

BHP to make record dividend payment after coal recovery lights up its annual earnings

BHP, the world's biggest mining company, is making a record dividend payment to shareholders, after coal prices surged in the wake of [Russia's](#) invasion of [Ukraine](#).

Annual [profit](#) from operations at the FTSE 100 company rose 34% to over \$34 billion, from revenue of \$65 billion, up 14%. Its coal division returned to profit before tax of almost \$9 billion, from a loss of \$577 million a year ago. That offset a drop in profit at BHP's iron ore operations of \$4.6 billion to \$21.7 billion, as wider commodity markets slipped in line with the darkening outlook for the global economy as central banks raise rates to fight inflation.

BHP predicted that conditions in one of the biggest markets for its iron ore would improve, even as the outlook for other destinations for its exports remained less promising.


"We expect [China](#) to emerge as a source of stability for commodity demand in the year ahead, with policy support progressively taking hold," said Mike Henry, chief executive.

"At the same time, we expect to see a slowdown in advanced economies as monetary policy tightens, as well as ongoing geopolitical uncertainty and inflationary pressures. The direct and indirect impacts of Europe's energy crisis are a particular point of concern."

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Shares in BHP rose by over 4% to 2332p in London on Tuesday.