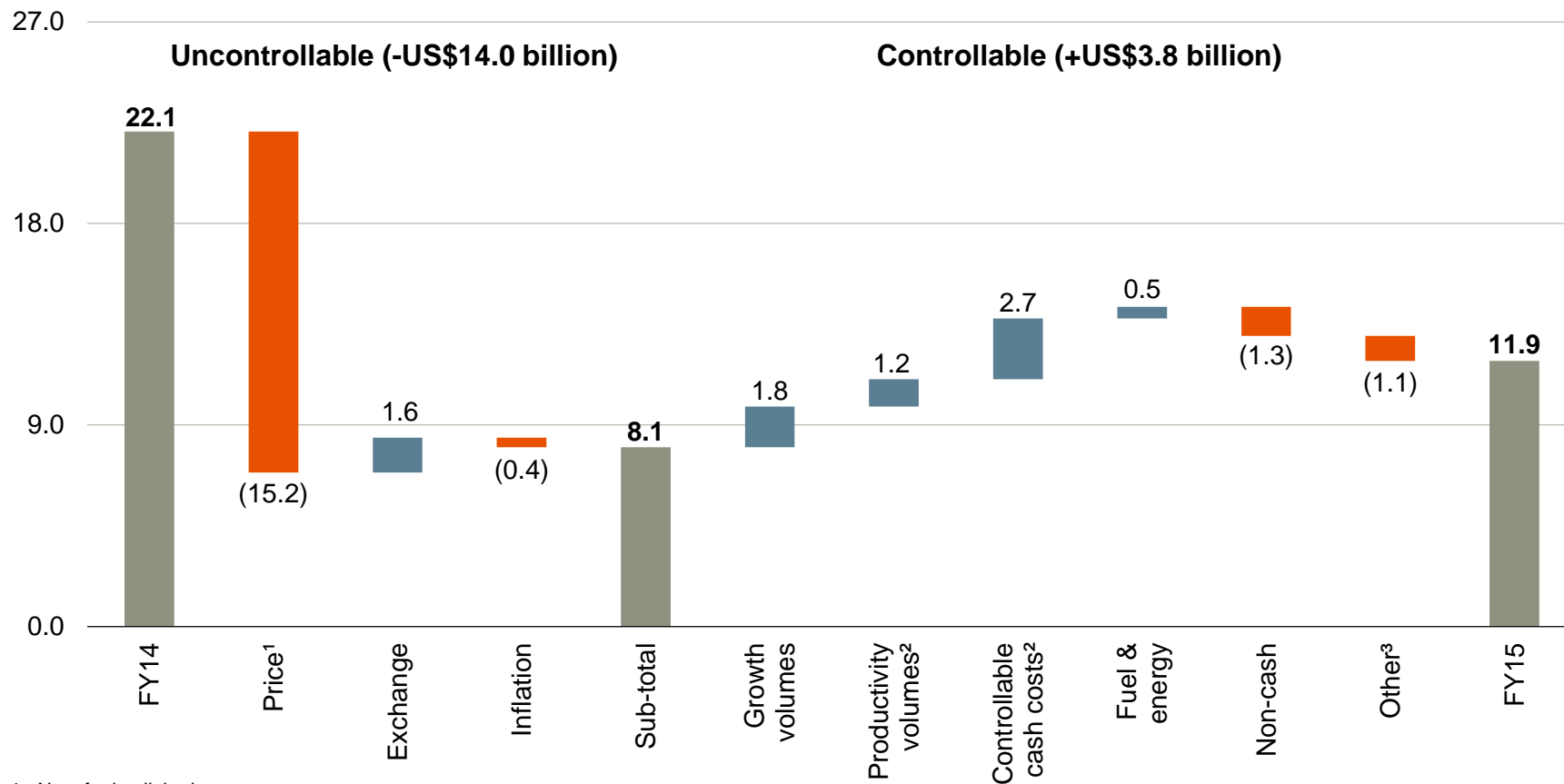
**Peter Beaven** Chief Financial Officer  
25 August 2015



# Resilient in a challenging environment

## Underlying EBIT variance

(US\$ billion)



1. Net of price-linked costs.

2. Total productivity gains included in Underlying EBIT comprises productivity-led volume efficiencies of US\$1.2 billion and a reduction in controllable cash costs of US\$2.7 billion and excludes a US\$142 million reduction in capitalised exploration expenditure. Controllable cash costs comprises operating cash costs and exploration and business development expense.

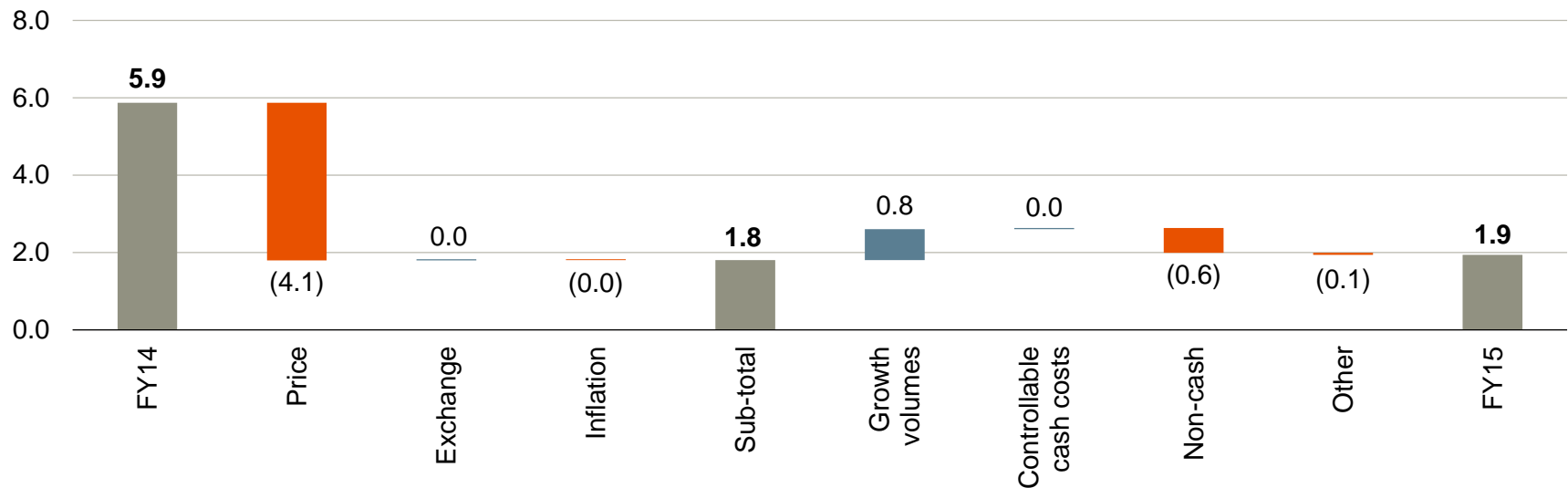
3. Other includes ceased and sold operations, asset sales, one-off items and other items.

