

NEWS RELEASE

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ANDREW MACKENZIE PRESENTS AT THE BANK OF AMERICA MERRILL LYNCH METALS, MINING & STEEL CONFERENCE

BHP Billiton's CEO, Andrew Mackenzie, today reaffirmed the Company's commitment to creating a simpler, more productive and capital efficient organisation.

Speaking at the Bank of America Merrill Lynch Metals, Mining & Steel Conference in Miami, Mr Mackenzie said the Company was changing the way it worked, using common systems and processes to lift performance across all operations and projects.

"Today you'll hear me repeat a number of things I've said before because maintaining your confidence is about being predictable and consistently delivering on our commitments," he said.

"We have embedded US\$4.9 billion of sustainable productivity gains which will increase to US\$5.5 billion by the end of this financial year.

"In the first half of the 2014 financial year, average truck utilisation, compared with last year, improved by eight per cent. The average utilisation of our diggers increased by 10 per cent, and we have reset the performance benchmark higher so a clear opportunity remains across the Group.

Mr Mackenzie said the Company's bottom-up, data-driven approach to productivity is sustainable, scalable and a platform from which performance can be raised without limits.

"We have also reduced capital expenditure by 25 per cent and our spend will decline again in the 2015 financial year. By reducing the rate of investment, we have created strong competition for capital, and now expect an average rate of return of more than 20 per cent for our portfolio of low-risk, largely brownfield development options.

"The case for continued simplification of our portfolio is compelling, and this remains a priority. In the last two years we have completed US\$6.5 billion of divestments at attractive valuations. We continue to study the next phase of simplification, including structural options, but no decisions have been made. We will only pursue options that maximise value for BHP Billiton shareholders.

"By doing what we said we would do in the first half of the year, we increased free cash flow by US\$7.8 billion and underlying return on capital to 22 per cent.

¹ This release was made outside the hours of operation of the ASX market announcements office.

“Over the past 10 years, we have built a strong track record of capital management. Today, our balance sheet is strong, and getting stronger. We have a solid A credit rating and our progressive base dividend is comfortably covered by free cash flow.”

Further information on BHP Billiton can be found at: www.bhpbilliton.com.

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Growing shareholder value and returns

Andrew Mackenzie
Chief Executive Officer
13 May 2014



Disclaimer

Forward-looking statements

This release 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.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. Readers are cautioned not to put undue reliance on forward-looking statements.

For example, our future revenues from our operations, projects or mines described in this release will be based, in part, upon the market price of the minerals, metals or petroleum produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing operations.

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 U.S. 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.

Except as required by applicable regulations or by law, the Group does not undertake any obligation to publicly update or review any forward looking statements, whether as a result of new information or future events.

Non-IFRS financial information

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 also includes certain non-IFRS measures including Underlying attributable profit, Underlying basic earnings per share, Underlying EBITDA interest coverage, Underlying effective tax rate, Underlying EBIT margin, Underlying EBITDA margin, Underlying return on capital, Free cash flow, Net debt and Net operating assets. 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.

UK GAAP financial information

Certain historical financial information for periods prior to FY2005 has been presented on the basis of UK GAAP, which is not comparable to IFRS or US GAAP. Readers are cautioned not to place undue reliance on UK GAAP information.

No offer of securities

Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell BHP Billiton securities in any jurisdiction.

Reliance on third-party information

The views expressed in this release contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This release should not be relied upon as a recommendation or forecast by BHP Billiton.

We are delivering on our commitments

Sustainable productivity gains:

US\$4.9 billion now embedded



Capital and exploration expenditure:

To decline by 25% in FY14



Selective investment:

Average rate of return >20%¹



Portfolio simplification:

US\$6.5 billion in two years



Strong free cash flow generation:

Increased by US\$7.8 billion²



Capital management:

**Solid A credit rating and
progressive base dividend
maintained**



**Return on capital³ of 22%
in H1 FY14**

- Productivity gains to increase to US\$5.5 billion by the end of FY14
- Capital and exploration expenditure to decline again in FY15
- Competition for capital has increased the average rate of return of our low-risk, largely-brownfield growth options to >20%¹
- We will continue to simplify our portfolio in order to unlock additional value
- Our growing base dividend commitment is comfortably covered by internal cash flow
- We will maintain financial discipline

1. Ungeared, post tax, nominal rate of return for our portfolio of major project options.

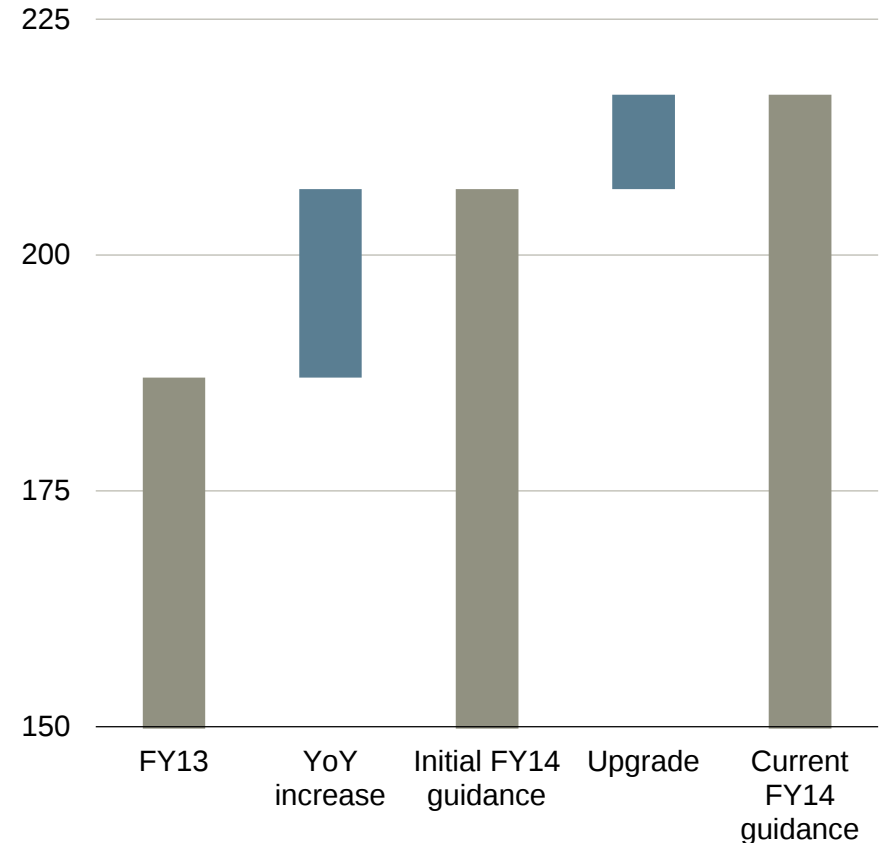
2. Refers to the increase in net operating cash flows less net investing cash flows, adjusted to exclude proceeds from divestments and sales, in H1 FY14 compared with H1 FY13.

