

BHP BILLITON LTD
Form 6-K
April 11, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

APRIL 11, 2011

BHP BILLITON LIMITED

(ABN 49 004 028 077)

(Exact name of Registrant as specified in its charter)

BHP BILLITON PLC

(REG. NO. 3196209)

(Exact name of Registrant as specified in its charter)

VICTORIA, AUSTRALIA

(Jurisdiction of incorporation or organisation)

ENGLAND AND WALES

(Jurisdiction of incorporation or organisation)

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180 LONSDALE STREET, MELBOURNE,

VICTORIA

3000 AUSTRALIA

(Address of principal executive offices)

NEATHOUSE PLACE, VICTORIA, LONDON,

UNITED KINGDOM

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BHP Billiton Limited and BHP Billiton Plc

Date: April 11, 2011

By: /s/ Jane McAloon
Name: Jane McAloon
Title: Group Company Secretary

NEWS RELEASE

Release time IMMEDIATE

Date 11 April 2011

Number 12/11

BHP BILLITON SUCCESSFULLY COMPLETES A\$6.0 BILLION (US\$6.3 BILLION) OFF-MARKET BUY-BACK OF BHP BILLITON LIMITED SHARES

BHP Billiton today announced the successful completion of its off-market tender buy-back (Off-Market Buy-Back) of BHP Billiton Limited shares. The final transaction size of A\$6.0 billion (US\$6.3 billion) has enabled BHP Billiton Limited to buy back 147 million shares, which represents 4.4 per cent of the issued share capital of BHP Billiton Limited.

The final price for the Off-Market Buy-Back has been set at A\$40.85 per share, which represents a discount of 14 per cent to the market price of A\$47.4985 per share.¹ The final price has allowed BHP Billiton to purchase a significant amount of BHP Billiton Limited shares at a material discount to the market price. The Off-Market Buy-Back is expected to have a positive impact on BHP Billiton's earnings per share, cash flow per share and return on equity. As a result, the Off-Market Buy-Back is expected to benefit all BHP Billiton shareholders regardless of location, tax status or participation in the Off-Market Buy-Back.

BHP Billiton Group Executive and Chief Financial Officer, Alex Vanselow, said "We are pleased to have successfully completed this transaction, which returns capital to participating investors in an expeditious manner while maximising economic value for all our shareholders. When combined with our ongoing commitment to invest in high quality growth opportunities and our progressive dividend policy, today's announcement further demonstrates the disciplined and predictable manner in which we approach capital deployment."

BHP Billiton has now repurchased US\$7.8 billion worth of BHP Billiton Limited and BHP Billiton Plc shares under the capital management program that was reactivated on 16 November 2010 and expanded to US\$10 billion on 16 February 2011. Subject to market conditions, BHP Billiton expects that the US\$2.2 billion remaining on this program will be completed through further share buy-backs by the end of the 2011 calendar year.

Due to the strong demand for the Off-Market Buy-Back, a scale back of tenders was required. Subject to exclusions due to a minimum price condition, shareholders who tendered their shares at a 14 per cent discount and/or as final price tenders will have a priority allocation of 125 shares bought back before the scale back is applied. As a result of the 78.27 per cent scale back, successful shareholders will have 21.73 per cent of their shares tendered in excess of the priority allocation bought back.

To ensure that registered shareholders with small holdings are not disadvantaged, the scale back was structured so that successful shareholders who tendered all of their shares at a 14 per cent tender discount and/or as a final price tender and who would be left with 50 shares or less as a result of the priority allocation and scale back, will have all of their shares bought back in full.

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For shareholders who have successfully tendered their shares, A\$40.57 of the Off-Market Buy-Back price is treated for Australian tax purposes as a fully franked dividend. For Australian capital gains tax purposes, the deemed capital proceeds are A\$9.31, being the A\$0.28 capital component plus A\$9.03, which is the excess of the tax value over the buy-back price.²

Payments to bank accounts and dispatch of cheques for shares bought back are expected to be completed on Monday, 18 April 2011. Shares that have been tendered into the Off-Market Buy-Back but not bought back are expected to be released to shareholders during Monday, 11 April 2011.

Shareholders who have any enquiries in relation to their tenders may contact the BHP Billiton buy-back enquiry line on 1300 612 584 within Australia, 0800 451 521 within New Zealand or +61 3 9415 4868 if calling from outside of Australia or New Zealand, or visit our website www.bhpbilliton.com.

Refer to the Appendix for a summary of the key results regarding the Off-Market Buy-Back.

Further information on BHP Billiton can be found on our Internet site: www.bhpbilliton.com

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Members of the BHP Billiton group which is headquartered in Australia

¹ The market price of A\$47.4985 is calculated as the volume weighted average price (VWAP) of BHP Billiton Limited ordinary shares over the five trading days up to and including the closing date of 8 April 2011.

² The tax value of A\$49.88 was calculated as A\$46.55 adjusted for the movement in the BHP Billiton Plc closing price on the London Stock Exchange on 21 February 2011 of GBP 23.745 to the BHP Billiton Plc opening price on the London Stock Exchange on 8 April 2011 of GBP 25.445, as indicated by the Australian Taxation Office.

APPENDIX

KEY OFF-MARKET BUY-BACK RESULTS

| | | |
|--|-------|--------------|
| | A\$ | 6.0 billion |
| Size | (US\$ | 6.3 billion) |
| Market price (please refer to footnote 1 on previous page) | A\$ | 47.4985 |
| Buy-back discount | | 14% |
| Buy-back price | \$ | 40.85 |
| Scale back | | 78.27% |
| Number of BHP Billiton Limited shares bought back | | 147 million |
| Percentage of BHP Billiton Limited issued capital | | 4.4% |
| Percentage of BHP Billiton Group issued capital | | 2.7% |
| Capital component | A\$ | 0.28 |
| Additional capital component | A\$ | 9.03 |
| Fully franked dividend component | A\$ | 40.57 |
| Tax value (please refer to footnote 2 on previous page) | \$ | 49.88 |