# Petroleum: strong operating performance

- Production increased by 4% to a record 256 MMboe, supported by a 67% increase in Onshore US liquids
- The rise in non-cash costs reflects higher depreciation and amortisation charges in Onshore US and impairment charges associated with minor asset sales
- Other includes Onshore US rig termination charges<sup>1</sup> of US\$123 million

## Underlying EBIT variance

(US\$ billion)



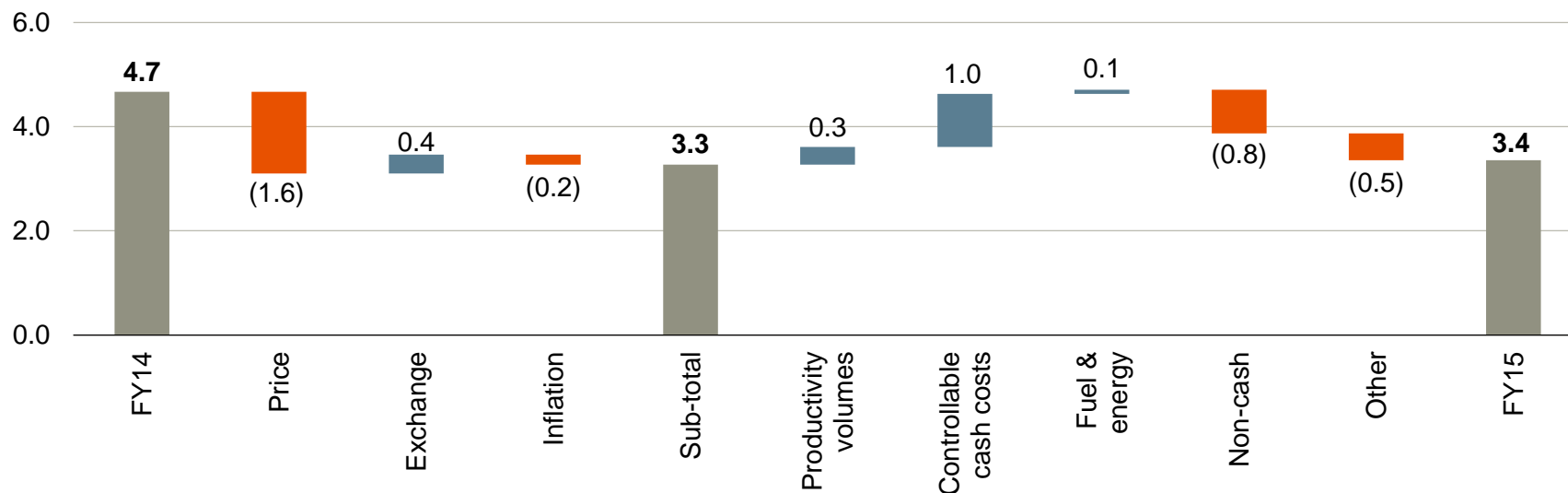
1. Rig termination charges of US\$75 million incurred in FY14.

# Copper: improved efficiencies and lower costs

- A 14% decline in unit cash costs<sup>1</sup> at our operated copper assets partially offset price weakness
- Higher non-cash charges largely reflected a US\$199 million impairment at Cerro Colorado, higher depletion of capitalised stripping at Escondida and increased depreciation following the completion of OLAP<sup>2</sup>
- Other includes a US\$188 million one-off charge associated with the Escondida voluntary redundancy program and a reduction in profits from Antamina driven by lower grade

## Underlying EBIT variance

(US\$ billion)



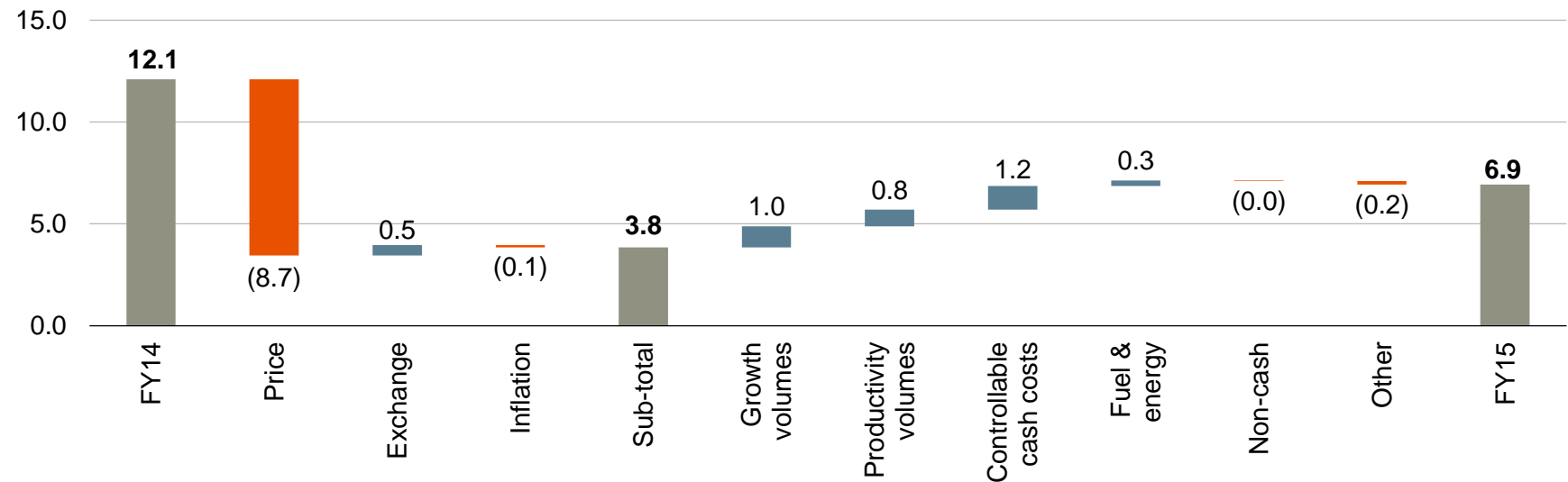
1. Excludes freight, treatment and refinement charges.