3. Excludes capital investment associated with projects not yet in production.

Maintaining strong momentum within our pillars

- Strong operating performance underpinned by continued productivity gains
- Full-year guidance upgraded for a number of our highest margin products
 - WAIO production guidance increased by 10 Mt¹ to 217 Mt¹

Accelerated delivery of high-margin tonnes (WAIO production¹, Mt)

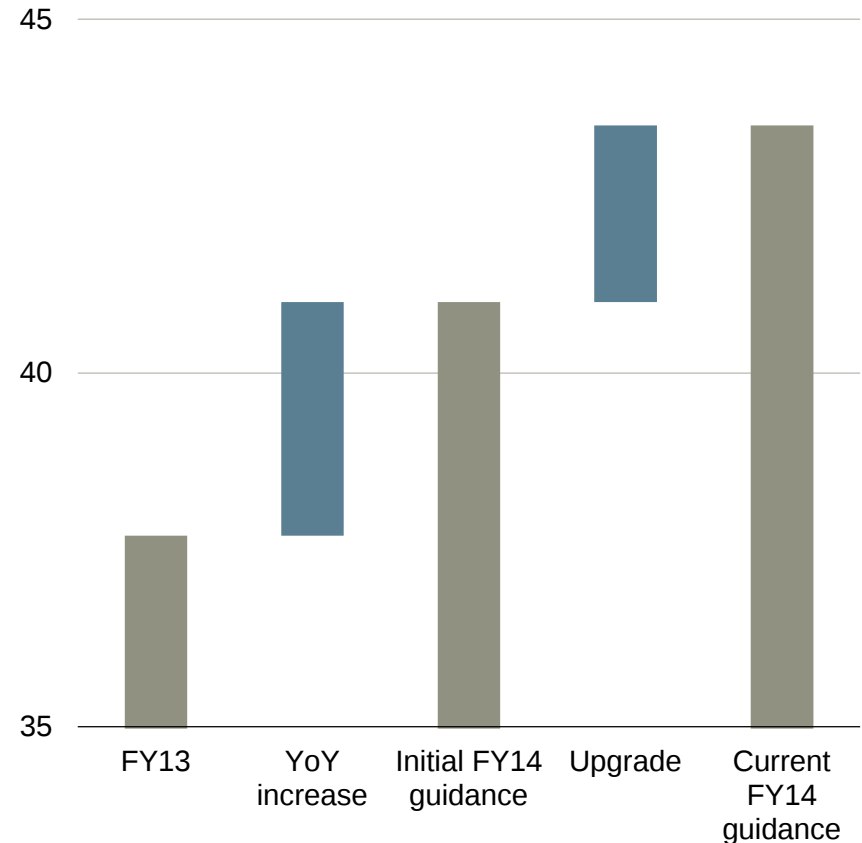


1. 100% basis.

Maintaining strong momentum within our pillars

- Strong operating performance underpinned by continued productivity gains
- Full-year guidance upgraded for a number of our highest margin products
 - WAIO production guidance increased by 10 Mt¹ to 217 Mt¹
 - metallurgical coal production guidance increased by 2.5 Mt to 43.5 Mt

Accelerated delivery of low-cost tonnes (metallurgical coal production, Mt)

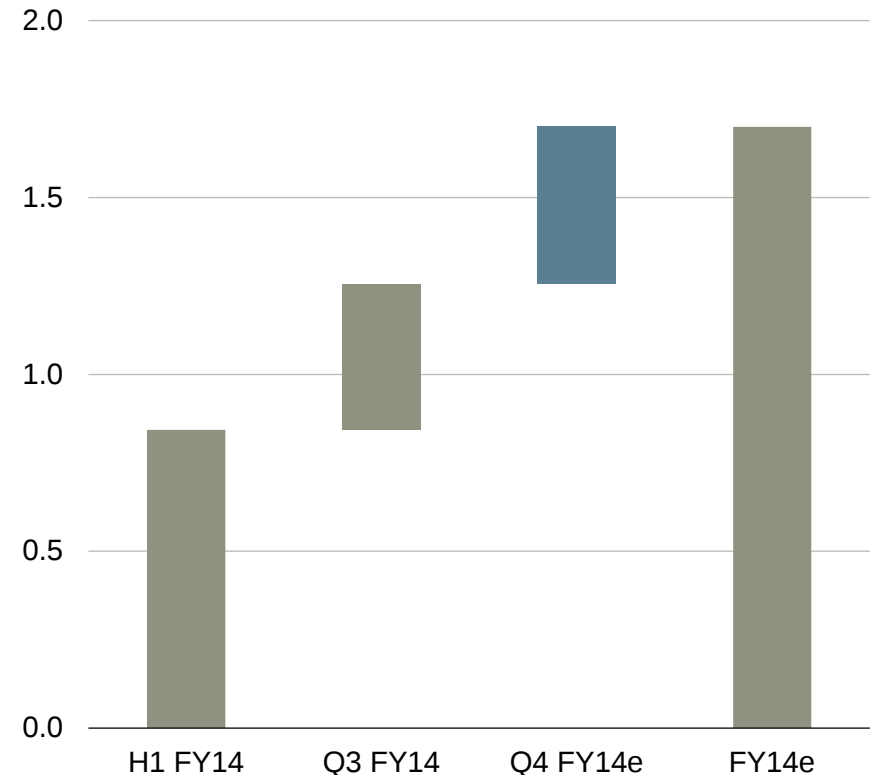


1. 100% basis.

