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FOR IMMEDIATE RELEASE TO THE MARKET

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Participating Organisation of the
Australian Stock Exchange

**BHP Billiton Limited Instalments
Loan Amount Adjustments in respect of BHP Billiton Limited Demerger**

UBS AG Australia Branch ("UBS") is the issuer of the below series of instalment warrants (collectively known as "BHP Instalments" in this announcement) over fully paid ordinary shares of BHP Billiton Limited ("BHP"). Each BHP Instalment has been offered under the corresponding Product Disclosure Statements ("PDS") listed in the table below.

Series	Date of PDS or Master PDS	Date of SPDS or Term Sheet
BHPISI	17 October 2014	17 October 2014
BHPISN	19 May 2011	7 October 2011
BHPISO	19 May 2011	15 May 2012
BHPISQ	19 May 2011	4 June 2014
BHPISZ	16 February 2011	6 February 2015
BHPSS1	23 May 2011	18 June 2014
BHPSS3	23 May 2011	23 May 2014
BHPSS4	23 May 2011	18 June 2014
BHPSSA	25 September 2014	17 October 2014
BHPSSB	2 October 2007	23 April 2008
BHPSSR	2 February 2009	2 February 2009
BHPSSV	2 February 2009	13 June 2014
BHPSSY	2 February 2009	3 June 2014

This announcement concerns adjustments which UBS intends to make to the terms of the BHP Instalments as a result of announcements by BHP concerning the demerger ("BHP Demerger") of South32 Limited ("South32") from BHP. Shareholder approval for the BHP Demerger was granted on 6 May 2015. The BHP Demerger will be effected by way of an in-specie distribution of one South32 fully paid ordinary share for every existing BHP share held by eligible shareholders.

Below is an indicative timeline provided by BHP to assist you with the upcoming events:

Key dates	Event
6 May 2015	Shareholders of BHP and BHP Limited plc approved the BHP Demerger
15 May 2015	Last day of trading of BHP shares cum-distribution
18 May 2015	BHP shares begin trading on an 'ex-distribution' basis South32 shares begin trading on a deferred settlement basis on ASX
20 May 2015	Record date for the distribution of South32 shares
24 May 2015	Distribution date

Full details of the BHP Demerger are set out in the announcements by BHP dated 16 March 2015 (including the BHP Shareholder Circular) and 7 May 2015 (which can be found at www.asx.com.au).

Adjustment to BHP Instalments

Pursuant to clause 19 of the Instalment Deed, UBS intends to adjust the terms of the BHP Instalments as follows:

- (a) South32 shares issued pursuant to the BHP Demerger will not form part of the Underlying Parcel for the BHP Instalments, and UBS will give instructions for the South32 shares issued in respect of the BHP Instalments to be sold on the first day of trading in South32 shares (expected to be 18 May 2015) at the Volume Weighted Average Price ("VWAP") on ASX of South32 shares on that first day of trading; and
- (b) The Loan Amount for the BHP Instalments will be reduced by an amount which reflects the sale proceeds of each South32 share (i.e. expected to be VWAP of South32 shares on their first day of trading) and an Interest Refund based on the reduction of the Loan Amount for the period until the earlier of the Maturity Date or the next Annual Interest Date (as applicable); and
- (c) The Capped Level (where applicable) will be adjusted accordingly.

The Underlying Parcel for the BHP Instalments will not change: it will continue to be one BHP ordinary share.

All amounts are expressed in Australian dollars.

Timing of Adjustment, Suspension and Announcement

Trading in BHP Instalments will be suspended from commencement of trading on 18 May 2015 but will recommence on 19 May 2015 with the new Loan Amounts. To effect the BHP Instalments adjustment, an announcement will be made by UBS after the close of market on the first day South32 shares commence trading (being 18 May 2015) detailing the value of the reduction of the Loan Amounts.

Alternative adjustments

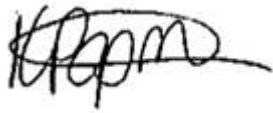
UBS reserves the right to implement adjustments to the BHP Instalments on a basis other than those described above. If UBS decided to make other adjustments it will make an announcement to the ASX before the first ex-entitlement trading day for BHP.

Unless otherwise stated, all terms used in this letter have the same meaning as in the PDS.

If you have any questions regarding the BHP Demerger, please contact your financial adviser or BHP. If you have any questions regarding this announcement please contact your financial adviser or call the UBS Warrant Sales Desk on 1800 633 100.

Yours sincerely,

UBS AG, Australia Branch



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Karen Papanikolaou
Associate Director



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Grant Schwulst
Manager - Equities Settlements

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