2. Escondida Oxide Leach Area Project.

# Iron Ore: exceptional margins through the cycle

- WAIO production increased by 13% to a record 254 Mt<sup>1</sup> reflecting the ramp-up of Jimblebar and productivity gains across the supply chain
- WAIO unit cash costs<sup>2</sup> fell 31% to less than US\$19 per tonne for the year, and to US\$17 per tonne in the second half

## Underlying EBIT variance (US\$ billion)



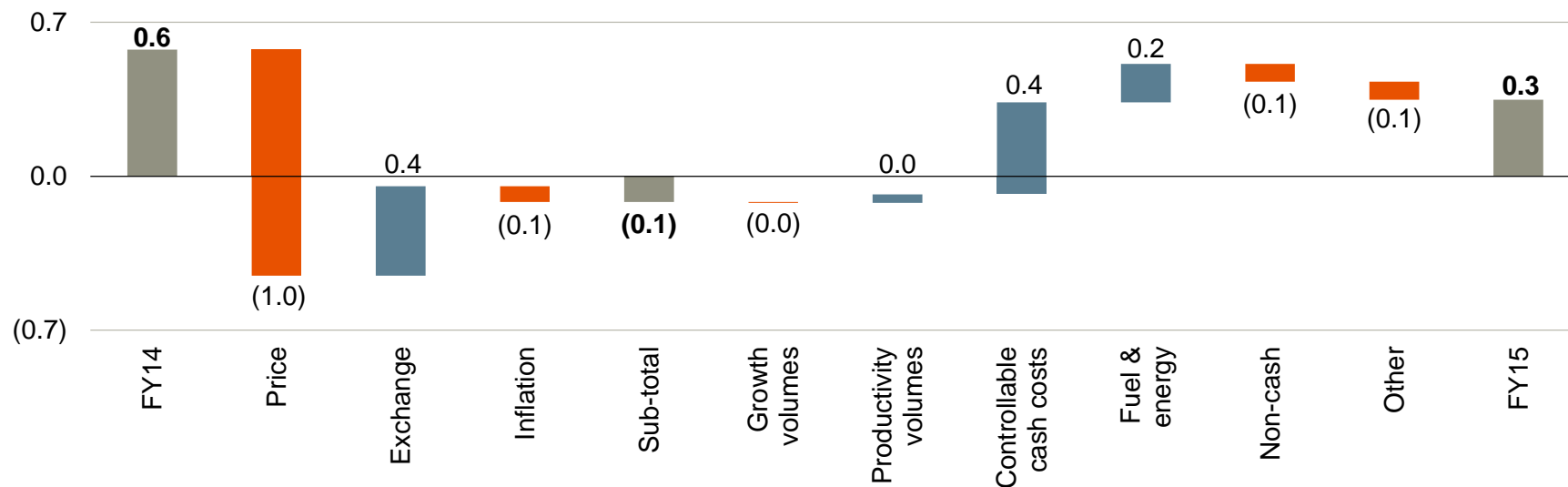
1. 100% basis.  
2. Excludes freight and royalties.

# Coal: profitable in a tough environment

- Queensland Coal production increased by 13% to a record 43 Mt supported by the ramp-up of Caval Ridge and records at six other operations
- A reduction in labour, contractor and maintenance costs contributed to a 23% reduction in Queensland Coal unit cash costs<sup>1</sup> to US\$65 per tonne

## Underlying EBIT variance

(US\$ billion)