Maintaining strong momentum within our pillars

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- Full-year guidance upgraded for a number of our highest margin products
 - WAIO production guidance increased by 10 Mt¹ to 217 Mt¹
 - metallurgical coal production guidance increased by 2.5 Mt to 43.5 Mt
 - copper set to deliver against guidance of 1.7 Mt

A strong fourth quarter anticipated (copper production, Mt)



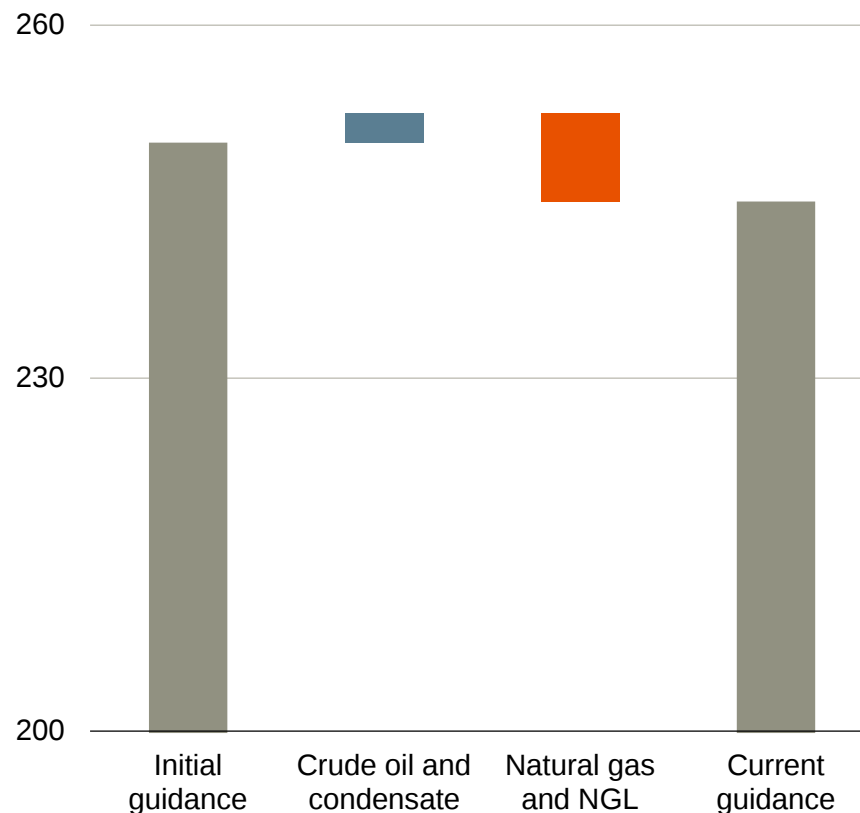
1. 100% basis.

Maintaining strong momentum within our pillars

- Strong operating performance underpinned by continued productivity gains
- Full-year guidance upgraded for a number of our highest margin products
 - WAIO production guidance increased by 10 Mt¹ to 217 Mt¹
 - metallurgical coal production guidance increased by 2.5 Mt to 43.5 Mt
 - copper set to deliver against guidance of 1.7 Mt
 - petroleum production guidance rebased to 245 MMboe, albeit with a higher contribution from valuable crude and condensate
- Group production growth of 16%² in the two years to the end of FY15 is underpinned by the expansion of our high-margin businesses

Strong outlook for liquids production

(FY14 petroleum production, MMboe)



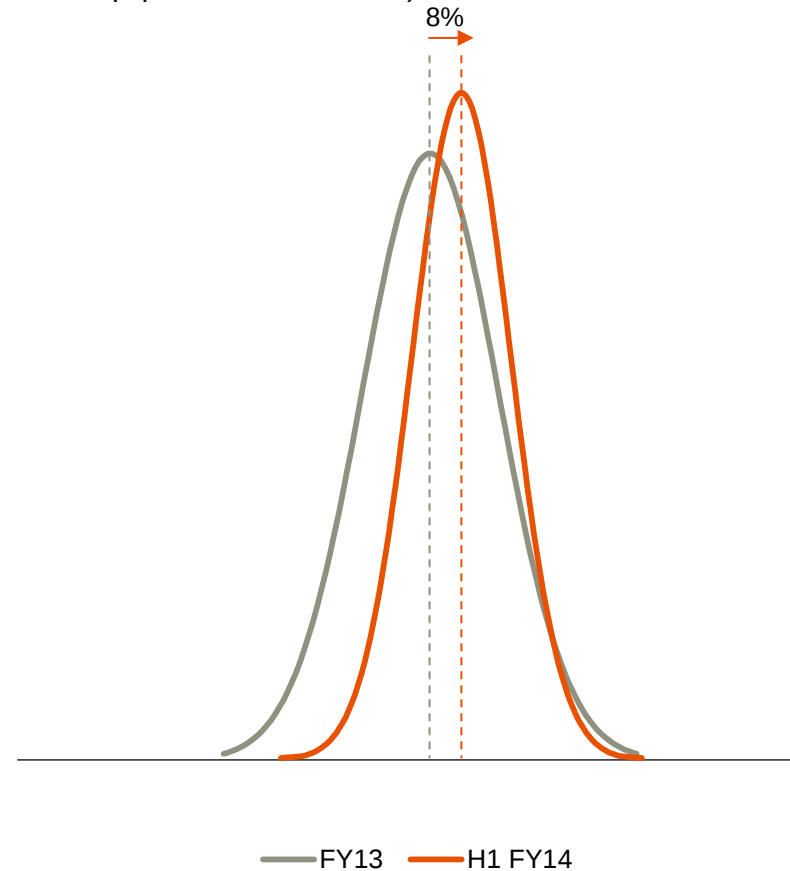
1. 100% basis.

2. Copper equivalent production growth based on FY13 average realised product prices, as disclosed in the 2013 Annual Report.

