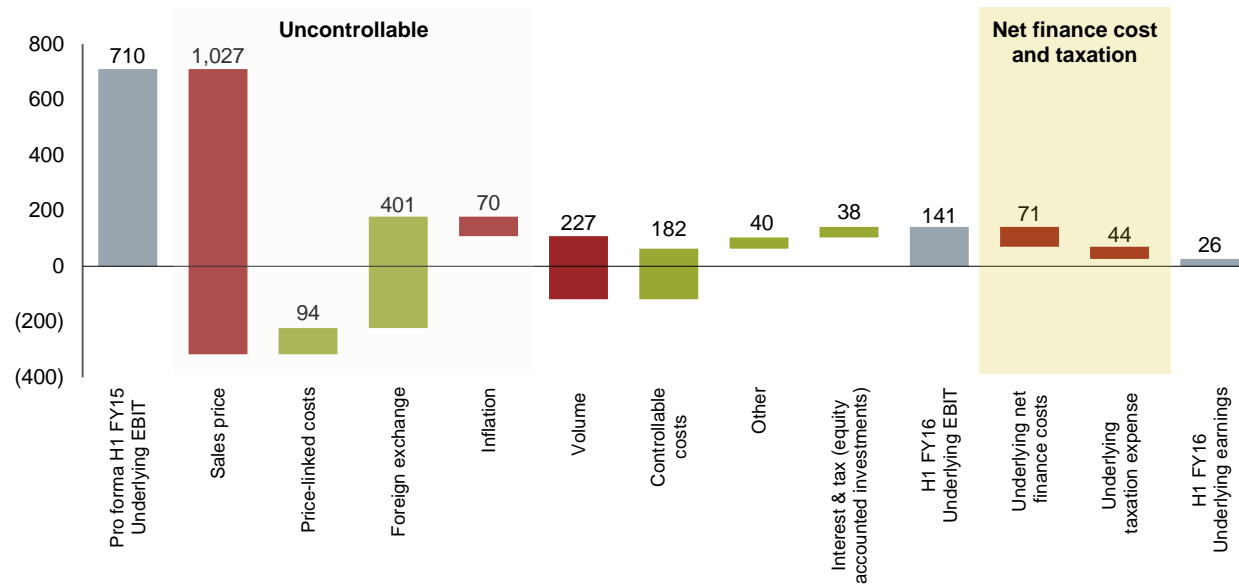


EARNINGS ANALYSIS

The following chart highlights the key factors that have influenced Underlying earnings in H1 FY16, relative to pro forma H1 FY15.

Reconciliation of movements in Underlying earnings (US\$M)^{(15) (a)}



(a) Sales price variance reflects the revenue impact of changes in commodity prices, based on the comparative period's sales volume. Price-linked costs variance reflects the change in royalties together with the change in input costs driven by changes in commodity prices or market traded consumables. Foreign exchange reflects the impact of exchange rate movements on local currency denominated costs and sales. Volume variance reflects the revenue impact of sales volume changes, based on the comparative period's sales prices. Controllable costs variance represents the impact from changes in the Group's controllable local currency cost base, including the variable cost impact of production volume changes on expenditure, and period on period movements in inventories. The controllable cost variance excludes earnings adjustments including significant items.