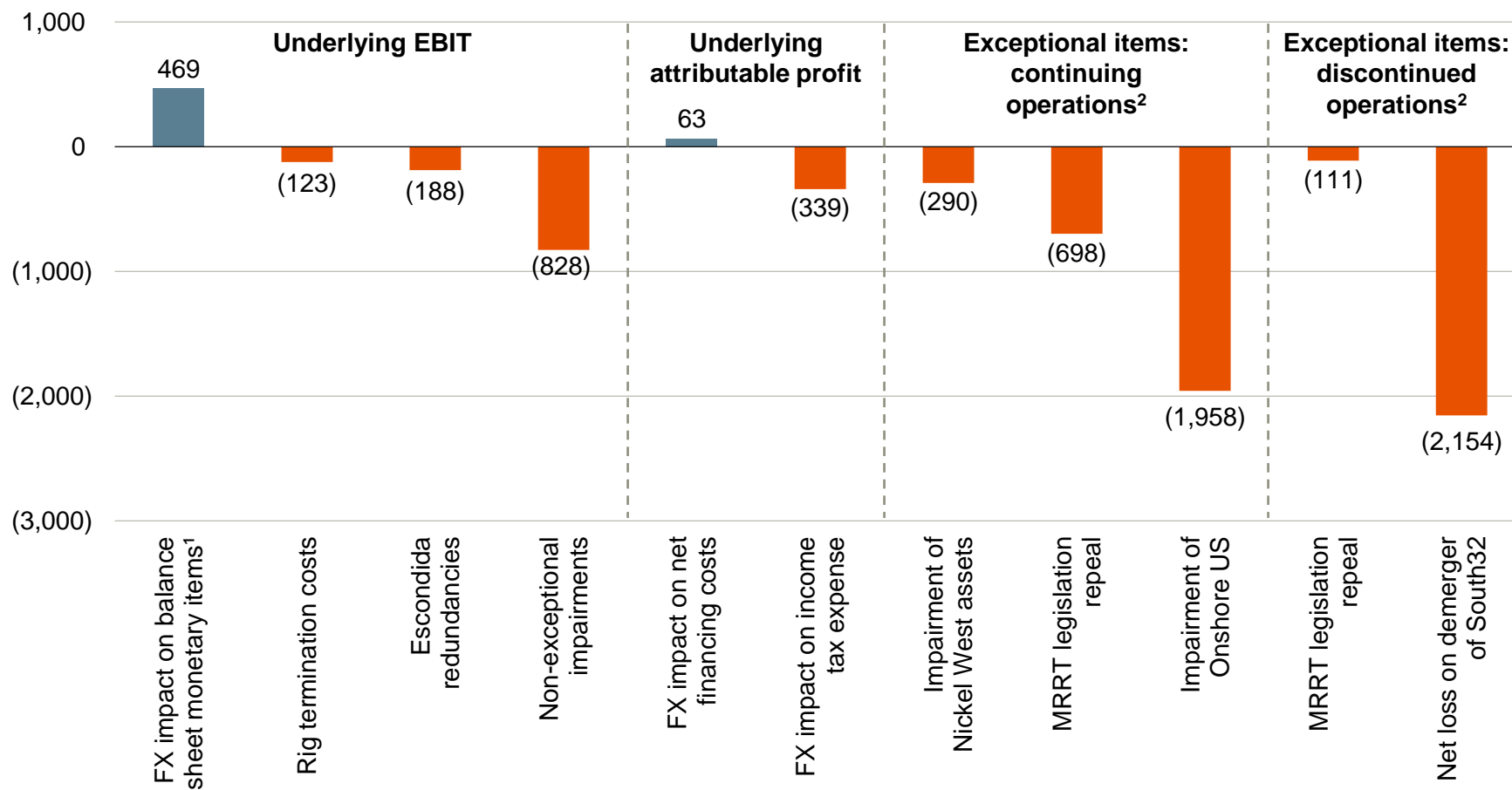


1. Excludes freight and royalties.

# Other items affecting profitability

## Other items

(US\$ million)



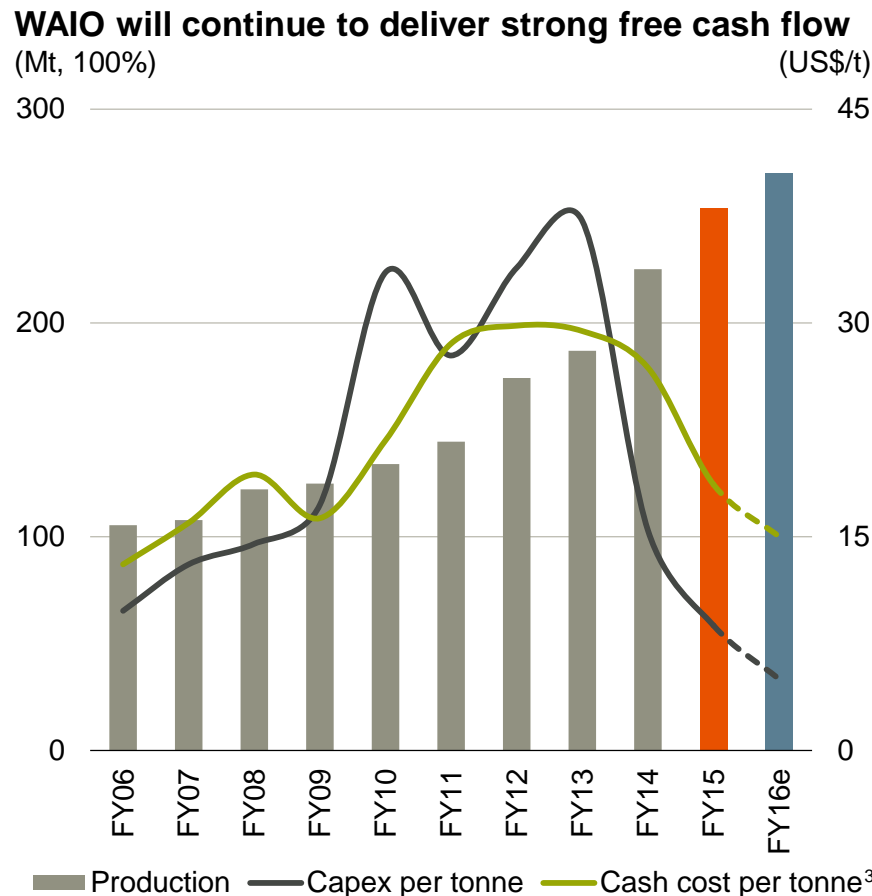
1. Period end foreign exchange (FX) related restatement of monetary items in the balance sheet; increased Underlying EBIT by US\$637 million in FY15 relative to FY14.

2. Post tax consequences.



# Maximising free cash flow

- Free cash flow in FY15 of US\$6.3 billion
  - productivity gains of US\$4.1 billion<sup>1</sup>, two years ahead of target
  - capital and exploration expenditure<sup>2</sup> reduced by 24% to US\$11 billion
- We will continue to maximise free cash flow
  - further unit costs reductions
  - capital and exploration expenditure expected to decline to US\$8.5 billion in FY16 and US\$7.0 billion in FY17
- Well positioned to fund the dividend and invest in growth through the cycle
  - WAIO will continue to be a source of significant long-term free cash flow



1. Represents productivity-led volume efficiencies, operating cash cost efficiencies and exploration and business development savings.