Sustainable productivity-led gains are now embedded and there is more to come

- We are changing the way we work and raising our level of performance in a sustainable manner
 - our unique structure, systems and culture will differentiate us
- Ability to benchmark performance across all operations drives healthy competition
 - H1 FY14 average truck fleet utilisation improved by 8% from FY13

Truck fleet utilisation¹
(overall equipment utilisation², %)



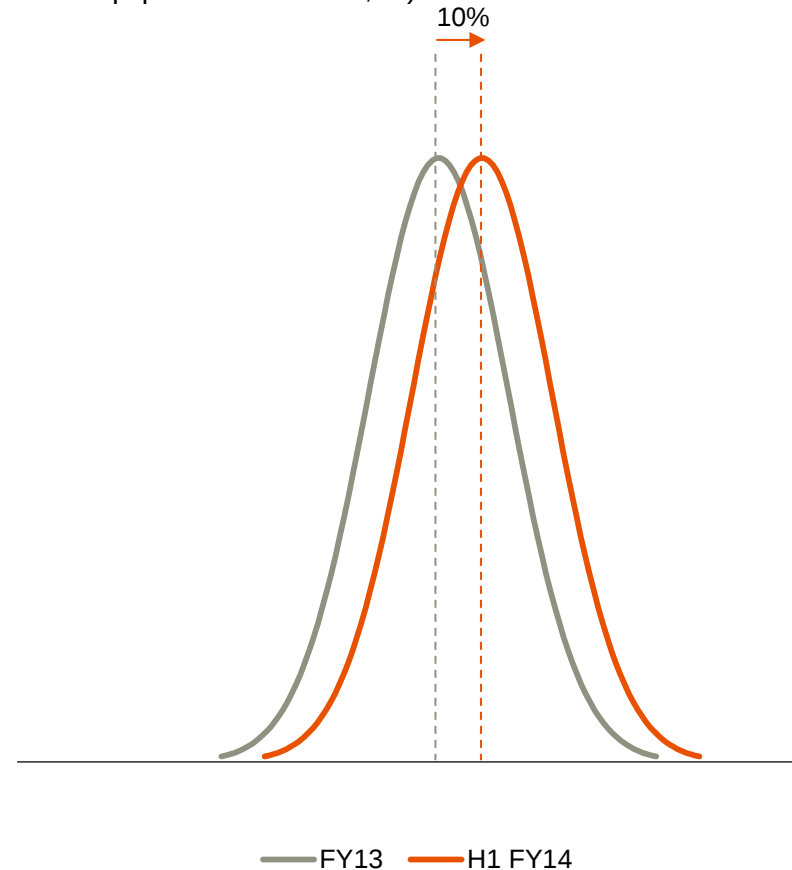
1. Data approximated to fit normal distribution. Overall mean represents the underlying performance of approximately 800 trucks across the BHP Billiton portfolio.

2. Overall equipment utilisation is defined as the rate at which the equipment performs relative to total annual hours.

Sustainable productivity-led gains are now embedded and there is more to come

- We are changing the way we work and raising our level of performance in a sustainable manner
 - our unique structure, systems and culture will differentiate us
- Ability to benchmark performance across all operations drives healthy competition
 - H1 FY14 average open pit digging fleet utilisation improved by 10% from FY13

Digging fleet utilisation¹
(overall equipment utilisation², %)



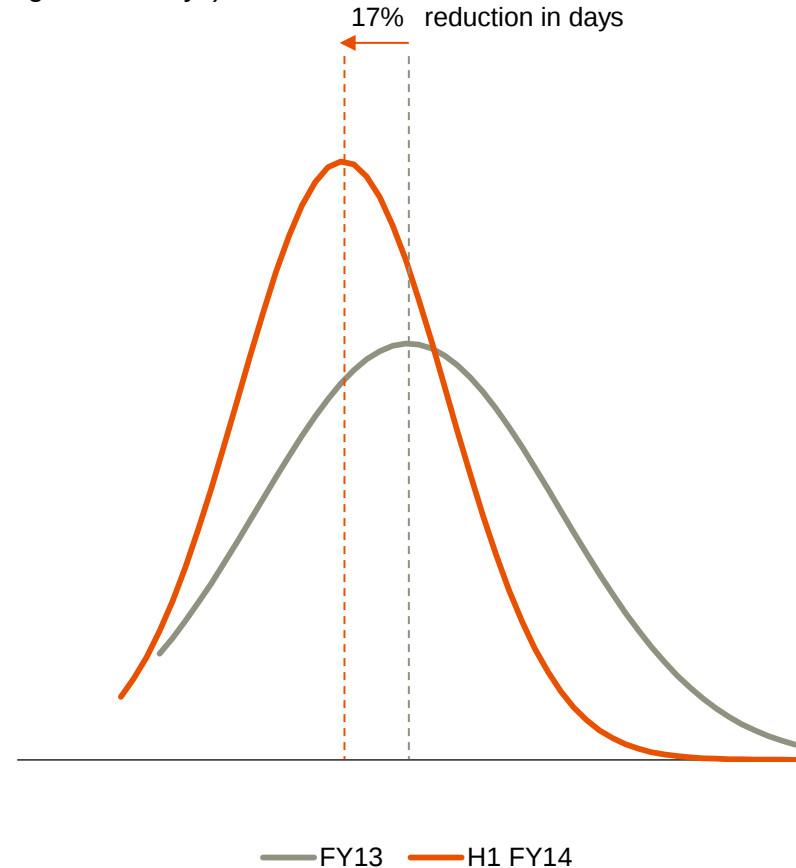
1. Data approximated to fit normal distribution. Overall mean represents the underlying performance of equipment across the BHP Billiton portfolio.