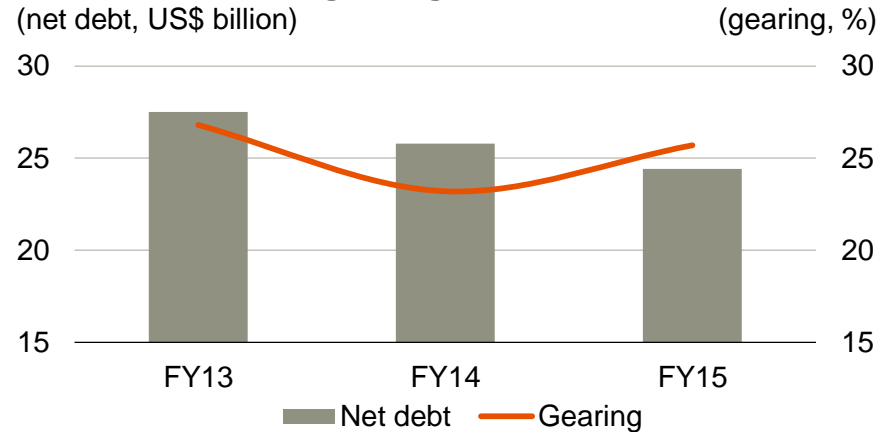
2. BHP Billiton share; excludes capitalised deferred stripping and non-controlling interests; includes BHP Billiton proportionate share of equity accounted investments.

3. Unit cash costs exclude freight and royalties. FY16e guidance is based on an exchange rate of AUD/USD 0.74.

# Our balance sheet is strong

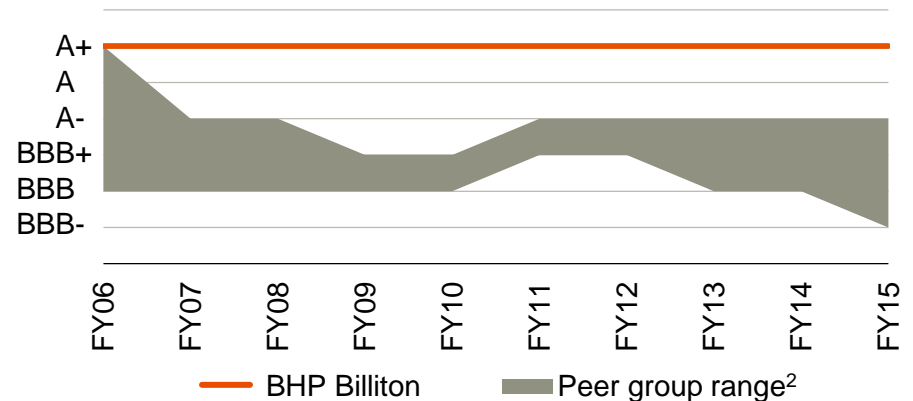
- Remain committed to our strong balance sheet
  - our credit rating<sup>1</sup> is the strongest in the sector
- Net debt down by US\$1.4 billion to US\$24.4 billion
- Our maturity profile is well balanced with low re-financing risk
- Our balance sheet provides flexibility
  - supports cash returns and investment through the cycle

## Net debt fell while gearing increased



## Our strategy is supported by a strong balance sheet

(credit rating, Standard & Poor's)



1. BHP Billiton has an A+ credit rating with Standard & Poor's on negative outlook and an A1 credit rating with Moody's on stable outlook.

2. Peer group comprises Rio Tinto, Anglo American and Vale.



# Financial results

## Year ended 30 June 2015

**Andrew Mackenzie** Chief Executive Officer  
25 August 2015



# Emerging economies will drive long-term commodities demand growth

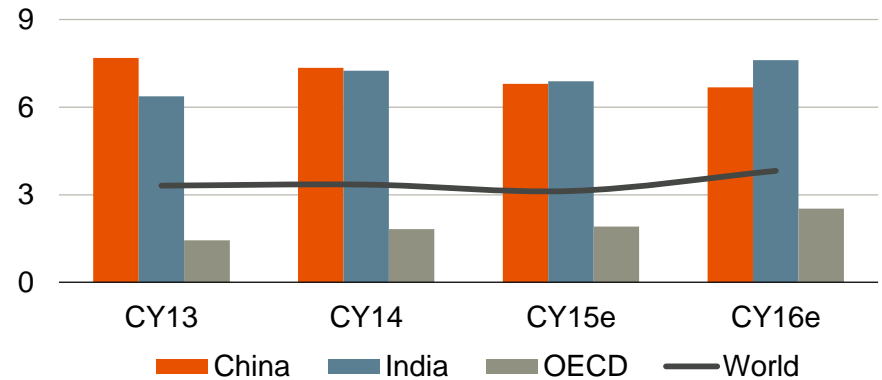
## Short-term drivers

- Ongoing economic reforms in China will contribute to periods of market volatility
- Chinese authorities pursuing ongoing reforms with support for near-term growth

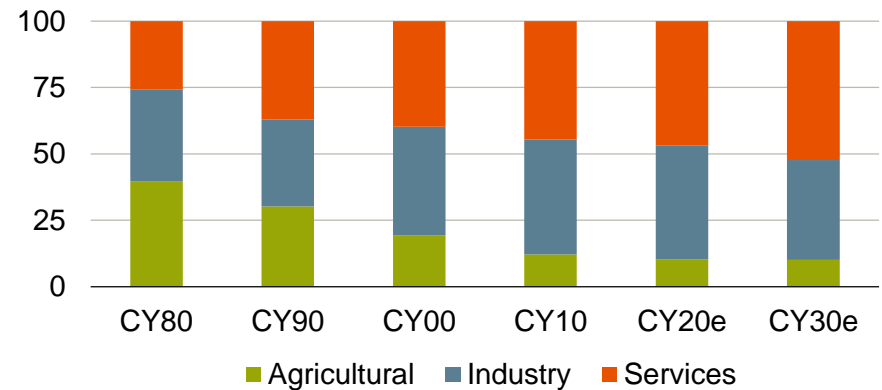
## Longer-term outlook

- China will continue to rebalance to a more sustainable development pattern
- India's population is growing rapidly and is expected to overtake China's early in the next decade
- Other emerging economies will continue to develop

**Growth in emerging economies remains robust**  
(% YoY)



**China's shift to consumption-led growth is underway**  
(sectoral share of Chinese GDP, %)

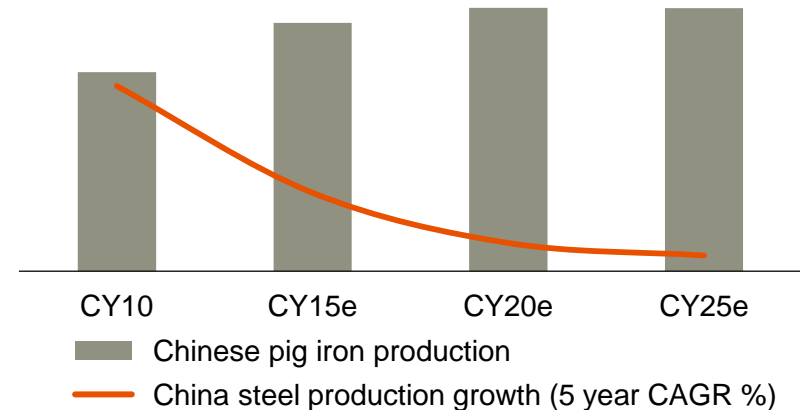


Source: OECD, IHS World Industry Services.

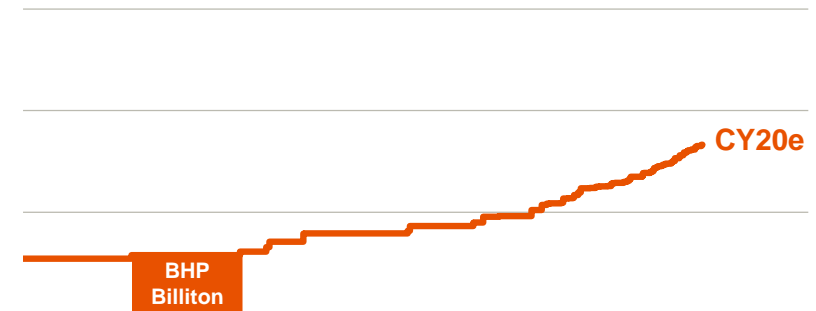
# Margins for low-cost bulk suppliers remain solid

- Demand growth for iron ore and metallurgical coal remains attractive, albeit at a slower rate
  - we expect China's crude steel production to peak between 935-985 Mt in the mid 2020s
  - extended life cycle of steel use in China will lower steel production and scrap supply growth, with limited impact on pig iron
- Further curtailments of higher-cost supply are likely as prices remain soft
- Margins for low-cost iron ore supply will remain strong despite subdued price environment

## Chinese pig iron production (Mt)



## Our iron ore business remains well positioned (CIF China equivalent basis, US\$/t)



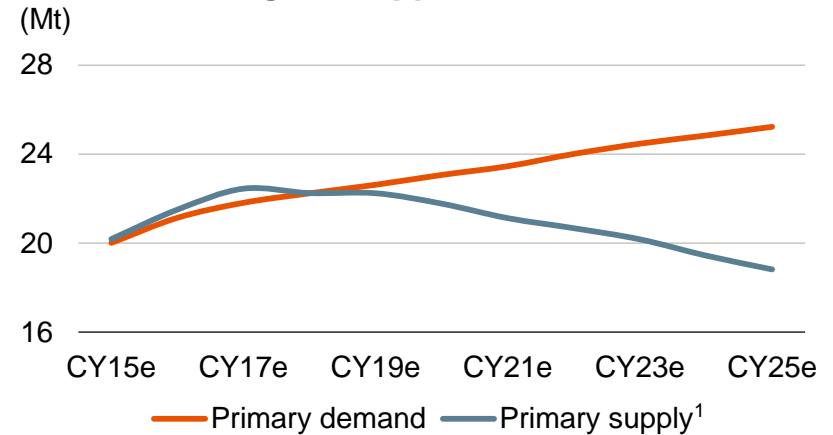
Source: IHS Global Insights; Tianhua Merito Co. China NBS census 2000 and 2010; Statistics Bureau of Japan, US, Germany; BHP Billiton internal estimates; cost curve from Macquarie Research, data received in August 2015.

# Copper and oil offer significant growth opportunities

## Copper

- Growth in global demand remains compelling
  - ~2.3% CAGR CY15 to CY25
- Supply increasingly challenged, primarily due to grade decline
- Structural deficit expected from CY19 should support higher long-run prices

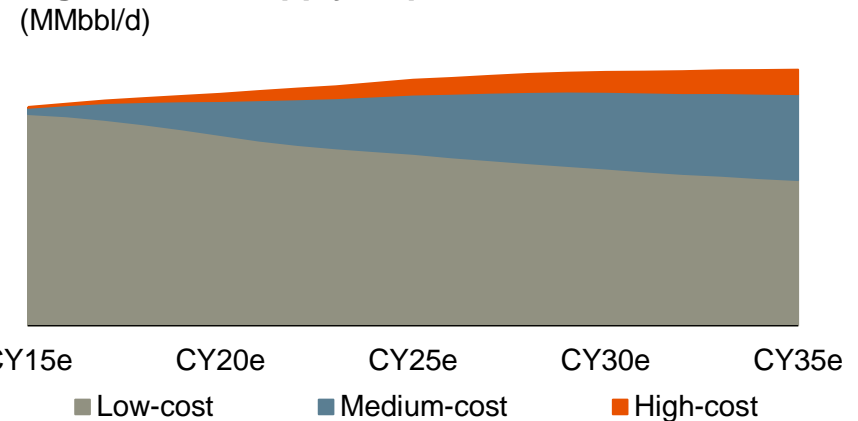
## Deficit to emerge in copper from CY19



## Petroleum

- Development of emerging economies will continue to drive demand for crude oil
  - ~1 MMbbl/d annual demand growth
- New higher-cost liquids supply will need to be induced as low-cost fields decline
  - 3 to 4 MMbbl/d annual base decline

## High-cost oil supply required to meet demand



Source: BHP Billiton analysis; Wood Mackenzie.