2. Overall equipment utilisation is defined as the rate at which the equipment performs relative to total annual hours.

Sustainable productivity-led gains are now embedded and there is more to come

- We are changing the way we work and raising our level of performance in a sustainable manner
 - our unique structure, systems and culture will differentiate us
- Ability to benchmark performance across all operations drives healthy competition
 - H1 FY14 drilling speed in the Eagle Ford has increased by 17% from FY13

Drilling time per well¹
(Eagle Ford, days)

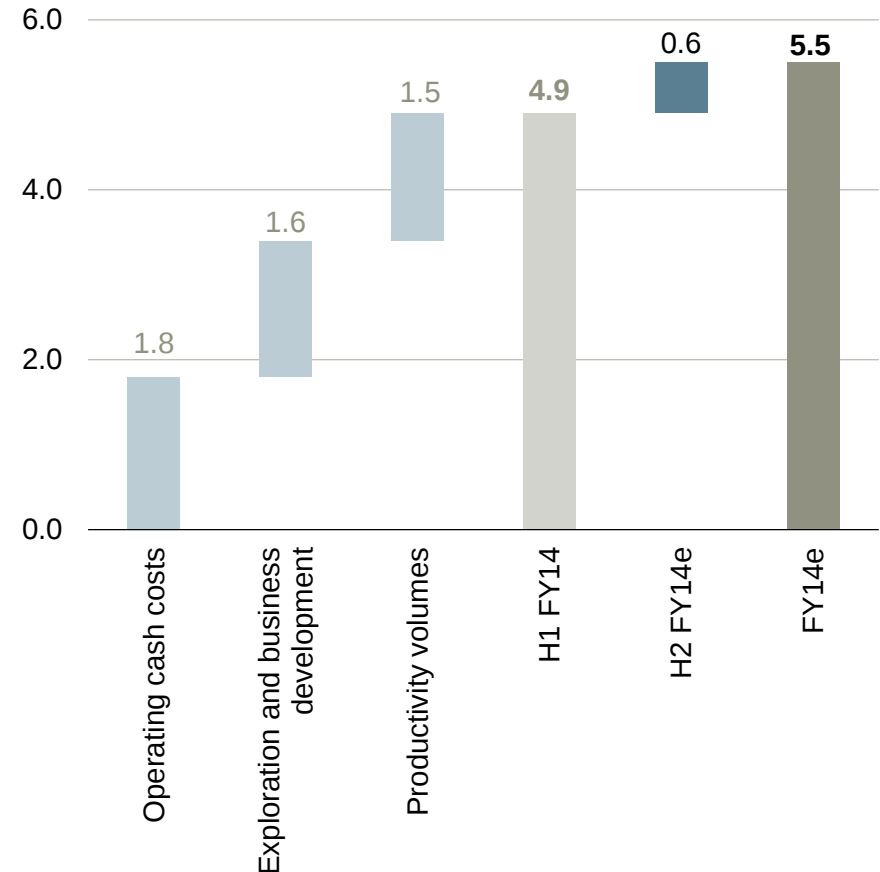


1. Drilling time from rig release to rig release.

Sustainable productivity-led gains are now embedded and there is more to come

- We are changing the way we work and raising our level of performance in a sustainable manner
 - our unique structure, systems and culture will differentiate us
- Ability to benchmark performance across all operations drives healthy competition
- We have embedded US\$4.9 billion¹ of productivity-led gains
 - will increase to US\$5.5 billion this year
 - a solid start with more to come
- We will grow margins even in the absence of higher commodity prices

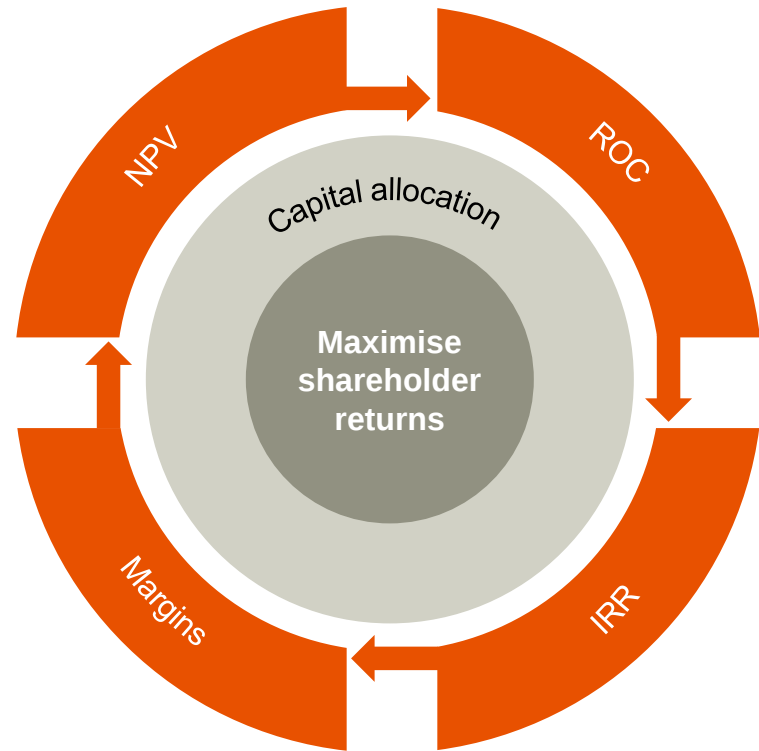
Productivity-led cost and volume efficiencies¹
(US\$ billion)



1. Represents annualised volume and/or cash cost productivity efficiencies embedded within the H1 FY14 result relative to the FY12 baseline.

Selective investment will maximise shareholder value and returns

- Our rigorous process considers all alternatives for capital
 - continued investment in our business
 - portfolio simplification
 - the growth rate of our dividend
 - investment in our own shares
- Our high-quality, diversified portfolio provides us with a unique opportunity to invest selectively through the cycle
- We will strike the right balance, delivering strong and sustainable growth in both capital and shareholder returns



Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
 - greater focus and discipline is enhancing project outcomes
 - average return $>20\%^1$ from a portfolio of high-quality options