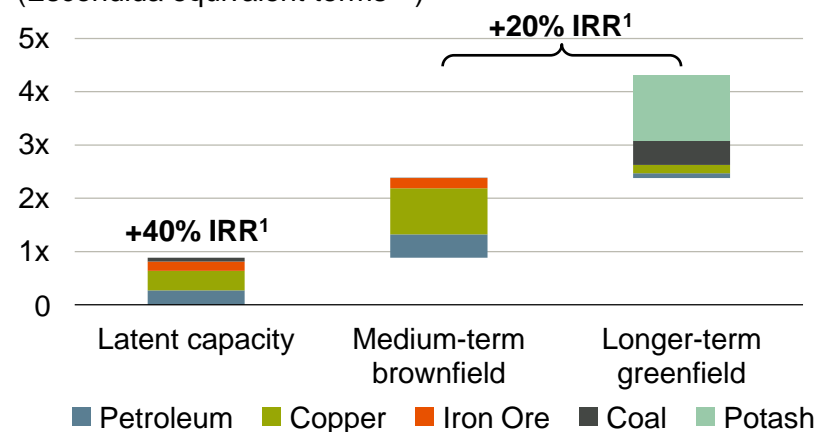
1. Production from current operating mines and committed new projects.

# Delivering solid growth through the cycle

- We have latent capacity within each of our businesses which lowers the capital intensity of our near-term growth
  - average returns greater than 40%<sup>1</sup>
  - three concentrator strategy at Escondida
  - Southern Mining Area at Olympic Dam
  - potential of >150 kboe/d at Permian
  - continued creep to 290 Mtpa<sup>2</sup> at WAIO
  - 4 Mtpa<sup>2</sup> at Caval Ridge washplant
- Unrivalled depth and quality in our growth portfolio with unique optionality at lower cost
  - average returns greater than 20%<sup>1</sup>
  - continued progress on Spence Growth Option
  - significant oil opportunity at Mad Dog 2
  - flexibility in dry-gas fields at Onshore US

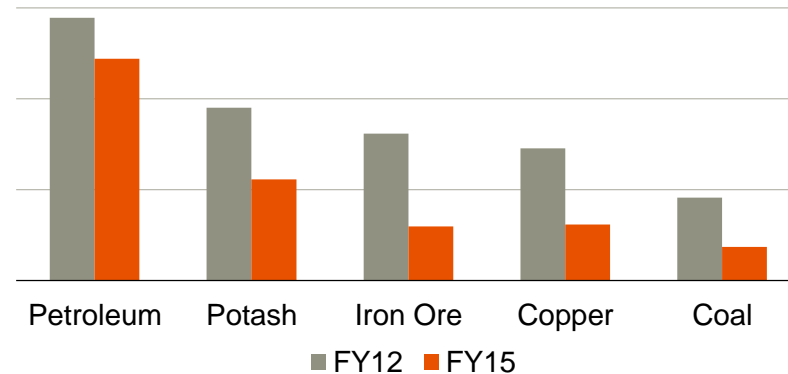
## Volume growth options across the portfolio

(Escondida equivalent terms<sup>2,3</sup>)



## Delivering more capital efficient growth

(capital expenditure per additional copper equivalent tonne<sup>4</sup>)



1. Ungeared, post-tax, nominal return; valuation date 1 July 2015.

2. 100% basis.

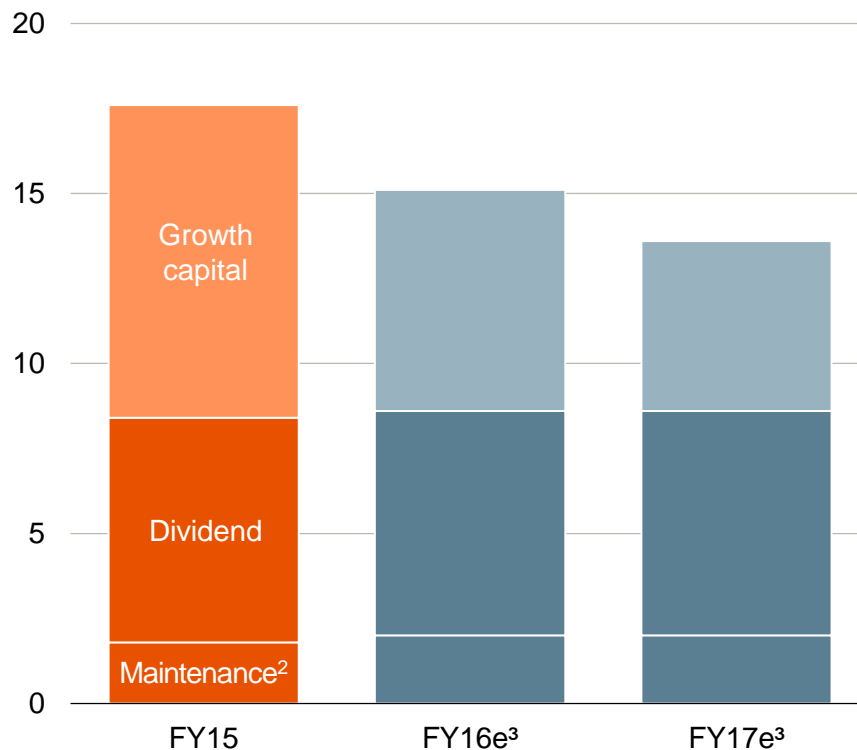
3. Copper equivalent production has been determined on FY15 average realised prices.

4. Capital intensity for each business is calculated as the aggregate growth capital expenditure divided by the incremental copper equivalent tonnes. Excludes projects beyond 2040.

# We are committed to our progressive dividend

- Our commitment to the progressive dividend remains unchanged
  - our progressive dividend has withstood previous cycles
  - the only major not to cut the dividend during the Global Financial Crisis
  - our progressive dividend was not rebased following the demerger
- We have increased our full-year dividend by 2% to 124 US cents per share
  - further productivity and capital efficiency will continue to underpin both our dividend and growth
  - our capital flexibility improves as current projects are completed

**Capital spend falls as current projects are completed<sup>1</sup>**  
(US\$ billion)



1. Represents the share of capital and exploration expenditure attributable to BHP Billiton on a cash basis. Includes BHP Billiton proportionate share of equity accounted investments; excludes capitalised deferred stripping and non-controlling interests.

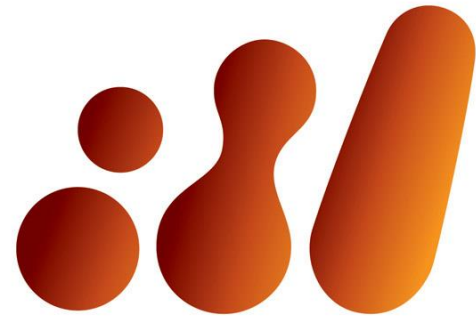
2. Average maintenance capital of ~US\$2 billion per annum for FY16 and FY17. Includes sustaining capital expenditure budget average of ~US\$5 per tonne for WAIO and ~US\$6 per tonne for Queensland Coal.

3. Assumes our minimum dividend commitment and excludes dividends paid to non-controlling interests.



# Our unique portfolio will create value and underpin dividends through the cycle

- **Asset quality and operating performance support margins and cash flow**
  - net operating cash flow of US\$17.8 billion and EBITDA margin of 50%
  - US\$4 billion productivity target achieved two years ahead of schedule
- **Disciplined capital management underpins the progressive dividend**
  - net debt down to US\$24.4 billion
  - capital and exploration expenditure of US\$8.5 billion in FY16 and US\$7.0 billion in FY17
- **Low-cost, high-return growth will unlock further shareholder value**
  - near-term focus on release of low-cost latent capacity across the portfolio
  - medium-term options to support 5% average annual volume growth through the cycle



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# Appendix



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# BHP Billiton guidance

Group	FY16e	FY17e	
Capital and exploration expenditure (US\$bn)	8.5	7.0	Cash basis; BHP Billiton share; excludes capitalised deferred stripping and non-controlling interests; includes BHP Billiton proportionate share of equity accounted investments.
Including:			
Maintenance	2.0		
Exploration	0.9		A US\$600m Petroleum exploration program is planned for FY16, largely focused on acreage access and seismic data acquisition.
Adjusted effective tax rate (%)	33-37		Excludes the influence of exchange rate movements and exceptional items.
Petroleum	FY16e		
Total petroleum production (MMboe)	237		
Onshore US			
Capital expenditure (US\$bn)	1.5		Will support a development program of 10 operated rigs, with completions activity tailored to market conditions. Drilling activity will be focused on our liquids-rich Black Hawk and Permian acreage with our dry-gas development program in Haynesville and Fayetteville deferred for longer-term value.
Production (MMboe)	112		We expect: to maintain aggregate Black Hawk and Permian volumes; and a 19% decline in the combined production of the predominantly gas-rich Haynesville, Fayetteville and Hawkville fields.
Black Hawk drilling cost per well (US\$m)	2.5		
Depreciation	-		The rate of depreciation in Onshore US will continue to rise as the proportion of higher-margin, but higher-cost, liquids volumes increases relative to gas.
Conventional Petroleum			
Capital expenditure (US\$bn)	1.6		
Production (MMboe)	125		Includes all Petroleum assets other than Onshore US. Stybarrow reached the end of its field life and ceased production on 30 June 2015.

# BHP Billiton guidance (continued)

Copper		FY16e
Total copper production (Mt)	1.5	Pampa Norte production is forecast to remain at a similar level to FY15. At Olympic Dam, an increase in full-year production is anticipated following the full ramp-up of the mill at the end of July 2015. Higher average copper grades at Antamina are expected to support an increase in copper volumes in FY16.
Escondida		
Production (Mt, 100% basis)	0.94	OGP1 and operational improvements offset by 27% decline in grade.
Unit cash costs (US\$/lb)	1.18	Excludes freight and treatment and refining charges; based on an exchange rate of and USD/CLP 674.
Iron Ore		FY16e
Total iron ore production (Mt)	247	
Western Australia Iron Ore		
Production (Mt, 100% basis)	270	Increase from FY15 driven by improved efficiency at Mining Area C, Newman and our rail and port operations.
Unit cash costs (US\$/t)	15	Excludes freight and royalties; based on an exchange rate of AUD/USD 0.74.
Sustaining capital expenditure (US\$/t)	5	FY16e–FY20e average. Includes costs associated with the Jumblebar expansion, as well as the investment to purchase additional tugs and construct a new tug harbour at Port Hedland.
Coal		FY16e
Total metallurgical coal production (Mt)	40	
Total energy coal production (Mt)	40	
Queensland Coal		
Production (Mt)	40	Operations at Crinum are expected to cease in the first quarter of the CY16 as the mine approaches the end of its economic reserve life.
Unit cash costs (US\$/t)	61	Excludes freight and royalties; based on an exchange rate of AUD/USD 0.74.
Sustaining capital expenditure (US\$/t)	6	FY16e–FY20e average.

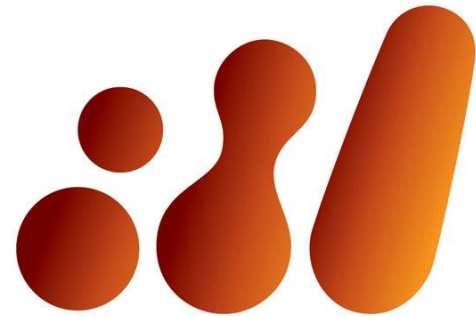
# Key net profit sensitivities

Approximate impact <sup>1</sup> on FY16 net profit after tax of changes of	US\$ million
US\$1/t on iron ore price	148
US\$1/bbl on oil price <sup>2</sup>	52
US¢10/MMbtu on US gas price	19
US\$1/t on metallurgical coal price	25
US¢1/lb on copper price	23
US\$1/t on energy coal price	11
US¢1/lb on nickel price	1
AUD (US¢1/A\$) operations <sup>3</sup>	64

1. Assumes total volume exposed to price; determined on the basis of BHP Billiton's existing portfolio.

2. Impact does not include change in input costs across the Group.

3. Impact based on average exchange rate for the period.



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