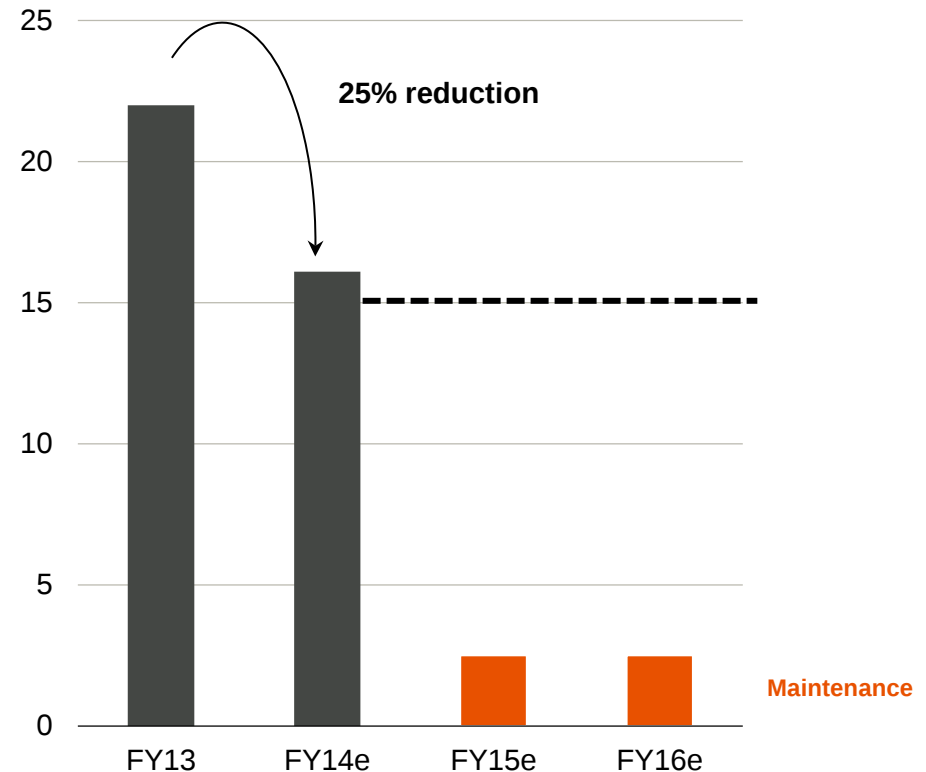


1. Ungeared, post tax, nominal rate of return for our portfolio of major project options.

Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
- US\$2.5 billion of expenditure to maintain asset integrity and our licence to operate
- All other investment is discretionary and must actively compete, including against other forms of capital management

Capital and exploration expenditure¹
(US\$ billion)

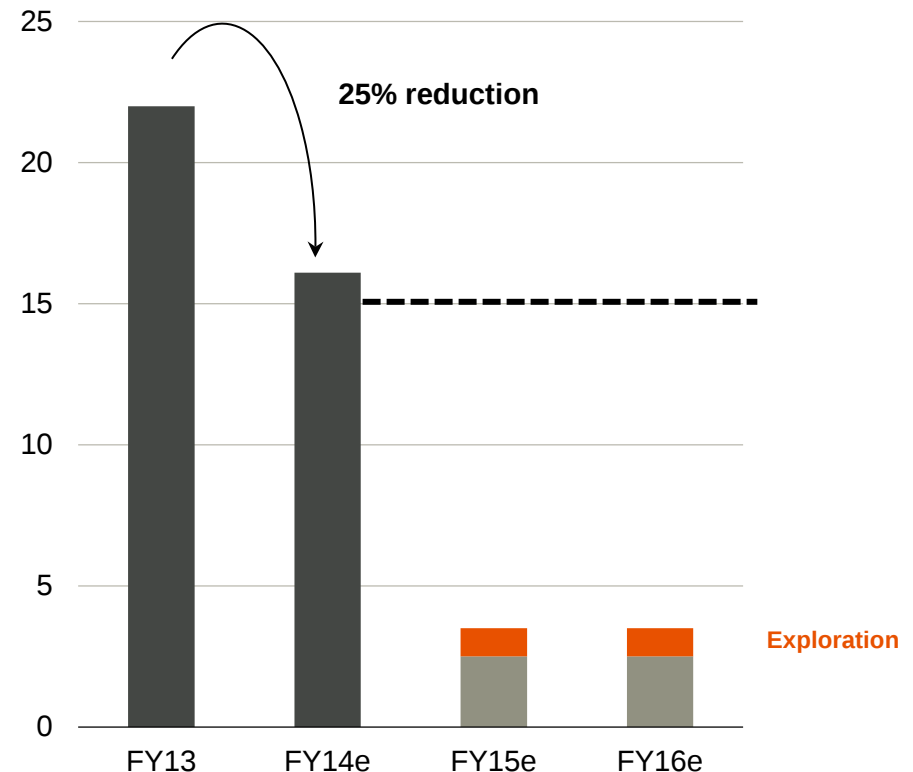


1. Represents the share of capital and exploration expenditure (on an accruals basis) attributable to BHP Billiton shareholders. Includes BHP Billiton proportionate share of equity accounted investments; excludes non-controlling interests and capitalised deferred stripping.

Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
- A targeted exploration program
 - drilling for oil and gas in the Gulf of Mexico, Australia and Trinidad and Tobago
 - greenfield minerals exploration focused on copper targets in Chile and Peru

Capital and exploration expenditure¹
(US\$ billion)

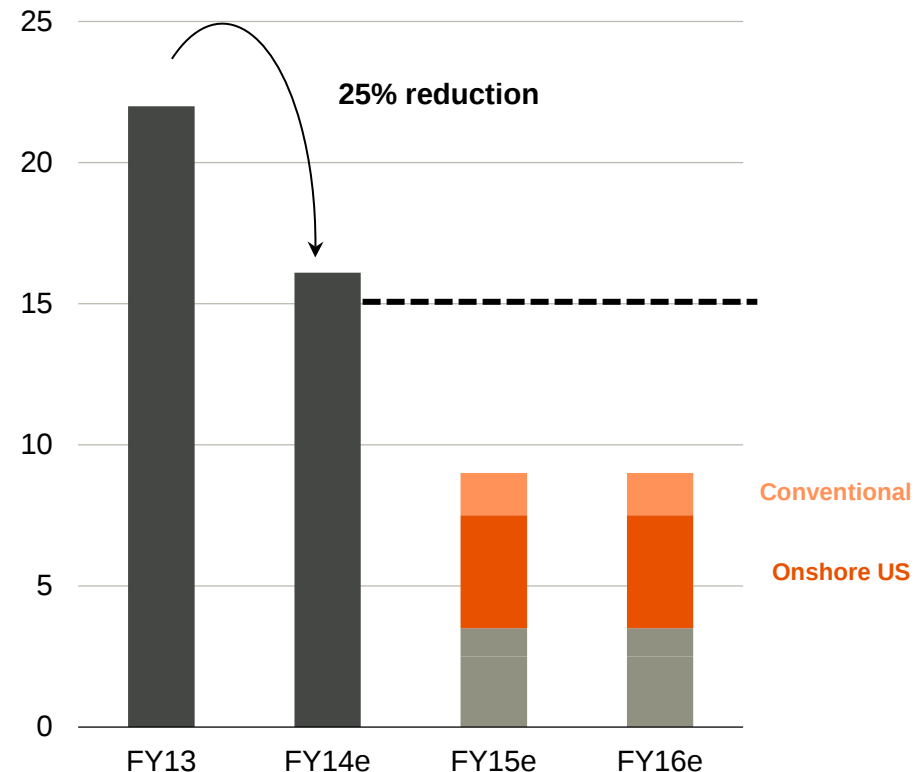


1. Represents the share of capital and exploration expenditure (on an accruals basis) attributable to BHP Billiton shareholders. Includes BHP Billiton proportionate share of equity accounted investments; excludes non-controlling interests and capitalised deferred stripping.

Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
- Investing in our highest-return Petroleum opportunities
 - we have prioritised drilling in the liquids-rich Black Hawk where a 70% rate of return² is achievable
 - infill drilling and extension opportunities in our conventional business where the returns can be even higher

Capital and exploration expenditure¹
(US\$ billion)



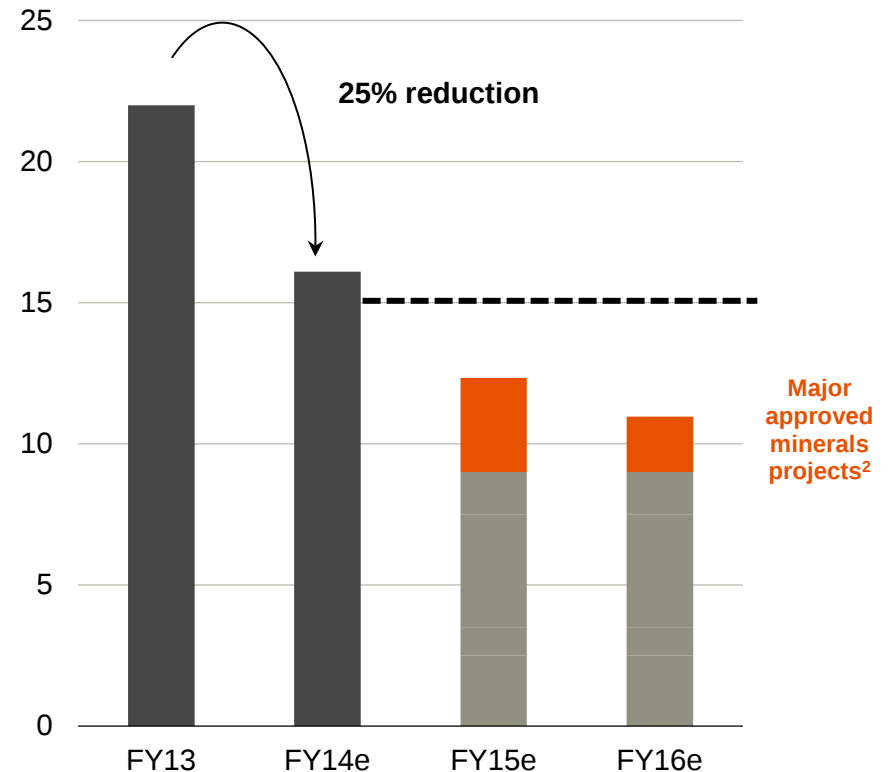
1. Represents the share of capital and exploration expenditure (on an accruals basis) attributable to BHP Billiton shareholders. Includes BHP Billiton proportionate share of equity accounted investments; excludes non-controlling interests and capitalised deferred stripping.

2. Ungeared, post tax, nominal rate of return.

Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
- The rate of expenditure committed to our major projects declines over time

Capital and exploration expenditure¹
(US\$ billion)



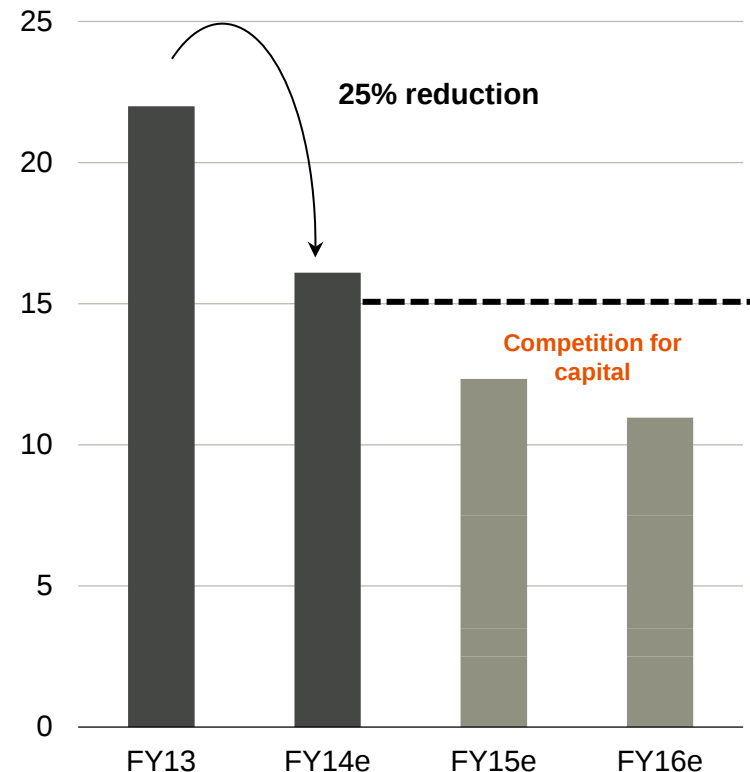
1. Represents the share of capital and exploration expenditure (on an accruals basis) attributable to BHP Billiton shareholders. Includes BHP Billiton proportionate share of equity accounted investments; excludes non-controlling interests and capitalised deferred stripping.

2. Major approved minerals development projects in execution, including approved US\$2.6 billion investment in Jansen.

Selective investment will maximise shareholder value and returns

- Capital expenditure to decline by 25% in FY14 before declining again next year
- By maintaining strict financial discipline we have created intense competition for capital and a cultural shift in behaviour
- We have a high-quality suite of development options, including
 - capital-efficient growth at WAIO to approximately 270 Mtpa
 - the low-risk expansion of Spence in Copper
 - a multi-decade opportunity to develop a fifth pillar in Potash
- Continued improvement in capital productivity may lead to even lower rates of investment

Capital and exploration expenditure¹
(US\$ billion)

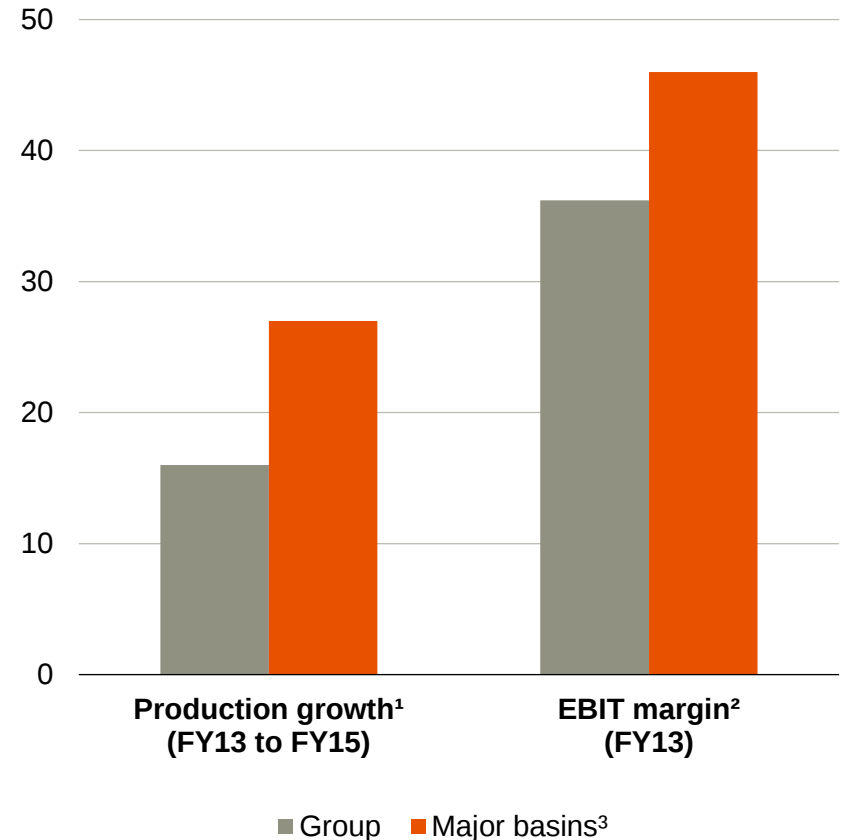


1. Represents the share of capital and exploration expenditure (on an accruals basis) attributable to BHP Billiton shareholders. Includes BHP Billiton proportionate share of equity accounted investments; excludes non-controlling interests and capitalised deferred stripping.

We will continue to simplify our portfolio

- We have been progressively simplifying our portfolio for more than a decade
- Our major iron ore, copper, coal, and petroleum assets demand our focus
 - generate the highest margins and deliver a superior return on incremental investment
- Continued simplification will create an unrivalled portfolio of large, long-life, low-cost and expandable assets diversified by commodity, geography and market
 - a catalyst for accelerated gains in productivity
- We will pursue the path that maximises value for our shareholders

Focus on our major basins (%)



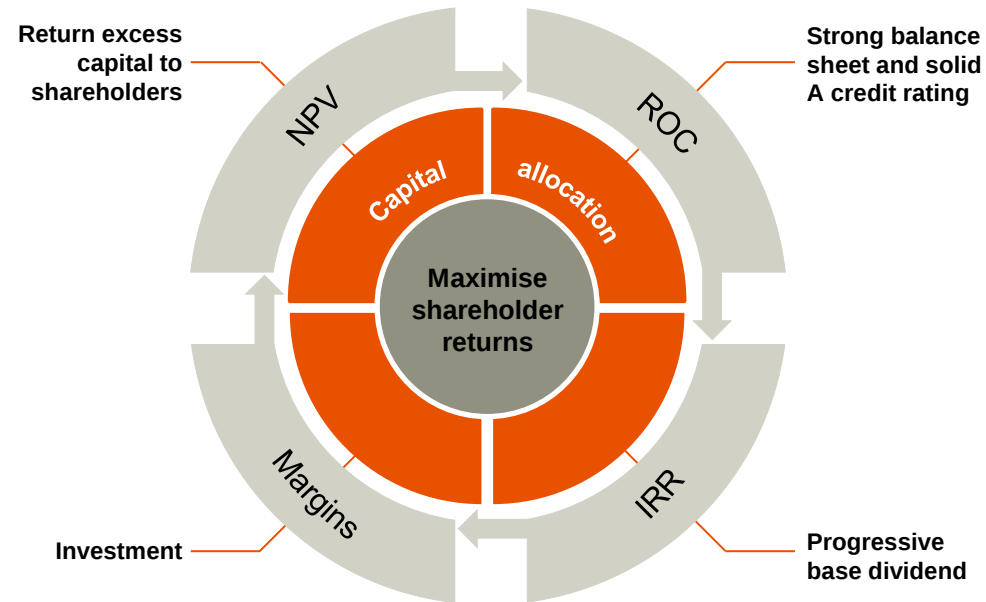
1. Copper equivalent production growth based on FY13 average realised product prices, as disclosed in the 2013 Annual Report.

2. Excludes third party trading activities.

3. Major basins represent WAIO, Queensland Coal, Escondida, Onshore US and Gulf of Mexico.

A strong track record of capital management

- US\$62 billion returned through dividends and buy-backs over the last decade
 - underlying payout ratio of approximately 50%
- Our solid A balance sheet continues to strengthen
- Current annual dividend commitment is comfortably covered by internal cash flow



Growing shareholder value and returns

- Productivity gains will increase to US\$5.5 billion by the end of FY14
- Capital and exploration expenditure expected to decline again in FY15
- Competition for capital has increased the average rate of return for our low-risk, largely brownfield growth options to >20%¹
- We will simplify our portfolio in order to unlock additional value
- Our growing base dividend commitment is comfortably covered by internal cash flow
- We will maintain financial discipline

1. Ungeared, post tax, nominal rate of return for prospective investment in our major project options.



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resourcing the future